



CITY OF BALLARAT
DRAFT BUDGET
2019/20





MESSAGE FROM THE MAYOR OF BALLARAT

We're proud to present the 2019/20 budget, the third of this Council's four-year term.

This is a budget that provides for the needs of a growing city, while also maintaining our city's assets and the more than 80 services we deliver to our community.

As in the previous two years, the budget is underpinned by the four goals we set out in our Council Plan 2017–2021: Liveability, Prosperity, Sustainability and Accountability.

Prudent financial management over the past two years has improved the City of Ballarat's financial sustainability and this will continue into the future.

Pleasingly, this has enabled us to support several bold projects that respond to Ballarat's present growth and prepare for that which is to come, while continuing to deliver on the services which our ratepayers expect.

Headlining the budget is a commitment of \$15 million over three years towards the Bridge Mall/Bakery Hill precinct, including the Bridge Mall's reopening, to return the precinct to a thriving city centre with a mix of shopping, business, living and entertainment options.

The budget includes \$2 million towards the second stage of Civic Hall works, to provide for the installation of a commercial kitchen, additional power connections, stage lift and on-stage equipment. Together the investment will allow the venue to attract a greater diversity of events.

\$3.5 million has been allocated to the installation of energy efficient LED street lighting over four years.

The Ballarat Central Library will receive \$1.9 million over two years for upgrades including a new state of the art

technology centre and the existing weighbridge's removal to create new parking spaces.

This budget also makes provision for the basics. \$59 million has been allocated to core capital works to cover upgrades to the city's network of roads, drainage, bridges and footpaths and much more. An additional \$500,000 has been budgeted for trees to deliver on council's Urban Forest Strategy to achieve a 40 per cent tree canopy cover across the city by 2040.

We've also increased facilities maintenance by \$1 million over the next two years.

This is a budget which has a view to the long term. From this budget onwards, 30 per cent of council's rate revenue will be dedicated to core capital works.

It also provides for the continued delivery of the frontline community services we pride ourselves on – the upkeep of our many beautiful parks and gardens, exceptional festivals and events, active ageing, and vital family and children's services, supporting the vision we have for Ballarat as a better place for all.

As a council, we are committed to preparing for future growth while at the same time ensuring the qualities that define us as a city, such as our significant heritage, are maintained for residents and future generations.

I'm confident this budget provides the means for us to strike that balance and continue to support the future prosperity of our city.

Cr Samantha McIntosh



MESSAGE FROM THE CEO

This is a budget that is about a bigger, better, and bolder Ballarat.

Over the past decade or more our city has experienced growth at a rate not seen since the gold rush, and projections show this growth continuing well into the future.

This presents us with a challenge and an opportunity. On the one hand we must meet our obligations to prudent financial management and cost-effective service delivery, striving for greater efficiency in the way we deliver these to our community.

We must also continue to provide for the maintenance of more than \$1.7 billion in council assets, including our network of roads, drains and council facilities.

Against that we must make sure we prepare for future growth by supporting key projects that will enable Ballarat to prosper, without compromising the liveability that our residents know and love about our city.

The 2019/20 budget strikes the balance between our stewardship of existing assets, delivery of key services and planning for Ballarat's future.

Key projects such as the \$15 million allocation to reopen the Bridge Mall and reinvigorate the Bakery Hill precinct are aimed at ensuring we achieve this goal.

We've been able to support these projects due to diligent, careful management of our finances over recent years, fulfilling a commitment to do more with less while continuing to efficiently deliver services to our community.

Organisational costs have decreased by eight per cent compared to this Council's original financial plan.

We look forward to continuing to work with our community to deliver on the commitments set out in the 2017–2021 Council Plan.

Justine Linley



BUDGET 2019/20 HIGHLIGHTS

Includes new projects, services, and the upkeep and renewal of assets

LIVEABILITY

Improve the quality of life for our community

\$1.9m

Over two years for Ballarat Central Library upgrade

\$1.1m

Maternal and Child Health

\$2.7m

Library services

\$16m

Sport and Active Living programs

\$469k

Family and Children's Services

PROSPERITY

Advance our economic position as the capital of Western Victoria

\$15m

Over three years to Bridge Mall/ Bakery Hill

\$6.8m

Events, Creative City and Tourism

\$1m

Town Hall ballroom restoration

\$2m

For Civic Hall stage two works

\$3.7m

Urban design and heritage

SUSTAINABILITY

Protect, maintain and enhance our built and natural assets

\$59m

Core Capital program

\$3.5m

Over four years for energy efficient LED lighting

\$500k

For trees towards 40% tree canopy

\$500k

Increase in facilities maintenance

\$13m

Parks and gardens

\$15.2m

Waste services

ACCOUNTABILITY

Provide strong and decisive leadership, and transparent governance

2.5%

Rates capped

\$2.4 m

Safety and risk

\$1.2m

Advocacy and lobbying

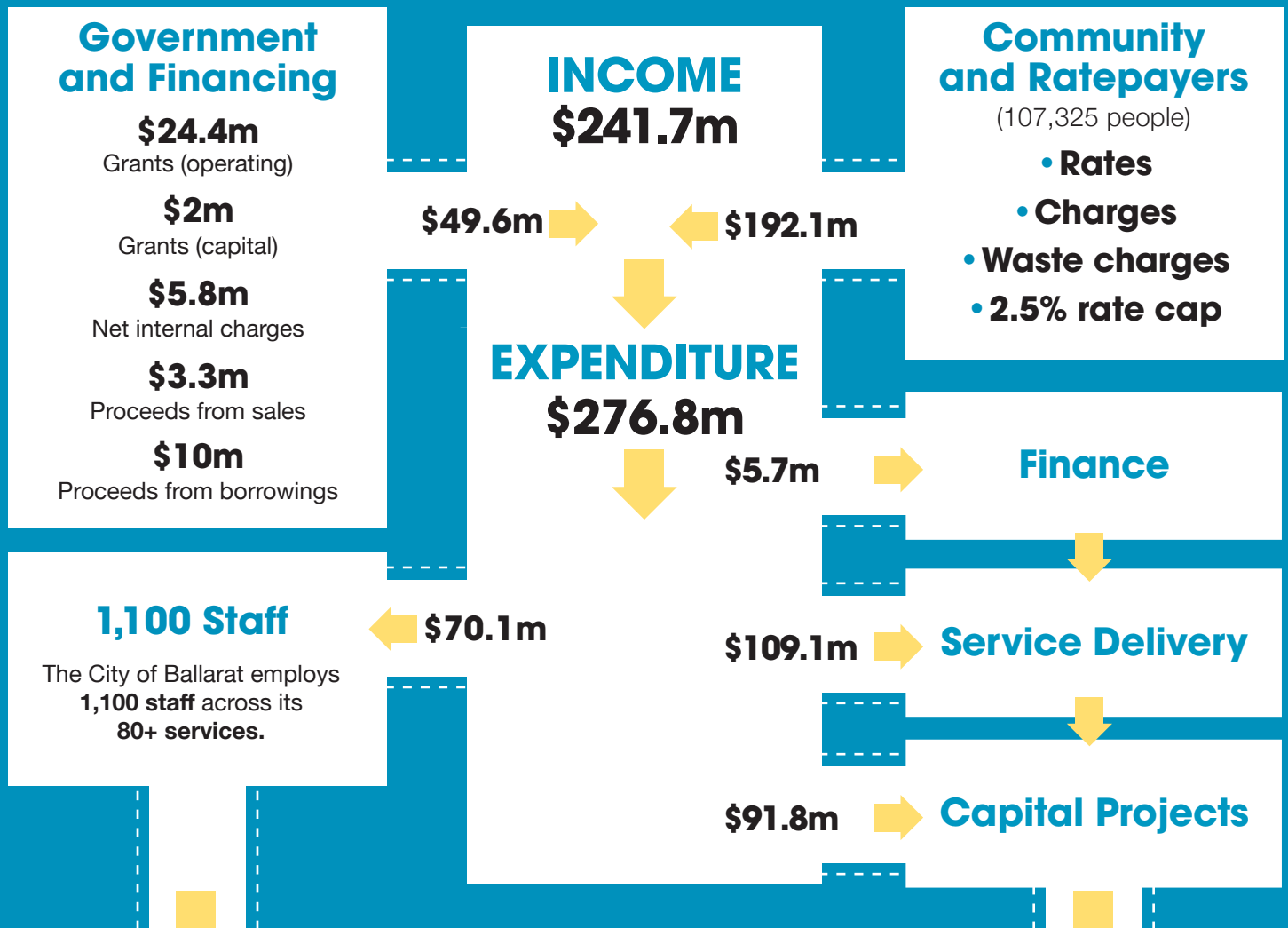
\$10m

No new loans other than loans promised by treasury. Approved by Council in February 2019



2019/20 BUDGET ON A PAGE

A PROUD CITY THAT IS BOLD, VIBRANT AND THRIVING



Enables 80+ services and 120+ projects



LINK TO COUNCIL PLAN

Planning and Accountability Framework

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 City of Ballarat in identifying community needs and aspirations through the Council Plan and Annual Budget, and then holding itself accountable via the Annual Report.

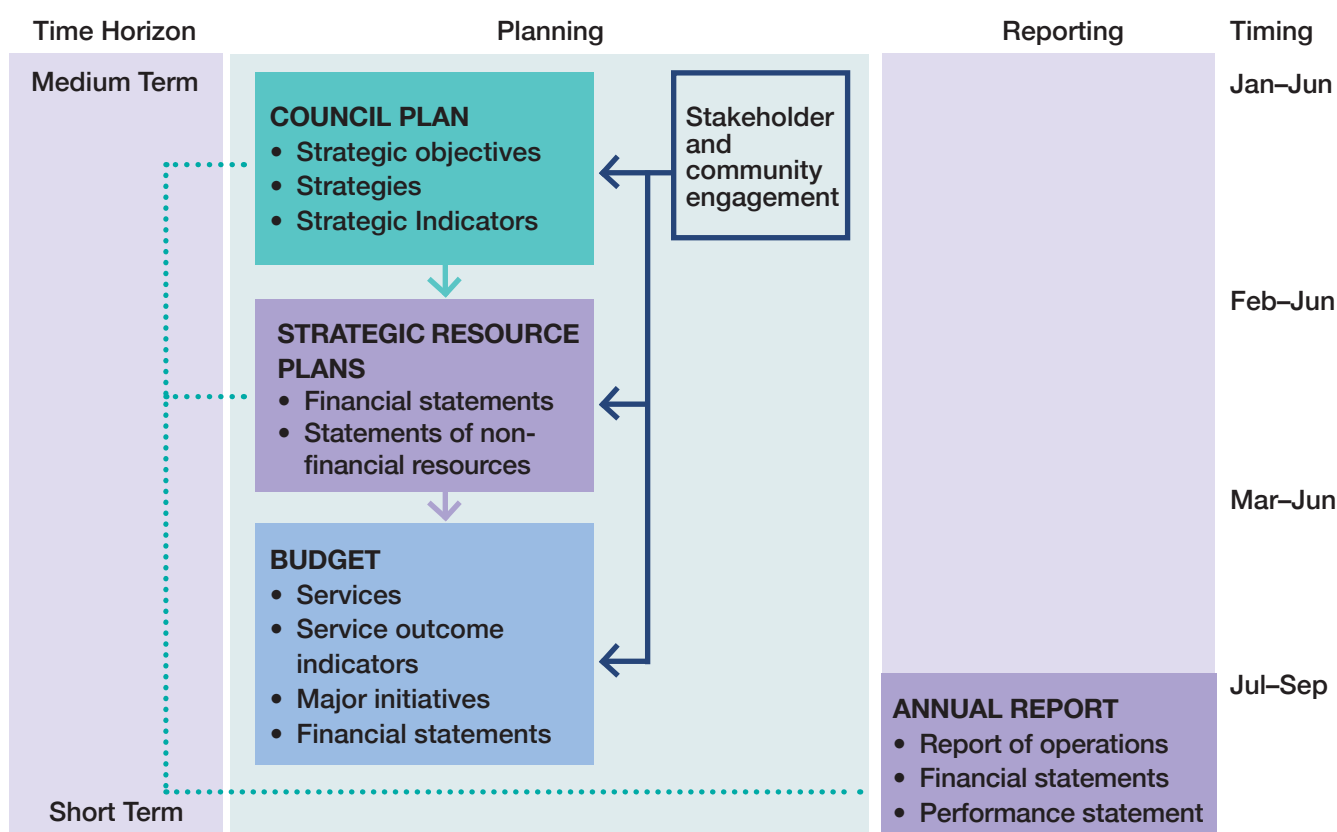
The Annual Budget has been developed within an overall planning framework which guides the City of Ballarat in identifying community needs and aspirations over the long term (Ballarat Strategy), medium term (Council Plan), short-term (Annual Budget), and then holding itself accountable (Audited Statements). 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, considering the objectives and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan.

The diagram below shows 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.

The Council Plan is underpinned by the Ballarat Strategy, which is a plan for our city until 2040, that outlines the community's vision of a greener, more vibrant and connected Ballarat. The Council Plan is an important document that drives everything the City of Ballarat does over a four-year period. It sets the vision, priorities and outcomes for Council's term and it lists how progress will be measured. The plan guides Council's annual budget, which determines the projects, services, events and other initiatives that will be funded and delivered in the upcoming financial year.

Each year, the community has opportunities to have its say on Council's proposed budget. Council is held accountable for its progress on the Council Plan's outcomes through the City of Ballarat's Annual Report. Council's delivery of the Council Plan ultimately contributes to the community's vision highlighted in the Ballarat Strategy.





OUR VISION

A proud city that is bold, vibrant and thriving.

WHAT THIS MEANS

Proud: Our feeling of achievement, gratification and self-respect – and in turn self-worth.

City: Our place, our community and our people.

Bold: We are a brave, courageous, confident, innovative, imaginative and forward-thinking city.

Vibrant: Our city feels energetic, dynamic, and pulsating with life and activity. We are passionate about our place.

Thriving: Our city is flourishing, prosperous, progressive, robust, growing and developing.

OUR MISSION

Working together we create
a better future for our city.

WHAT THIS MEANS

Work together – We are a conduit and are acting collaboratively to build strong relationships and alliances with those who support our belief.

Create – We bring into existence, generate, produce, initiate, develop and shape our city.

Better – We are continually improving and becoming more desirable. We are smart, one step ahead and exceeding as a city.

Future – We achieve our vision with a long-term perspective.

City – Our place, our community and our people.

OUR PURPOSE

We believe in making Ballarat
a better place for all.

WHAT THIS MEANS

Believe – Our fundamental cause, our reason for being and what matters most.

Making – We are actively involved in turn creating a positive and lasting difference for our city.

Ballarat – Our city, our villages, our townships, our community and our people.

Better – We are continually improving and becoming more desirable. We are smart, one step ahead and exceeding as a regional city.

Place – We are proud of our city's beauty, identity, lifestyle and the fact it is a preferred regional destination.

For all – We are inclusive of everyone who lives, works, invests, studies and visits our city.

OUR GOALS

LIVEABILITY

Improve our
community's
quality of life

PROSPERITY

Advance our economic
position as the capital
of Western Victoria

SUSTAINABILITY

Protect, maintain
and enhance our
built and
natural assets

ACCOUNTABILITY

Provide strong and
decisive leadership,
and transparent
governance.

OUR SERVICES

The City of Ballarat delivers more than 80 services to the residents, ratepayers and visitors of municipality. We are committed to ensuring these services are delivered in the most cost-effective and efficient way. The City of Ballarat continues to review its business operations to drive financial and service improvements to ensure we achieve the best outcomes for our local community. In the 2016–2020 City of Ballarat term, all Council services will be reviewed.

Within this document, each of our services is explained in detail, with the costs, revenue, customers and service level presented below. Relevant key service improvements are also detailed. The delivery of these services reflects the four goals set in our Council Plan 2017–2021 - **Liveability, Sustainability, Prosperity and Accountability**.

LIVEABILITY - Improve our community's quality of life.

| LIVEABILITY TOTAL | | |
|-------------------|------------------|----------------|
| 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
| 13,284,356 | 11,780,815 | 13,144,051 |

The City of Ballarat understands the importance of a happy and connected community and is working to ensure Ballarat's quality of life remains a key attraction for locals and increasing numbers of new residents from metropolitan and other regional areas.

We will aim for:

- A welcoming, inclusive, active and socially-connected city for all ages and abilities
- Healthy cultural life and creative expression through multi-arts, culture and heritage
- Well-used public spaces for living, learning and social engagement
- Public sports and recreation facilities to increase passive and active community participation
- Safe and accessible community spaces and facilities
- A community of respect and equality

Progress on the following Liveability Council Plan actions will continue through the 2019/20 Budget:

- Strengthen our city by making Ballarat a people and all age friendly city

Increase community participation through the implementation of the Social Infrastructure Program including projects at:

- Ballarat North Community Hub
- Brown Hill Community Hall
- Sebastopol Community Hub
- Miners Rest Community and Sports Facility
- Lucas Community Hub Girrabanya Integrated Community Hub projects

Use community partnerships to create healthy and safe community places, and open spaces for passive recreation including:

- A district level park and inclusive play space at MR Power Park in Sebastopol
- An open space physical activity hub at Mount Pleasant Reserve
- A health and wellbeing precinct at the Wendouree Recreation Reserve

Develop the social capacity of our senior residents

Develop a learning city by delivering targeted programs and projects including:

- Development of the Library Community Hub of the Future in the Ballarat CBD
- Preparation of a feasibility study for the Wendouree Library and Community Hub
- Participation in the Intercultural Cities program
- Bridging the digital divide
- Youth Entrepreneur programs
- Improve community safety through initiatives such as urban design, public awareness and projects such as CCTV

Create a new Municipal Health and Wellbeing Plan and implement key actions including:

- Develop a regional health charter in partnership with other local LGAs
- Create a Social Policy Framework that articulates Council's position on key social issues
- Implement a Council Food Policy

Increase participation across all genders and sporting codes by continuing investment in the city's recreational assets such as:

- Mars Stadium Stage 2
- City Oval redevelopment
- Eastern Oval Stage 2 redevelopment
- Ballarat Sports and Events Centre completion
- White Flat Recreation Reserve Master Plan and developing the reserve as Ballarat's home of women's football
- Wendouree West Recreation Reserve Master Plan including Forest Rangers Soccer Club soccer pitch and lighting upgrade

Plan for future growth including:

- Delivering sport and active living outcomes in Ballarat West

Plan for sport participation over coming decades by reviewing the following strategies:

- Ballarat Recreation and Active Living Strategy
- Active Women's and Girls Strategy
- Play Space Strategy

- Ballarat Regional Tennis Strategy
- Ballarat Criterion Cycling Project
- Protect, recognise and promote indigenous culture, heritage and place
- Create opportunities for young people to participate in decision making
- Provide positive leadership to promote Ballarat as a Child Friendly City
- Commitment to seek input from children in the decisions that will impact them as future citizens
- Providing high quality information to assist families to access services and support within their local community
- Follow a primary prevention approach to prevent violence against women and children as outlined in the Communities of Respect and Equality 2016-2020 plan, of which Council is a signatory

Develop the capacity of our youth through a Positive Youth Development model



LIVEABILITY - SERVICES EXPLAINED

ACCESS AND INCLUSION

Service description

The City of Ballarat currently delivers programs in Rural Access and Deaf Access with funding from the Department of Health and Human Services. These programs seek to advocate for and support people with disabilities to fully participate in public life. The programs have played a key role in flagship access and inclusion projects such as the Inclusive Play Space at Victoria Park. A key component of the service delivery in this area relates to implementation of City of Ballarat's Access and Inclusion Plan and coordination of the City of Ballarat Disability Advisory Committee.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-----------------------------|------------------|------------------|----------------|
| Access and Inclusion | 1,191,604 | 650,982 | 469,446 |
| Expense | 1,196,604 | 969,438 | 474,446 |
| Income | -5,000 | -318,456 | -5,000 |

REGIONAL ASSESSMENT SERVICE (RAS)

Service description

RAS is a clinical service as part of the My Aged Care national system for Older Persons. RAS staff determine, in consultation with residents, what service provision they need, both internally and externally provided, to remain living in the community safely and independently.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-------------------|----------------|------------------|----------------|
| Assessment | -47,844 | -462,997 | 72,422 |
| Expense | 900,398 | 674,140 | 1,115,173 |
| Income | -948,242 | -1,137,137 | -1,042,751 |

BEST START

Service description

Ballarat Best Start program is a fully funded program supported by the State Government Department of Education and Training. This program is a prevention and early intervention program that aims to improve the health, development, learning and wellbeing of all children living within Ballarat from conception to transition to school.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-------------------|----------------|------------------|----------------|
| Best Start | 27,736 | 10,755 | -17,354 |
| Expense | 153,150 | 138,431 | 111,195 |
| Income | -125,414 | -127,676 | -128,549 |

CHILDCARE CENTRES

Service description

This service includes Girrabanya Children's Centre (long-day childcare and kindergarten), Wendouree Children's Service (long-day childcare), and Occasional Childcare.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|---------------------------|----------------|------------------|----------------|
| Child Care Centres | 118,130 | 361,968 | 292,401 |
| Expense | 2,994,790 | 2,805,476 | 2,746,401 |
| Income | -2,876,660 | -2,443,508 | -2,454,000 |

COMMUNITY DEVELOPMENT

Service description

Community Development seeks to enhance opportunities for people to play an active role in community life and local decision-making. It also seeks to provide and facilitate key social and community-based initiatives that improve personal, physical and mental health of residents of all ages.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|------------------------------|------------------|------------------|------------------|
| Community Development | 1,178,290 | 1,561,936 | 1,527,262 |
| Expense | 1,178,290 | 1,599,968 | 1,549,702 |
| Income | 0 | -38,032 | -22,440 |

LIVEABILITY - SERVICES EXPLAINED

COMMUNITY SAFETY

Service description

Community Safety provides leadership for the City of Ballarat in the areas of Health and Wellbeing, Social Policy and Community Safety. The team plays a representative role across the health and wellbeing sector working in partnership on a range of programs and initiatives. Key areas of this service include the analysis of data and evidence in program and policy formation, program scoping and bid writing, monitoring and evaluation of initiatives as well as the development and monitoring of the City of Ballarat's Municipal Public Health and Wellbeing Plan.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-------------------------|----------------|------------------|----------------|
| Community Safety | 192,472 | -24,916 | 194,101 |
| Expense | 192,472 | 220,244 | 194,101 |
| Income | 0 | -245,160 | 0 |

CULTURAL DIVERSITY

Service description

Cultural Diversity supports diversity within the City of Ballarat and the community and provides direction for Council through a number of initiatives and programs including the implementation of the Intercultural City Strategic Plan 2017–2021 and Reconciliation Action Plan, the Ballarat Multicultural Ambassador Program and supporting Ballarat Regional Settlement and Advocacy Committee and the City of Ballarat. To achieve the objectives of the Council Plan, there is potential this program may involve international travel.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|---------------------------|----------------|------------------|----------------|
| Cultural Diversity | 367,832 | 386,748 | 298,355 |
| Expense | 513,714 | 437,930 | 443,855 |
| Income | -145,882 | -51,182 | -145,500 |



LIVEABILITY - SERVICES EXPLAINED

CUSTOMER SERVICE

Service description

Customer Service seeks to assist community members, residents, ratepayers and visitors to engage with all City of Ballarat services. Customer Service provides a support service for all staff across the organisation through first point of external customer contact, including acting as a referral service to other organisations.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-------------------------|------------------|------------------|------------------|
| Customer Service | 1,044,022 | 1,007,033 | 1,005,026 |
| Expense | 1,162,574 | 1,151,160 | 1,153,841 |
| Income | -118,552 | -144,127 | -148,815 |

EMERGENCY MANAGEMENT

Service description

Emergency Management provides support and recovery assistance to those affected by emergencies in the community. As part of the process, significant local risk management and emergency planning is undertaken in partnership with a number of emergency related organisations to ensure that Ballarat and surrounding communities are well prepared for an all-hazards approach to emergency management.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|--|----------------|------------------|----------------|
| Emergency Management and Recovery | 154,110 | 264,200 | 222,129 |
| Expense | 323,857 | 324,200 | 282,129 |
| Income | -169,747 | -60,000 | -60,000 |

FAMILY AND CHILDREN'S SERVICES

Service description

Family and Children's Services is responsible for provision, delivery and coordination of universal and targeted services to families and children in the Ballarat community. The strategic framework for this program is outlined in the Municipal Early Years Plan with governance via working groups.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|--|----------------|------------------|----------------|
| Family and Children's Services Programs | 561,114 | 344,422 | 469,737 |
| Expense | 561,614 | 371,222 | 477,937 |
| Income | -500 | -26,800 | -8,200 |

FAMILY DAY CARE

Service description

Family Day Care is an Australian Government approved childcare service. It is home-based care, with a ratio of one early childhood educator to four preschool-aged children, and up to seven children in total. It offers family care - that is, siblings are cared for together, and care for school-aged children until the end of primary school and beyond in special circumstances.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|------------------------|-----------------|------------------|----------------|
| Family Day Care | -571,110 | 116,834 | 58,487 |
| Expense | 2,614,480 | 2,659,943 | 2,584,137 |
| Income | -3,185,590 | -2,543,109 | -2,525,650 |

FIRE PREVENTION

Service description

The Fire Prevention Team provides education, advice and prevention activities to better prepare the community. This service seeks to improve fire prevention across the city through awareness, education and the issuing of fire prevention notices. Identify City of Ballarat-managed land that may require fire mitigation works through fuel reduction burning or mechanical methods.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|------------------------|----------------|------------------|----------------|
| Fire Prevention | 152,417 | 149,209 | 154,220 |
| Expense | 208,517 | 205,830 | 214,220 |
| Income | -56,100 | -56,621 | -60,000 |

LIVEABILITY - SERVICES EXPLAINED

HOME SUPPORT PROGRAM

Service description

The Commonwealth Home Support Program is a multi-activity service for eligible residents 65 years and over funded through a contract with the Federal Government. The purpose of all activities is to keep older people as safe and independent as possible in their own homes and currently supports 2,868 residents annually.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-----------------------------|------------------|------------------|------------------|
| Home Support Program | 1,203,651 | 1,317,847 | 1,233,851 |
| Expense | 4,297,469 | 4,594,649 | 5,912,952 |
| Income | -3,093,818 | -3,276,802 | -4,679,101 |

IMMUNISATION

Service description

Provision of government-funded whole of life immunisation program as outlined in National Immunisation Program (NIP) schedule. Vaccines are provided by Department of Health and Human Services and administered by the City of Ballarat. It also includes the contract provision of NIP immunisation service provision to Golden Plains Shire and of commercial work-site flu vaccination clinics to interested parties.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|---------------------|----------------|------------------|----------------|
| Immunisation | 291,170 | 201,441 | 156,898 |
| Expense | 507,337 | 336,641 | 294,865 |
| Income | -216,167 | -135,200 | -137,967 |

LIBRARY SERVICES

Service description

There are three static public libraries located at Ballarat, Wendouree and Sebastopol. The City of Ballarat also provides library services to areas such as Delacombe, Miners Rest, Warrenheip, Learmonth and Ballarat East via two library outreach vehicles.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-------------------------|------------------|------------------|------------------|
| Library Services | 2,650,927 | 2,626,518 | 2,675,145 |
| Expense | 4,441,534 | 4,377,235 | 4,431,100 |
| Income | -1,790,607 | -1,750,717 | -1,755,955 |



LIVEABILITY - SERVICES EXPLAINED

MAJOR SPORTS FACILITIES

Service description

The City of Ballarat manages and operates a number of significant regional and state level sporting facilities. Each of these facilities provide both entertainment and participation benefits for the Ballarat community and the broader region. Each of the facilities is unique in its nature, however several programs that operate at Ballarat Aquatic and Lifestyle Centre are also provided through commercial operators.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|--------------------------------|------------------|------------------|------------------|
| Major Sports Facilities | 1,479,755 | 1,300,883 | 1,354,685 |
| Expense | 6,633,990 | 7,045,806 | 7,169,987 |
| Income | -5,154,235 | -5,744,923 | -5,815,302 |

MATERNAL AND CHILD HEALTH (MCH)

Service description

Maternal and Child Health nurses undertake comprehensive assessments to review children's health, growth and development. Additionally, the City of Ballarat provides an Enhanced MCH service as an extension of the MCH program providing short term, flexible and intensive interventions where children 0-3 years are identified as 'at-risk' of adverse outcomes, and there is a presence of multiple family risk factors. The focus of the program is on strengthening parenting/ carer capacity and to improve family wellbeing outcomes.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|----------------------------------|------------------|------------------|------------------|
| Maternal and Child Health | 1,276,432 | 705,837 | 1,083,686 |
| Expense | 2,336,224 | 2,069,823 | 2,432,507 |
| Income | -1,059,792 | -1,363,986 | -1,348,821 |

MEALS ON WHEELS

Service description

Meals on Wheels, along with other Home and Community Care services, aims to assist the elderly and those with disabilities to remain living independently for as long as possible. Meals are provided on an on-going basis for people, who for various reasons, are unable to prepare food for themselves. This vital nutritional supplement to their diet is complemented by the monitoring and social welfare component of the service.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|------------------------|----------------|------------------|----------------|
| Meals on Wheels | 10,419 | -51,023 | 6,449 |
| Expense | 794,443 | 675,014 | 834,269 |
| Income | -784,024 | -726,037 | -827,820 |



LIVEABILITY - SERVICES EXPLAINED

PARENT PLACE

Service description

Parent Place is a free drop-in centre for parents and carers. Located in the CBD, Parent Place has change and feeding facilities in a toy-filled, friendly environment. The team at Parent Place (run by an educator with support from an energetic and passionate group of volunteers) provide general support and information about a range of Family and Children's Services, including childcare, kindergarten, playgroup, family day care, immunisation, Maternal and Child Health nurses and breastfeeding support.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|---------------------|----------------|------------------|----------------|
| Parent Place | 81,870 | 62,118 | 78,899 |
| Expense | 81,870 | 62,118 | 78,899 |

POSITIVE AGEING

Service description

The Positive Ageing service continues to advocate for and support seniors in our community. Key current projects include the award winning Memory Atlas project, and planning for age-friendly spaces within place-based master plans. The City of Ballarat currently assists seven Senior Citizens Centres to operate across the city and meets with the Ballarat Seniors Citizens Association.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|------------------------|----------------|------------------|----------------|
| Positive Ageing | 70,000 | 125,243 | 65,000 |
| Expense | 75,000 | 138,243 | 70,000 |
| Income | -5,000 | -13,000 | -5,000 |

SOCIAL RESEARCH AND PLANNING

Service description

This service researches and plans for Health and Wellbeing, Social Policy and Community Safety. This includes the analysis of data and evidence in program and policy formation, program scoping and bid writing, monitoring and evaluation of initiatives. Also see Community Safety.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-------------------------------------|----------------|------------------|----------------|
| Social Research and Planning | 290,804 | 334,398 | 290,820 |
| Expense | 290,804 | 360,398 | 320,820 |
| Income | 0 | -26,000 | -30,000 |

SUPPORTED PLAYGROUPS

Service description

Supported Playgroups are funded through the State Government Department of Education and Training. The program aims to achieve improved outcomes to disadvantaged children to improve learning, development and wellbeing outcomes through improved parent-child interaction.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-----------------------------|----------------|------------------|----------------|
| Supported Playgroups | 160,516 | -30,986 | 8,042 |
| Expense | 441,016 | 252,701 | 290,337 |
| Income | -280,500 | -283,687 | -282,295 |

YOUTH SERVICES

Service description

Youth Services deliver a range of programs supporting youth development, leadership opportunities, gender equity and safe behaviours.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-----------------------------|----------------|------------------|----------------|
| Supported Playgroups | 160,516 | -30,986 | 8,042 |
| Expense | 441,016 | 252,701 | 290,337 |
| Income | -280,500 | -283,687 | -282,295 |

PROSPERITY – Advance our economic position as the capital of Western Victoria.

| PROSPERITY TOTAL | | |
|------------------|------------------|----------------|
| 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
| 16,893,196 | 11,779,492 | 17,498,354 |

Ballarat is open for business and we are committed to advancing our economic position as the capital of Western Victoria, which means continuing to drive jobs and investment across the region.

The City of Ballarat has a clear strategy to deliver both major and community projects, and will form project teams to ensure their delivery is both efficient and effective.

The City of Ballarat also has strong plans in place to advocate for Victorian and Australian Government funding, considering challenges such as rate-capping and cost shifting.

We will aim for:

- Revitalised CBD and neighbourhood centres
- Planned population growth
- Increased investment and visitation
- A vibrant city that is proud of its identity
- Regional leadership in innovation, research and creative industries

Progress on the following Prosperity Council Plan actions will continue through the 2019/20 Budget:

- Be open for business in all areas of our operations
- Complete Civic Hall Stage 2
- Market the unique character and identity of Ballarat to drive investment
- Implement the Ballarat Economic Program to facilitate investment and Ballarat jobs
- Generate CBD jobs by:
 - Advocating for 1,000 jobs at the Civic Hall Precinct
 - Developing and implementing the Bakery Hill Master Plan and driving renewal of key sites
 - Advocating for the Ballarat Station Precinct development including upgraded bus interchange
 - Implementing the Creative City Strategy and master plan
 - Implementing the Art Gallery of Ballarat Strategic Plan to engage audiences
 - Implementing the 10 Events Strategy and facilitate new regional and state significant events and festivals

- Implementing headline actions from the Ballarat Strategy including:
 - Urban Forest Strategy
 - Growth Area Plan
 - 10 Minute City (Cycling Action Plan)
 - Lake Wendouree master plan including lighting around the lake
 - Complete township plans for Miners Rest, Buninyong and Warrenheip
- Advance major projects including:
 - Ballarat West Employment Zone future stages
 - Ballarat Freight Hub
 - Ballarat Innovation Centre
 - Waste to Energy Facility
 - Ballarat Airport Upgrades and Emergency Services Innovation Hub
 - Latrobe Street renewal (current Ballarat Saleyards site)
 - Her Majesty's Ballarat redevelopment
 - Ballarat Fernery redevelopment
 - Implementing the Victoria Park master plan
- Strengthen global partnerships and cultural relationships to create investment and job opportunities
- Implement the Heritage Plan using the Historic Urban Landscape (HUL) approach, including verandah restoration, A-Hall restoration and upper level reuse projects
- Attract funding from the City Deals and Smart Cities programs
- Develop Ballarat as a leader in adaptive businesses capability, innovative manufacturing, arts and tourism
- Develop Ballarat as a leader in digital transformation and ICT

PROSPERITY - SERVICES EXPLAINED

ARTS AND CULTURE

Service description

Arts and Culture supports community access to quality arts and cultural activities through facilitation and engagement programs.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-------------------------|----------------|------------------|----------------|
| Arts and Culture | 767,391 | 633,391 | 614,991 |
| Expense | 767,391 | 733,391 | 614,991 |
| Income | 0 | -100,000 | 0 |

ECONOMIC DEVELOPMENT

Service description

Economic Development is focused on supporting existing businesses, attracting jobs and investment to Ballarat, and supporting a pro-business environment for Ballarat. To achieve the directive of the Council Plan, there is potential that this program may involve international travel.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-----------------------------|------------------|------------------|------------------|
| Economic Development | 1,625,048 | 1,773,048 | 1,816,782 |
| Expense | 1,625,048 | 1,770,103 | 1,816,782 |
| Income | 0 | 2,945 | 0 |

FESTIVALS AND EVENTS

Service description

Festivals and Events delivers and supports a wide range of small and large civic, tourism, and community events and festivals. The events supported and delivered are selected based on the beneficial social outcomes that can be derived for the Ballarat community, as well as having a focus on the tourism and economic impact for the region. Events include ANZAC Day, Christmas, Australia Day, Ballarat Begonia Festival, White Night, Ballarat Winter Festival, and Ballarat Heritage Weekend.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-----------------------------|------------------|------------------|------------------|
| Festivals and Events | 3,283,098 | 3,390,150 | 3,411,254 |
| Expense | 3,330,098 | 3,603,511 | 3,444,532 |
| Income | -47,000 | -213,361 | -33,278 |

PROJECT MANAGEMENT OFFICE

Service description

The Project Management Office provides organisation-wide support and plans for, partners in and delivers projects that achieve a sustainable commercial and industrial development, as well as key infrastructure projects that provide a high quality of life for a growing population.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|----------------------------------|----------------|-------------------|----------------|
| Project Management Office | 419,624 | -4,438,558 | 441,894 |
| Expense | 1,109,994 | 1,109,994 | 1,258,285 |
| Income | -690,370 | -5,548,552 | -816,391 |

MAJOR VENUES

Service description

Provision of major venues owned and managed by the City of Ballarat including Civic Hall, Ballarat Mining Exchange, Her Majesty's Ballarat, Art Gallery of Ballarat and the Eureka Centre – Home of the Eureka Flag (working name).

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|---------------------|------------------|------------------|------------------|
| Major Venues | 3,769,057 | 3,670,865 | 4,242,233 |
| Expense | 5,491,542 | 5,442,011 | 5,833,156 |
| Income | -1,722,485 | -1,771,146 | -1,590,923 |

PROSPERITY - SERVICES EXPLAINED

STATUTORY PLANNING

Service description

Statutory Planning plays a key role in implementing the strategic land use direction set out in the Council Plan and Municipal Strategic Statement.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|---------------------------|----------------|------------------|----------------|
| Statutory Planning | 793,906 | 515,524 | 476,501 |
| Expense | 1,791,136 | 1,952,636 | 1,911,755 |
| Income | -997,230 | -1,437,112 | -1,435,254 |

STRATEGIC PLANNING, URBAN DESIGN, AND HERITAGE

Service description

Strategic Planning manages the Ballarat Planning Scheme and undertakes strategic land use planning to support growth and prosperity in the municipality. Urban Design provides statutory referral services for statutory planning applications related to vegetation matters, open space planning, urban design, landscaping design, sustainable and active transport, and other related elements. Heritage provides statutory referral services for planning applications, coordinates the heritage grants program, provides advice to the community on heritage matters, advocates for restoration opportunities, coordinates Ballarat's international historic city collaboration and partnerships with UNESCO and the World League of Historical Cities and the implementation of the Heritage Plan. To achieve the directive of the Council Plan, there is potential this program may involve international travel.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|---------------------------|------------------|------------------|------------------|
| Strategic Planning | 3,513,497 | 3,513,497 | 3,715,972 |
| Expense | 3,513,497 | 3,780,497 | 3,715,972 |
| Income | 0 | -267,000 | 0 |

TOURISM

Service description

The City of Ballarat provides significant funding to support the Ballarat tourism industry, identified as an emerging sector in the Ballarat economy. This funding is provided to Visit Ballarat to deliver marketing, product development, industry development and research. Delivery of our highly successful festivals and events program, the Tourism Events Grant Program and film industry support are accounted for under the 'Festivals and Events' part of this budget.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|----------------|------------------|------------------|------------------|
| Tourism | 2,721,575 | 2,721,575 | 2,778,728 |
| Expense | 2,721,575 | 2,721,575 | 2,778,728 |





SUSTAINABILITY – Protect, maintain and enhance our built and natural assets.

| SUSTAINABILITY TOTAL | | |
|----------------------|------------------|----------------|
| 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
| 28,378,462 | 32,212,105 | 40,662,391 |

Our key sustainability focus is to protect, maintain and enhance our built and natural assets, and improve connectivity. We are continuing to work towards leading the state with an economical and innovative integrated waste management system by 2020.

To do this we must solve the city's waste challenges, including reducing waste to landfill, creating jobs, and driving economic development.

We will aim for:

- Supported growth in a structured way
- An environment reflective of our community's needs
- An improved natural environment
- Sustainable waste management
- Reduced environmental impact
- Getting people and goods moving efficiently

Progress on the following Sustainability Council Plan actions will continue through the 2019/20 Budget:

- Complete and deliver the Ballarat Integrated Transport Action Plan
- Complete the Ballarat Link Road to the Glenelg Highway
- Deliver enhanced flood protection for Ballarat

- Deliver headline actions from the Ballarat Strategy, including:
 - Integrated waste management
 - A waste to energy facility
 - Ballarat Integrated Water Management Plan
 - Renewable Energy Action Plan initiatives
 - Beautification of entrances and boulevards
- Deliver a sustainable approach to environmental management for Ballarat by working with community stakeholders
- Develop and implement climate change adaptation initiatives with targets for emissions reductions
- Develop a state-of-the-art animal shelter for Ballarat and the surrounding region
- Increase the level of government funding for maintaining core assets such as roads, bridges and drainage
- Facilitate a sustainable outcome for the relocation of the Ballarat Agricultural and Pastoral Society
- Develop a waterway enhancement program in conjunction with catchment management and water authorities
- Advocate for improvements and investment in sustainable transport including rail and electric vehicles

SUSTAINABILITY - SERVICES EXPLAINED

ANIMAL CONTROL

Service description

Animal Management is a mandatory function of Council and is guided under the Domestic Animals Act. This includes animal registrations, investigation of dog attacks and breeding establishments, management of off-leash areas and promotion of responsible pet ownership. This also includes management of the Ballarat Animal Shelter.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-----------------------|-----------------|------------------|----------------|
| Animal Control | -174,281 | 262,085 | 72,293 |
| Expense | 1,246,499 | 2,256,672 | 2,090,688 |
| Income | -1,420,780 | -1,994,587 | -2,018,395 |

ASSET MANAGEMENT

Service description

Asset Management includes the maintenance of an Integrated Asset Management System and data registers, inspections of City of Ballarat infrastructure assets, development and maintenance of asset management plans for City assets including roads and associated infrastructure, drainage, facilities, open space, trees and ensuring the City of Ballarat has strategic asset management practices in place.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-------------------------|----------------|------------------|----------------|
| Asset Management | 710,230 | 617,027 | 645,606 |
| Expense | 951,730 | 951,730 | 977,063 |
| Income | -241,500 | -334,703 | -331,457 |

BALLARAT AERODROME

Service description

Ballarat Aerodrome is a significant aviation facility servicing western Victoria. The airport is an important infrastructure, economic and social asset to the City of Ballarat and accommodates a wide mix of beneficial activities including aviation businesses, recreational aviation uses, community hubs and emergency services operation.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|---------------------------|----------------|------------------|----------------|
| Ballarat Aerodrome | 205,184 | 205,184 | 255,199 |
| Expense | 206,184 | 206,184 | 256,224 |
| Income | -1,000 | -1,000 | -1,025 |



SUSTAINABILITY - SERVICES EXPLAINED

BUILDING AND FACILITIES MANAGEMENT

Service description

Provides infrastructure management and maintenance, across all classes of assets for the benefit of the community.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|---|------------------|------------------|------------------|
| Building and Facilities Management | 4,392,774 | 4,381,931 | 4,689,898 |
| Expense | 4,520,070 | 4,520,070 | 4,817,194 |
| Income | -127,296 | -138,139 | -127,296 |

BUILDING CONTROL

Service description

Building Control is required to fulfil the City of Ballarat's statutory role under the Building Act which includes investigating illegal building works, assessing applications for places of public entertainment permits, and essential safety management and emergency management support related to buildings.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-------------------------|----------------|------------------|----------------|
| Building Control | 469,675 | 444,465 | -26,169 |
| Expense | 960,926 | 1,197,934 | 767,495 |
| Income | -491,251 | -753,469 | -793,664 |

CONTRACT SUPERVISION

Service description

The majority of the City of Ballarat's annual capital works program is delivered through an open public tender process. Contract Supervision leads the evaluation of tenders and the management of the contracts once they are awarded by the City of Ballarat. The team also delivers projects and programs under \$150,000 by seeking quotations from competent contractors.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-----------------------------|----------------|------------------|-----------------|
| Contract Supervision | 0 | -194,409 | -419,551 |
| Expense | 3,662,761 | 3,662,761 | 3,599,896 |
| Income | -3,662,761 | -3,857,170 | -4,019,446 |

DESIGN AND SURVEY

Service description

Design and Survey facilitates the delivery of the City of Ballarat annual capital works program for roads and drainage projects by providing survey and design services. This enables the City to provide in-house construction plans and specifications for every individual capital project that is sent to open public tender.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|----------------------------|-------------------|-------------------|-------------------|
| Design & Survey | -7,901,236 | -8,731,275 | -1,235,765 |
| Expense | 1,524,374 | 1,510,374 | 1,805,972 |
| Income | -9,425,610 | -10,241,649 | -3,041,737 |

DEVELOPMENT FACILITATION

Service description

Ensures timely and effective delivery of infrastructure to service future sustainable communities in Ballarat in line with policy and legislation, and administers planning permit referrals, subdivision construction plan checking, subdivisional construction supervision, and stormwater drainage issues.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|---------------------------------|-------------------|------------------|----------------|
| Development Facilitation | -4,320,397 | 683,603 | 693,539 |
| Expense | 679,603 | 683,603 | 693,539 |
| Income | -5,000,000 | 0 | 0 |

SUSTAINABILITY - SERVICES EXPLAINED

ENVIRONMENTAL HEALTH

Service description

Environmental Health is a statutory function of the City of Ballarat, delivering permits and compliance for food safety, public health and wellbeing (noise and odour), environmental protection (asbestos, contaminated land), tobacco regulation, emergency management and domestic wastewater.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-----------------------------|----------------|------------------|----------------|
| Environmental Health | 230,302 | 397,342 | 286,744 |
| Expense | 1,050,205 | 1,140,167 | 1,026,540 |
| Income | -819,903 | -742,825 | -739,795 |

INFRASTRUCTURE CONSTRUCTION

Service description

Most of the City of Ballarat's annual capital works program is delivered through an open public tender process. The balance of the program is delivered by the City of Ballarat's construction team, supplemented by contractors engaged through a preferred supplier process.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|------------------------------------|------------------|------------------|------------------|
| Infrastructure Construction | 1,336,805 | 717,452 | 1,548,696 |
| Expense | 2,336,805 | 2,347,205 | 3,191,044 |
| Income | -1,000,000 | -1,629,753 | -1,642,348 |

PARKS AND ENVIRONMENT

Service description

Provides horticultural maintenance to the Ballarat's open space reserves. The service is broken up into seven key functional areas - the botanical gardens, sports grounds, arboriculture, city entrances, parks maintenance, and trails and waterways.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|------------------------------|-------------------|-------------------|-------------------|
| Parks and Environment | 12,249,789 | 12,229,625 | 13,008,289 |
| Expense | 15,744,057 | 15,757,232 | 16,676,337 |
| Income | -3,494,268 | -3,527,607 | -3,668,048 |

PARKING MANAGEMENT

Service description

Ensures the safe movement of vehicles within the municipality and ensures vehicles add to the CBD's vibrancy. Parking management includes on-street compliance, reactionary compliance under the Road Safety Act and more broadly the implementation of the CBD Car Parking Action Plan.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|---------------------------|-------------------|-------------------|-------------------|
| Parking Management | -4,269,766 | -4,132,935 | -4,205,342 |
| Expense | 1,699,904 | 2,105,088 | 2,052,039 |
| Income | -5,969,670 | -6,238,023 | -6,257,381 |

PROPERTY MANAGEMENT

Service description

Manages and maintains the City of Ballarat's property portfolio including commercial and community tenanted buildings, public reserves, the Ballarat Airport and associated buildings, and two City of Ballarat-owned caravan parks.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|----------------------------|----------------|------------------|----------------|
| Property Management | 134,694 | 31,746 | -97,770 |
| Expense | 1,798,794 | 1,798,794 | 1,663,730 |
| Income | -1,664,100 | -1,767,048 | -1,761,500 |

REGULATORY SERVICES

Service description

Aims to protect the community and City of Ballarat amenity through education and enforcement of local laws and State Government legislation. Key service areas include local laws, planning enforcement, asset protection and permit administration.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|----------------------------|----------------|------------------|------------------|
| Regulatory Services | 745,470 | 870,571 | 1,060,419 |
| Expense | 993,870 | 1,004,448 | 1,223,755 |
| Income | -248,400 | -133,877 | -163,336 |

SUSTAINABILITY - SERVICES EXPLAINED

ROAD MAINTENANCE

Service description

Road Maintenance is responsible for maintenance of the roads and road infrastructure throughout the municipality.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|--------------------|------------------|------------------|------------------|
| Maintenance | 9,737,228 | 9,724,053 | 8,143,456 |
| Expense | 14,280,596 | 14,317,421 | 11,208,126 |
| Income | -4,543,368 | -4,593,368 | -3,064,670 |

SCHOOL CROSSINGS

Service description

School crossing supervision for primary and secondary schools is provided under a shared costing arrangement with VicRoads. The service stems from community expectations; however, the State Government is reviewing the City of Ballarat's delivery given the cost.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-------------------------|----------------|------------------|----------------|
| School Crossings | 509,617 | 503,097 | 512,481 |
| Expense | 876,617 | 876,617 | 899,105 |
| Income | -367,000 | -373,520 | -386,624 |

TRAFFIC MANAGEMENT

Service description

Provides and facilitates traffic management, road safety initiatives, Local Area Traffic Management and public transport infrastructure planning/delivery. This includes identifying and applying for funding opportunities, particularly the Federal Black Spot Program to address eligible sites recorded crash histories.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|---------------------------|----------------|------------------|----------------|
| Traffic Management | 516,982 | 516,982 | 498,584 |
| Expense | 516,982 | 516,982 | 498,584 |

WASTE

Service description

Includes transfer station, waste collection and management of the Smythesdale landfill.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|--------------|-------------------|-------------------|-------------------|
| Waste | 13,805,392 | 13,685,561 | 15,231,784 |
| Expense | 18,785,962 | 18,924,358 | 20,316,466 |
| Income | -4,980,570 | -5,238,797 | -5,084,682 |





ACCOUNTABILITY – Provide strong and decisive leadership, and transparent governance.

ACCOUNTABILITY TOTAL

| 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|----------------|------------------|----------------|
| -100,723,910 | -100,502,470 | -122,036,853 |

Provide strong and decisive leadership, and transparent governance.

We will aim for:

- Strong regional partnerships
- Transparent governance
- Engaged, informed community
- Reduced government regulation
- Financially sound organisation
- Strong focus on innovation
- Increased public disclosure

Progress on the following Accountability Council Plan actions will continue through the 2019/20 Budget:

Advocate for Ballarat's priorities and enhance the city's reputation as the capital of Western Victoria

- Provide strong regional leadership and membership of peak bodies and organisations to maintain Ballarat's standing as a leading regional city
- Ensure the City of Ballarat remains financially responsible and Council delivers transparent governance by making fewer decisions in camera

- Engage and communicate with our community and other stakeholders
- Reduce unnecessary regulations and advocate for the removal of regulatory burdens from other tiers of government
- Continue to roll-out the Engaging Communities Program
- Implement the Digital Strategy, better utilise innovative online engagement tools and make our information and data accessible to our community and stakeholders
- Improve Customer Service by promoting a culture of customer service excellence within the City of Ballarat
- Investigate and deliver shared local government services within the region
- Review business operations to drive financial and service improvements
- Address gender equity and inclusion in all Council plans and strategies

ACCOUNTABILITY - SERVICES EXPLAINED

ADVOCACY AND LOBBYING

Service description

Provides coordinated advocacy and lobbying to advance the strategic direction of the City of Ballarat and attract funding for the delivery of key projects and policy.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|------------------------------|------------------|------------------|------------------|
| Advocacy and Lobbying | 1,182,261 | 1,182,261 | 1,280,083 |
| Expense | 1,182,261 | 1,182,261 | 1,280,083 |
| Income | 0 | 0 | 0 |

BUSINESS IMPROVEMENT

Service description

Business Improvement uses innovation, data and insight to co-create efficiencies and services with a customer focus, as well as driving a culture of innovation within Ballarat and continue to advance Ballarat as a smart city.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-----------------------------|----------------|------------------|----------------|
| Business Improvement | 781,756 | 482,618 | 762,756 |
| Expense | 786,756 | 831,668 | 874,756 |
| Income | -5,000 | -349,050 | -112,000 |

CEO OFFICE

Service description

The CEO is the only staff member who is appointed by Council, the remainder of staff are appointed by the CEO. The CEO is responsible for managing the organisational structure of the City of Ballarat, ensuring Council decisions are implemented, managing daily operations, and providing advice to Council.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-------------------|----------------|------------------|----------------|
| CEO Office | 560,638 | 569,538 | 557,313 |
| Expense | 565,638 | 574,538 | 562,034 |
| Income | -5,000 | -5,000 | -4,721 |

CIVIC SUPPORT

Service description

This service includes management of civic receptions and events including citizenship ceremonies. Civic Support is responsible for Mayor and Councillor Support and provides high level, professional and confidential administrative support. This includes management of civic receptions and events including citizenship ceremonies. The Civic Support service includes effective and professional management of communication and correspondence, diary management, event coordination stakeholder relationship management and management of the Mayor and Councillors to undertake their civic responsibilities.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|----------------------|------------------|------------------|----------------|
| Civic Support | 1,020,020 | 1,020,020 | 999,402 |
| Expense | 1,020,020 | 1,020,020 | 999,402 |
| Income | 0 | 0 | 0 |

COMMUNICATIONS

Service description

The unit's key role is to provide communication and issues management advice and implement key organisational communications and marketing strategies, to the Mayor, Councillors, CEO, directors, managers and staff.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-----------------------|------------------|------------------|------------------|
| Communications | 1,722,789 | 1,722,789 | 1,626,975 |
| Expense | 1,722,789 | 1,722,789 | 1,686,975 |
| Income | 0 | 0 | -60,000 |

ACCOUNTABILITY - SERVICES EXPLAINED

COMPLIANCE

Service description

Compliance works collaboratively to deliver strategic and operational advice to Council, executive, managers and employees to support the broad range of services offered by the City of Ballarat. Key areas include engagement with the community for statutory functions such as Council meeting management, agenda and minute preparation, delegations and authorisations, governance of special and advisory committees, managing Ombudsman complaints, coordination of Freedom of Information applications, privacy and data protection, and protected disclosures to statutory authorities.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-------------------|----------------|------------------|----------------|
| Compliance | 489,310 | 489,310 | 369,105 |
| Expense | 491,310 | 491,310 | 371,105 |
| Income | -2,000 | -2,000 | -2,000 |

CORPORATE COSTS

Service description

Corporate costs provides for those incomes and expense streams that are directly related to individual services. Such income and expenditure streams as rates and depreciation are captured within this service area.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|------------------------|------------------|------------------|-------------------|
| Corporate Costs | 3,447,411 | 5,809,262 | -6,511,834 |
| Expense | 37,950,906 | 35,850,914 | 39,707,437 |
| Income | -34,503,495 | -30,041,652 | -46,219,272 |

FINANCIAL MANAGEMENT

Service description

Financial Management provides overall advice to Council, CEO and Directors on current and future financial matters affecting the delivery of services/projects to the community. Financial management provides assistance to Council in the formulation of the annual budget and the annual revision of Council's Long Term Financial Strategy.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-----------------------------|----------------|------------------|----------------|
| Financial Management | 393,519 | 393,519 | 392,840 |
| Expense | 408,443 | 408,443 | 407,764 |
| Income | -14,924 | -14,924 | -14,924 |



ACCOUNTABILITY - SERVICES EXPLAINED

FINANCIAL SERVICES

Service description

Financial Services is responsible for the administration of the City of Ballarat's financial resources. The service maintains appropriate controls over City of Ballarat finances, providing advice to business units in their delivery of other services.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|---------------------------|-----------------|-------------------|------------------|
| Financial Services | -389,195 | -1,022,731 | 1,232,422 |
| Expense | 1,128,505 | 1,159,969 | 1,249,122 |
| Income | -1,517,700 | -2,182,700 | -16,700 |

FLEET MANAGEMENT

Service description

Fleet Management is responsible for administering City of Ballarat's plant and equipment.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-------------------------|----------------|------------------|----------------|
| Fleet Management | 372,098 | 5,774 | 348,787 |
| Expense | 379,098 | 379,098 | 348,787 |
| Income | -7,000 | -373,324 | 0 |

HALL KEEPING

Service description

Hall Keeping provides exceptional hospitality and customer service standards to staff, Councillors, customers, and community members using the Ballarat Town Hall.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|---------------------|----------------|------------------|----------------|
| Hall Keeping | 146,078 | 146,078 | 144,375 |
| Expense | 148,118 | 148,118 | 149,375 |
| Income | -2,040 | -2,040 | -5,000 |

HUMAN RESOURCES

Service description

Human Resources supports the organisation in the management of its staff and volunteers. Services span the whole employment lifecycle and include providing advice on attraction, recruitment, onboarding and retention practices, maintenance and management of human resource data, industrial and employee relations and the coordination of work force planning, and learning and development activities.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|------------------------|------------------|------------------|------------------|
| Human Resources | 1,538,135 | 1,538,135 | 1,744,498 |
| Expense | 1,538,135 | 1,538,135 | 1,760,498 |
| Income | 0 | 0 | -16,000 |

INFORMATION SERVICES

Service description

Information Services is responsible for providing information, technology, and communications services to support a broad range of business functions to over 800 consumers and 26 sites.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-----------------------------|------------------|------------------|------------------|
| Information Services | 4,609,448 | 4,609,448 | 6,451,116 |
| Expense | 4,624,104 | 4,624,104 | 6,466,497 |
| Income | -14,656 | -14,656 | -15,381 |

PAYROLL

Service description

The payroll function aims to provide the accurate and timely processing of payroll and the related activities of Superannuation, Taxation, Statutory Reporting and internal monthly, quarterly, and annual reporting.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|----------------|----------------|------------------|----------------|
| Payroll | 223,912 | 223,912 | 230,660 |
| Expense | 223,912 | 223,912 | 230,660 |

ACCOUNTABILITY - SERVICES EXPLAINED

PROCUREMENT

Service description

To coordinate tendering services for contracts in accordance with legislative requirements and the City of Ballarat's Procurement Policy.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|--------------------|----------------|------------------|----------------|
| Procurement | 121,357 | 121,357 | 116,924 |
| Expense | 121,357 | 121,357 | 116,924 |

RECORDS MANAGEMENT

Service description

The Records Management service is responsible for information management and compliance activities, as well as supporting the largely paper-based business practices prevalent across the City of Ballarat.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|---------------------------|----------------|------------------|----------------|
| Records Management | 750,733 | 750,733 | 766,777 |
| Expense | 750,733 | 750,733 | 766,777 |

REVENUE

Service description

Revenue has responsibility to levy and collect rates and charges, including the State Government's Fire Services Property Levy, in accordance with legislation and the City of Ballarat's adopted Rating Strategy.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|----------------|----------------|------------------|----------------|
| Revenue | 800,319 | 696,256 | 979,308 |
| Expense | 1,215,319 | 1,215,319 | 1,264,808 |
| Income | -415,000 | -519,063 | -285,500 |

RISK

Service description

The Risk Services function includes enterprise risk and insurance services and works collaboratively to deliver strategic and operational advice to Council, executive, managers, and employees to support the broad range of services offered by the City of Ballarat. In addition, the unit is the strategic driver of enterprise, operational and project risk management for City of Ballarat services. The Risk Service also facilitates the procurement of all insurance classes and undertakes claims management in relation to issues of liability.

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|-------------|------------------|------------------|------------------|
| Risk | 1,683,328 | 1,683,328 | 1,510,466 |
| Expense | 1,708,328 | 1,708,328 | 1,530,466 |
| Income | -25,000 | -25,000 | -20,000 |

SAFETY

Service description

The Safety service is largely an internal service and works collaboratively to deliver strategic and operational advice to executive, managers, and employees to support the broad range of services offered by the City of Ballarat. Safety is responsible for developing and implementing the City of Ballarat safety management system (policy, procedures and online reporting function).

| | 2018/19 Budget | 2018/19 Forecast | 2019/20 Budget |
|---------------|----------------|------------------|----------------|
| Safety | 859,863 | 859,863 | 864,261 |
| Expense | 859,863 | 859,863 | 864,261 |

SERVICE PERFORMANCE OUTCOME INDICATORS

| Service | Indicator | Performance Measure | 2018/19 Actual | 2018/19 Forecast | 2019/20 Budget |
|--|-------------------|--|----------------|------------------|----------------|
| Aquatic Facilities | Utilisation | [Number of visits to aquatic facilities / Municipal population] | 4.58 | 4.69 | 4.74 |
| Animal Management | Health and safety | [Number of successful animal management prosecutions] | 3.00 | 7.00 | 7.00 |
| Food Safety | Health and safety | [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100 | 92.43% | 93.00% | 93.00% |
| Governance | Satisfaction | [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community] | 55.00 | 55.00 | 56.00 |
| Libraries | Participation | [Number of active library members / Municipal population] x100 | 10.90% | 11.28% | 11.28% |
| Maternal and Child Health (MCH) | Participation | [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100 | 69.48% | 68.31% | 68.31% |
| Maternal and Child Health (MCH) | Participation | [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100 | 49.40% | 59.88% | 59.88% |
| Roads | Satisfaction | [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads] | 58.60 | 58.60 | 58.60 |
| Statutory Planning | Decision making | [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100 | 63.64% | 60.00% | 60.00% |
| Waste Collection | Waste diversion | [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100 | 47.14% | 49.65% | 49.65% |

FINANCIAL STATEMENTS AND STRATEGIC RESOURCE PLAN

This section presents information regarding the Financial Statements and Statement of Human Resources. The budget information for the year 2019/2020 has been supplemented with projections to 2022/2023 extracted from the Strategic Resource Plan.

This section includes the following financial statements prepared in accordance with the Local Government Act 1989 and the Local Government Planning and Reporting regulations 2014:

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

The Act requires a Strategic Resource Plan (SRP) to be prepared describing both financial and non-financial resources (including human resources) for at least the next four financial years to achieve the strategic objectives in the Annual Plan. In preparing the SRP, Council must consider all other plans and strategies in regard to services and initiatives that commit financial and non-financial resources for the period of the SRP.

The City has prepared an SRP for the four years to 2022/2023 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Annual Plan and expresses them in financial terms for the next four years.

COMPREHENSIVE INCOME STATEMENT

| | | Forecast Actual 2018/19 | Budget 2019/20 | Strategic Resource Plan Projections | | |
|--|---------------|-------------------------------|-------------------|--|----------------|----------------|
| | | | | 2020/21 | 2021/22 | 2022/23 |
| | Notes | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Revenue: | | | | | | |
| Rates and charges | 4.1.1 | 116,507 | 122,778 | 127,075 | 131,523 | 136,126 |
| Statutory fees and fines | 4.1.2 | 4,535 | 4,415 | 4,459 | 4,504 | 4,549 |
| User fees | 4.1.3 | 24,552 | 24,843 | 25,340 | 25,847 | 26,364 |
| Grants - operating | 4.1.4 | 17,422 | 24,402 | 24,646 | 24,892 | 25,141 |
| Grants - capital | 4.1.4 | 10,952 | 2,000 | 2,000 | 2,000 | 2,000 |
| Contributions - monetary | 4.1.5 | 9,049 | 7,770 | 12,545 | 11,114 | 9,111 |
| Contributions - non-monetary | 4.1.5 | 22,603 | 32,315 | 22,232 | 20,683 | 24,068 |
| Net gain/(loss) on disposal of property, infrastructure, plant and equipment | | 27 | 0 | 0 | 0 | 0 |
| Other Income | 4.1.6 | 4,724 | 4,008 | 4,048 | 4,089 | 4,129 |
| Total income | | 210,371 | 222,531 | 222,345 | 224,652 | 231,489 |
| Expense: | | | | | | |
| Employee costs | 4.1.7 | 63,417 | 67,478 | 69,906 | 72,419 | 75,021 |
| Materials and services | 4.1.8 | 65,388 | 67,090 | 69,167 | 71,018 | 72,917 |
| Bad and doubtful debts | | 1,875 | 1,051 | 1,072 | 1,093 | 1,115 |
| Depreciation and amortisation | 4.1.9 | 30,917 | 32,411 | 33,383 | 34,251 | 35,142 |
| Borrowing costs | | 2,000 | 1,816 | 2,310 | 2,051 | 1,795 |
| Other Expense | 4.1.10 | 2,044 | 2,037 | 2,078 | 2,119 | 2,162 |
| Total expenses | | 165,641 | 171,883 | 177,916 | 182,952 | 188,152 |
| Surplus/(deficit) for the year | | 44,730 | 50,648 | 44,429 | 41,700 | 43,338 |
| 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 | | 44,730 | 50,648 | 44,429 | 41,700 | 43,338 |

BALANCE SHEET

| | | Forecast Actual 2018/19 | Budget 2019/20 | Strategic Resource Plan Projections | | |
|--|-------|-------------------------------|-------------------|--|-----------|-----------|
| | | | | 2020/21 | 2021/22 | 2022/23 |
| | Notes | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Assets | | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | | 46,215 | 46,229 | 34,377 | 26,852 | 22,369 |
| Trade and other receivables | | 10,844 | 11,458 | 12,093 | 12,751 | 13,432 |
| Other financial assets | | 0 | 0 | 0 | 0 | 0 |
| Inventories | | 0 | 0 | 0 | 0 | 0 |
| Non-current assets classified as held for sale | | 0 | 0 | 0 | 0 | 0 |
| Other assets | | 1,836 | 1,836 | 1,836 | 1,836 | 1,836 |
| Total current assets | 4.2.1 | 58,895 | 59,523 | 48,306 | 41,439 | 37,636 |
| Non-current assets | | | | | | |
| Trade and other receivables | | 13 | 13 | 13 | 13 | 13 |
| Investments in associates and joint ventures | | 0 | 0 | 0 | 0 | 0 |
| Property, infrastructure, plant & equipment | | 1,640,663 | 1,696,773 | 1,747,416 | 1,791,660 | 1,834,213 |
| Investment property | | 83 | 83 | 83 | 83 | 83 |
| Intangible assets | | 0 | 0 | 0 | 0 | 0 |
| Total non-current assets | 4.2.1 | 1,640,759 | 1,696,869 | 1,747,512 | 1,791,756 | 1,834,309 |
| Total assets | | 1,699,654 | 1,756,392 | 1,795,819 | 1,833,195 | 1,871,945 |
| Liabilities | | | | | | |
| Current liabilities | | | | | | |
| Trade and other payables | | 9,374 | 9,374 | 9,374 | 9,374 | 9,374 |
| Trust funds and deposits | | 4,983 | 4,983 | 4,983 | 4,983 | 4,983 |
| Provisions | | 14,104 | 14,104 | 14,104 | 14,104 | 14,104 |
| Interest-bearing loans and borrowings | 4.2.3 | 3,910 | 5,003 | 4,324 | 4,587 | 3,003 |
| Total current liabilities | 4.2.2 | 32,371 | 33,464 | 32,785 | 33,048 | 31,464 |
| Non-current liabilities | | | | | | |
| Provisions | | 5,710 | 5,710 | 5,710 | 5,710 | 5,710 |
| Interest-bearing loans and borrowings | 4.2.3 | 35,717 | 40,714 | 36,390 | 31,804 | 28,800 |
| Total non-current liabilities | 4.2.2 | 41,427 | 46,424 | 42,100 | 37,514 | 34,510 |
| Total liabilities | | 73,798 | 79,888 | 74,885 | 70,561 | 65,975 |
| Net assets | | 1,625,856 | 1,676,504 | 1,720,933 | 1,762,633 | 1,805,971 |
| Equity | | | | | | |
| Accumulated surplus | | 1,098,728 | 1,150,259 | 1,196,375 | 1,240,237 | 1,283,575 |
| Reserves | | 527,128 | 526,245 | 524,558 | 522,396 | 522,396 |
| Total equity | | 1,625,856 | 1,676,504 | 1,720,933 | 1,762,633 | 1,805,971 |

STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity

For the four years ending 30 June
2023

| | | Total | Accumulated Surplus | Revaluation Reserve | Other Reserves |
|---|--------------|------------------|------------------------|------------------------|-------------------|
| | Notes | \$'000 | \$'000 | \$'000 | \$'000 |
| Forecast 2019 Budget | | | | | |
| Balance at beginning of the financial year | | 1,581,126 | 1,053,998 | 517,416 | 9,712 |
| Surplus/(deficit) for the year | | 44,730 | 44,730 | 0 | 0 |
| Net asset revaluation increment/(decrement) | | 0 | 0 | 0 | 0 |
| Transfer to / from other reserves | | 0 | (2,632) | 0 | 2,632 |
| Balance at end of the financial year | | 1,625,856 | 1,096,096 | 517,416 | 12,344 |
| Draft 2020 Budget | | | | | |
| Balance at beginning of the financial year | | 1,625,856 | 1,098,728 | 514,784 | 12,344 |
| Surplus/(deficit) for the year | | 50,648 | 50,648 | 0 | 0 |
| Net asset revaluation increment/(decrement) | | 0 | 0 | 0 | 0 |
| Transfer to / from other reserves | 4.3.1 | 0 | (1,117) | 0 | 1,117 |
| Balance at end of the financial year | 4.3.2 | 1,676,504 | 1,148,259 | 514,784 | 13,461 |
| 2021 Startegic Resource Plan | | | | | |
| Balance at beginning of the financial year | | 1,676,504 | 1,148,259 | 514,784 | 13,461 |
| Surplus/(deficit) for the year | | 44,429 | 44,429 | 0 | 0 |
| Net asset revaluation increment/(decrement) | | 0 | 0 | 0 | 0 |
| Transfer to / from other reserves | | 0 | 1,687 | 0 | (1,687) |
| Balance at end of the financial year | | 1,720,933 | 1,194,375 | 514,784 | 11,774 |
| 2022 Startegic Resource Plan | | | | | |
| Balance at beginning of the financial year | | 1,720,933 | 1,194,375 | 514,784 | 11,774 |
| Surplus/(deficit) for the year | | 41,700 | 41,700 | 0 | 0 |
| Net asset revaluation increment/(decrement) | | 0 | 0 | 0 | 0 |
| Transfer to / from other reserves | | 0 | 2,162 | 0 | (2,162) |
| Balance at end of the financial year | | 1,762,633 | 1,238,237 | 514,784 | 9,612 |
| 2023 Startegic Resource Plan | | | | | |
| Balance at beginning of the financial year | | 1,762,633 | 1,238,237 | 514,784 | 9,612 |
| Surplus/(deficit) for the year | | 43,338 | 43,338 | 0 | 0 |
| Net asset revaluation increment/(decrement) | | 0 | 0 | 0 | 0 |
| Transfer to / from other reserves | | 0 | 0 | 0 | 0 |
| Balance at end of the financial year | | 1,805,971 | 1,281,575 | 514,784 | 9,612 |

STATEMENT OF CASH FLOWS

| Statement of Cash Flows | | | | | | |
|---|--------------|-----------------|-----------------|-------------------------|-----------------|-----------------|
| For the four years ending 30 June 2023 | | | | | | |
| | | Forecast | Budget | Strategic Resource Plan | | |
| | | Actual | | Projections | | |
| | | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
| | | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| | | Inflows | Inflows | Inflows | Inflows | Inflows |
| | Notes | (Outflows) | (Outflows) | (Outflows) | (Outflows) | (Outflows) |
| Cash flows from operating activities | | | | | | |
| Rates and charges | | 115,830 | 122,164 | 126,440 | 130,865 | 135,446 |
| Statutory fees and fines | | 4,535 | 4,415 | 4,459 | 4,504 | 4,549 |
| User fees | | 24,552 | 24,843 | 25,340 | 25,847 | 26,364 |
| Grants - operating | | 17,422 | 24,402 | 24,646 | 24,892 | 25,141 |
| Grants - capital | | 10,952 | 2,000 | 2,000 | 2,000 | 2,000 |
| Contributions - monetary | | 9,049 | 7,770 | 12,545 | 11,114 | 9,111 |
| Interest received | | 2,165 | 1,800 | 1,800 | 1,800 | 1,800 |
| Trust funds and deposits taken | | 0 | 0 | 0 | 0 | 0 |
| Other receipts | | 2,559 | 2,208 | 2,248 | 2,289 | 2,329 |
| Net GST refund / payment | | 0 | 0 | 0 | 0 | 0 |
| Employee costs | | (64,552) | (70,119) | (72,573) | (75,113) | (77,742) |
| Materials and services | | (68,144) | (64,449) | (66,500) | (68,324) | (70,196) |
| Trust funds and deposits repaid | | 0 | 0 | 0 | 0 | 0 |
| Other payments | | (3,919) | (3,088) | (3,150) | (3,213) | (3,277) |
| Net cash provided by/(used in) operating activities | 4.4.1 | 50,449 | 51,946 | 57,255 | 56,661 | 55,525 |
| Cash flows from investing activities | | | | | | |
| Payments for property, infrastructure, plant and equipment | | (87,466) | (59,556) | (62,145) | (58,161) | (53,977) |
| Proceeds from sale of property, infrastructure, plant and equipment | | 410 | 3,350 | 350 | 350 | 350 |
| 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 | 4.4.2 | (87,056) | (56,206) | (61,795) | (57,811) | (53,627) |
| Cash flows from financing activities | | | | | | |
| Finance costs | | (2,000) | (1,816) | (2,310) | (2,051) | (1,795) |
| Proceeds from borrowings | | 0 | 10,000 | 0 | 0 | 0 |
| Repayment of borrowings | | (4,073) | (3,910) | (5,003) | (4,324) | (4,587) |
| Net cash provided by/(used in) financing activities | 4.4.3 | (6,073) | 4,274 | (7,313) | (6,375) | (6,382) |
| Net increase/(decrease) in cash & cash equivalents | | | | | | |
| | | (42,680) | 14 | (11,852) | (7,525) | (4,484) |
| Cash and cash equivalents at the beginning of the financial year | | 88,895 | 46,215 | 46,229 | 34,377 | 26,852 |
| Cash and cash equivalents at the end of the financial year | | 46,215 | 46,229 | 34,377 | 26,852 | 22,369 |

STATEMENT OF CAPITAL WORKS

| Statement of Capital Works | | | | | |
|--|----------|---------|-------------------------|---------|---------|
| For the four years ending 30 June 2023 | | | | | |
| | Forecast | Budget | Strategic Resource Plan | | |
| | Actual | | Projections | | |
| | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Property | | | | | |
| Land | 64 | 3,914 | 603 | 16,016 | 1,071 |
| Land improvements | 0 | 0 | 0 | 0 | 0 |
| Total land | 64 | 3,914 | 603 | 16,016 | 1,071 |
| Buildings | 0 | 6,568 | 14,579 | 0 | 13,536 |
| Heritage buildings | 4,295 | 0 | 0 | 0 | 0 |
| Building improvements | 23,505 | 3,289 | 3,854 | 3,932 | 4,010 |
| Leasehold improvements | 0 | 0 | 0 | 0 | 0 |
| Total buildings | 27,800 | 9,857 | 18,433 | 3,932 | 17,546 |
| Total property | 27,864 | 13,771 | 19,036 | 19,948 | 18,617 |
| Plant and equipment | | | | | |
| Heritage plant and equipment | 0 | 0 | 0 | 0 | 0 |
| Plant, machinery and equipment | 3,126 | 3,792 | 3,298 | 3,304 | 3,310 |
| Fixtures, fittings and furniture | 163 | 0 | 0 | 0 | 0 |
| Computers and telecommunications | 6,892 | 4,324 | 1,777 | 1,832 | 1,888 |
| Library books | 379 | 386 | 394 | 402 | 410 |
| Total plant and equipment | 10,560 | 8,502 | 5,469 | 5,538 | 5,608 |
| Infrastructure | | | | | |
| Roads | 14,760 | 13,382 | 13,610 | 13,842 | 14,079 |
| Bridges | 661 | 218 | 223 | 227 | 232 |
| Footpaths and cycleways | 1,393 | 1,207 | 1,231 | 1,256 | 1,281 |
| Drainage | 1,008 | 1,302 | 1,328 | 1,354 | 1,381 |
| Recreational, leisure and community facilities | 13,508 | 13,622 | 3,735 | 3,849 | 3,965 |
| Waste management | 5,702 | 3,029 | 3,580 | 3,631 | 3,684 |
| Parks, open space and streetscapes | 2,079 | 1,605 | 1,978 | 2,523 | 3,096 |
| Aerodromes | 0 | 0 | 0 | 0 | 0 |
| Off street car parks | 1,500 | 0 | 0 | 0 | 0 |
| Other infrastructure | 8,575 | 2,917 | 11,956 | 5,995 | 2,035 |
| Total infrastructure | 49,186 | 37,282 | 37,641 | 32,677 | 29,753 |
| Total capital works expenditure | 87,610 | 59,555 | 62,146 | 58,163 | 53,978 |
| Represented by: | | | | | |
| New asset expenditure | 25,868 | 10,154 | 25,274 | 17,078 | 15,691 |
| Asset renewal expenditure | 60,758 | 34,136 | 25,482 | 26,516 | 27,587 |
| Asset expansion expenditure | 690 | 0 | 0 | 0 | 0 |
| Asset upgrade expenditure | 294 | 15,266 | 11,391 | 14,568 | 10,699 |
| Total capital works expenditure | 87,610 | 59,556 | 62,147 | 58,162 | 53,977 |

STATEMENT OF PLANNED HUMAN RESOURCE EXPENDITURE

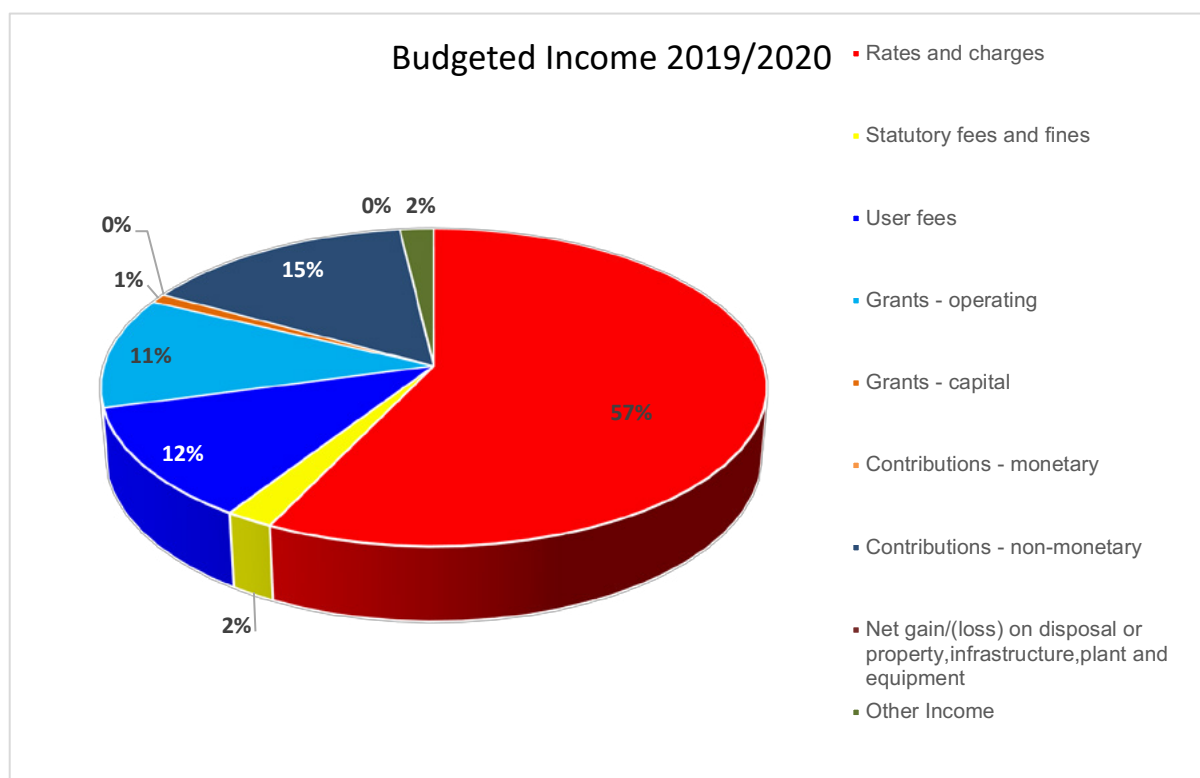
| Summary of planned human resource expenditure | | | | | |
|--|----------------|---------------|-------------------------------------|---------------|---------------|
| | Adopted Budget | Draft Budget | Strategic Resource Plan Projections | | |
| | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Staff expenditure | | | | | |
| Employee costs - operating | 64,786 | 67,478 | 69,906 | 72,419 | 75,021 |
| Employee costs - capital | 2,443 | 2,641 | 2,667 | 2,694 | 2,721 |
| Total staff expenditure | 67,229 | 70,119 | 72,573 | 75,113 | 77,742 |
| | | | | | |
| | FTE | FTE | FTE | FTE | FTE |
| Staff numbers | | | | | |
| - Full Time | 515 | 488.00 | 493.00 | 498.00 | 503.00 |
| - Part Time | 157.47 | 192.66 | 194.59 | 196.54 | 198.51 |
| - Casual | 24.7 | 61.15 | 61.15 | 61.15 | 61.15 |
| Total staff numbers | 697.17 | 741.81 | 748.74 | 755.69 | 762.66 |
| | | | | | |
| | Adopted Budget | Draft Budget | Strategic Resource Plan Projections | | |
| | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
| | FTE | FTE | FTE | FTE | FTE |
| CEO | | | | | |
| - Full Time | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| - Part Time | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| - Casual | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Innovation & Organisation Improvement | | | | | |
| - Full Time | 25.00 | 27.00 | 27.00 | 27.00 | 27.00 |
| - Part Time | 2.72 | 4.44 | 4.48 | 4.52 | 4.57 |
| - Casual | 0.50 | 0.00 | 0.00 | 0.00 | 0.00 |
| | 28.22 | 31.44 | 31.48 | 31.52 | 31.57 |
| Business Services | | | | | |
| - Full Time | 58.00 | 54.00 | 55.00 | 56.00 | 57.00 |
| - Part Time | 3.88 | 9.90 | 10.00 | 10.10 | 10.20 |
| - Casual | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | 61.88 | 63.90 | 65.00 | 66.10 | 67.20 |
| Infrastructure and Environment | | | | | |
| - Full Time | 283.00 | 265.00 | 268.00 | 271.00 | 274.00 |
| - Part Time | 24.33 | 46.04 | 46.50 | 46.97 | 47.44 |
| - Casual | 0.00 | 13.07 | 13.20 | 13.33 | 13.46 |
| | 307.33 | 324.11 | 327.70 | 331.30 | 334.90 |
| Development and Planning | | | | | |
| - Full Time | 51.00 | 57.00 | 58.00 | 59.00 | 60.00 |
| - Part Time | 8.97 | 9.62 | 9.72 | 9.82 | 9.92 |
| - Casual | 3.00 | 10.16 | 10.26 | 10.36 | 10.46 |
| | 62.97 | 76.78 | 77.98 | 79.18 | 80.38 |
| Community and Development | | | | | |
| - Full Time | 97.00 | 84.00 | 84.00 | 84.00 | 84.00 |
| - Part Time | 117.57 | 122.66 | 123.89 | 125.13 | 126.38 |
| - Casual | 21.20 | 37.92 | 37.69 | 37.46 | 37.23 |
| | 235.77 | 244.58 | 245.58 | 246.59 | 247.61 |
| | 697.17 | 741.81 | 748.74 | 755.69 | 762.66 |

4. Notes to the financial statements

This section presents detailed information on material components of the financial statements. The City needs to assess which components are material, considering the dollar amounts and nature of these components.

4.1 Comprehensive Income Statement

Income The following graph presents a snapshot of income budgeted for the 2019/2020 financial year.



4.1.1 Rates and charges

Rates and charges are required by the Act and the regulations to be disclosed in the City's annual budget. Note also Appendix F, which contains additional detail on Rating Information.

In developing the Strategic Resource Plan, rates and charges were identified as an important source of revenue, accounting for 57 per cent of the total revenue. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process.

The State Government introduced the Fair Go Rates System (FGRS) which sets out the maximum amount councils may increase rates in a year. For 2019/2020 the FGRS cap has been set at 2.5 per cent. The cap applies to general rates and is calculated based on council's average rates and charges.

NOTES TO THE FINANCIAL STATEMENTS

The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the community.

To achieve these objectives while maintaining service levels and a capital expenditure program which maintains the City's assets, the average general rate will increase by 2.5 per cent in line with the rate cap.

Total rates and charges budgeted for 2019/2020 is \$122.778 M.

Due to the additional costs associated with running the city's waste services, the general waste and green waste charge has been increased. General waste charges increase to cover higher costs per tonne of waste for landfill, as levied by the Environmental Protection Agency; future year landfill remediation costs; and costs to ensure the ongoing responsible management of waste. These fees only recoup the costs involved in providing waste management services. In order to accommodate this increase, both the general waste and green waste charge has been increased by 7% and 3% respectively.

This will raise total rates and charges for 2019/2020 of \$122.778 M including an estimated \$1.5M generated from supplementary rates and charges.

| | Forecast Actual 2018/19 \$'000 | Draft Budget 2019/20 \$'000 | Change \$'000 | Change % |
|----------------------------------|---|--|--------------------------|---------------------|
| General Rates | 98,987 | 104,004 | 5,017 | 5.07% |
| Environmental Levy | 17,859 | 19,151 | 1,292 | 7.23% |
| Interest Rates & Charges | 165 | 171 | 6 | 3.64% |
| Separate Rate - Bridge Mall | 148 | 130 | - 18 | -12.16% |
| Rates in Leiu - Waubra Wind Farm | 60 | 65 | 5 | 8.33% |
| Abandonments | - 50 | - 50 | - | 0.00% |
| Council Recreational 1 Rebate | - 212 | - 218 | - 6 | 2.83% |
| Council Pensioner Rebate | - 450 | - 475 | - 25 | 5.56% |
| | | | | |
| | 116,507 | 122,778 | 6,271 | 5.38% |

NOTES TO THE FINANCIAL STATEMENTS

4.1.2 Statutory fees and fines

| | Forecast Actual 2018/19 \$'000 | Draft Budget 2019/20 \$'000 | Change \$'000 | Change % |
|---------------------|---|-----------------------------------|------------------|---------------|
| AM Asset Protection | 297 | 331 | 34 | 11.45% |
| Animal Control | 1,020 | 1,070 | 50 | 4.90% |
| Customer Service | 131 | 134 | 3 | 2.29% |
| Food Surveillance | 607 | 598 | - 9 | -1.48% |
| Infrastructure | 667 | 766 | 99 | 14.84% |
| Local Laws | 116 | 117 | 1 | 0.86% |
| Statutory Planning | 1,146 | 1,215 | 69 | 6.02% |
| Other | 551 | 184 | - 367 | -66.61% |
| | 4,535 | 4,415 | - 120 | -2.65% |

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include animal registrations, Public Health and Wellbeing Act 2008 registrations and parking fines. Increases in statutory fees are made in accordance with legislative requirements.

Statutory fees are projected to decrease by 2.65% or \$120,000 compared to 2018/19 budget. This is due fees recovered from the revaluation. The Valuer General has taken over this process at no cost to Council therefore no income is received from the sale of the valuations.

NOTES TO THE FINANCIAL STATEMENTS

4.1.3 User fees

| | Forecast Actual 2018/19 \$'000 | Draft Budget 2019/20 \$'000 | Change \$'000 | Change % |
|-----------------------------|---|-----------------------------------|------------------|--------------|
| Parking Management | 5,453 | 5,432 | - 21 | -0.39% |
| Smythesdale Landfill | 4,401 | 4,489 | 88 | 2.00% |
| Ballarat Aquatic Centre | 5,471 | 5,655 | 184 | 3.36% |
| Development Facilitation | 217 | 222 | | |
| Major Venues | 1,372 | 1,182 | - 190 | -13.85% |
| Learning and Community Hubs | 1,074 | 1,212 | 138 | 12.85% |
| Family Day Care Program | 1,984 | 2,034 | 50 | 2.52% |
| Building Control | 1,581 | 1,681 | 100 | 6.33% |
| Animal Control | 213 | 218 | 5 | 2.35% |
| Active Ageing | 732 | 781 | 49 | 6.69% |
| Fines | 656 | 683 | 27 | 4.12% |
| Sport Venue Fees | 287 | 161 | - 126 | -43.90% |
| Other | 1,111 | 1,094 | - 17 | -1.53% |
| | | | | |
| | 24,552 | 24,844 | 287 | 1.17% |

User charges, fees and fines relate to the recovery of service delivery costs through the charging of fees to users of the City's services. These include use of leisure, entertainment and other community facilities, and the provision of human services such as family day care and home and community care services.

User Fees and Charges are projected to increase by 1.17 per cent or \$287,000 from 2018/2019.

NOTES TO THE FINANCIAL STATEMENTS

4.1.4 Grants

Grants are required by the Act and the regulations to be disclosed in Council's annual budget.

| Grants | 2018/19 \$'000 | 2019/20 \$'000 | Change \$'000 |
|-----------------------------------|-------------------|-------------------|------------------|
| Operating Grants: | | | |
| - Recurrent | | | |
| Fire Services Levy Grant | 65 | 65 | 0 |
| Victorian Grants Commission | 6,006 | 13,041 | 7,035 |
| Local Laws | 367 | 387 | 20 |
| Tourism, Arts & Culture | 255 | 269 | 14 |
| Active Ageing | 3,301 | 4,825 | 1,524 |
| Positive Ageing | 5 | 0 | (5) |
| Family & Children Services | 4,388 | 4,844 | 456 |
| Emergency Management | 60 | 60 | 0 |
| Learning & Diversity | 819 | 755 | (64) |
| | 15,266 | 24,246 | 8,980 |
| - Non-Recurrent | | | |
| Egaged Communities | 0 | 10 | |
| Tourism, Arts & Culture | 0 | 32 | |
| People and Performance | 0 | 15 | |
| Innovation and Org Improvement | 0 | 100 | |
| Parks & Reserves | 8 | 0 | (8) |
| | 8 | 157 | 149 |
| | 15,274 | 24,403 | 9,129 |
| Capital Grants | | | |
| - Recurrent | | | |
| Federal Roads to Recovery | 1,000 | 1,000 | 0 |
| Federal Blackspot | 600 | 1,000 | 400 |
| | 1,600 | 2,000 | 400 |
| - Non-Recurrent | | | |
| Sports & Recreation Projects | 211 | 0 | (211) |
| SSRIP Safer Cyclists & Pedestrian | 6,000 | 0 | (6,000) |
| Bridge Rehabilitation | 750 | 0 | (750) |
| Waste to Energy | 5,000 | 0 | (5,000) |
| | 11,961 | 0 | -11,961 |
| | 13,561 | 2,000 | -11,561 |

Operating grants (\$9.129m increase)

Operating grants include monies from State and Commonwealth sources for the purposes of funding the delivery of the City's services to residents. The increase is due to the recognition of the Victorian Grants Commission allocation in full. In 2018/19 half of the grant was prepaid in the previous financial year, thus only half was shown in the 2018/19 budget. The full amount has been budgeted in the 2019/20 financial year.

Capital grants (\$0.4m increase)

Capital grants include monies from State and Commonwealth Government sources for the purposes of funding the capital works program.

NOTES TO THE FINANCIAL STATEMENTS

4.1.5 Contributions

| | Forecast Actual 2018/19 \$'000 | Draft Budget 2019/20 \$'000 | Change \$'000 | Change % |
|--------------|---|-----------------------------------|------------------|---------------|
| Monetary | 9,049 | 7,770 | - 1,279 | -14.13% |
| Non Monetary | 22,603 | 32,315 | 9,712 | 42.97% |
| | | | | |
| | 31,652 | 40,085 | 8,433 | 26.64% |

Contributions – monetary (\$1.279m decrease)

Contributions are budgeted to decrease by \$1.279 million compared to 2018/19. This decrease is a result of the expected levels of cash received from the Developers Contributions Scheme. This scheme operates over 20 years with a net liability to Council of \$46 million. Expenditure and income is forecast over the 20 years and varies dependent on works to be carried out in each year.

Contributions – non-monetary (9.712m increase)

The significant increase in non-monetary contributions is linked to the forecast work program for Council's Developers Contributions Scheme.

4.1.6 Other income

| | Forecast Actual 2018/19 \$'000 | Draft Budget 2019/20 \$'000 | Change \$'000 | Change % |
|-------------------------|---|-----------------------------------|------------------|---------------|
| Interest on Investments | 2,165 | 1,800 | - 365 | -16.86% |
| Property Rentals | 1,768 | 1,774 | 6 | 0.34% |
| Other | 791 | 434 | | |
| | | | | |
| | 4,724 | 4,008 | - 359 | -7.60% |

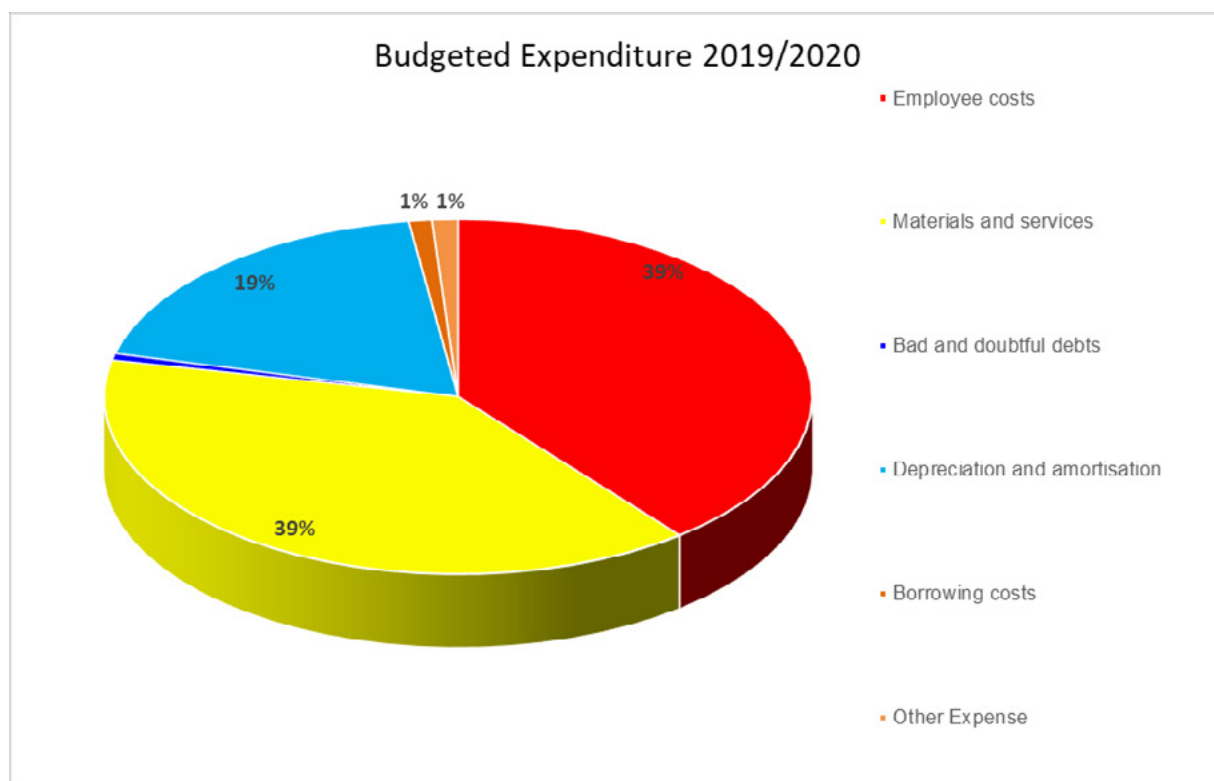
Other income (0.359m decrease)

Other income includes interest revenue on investments and property rentals, an expected downturn in interest revenue due to lower levels of cash held during 2019/20 compared to 2018/19.

NOTES TO THE FINANCIAL STATEMENTS

Expenditure

The following graph represents a snapshot of expense types in the 2019/20 financial year.



NOTES TO THE FINANCIAL STATEMENTS

4.1.7 Employee costs

| | Forecast Actual 2018/19 \$'000 | Draft Budget 2019/20 \$'000 | Change \$'000 | Change % |
|-------------------------|---|-----------------------------------|------------------|--------------|
| Wages and Related Costs | 54,206 | 57,385 | 3,179 | 5.86% |
| Property Rentals | 1,768 | 1,774 | 6 | 0.34% |
| LSL Provision | 1,353 | 1,451 | 98 | 7.24% |
| Superannuation | 5,245 | 5,647 | 402 | 7.66% |
| Workcover Premium | 845 | 1,221 | 376 | 44.50% |
| | | | | |
| | 63,417 | 67,478 | 4,061 | 6.40% |

Employee costs (\$4.061m increase)

Employee costs include all labour-related expenditure such as wages, allowances and salaries and on-costs such as leave entitlements and employer superannuation.

Employee costs are budgeted to increase by 6.40 per cent or \$4.061m compared to the adopted 2018/19 budget. This increase relates to the following factors:

- The City's Enterprise Agreement (EA)
- Band movements and reclassification of employees as prescribed by the relevant awards
- Impact of full year employment of employees who took up positions part way through 2018/2019 (approved in the 2018/19 Budget)

A summary of human resources expenditure categorised according to the organisational structure of the City can be found in the Statement of Human Resources Table.

4.1.8 Materials and services

| | Forecast Actual 2018/19 \$'000 | Draft Budget 2019/20 \$'000 | Change \$'000 | Change % |
|-------------------------|---|-----------------------------------|------------------|--------------|
| Administration Expenses | 1,963 | 1,640 | - 323 | -16.45% |
| Contract Payments | 45,461 | 46,397 | 936 | 2.06% |
| Insurances | 1,623 | 1,319 | - 304 | -18.73% |
| Materials and services | 5,719 | 6,906 | 1,187 | 20.76% |
| Plant and equipment | 3,317 | 3,181 | - 136 | -4.10% |
| Supplies | 352 | 377 | 25 | 7.10% |
| Utilities | 5,723 | 6,072 | 349 | 6.10% |
| Other | 1,230 | 1,198 | - 32 | -2.60% |
| | | | | |
| | 65,388 | 67,090 | 1,702 | 2.60% |

NOTES TO THE FINANCIAL STATEMENTS

Materials and services (\$1.702m increase)

Materials and services include the purchase of consumables, payments to contractors for the provision of services and utilities. Materials and services are budgeted to increase by 2.60% compared to the 2018/19 forecast actual.

4.1.9 Depreciation and amortisation

| | Forecast Actual 2018/19 \$'000 | Draft Budget 2019/20 \$'000 | Change \$'000 | Change % |
|-------------------------------------|---|-----------------------------------|------------------|--------------|
| Depreciation Buildings | 3,913 | 3,952 | 39 | 1.00% |
| Depreciation Furniture and Fittings | 191 | 234 | 43 | 22.51% |
| Depreciation Landfill Improvements | 31 | 1,362 | 1,331 | 4293.55% |
| Depreciation Lending Materials | 417 | 421 | 4 | 0.96% |
| Depreciation Other Infrastructure | 1,466 | 1,467 | 1 | 0.07% |
| Depreciation Other Structures | 3,061 | 3,061 | - | 0.00% |
| Depreciation Plant and Equipment | 3,421 | 3,495 | 74 | 2.16% |
| Depreciation Recreation & Business | 2,573 | 2,574 | 1 | 0.04% |
| Depreciation Road Pavements | 15,844 | 15,844 | - | 0.00% |
| | 30,917 | 32,410 | 1,493 | 4.83% |

Depreciation and amortisation (\$1.493m increase)

Depreciation is an accounting measure and is a non-cash item, which attempts to allocate the value of an asset over its useful life for the City's property, plant and equipment and infrastructure assets such as roads and drains.

NOTES TO THE FINANCIAL STATEMENTS

4.1.10 Other expenses

| | Forecast Actual 2018/19 \$'000 | Draft Budget 2019/20 \$'000 | Change \$'000 | Change % |
|-------------------------|---|-----------------------------------|------------------|---------------|
| Auditors Remuneration | 150 | 150 | - | 0.00% |
| Councillor Remuneration | 424 | 435 | 11 | 2.59% |
| Internal Audit | 150 | 150 | - | 0.00% |
| Leasing Charges | 1,308 | 1,301 | - 7 | -0.54% |
| Other | 12 | 1 | - 11 | -91.67% |
| | | | | |
| | 2,044 | 2,037 | - 7 | -0.34% |

Other Expenses (\$0.007m decrease)

It is not anticipated that there will be any significant change to other expenses for the City.

NOTES TO THE FINANCIAL STATEMENTS

4.2 Balance Sheet

4.2.1 Assets

Cash and cash equivalents include cash and investments such as cash held in the bank and in petty cash, and investments held in deposits or other highly liquid investments with short term maturities of three months or less.

Trade and other receivables are monies owed to the City by ratepayers and other debtors. Short term debtors continue to be managed under tight financial controls. Long term debtors (non-current) include loans to community organisations.

Other assets include items such as prepayments for expenses that the City has paid in advance of service delivery, inventories or stocks held for sale or consumption in the City's services, and other revenues due to be received in the next 12 months. These are not expected to change significantly in 2019/20.

Property, infrastructure, plant and equipment make up the largest component of the City's assets and represents the value of all the land, buildings, roads, vehicles, equipment, etc. which has been built up by Council over many years.

4.2.2 Liabilities

Trade and other payables are those to whom the City owes money as at June 30. Provisions include accrued long service leave, annual leave, landfill and rostered days off owing to employees. Provisions also include a provision for landfill rehabilitations.

Working capital

Working capital is the excess of current assets above current liabilities. This calculation recognises that although the City has current assets, some of those assets are already committed to the future settlement of liabilities in the following 12 months and are therefore not available for discretionary spending.

Some of Council's cash assets are restricted in that they are required by legislation to be held in reserve for specific purposes or are held to fund carried forward capital works from the previous financial year.

4.2.3 Borrowings

The table below shows information on borrowings required by the Regulations.

| Loans | 2018/19 \$'000 | 2019/20 \$'000 | Change % |
|---|-------------------|-------------------|-------------|
| New borrowings (other than refinancing) | 0 | 10,000 | 0.0% |
| Amount to be redeemed | 4,073 | 3,910 | -4.0% |
| Amount borrowed as at 30 June | 39,627 | 45,717 | 15.4% |
| | | | |

Interest bearing loans will increase by \$6.090m during 2019/20. This is a net result of borrowing \$10m from the State Government being a reduced interest loan. This loan was originally proposed to be borrowed in 2018/19 and was included in a Revised Budget

adopted by Council in February 2019. This loan has not been borrowed to date thus the requirement to include in the 2019/20 budget. Council will repay \$3.910m of existing loans resulting in a net increase of \$6.090m in the 2019/20 financial year.

4.3 Statement of changes in equity

4.3.1 Reserves

Council has cash reserves which it is currently using to fund various programs. These include statutory and discretionary reserves. The reserves include long service leave, drainage, waste and superannuation reserves. For 2019/20 \$1.6m will be used to fund the acquisition of new technology for the City's parking strategy.

During the year an amount of \$0.5m is budgeted to be transferred to reserves leaving a net reduction in reserve funds of \$1.1m.

4.3.2 Equity

Total equity always equals net assets and is made up of the following components:

- Asset revaluation reserve represents the difference between the previously recorded value of assets and their current valuations.
- Other reserves that are funds that the City wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the accumulated surplus of the City to be separately disclosed.
- Accumulated surplus is the value of all net assets less Reserves that have accumulated over time. The increase in accumulated surplus results directly from the operating surplus for the year.

This budget document has been prepared reviewing the movement between 2018/19 forecast actuals to 2019/2020 Budget.

NOTES TO THE FINANCIAL STATEMENTS

4.4 Statement of cash flows

This section analyses the expected cash flows from the operating, investing and financing activities of the City for the 2019/20 year. Budgeting cash flows for the City is a key factor in setting the level of rates.

4.4.1 Net cash flows provided by/used in operating activities

Operating activities

Operating activities refers to the cash generated or used in the normal service delivery functions of the City. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt.

The increase in cash inflows from operating activities is a combination of increased revenue from rates, grants and user charges fees and fines that has been offset by an increase in employee costs and materials and services. Refer to section 4.1 above for further analysis of the cause of these variances.

The net cash flows from operating activities does not equal the surplus (deficit) for the year as the expected revenues and expenses of the Council include non-cash items which have been excluded from the Cash Flow Statement. The budgeted operating result is reconciled to budgeted cash flows available from operating activities as set out in the following table.

| | Forecast Actual 2018/19 \$'000 | Budget 2019/20 \$'000 | Variance \$'000 |
|--|---|-----------------------------|--------------------|
| Surplus (deficit) for the year | 44,730 | 50,648 | 5,918 |
| Depreciation | 30,917 | 32,411 | 1,494 |
| Contributions - non-monetary | (22,603) | (32,315) | (9,712) |
| Loss/(Net gain) on disposal or property, infrastructure, plant and equipment | (27) | 0 | 27 |
| Borrowing costs | 2,000 | 1,816 | (184) |
| Net Movement in current assets and liabilities | (4,568) | (614) | 3,954 |
| Cash flows available from operating activities | 50,449 | 51,946 | 1,497 |

4.4.2 Net cash flows provided by/used in investing activities

Investing activities refers to cash generated or used in the enhancement or creation of infrastructure and other assets.

These activities also include the acquisition and sale of other assets such as vehicles, property and equipment.

4.4.3 Net cash flows provided by/used in financing activities

Financing activities refers to cash generated or used in the financing of the City's functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. Activities also include repayment of the principal component of loan repayments for the year.

The decrease in financing activities is due to the raising of \$10m in borrowings in 2019/20 and a decrease repayment of borrowings of \$3.910m.

Cash and cash equivalents at end of the year

Overall, total cash and investments are forecast to remain reasonably constant with a minor increase of \$0.014m to \$46.229m as at June 30 2020.

4.5 Capital works program

This section represents the capital works program for the 2019/20 financial year, classified by project. Contained in the Strategic Resource Plan the capital works program is classified by expenditure type and funding source. Note that there is a difference from this detailed works program and those capital works statements contained in the Strategic Resource Plan.

Capital statements contain in the Strategic Resource Plan do not include non cash projects however are included in this detailed program.

NOTES TO THE FINANCIAL STATEMENTS

| Year | Project Description | Gross \$ |
|---------|---|-------------------|
| 2019/20 | BAC Programmable Assets & Equipment | 204,000 |
| 2019/20 | Ballarat Botanical Gardens Program | 62,424 |
| 2019/20 | Bicycle Paths | 374,544 |
| 2019/20 | Bicycle Strategy Projects | 270,504 |
| 2019/20 | Bridge Rehabilitation | 218,484 |
| 2019/20 | Bus Shelter repair and replacement | 166,464 |
| 2019/20 | Christmas Decorations | 200,000 |
| 2019/20 | City Entrances | 168,794 |
| 2019/20 | Desktop Replacement Program | 495,803 |
| 2019/20 | Drainage Projects | 843,764 |
| 2019/20 | Facility Renewal Program | 3,288,668 |
| 2019/20 | Federal Blackspot Funding | 1,000,000 |
| 2019/20 | Federal Roads to Recovery Funding | 1,000,000 |
| 2019/20 | Footpath Works | 561,816 |
| 2019/20 | Home carers - Hand Held PDA | 0 |
| 2019/20 | IT Infrastructure | 0 |
| 2019/20 | IT System Development | 1,228,620 |
| 2019/20 | Kerb and channelling | 457,776 |
| 2019/20 | Lake Wendouree Infrastructure Works | 102,000 |
| 2019/20 | Land Development Council Contribution | 106,121 |
| 2019/20 | Landfill Upgrade | 2,184,840 |
| 2019/20 | LED Residential Street Lighting | 500,000 |
| 2019/20 | Library Books | 386,316 |
| 2019/20 | Major New Capital Road Projects | 520,200 |
| 2019/20 | Major Rural Roads Infrastructure Works | 1,285,089 |
| 2019/20 | Median Strip Landscaping Project | 108,243 |
| 2019/20 | Minor Road improvements /upgrades | 1,199,581 |
| 2019/20 | Monument Renewal Program | 114,780 |
| 2019/20 | Outdoor Pools | 143,475 |
| 2019/20 | Parking Meter Replacement Program | 83,232 |
| 2019/20 | Parks Development Program | 298,429 |
| 2019/20 | Plant, machinery and equipment | 3,504,911 |
| 2019/20 | Playground Improvement Program | 62,424 |
| 2019/20 | Playspace Planning Framework | 286,951 |
| 2019/20 | Public Art Program | 114,780 |
| 2019/20 | Public Place Recycling | 11,478 |
| 2019/20 | Recreation Capital Improvement Program | 13,376,784 |
| 2019/20 | Replacement Bins Program | 344,341 |
| 2019/20 | Road Renewal | 8,377,015 |
| 2019/20 | School Crossing Supervisor Shelters | 22,956 |
| 2019/20 | Social Infrastructure Capital Improvement Program | 1,020,000 |
| 2019/20 | Street Furniture Renewal Program | 172,171 |
| 2019/20 | Street Irrigation Project | 106,121 |
| 2019/20 | Bakery Hill | 1,000,000 |
| 2019/20 | DCP-Construction-Council | 2,618,368 |
| 2019/20 | DCP-Construction-WIK | 14,120,454 |
| 2019/20 | DCP-Land - Council | 3,914,090 |
| 2019/20 | DCP-Land-WIK | 3,914,090 |
| 2019/20 | Civic Hall | 2,000,000 |
| 2019/20 | Town Hall restoration (Ball room) | 1,000,000 |
| 2019/20 | Central Library | 950,000 |
| 2019/20 | Land Acquisition - Miners Rest | 1,000,000 |
| 2019/20 | Parking Equipment | 1,600,000 |
| 2019/20 | Street Trees & Planting | 500,000 |
| 2019/20 | Subdivision Contribution | 14,280,000 |
| | | |
| | | 91,870,899 |

5. 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 interpreted in the context of the organisation's objectives.

| Performance Indicators | | Forecast | | | | |
|----------------------------|--|----------|---------|-------------------------|---------|---------|
| | | Actual | Budget | Strategic Resource Plan | | |
| Indicator | Measure | 2018/19 | 2019/20 | Projections | | |
| Operating position | | | | 2020/21 | 2021/22 | 2022/23 |
| Adjusted underlying result | Adjusted underlying surplus (deficit) / Adjusted underlying revenue | 6.01% | 1.27% | 4.75% | 4.12% | 4.14% |
| Liquidity | | | | | | |
| Working capital | Current assets / Current liabilities | 276% | 182% | 178% | 147% | 125% |
| Unrestricted cash | Unrestricted cash / Current liabilities | 227% | 127% | 123% | 90% | 66% |
| Obligations | | | | | | |
| Loans and borrowings | Interest bearing loans and borrowings / Rate revenue | 40% | 34% | 37% | 32% | 28% |
| Loans and borrowings | Interest and principal repayments on interest bearing loans and borrowings / Rate revenue | 6% | 5% | 5% | 6% | 5% |
| Indebtedness | Non-current liabilities / Own source revenue | 26% | 25% | 25% | 23% | 20% |
| Asset Renewal | Asset renewal expenses / Depreciation | 191% | 110% | 79% | 79% | 81% |
| Stability | | | | | | |
| Rates concentration | Rate revenue / Adjusted underlying revenue | 65% | 69% | 68% | 68% | 69% |
| Rates effort | Rate revenue / CIV of rateable properties in the municipality | 0.56% | 0.55% | 0.56% | 0.56% | 0.56% |
| Efficiency | | | | | | |
| Expenditure level | Total expenditure / no. property assessments | 307% | 323% | 336% | 337% | 341% |
| Revenue level | Residential rate revenue / No. of residential property assessments | 1,384 | 1,411 | 1,439 | 1,467 | 1,496 |
| Workforce turnover | No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year | 6.10% | 6.10% | 6.10% | 6.10% | 6.10% |

Notes to indicators

1. Adjusted underlying result

An indicator of the sustainable operating result required to enable Council to continue to provide core services in the long term and is not impacted by capital income items which can often mask the operating result.

2. Liquidity

The proportion of current liabilities represented by current assets.

3. Unrestricted cash

This represents the availability of the City to pay its short term liabilities as required. The City holds cash for long term reserves of approximately \$13.4m in 2019/20. These funds are to support the Statutory and Discretionary Reserves Policy of keeping reserves 100% cash backed.

4. Debt compared to rates

Trend indicates council's reducing reliance on debt against its annual rate revenue through redemption of long term debt.

5. Asset renewal

This is a percentage calculation of Council's renewals against its depreciation costs (which is an indication of the decline in value of existing capital assets). A percentage greater than 100 indicates Council is allocating more than sufficient expenditure towards maintaining its existing assets. A percentage less than 100 means its asset replacement costs are increasing faster than they are being renewed and future capital expenditure will be required to renew assets.

6. Rates concentration

Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Whilst the trend indicates that on current settings, Council will become more reliant on rate revenue compared to all other revenue sources, future grants are difficult to forecast accurately as State and Federal priorities shift.



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