



CITY OF GREATER GEELONG
BUDGET REPORT: 2013-2014
ADOPTED 25 JUNE 2013



CONTENTS

	Page
Section 1: Overview	
Executive Summary	1-1 to 1-7
Budget Preparation	1-8 to 1-12
Budget Influences	1-13 to 1-14
Section 2: Budget Analysis	
Standard Income Statement	2-1
Analysis of Operating Budget	2-2 to 2-6
Fees & Charges Summary and Analysis	2-7 to 2-10
Analysis of Division Variances	2-11 to 2-16
Standard Cash Flow Statement	2-17
Analysis of Budgeted Cash Position	2-18 to 2-20
Standard Capital Work Statement	2-21
Analysis of Capital Budget	2-22 to 2-27
Standard Balance Sheet	2-28
Analysis of Budgeted Financial Position	2-29 to 2-30
Impact of Current Year on 2013-2014 Budget	2-31 to 2-32
Section 3: Budget Strategies	
Strategic Resource Plan	3-1 to 3-3
Standard Income Statement - 4 years	3-4
Standard Capital Work Statement - 4 years	3-5
Standard Cash Flow Statement - 4 years	3-6
Standard Balance Sheet - 4 years	3-7
Rating Strategy and Statutory Disclosure	3-8 to 3-17
Statutory Information on Rates	3-18
Other Strategies	3-19
<i>Borrowings</i>	3-19 to 3-21
<i>Infrastructure</i>	3-22 to 3-24
<i>Service Delivery</i>	3-25 to 3-26
<i>Environmental Management</i>	3-27 to 3-28
Section 4: Appendices	
Program Budgets:	
<i>Capital</i>	Appendix 1
<i>Non Capital</i>	Appendix 2
<i>Disbursements</i>	Appendix 3
Fees & Charges - Major Price Increases	Appendix 4
Key Strategic Activities	Appendix 5
Glossary of Terms	Appendix 6

CHIEF EXECUTIVE'S SUMMARY

The executive summary provides key information about the rate increase, operating result, service levels, cash and investments, capital works, financial position, financial sustainability and key strategic activities of the Council.

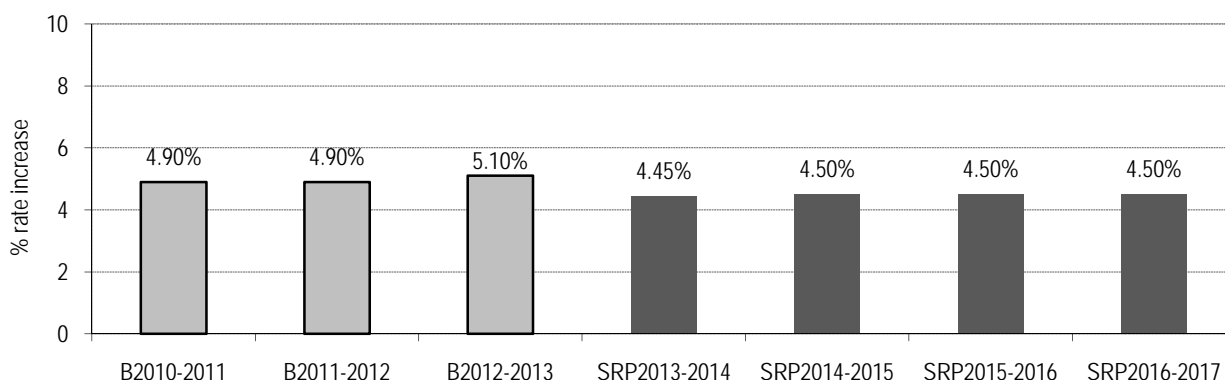
The 2013-2014 budget has been developed with four key fiscal objectives:

1. Maintain an operating surplus to contribute internal funding for capital works program.
2. Maintain core infrastructure renewal expenditure, whilst increasing expenditure on new community infrastructure.
3. Maintain net financial liabilities at a sustainable level.
4. Provide minimum rate increases whilst maintaining funding of service delivery consistent with community expectations.

The gross capital expenditure of \$83.8M includes, for major asset categories, \$23.0M on Buildings, \$12.4M Recreation Assets, \$23.2M on Roads, Footpaths, Kerb & Channel and Drains, and \$2.2M on Fleet (see Capital Program p 2-21).

Council plans to borrow \$32.1M in 2013-2014 to fund the net capital expenditure on the new Geelong Library & Heritage Centre, Drysdale Landfill Cells, Community Facilities and Unfunded Superannuation (see Borrowing Strategy p 3-19).

1(a). Residential Rates



Rate revenue is 62% of total revenue and reflects a 4.45% rate increase for residential ratepayers (including Municipal Charge and Garbage Charge increases).

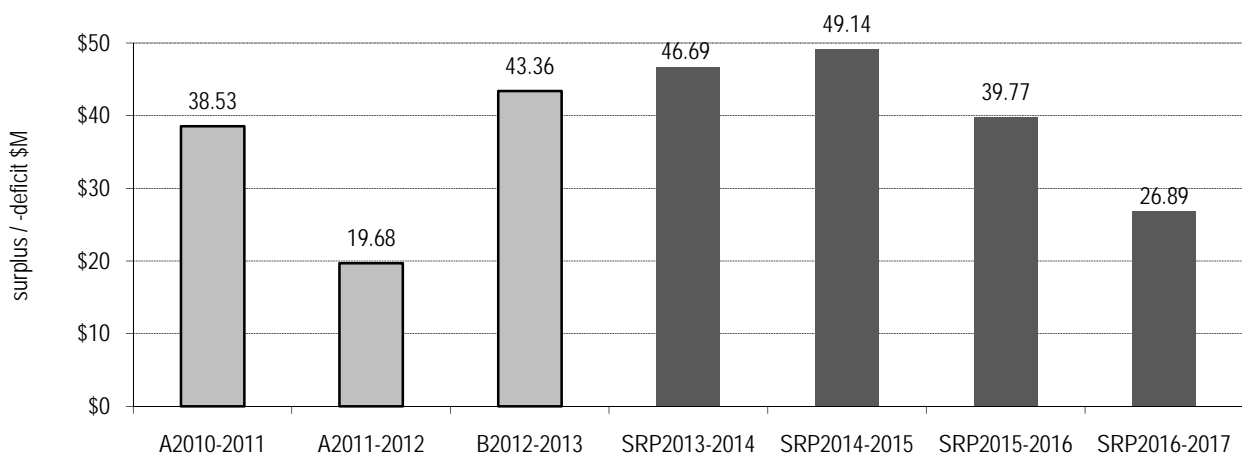
The 4.45% rate increase can be compared to the 2013-2014 forecast CPI movement of 2.5% and the MAV Local Government Cost Index currently 3.9%.

1(b). Average Residential Rates

Residential Movement	2012-2013 Rates on Avg. CIV \$	2013-2014 Budget Rates on Avg. CIV \$
Residential Capital Improved Value	365,610	365,610
Rates (CIV x Rate in \$)	930.11	974.28
Municipal Charge	86.33	88.90
Waste Collection Service	226.00	234.50
Total Rates & Charges	1,242.44	1,297.68

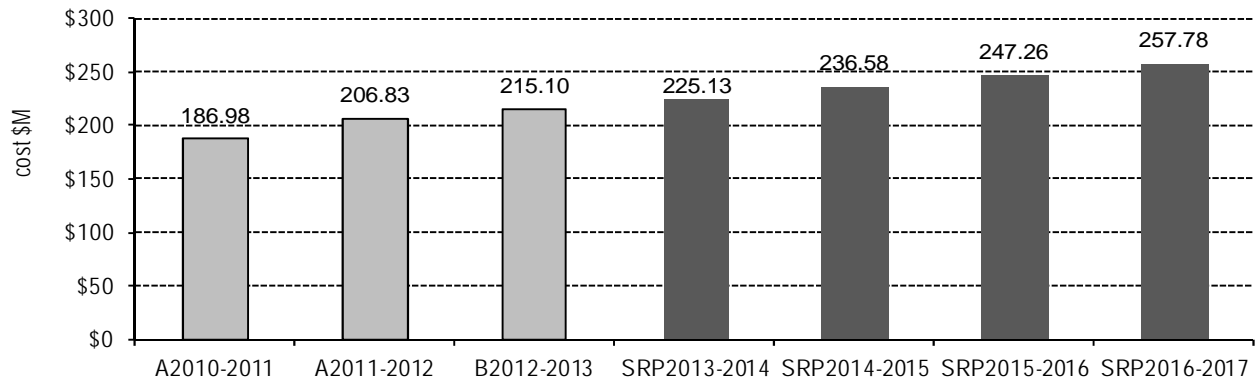
The average movements in Rates, Municipal Charge and Waste Collection Charge totals \$55.24 for the 2013-2014 year, raising total rates of \$169.3M. The Municipal Charge recovers some of the fixed cost of governance. The Waste Collection Service Charge includes the Carbon Tax, the impact of new waste processing operations (post closure of Corio) and EPA levy increases. The increase in rates for the average property valued at Capital Improved Value (CIV) of \$365,610 is \$44.17 plus a \$8.50 increase in the Waste Collection Service and a \$2.57 increase to the Municipal Charge. The Landfill EPA levy increases to \$53.20/tonne equivalent to \$24.56 per Waste Collection Service Charge (previously \$22.40). The Carbon tax for the Drysdale Landfill is equivalent to \$2.23 per Waste Collection service charge.

2. Overall Operating Result



The expected overall result for the 2013-2014 year is a surplus of \$46.69M, which is an increase of \$3.33M over 2012-2013 primarily due to an increase in subdivision asset recognition. The overall result includes recurrent increases in depreciation expenses and salaries growth together with non operating items such as capital grants \$14.0M and recognition of infrastructure \$33.5M. The recurrent operating result is a surplus of \$1.0M, which is an increase of \$0.8M over 2012-2013 with capitalisation of \$1.0M landfill receipts to fund Corio Landfill Rehabilitation. The projected recurrent result for the current 2012-2013 year is a deficit of (\$13.9M) after accounting for non capital projects carried over from 2011-2012 and the receipt of 50% of Grants Commission funding in June 2012. These changes were reflected in amendments to the 2012-2013 Budget. The 2012-2013 projection highlights a \$2.0M favourable recurrent variance to the amended budget (refer page 2-31).

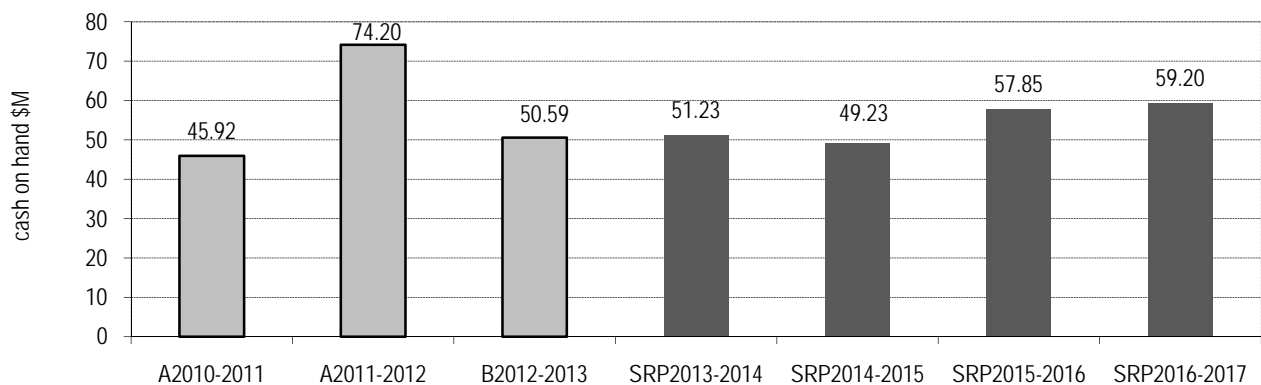
3. Services



*Total Service Cost (Recurrent expenditure less depreciation).

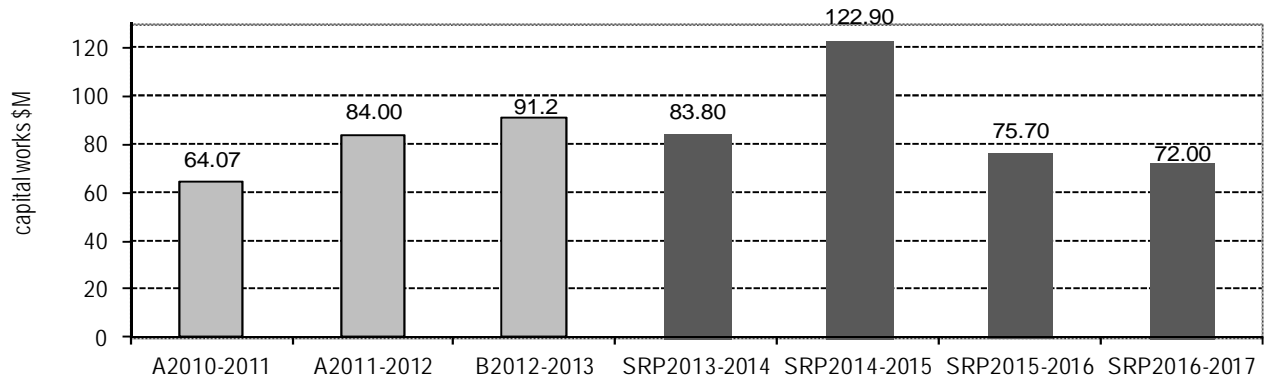
The cost of services delivered to the community for the 2013-2014 year is expected to be \$225.13M which is an increase of \$10.03M over 2012-2013. A key influencing factor in the development of the 2013-2014 Budget has been the maintenance of existing service funding levels and the inclusion of mandatory and other community funding increases only.

4. Cash and Investments



New borrowings of \$32.1M are proposed in 2013-2014. These borrowings will fund Community Services Infrastructure, Central Geelong Revitalisation, Lara Town Centre, Drysdale Landfill Cells, Unfunded Superannuation and Geelong Library & Heritage Centre. The proposed June 2014 cash balance is adequate to meet required balances. The capital program assumes \$19.0M of capital funds will not be expended until 2014-2015 year. Projected cash balances will be \$5.8M lower than Budget levels as at 30 June 2013 given expectations of deferred capital works into 2013-2014 of \$25M, and an unfavourable cash operating performance \$30.6M due to payment of Unfunded Superannuation (\$22.3M).

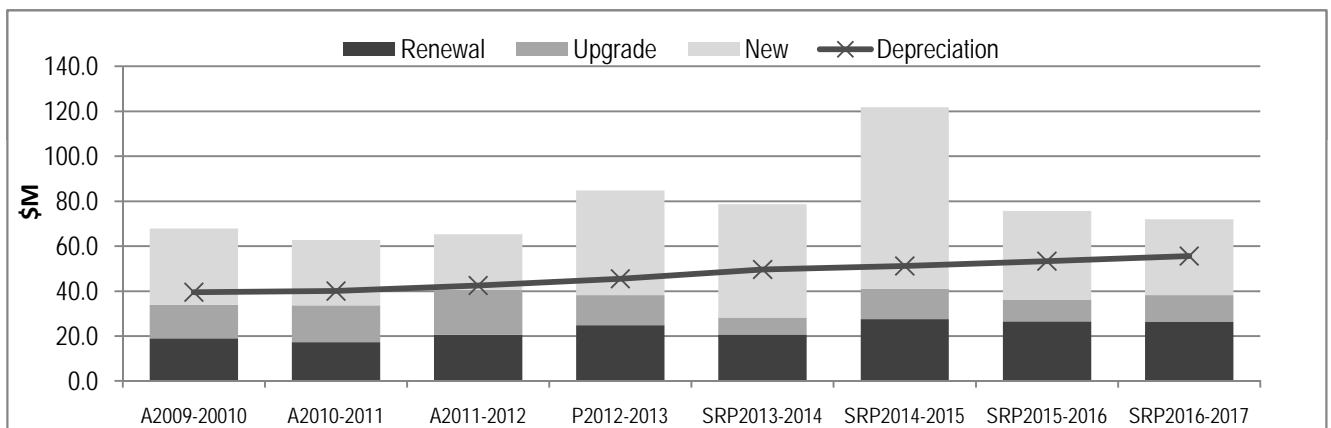
5. Capital Works



The capital works program for the 2013-2014 year is proposed at \$83.8M of which \$25.0M relates to projects which will be carried forward from the 2012-2013 year and \$19.0M carried forward into 2014-2015. The capital expenditure program includes key funding for Geelong Library and Heritage Centre, Ocean Grove Integrated Children's Centre, Grovedale Integrated Children's Centre, Core Programs, Ageing Infrastructure, a range of Recreation and Leisure projects, Community priorities and completion of 2012-2013 projects (refer p 2-22 "Analysis of Capital Budget").

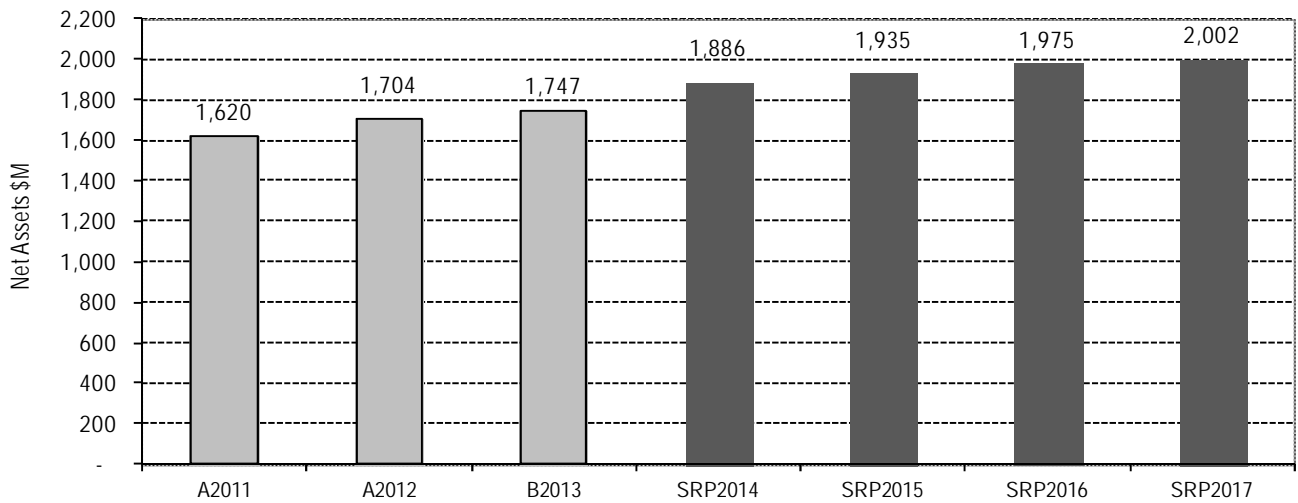
The Capital Works Program is summarised by Project Category, by Responsible Business Unit and by classification as Renewal, Upgrade or New Project.

The graph below highlights the ratio of renewal and upgrade expenditure to depreciation.



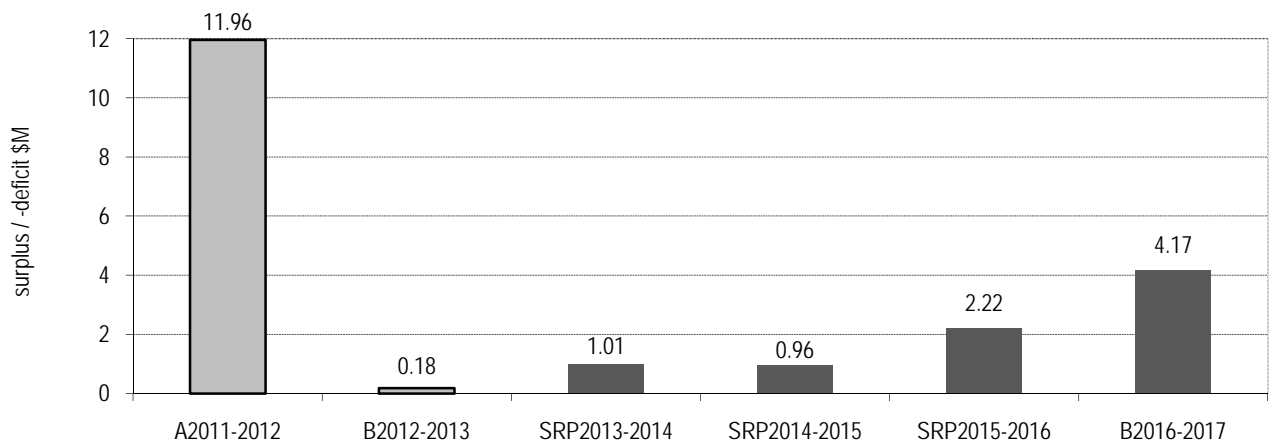
The percentage of renewal / upgrade capital expenditure is a long term indicator. The trend indicates that Council is allocating insufficient resources to renewal / upgrade capital expenditure relative to new.

6. Financial Position



Net assets (net worth) will increase by \$139.5M to \$1,886.3M with Property Plant & Equipment increasing by \$145.4M and other decreases net \$5.8M (refer p 2-29 Analysis of Budgeted Financial Position).

7. Financial Sustainability



A high level Strategic Resource Plan for the years 2013-2014 to 2016-2017 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the medium to long term, whilst still achieving the Council's strategic objectives as specified in City Plan. The Plan estimates a target surplus per year in order to assist funding of the capital program and to maintain cash levels equivalent to restricted assets. The result provides a sustainable base where depreciation, growth in interest costs associated with loan borrowing program and growth in operating costs for service delivery is fully funded.

8. Strategic Objectives

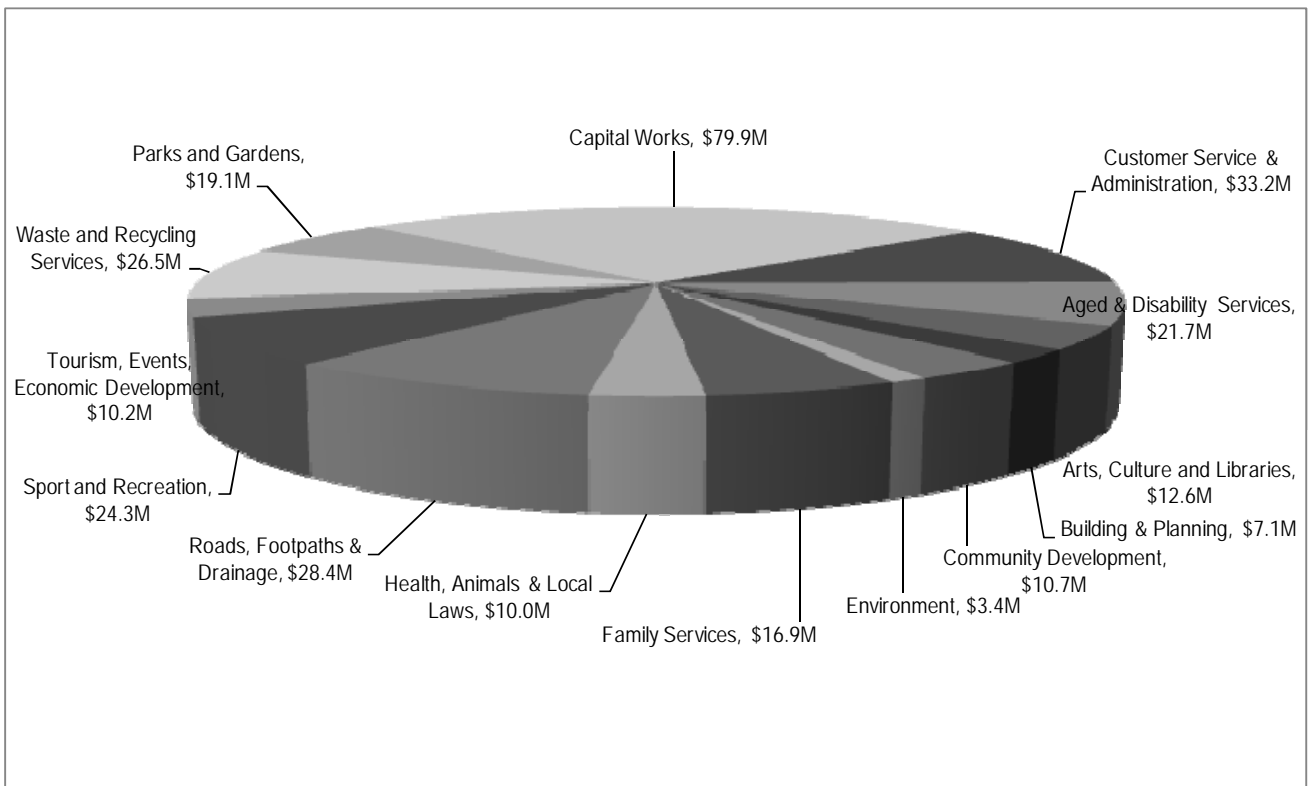
The Annual Budget includes a range of activities and initiatives to be funded that will contribute to achieving the strategic objectives specified in the City Plan. The table below includes the strategic objectives as set out in the City Plan and the key strategies for achieving these objectives for the 2013-2014 year.

Strategic Objective	Key Strategic Activities
<i>Community Wellbeing</i>	
Healthy Lifestyles	Implement the Healthy Together Geelong in 2013-2014
Healthy Environments	Stead Park Hockey Precinct development
Connected, Creative and strong communities	Completion of the Ocean Grove Integrated Children's Centre
<hr/>	
<i>Growing The Economy</i>	
Support existing businesses and encourage new and emerging growth sectors	Establish the City of Greater Geelong's new economic development; Enterprise Geelong
Facilitate major infrastructure and investment to enable economic growth	Undertake construction works associated with the Lara town centre expansion project
A prosperous and innovative Geelong	Continue the Skilled Migration program
A successful and vibrant city	Commence construction of the Geelong Library and Heritage Centre
Greater Geelong is a leading city for tourism, arts, culture and events	2013 Australian Masters Games
<hr/>	
<i>Sustainable Built and Natural Environment</i>	
Enhance and protect natural areas and ecosystem health	Undertake Clifton Springs coastal erosion mitigation work including the completion of the revetment wall
Support our community to live sustainability	Develop and deliver a range of initiatives and programs that provide alternative options to a full hard waste collection
Meet and encourage environmentally sustainable development standards	Implement and promote actions within Council's Sustainable Buildings Policy
Minimise our environment footprint	Clean Energy - Buildings, plant and equipment
<hr/>	
<i>How We Do Business</i>	
Lead by advocating and collaborating on issues important to the Greater Geelong Community.	Council advocates on behalf of the community
Efficient and customer focussed organisation	Requests for Service from the community are completed within designated timeframes
Responsible and sustainable financial management	Council maintains the ability to repay loan debt from own source revenue
Informed and engaged community	Participants involved in Council Community Engagements are kept informed of the outcome
Motivated and skilled staff in a safe work environment	Appropriate systems, training, supervision and support are in place to provide a safe and healthy workplace for all staff.

The Annual Budget converts the activities and initiatives identified into financial terms to ensure there are sufficient resources for their achievement. Listed in Appendix 5 are Councils detailed financial commitments to achieving the plan. The table below summarises Council expenditure by Strategic Objective.

Strategic Objectives	2013-2014 Expenditure \$M
Community Wellbeing	41.52
Growing the Economy	31.53
Sustainable Built and Natural Environment	9.69
How We Do Business	21.39

9. Where rates are spent



The above chart provides an indication of how Council allocates its expenditure across the main services that it delivers. It shows gross expenditure allocated to each service area.

This budget has been developed through a rigorous process of consultation and review and management endorses it as financially responsible. More detailed budget information is available throughout this document.

Stephen Griffin
Chief Executive

BUDGET PREPARATION

1. Linkage to Council Plan

The Annual Budget links to the Council Plan within an overall planning framework. This framework guides Council to identify local needs through community engagement, then to establish a Council Plan (medium term) and Annual Budget (short term). Finally, Council reports through the Annual Report and Audited Financial Statements holding itself accountable.

2. Strategic Planning Framework



3. Our Purpose

Our Vision

Greater Geelong: building our community through enterprise, opportunity and innovation in a quality environment.

Our Mission

We will focus on developing and maintaining effective working relationships to deliver Council's strategic directions and high quality services that meet the changing needs of our community.

Our Values

The City of Greater Geelong prides itself on delivering outcomes that serve residents' needs through committed, motivated, enthusiastic, well trained and well resourced staff.

We aim to foster a culture that embraces a consistent set of behaviours that reflect what we all truly value and believe in to deliver effective and efficient outcomes for our community.

- Integrity
We will:
 - act on our commitments
 - be open, transparent, ethical and honest in our actions
 - share information.
- Responsibility
We will:
 - be accountable for our decisions and everything we do
 - take pride in the job we are doing
 - be loyal and support our work colleagues and organisation
 - take responsibility for problem solving.

- Innovation
We will:
 - look for and implement better ways of doing things
 - be open to learning
 - be responsive to the changing needs of the community.
- Respect
We will:
 - listen and seek to understand the views of others
 - be considerate and courteous
 - recognise everyone's contribution and value a job well done
 - build positive relationships.

4. Strategic Objectives

Council delivers activities and initiatives under four strategic directions and 17 priority outcomes. Each strategic direction has a clearly defined objective, each of which is described below.

A number of key strategies and master plans have been developed by Council to assist in achieving these objectives. Based on these strategies, Council has identified a series of key actions that will be undertaken for the 2013-2014 year.

The following table shows by strategic direction, the strategies developed and the key strategic activities that Council plans to undertake and how we will measure our success.

Objective	Priority	How the Activities & Initiatives Contribute to the Corporate Objectives	Strategies	Key Strategic Activities - Action	Key Strategic Activities - Measures
Strategic Directions					
Community Wellbeing					
Healthy Together Geelong: to enhance health, wellbeing and quality of life of Greater Geelong Communities.	Healthy Lifestyles.	Facilitate and promote physical activity, healthy eating and improved lifestyle choices.	Geelong Health and Wellbeing Plan.	Implement the <i>Healthy Together Geelong</i> in 2013-2014.	Actions are undertaken as per the program plan.
	Healthy Environments.	Providing safe and vibrant physical environments and infrastructure to support healthy living and connected communities.	Stead Park Master Plan. Geelong Health and Wellbeing Plan.	Stead Park Hockey Precinct development.	Construction commenced on an additional hockey field including lighting, fencing and all other associated works.
	Connected, creative and strong communities.	Facilitate programs and events that encourage increased participation in community life.	Bellarine Peninsula Strategic Plan. Future Provision of Community Infrastructure Plan.	Completion of the Ocean Grove Integrated Children's Centre.	Construction of the Ocean Grove Integrated Children's Centre is completed and the centre is operational.
Growing the Economy					
Securing Geelong's economic future.	Support existing businesses and encourage new and emerging growth sectors.	Maintain and generate new sustainable employment opportunities.		Establish the City of Greater Geelong's new economic development; Enterprise Geelong.	Enterprise Geelong is established and operational.
	Facilitate major infrastructure and investment to enable economic growth.	Strengthen key existing infrastructure assets and encourage new assets that compliment these and	Lara Structure Plan 2011 . Lara Recreation Facilities Study (2008).	Undertake construction works associated with the Lara town centre expansion project	Construction works on drainage, relocation of Lara Secondary College bus bays, sewer main

Objective	Priority	How the Activities & Initiatives Contribute to the Corporate Objectives	Strategies	Key Strategic Activities - Action	Key Strategic Activities - Measures
Strategic Directions					
		maximise their economic potential.	Lara Town Centre Urban Design Framework (2006).		construction, services relocations and connections and have commenced and are nearing completion.
	A prosperous and innovative Geelong.	Encourage a strong, resilient and diverse economy .	Economic Development Strategy.	Continue the Skilled Migration program .	Assist 25 or more employers through the Skilled Migration program.
	A successful and vibrant city centre.	Creating an active and vibrant city centre with greater mixed use that is the economic and social heart of the region.	Geelong Cultural Precinct Master Plan.	Commence construction of the Geelong Library and Heritage Centre .	The existing Central Geelong Library and Heritage Centre is demolished and construction has commenced.
	Greater Geelong is a leading city for tourism, arts, culture and events.	The region will be a preferred destination for local, national and international visitors.	Geelong Major Events Strategy. Geelong Otway Tourism Strategic Plan.	2013 Australian Masters Games .	The 2013 Australian Masters Games is successfully held in the Geelong Region in October 2013.

Sustainable Built and Natural Environment					
Partnering with our community to protect and enhance our natural ecosystems and to encourage sustainable design and reduce resource consumption .	Enhance and protect natural areas and ecosystem health.	Enhance and protect our natural habitat areas, coastlines, waterways and biodiversity within the region.	Environment Management Strategy. Clifton Springs Coastal Management Plan .	Undertake Clifton Springs coastal erosion mitigation works including the completion of the revetment wall.	Completion of stage two coastal protection structures to mitigate against coastal erosion.
	Support our community to live sustainability.	Provide leadership and guidance to the community to maximise environmental sustainability outcomes for our City.	Environment Management Strategy.	Develop and deliver a range of initiatives and programs that provide alternative options to a full hard waste collection.	A number of initiatives are developed, promoted and completed that target the specific materials and unwanted household items causing greatest disposal issues for various sections of the Community.
	Advocate for and promote sustainable design and development.	Meet and encourage environmentally sustainable development standards.	Environment Management Strategy.	Implement and promote actions within Councils Sustainable Buildings Policy.	Councils Sustainable Building Policy is being adhered to for works on new buildings, renovations and retrofits of existing buildings, building maintenance and minor upgrades and specific sustainability projects.
	Minimise our environment footprint.	Reduce the impact the City of Greater Geelong and our staff have on our natural environment.	Greenhouse Reduction Strategy. Environment Management Strategy.	Clean Energy – Buildings, plant and equipment upgrades.	Plant and equipment is upgraded to deliver energy efficiencies at John Drysdale Library, The Arena, and Anakie Road Operations Centre.

How We Do Business					
We will focus on developing and maintaining effective working relationships to deliver Council's strategic directions and cost effective services that meet the changing needs of the community.	Lead by advocating and collaborating on issues important to the Greater Geelong Community.	Partnerships with State and Federal Governments and other key organisations are developed to increase access to resources.		Council advocates on behalf of the community.	Community satisfaction with Council's advocacy and community representation on key local issues is equal to or greater than the Victorian council average.
	Efficient and customer focused organisation .	Deliver efficient and effective services that meet the growing needs of our community.	Customer Service Strategy. Corporate Document Management Strategy.	Requests for Service from the community are completed within designated timeframes.	Greater than 80% of requests are completed on time.
	Responsible and sustainable financial management.	Enable the delivery of our strategic priorities, services and infrastructure to ensure the sustainability of the region.	Long Term Financial Plan. Rating Strategy.	Council maintains the ability to repay loan debt from own source revenue.	Loan borrowing is less than 60% of self funded revenue (rate revenue).
	Informed and engaged community.	Provide opportunities for the community to participate in the decision making process.	Community Engagement Action Plan. Communications Strategy.	Participants involved in Council Community Engagements are kept informed of the outcome.	90% of consultations where feedback is required is provided to participants.
	Motivated and skilled staff in a safe work environment.	Ensures we have the capacity to deliver efficient and effective services, programs and infrastructure.	Human Resource Management Strategy Occupational Health and Safety Management Strategy.	Appropriate systems, training, supervision and support are in place to provide a safe and healthy workplace for all staff.	Lost time injury frequency rate is 17.42 or less (number of lost time injuries per million hours worked).

5. Budget Process

In accordance with the Local Government Act 1989 (the Act) and Local Government (Finance and Reporting) Regulations 2004 (the Regulations), Council is required to prepare and adopt an annual budget for each financial year.

The budget includes standard statements being a budgeted Income Statement, Balance Sheet, Cash Flows and Capital Works. These statements have been prepared for the year ended 30 June 2014 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Accounting Standards. The budget also includes detailed information about the rates and charges to be levied, the capital works program to be undertaken and other financial information, which Council requires in order to make an informed decision about the adoption of the budget.

In advance of preparing the budget, Officers firstly review and update Council's long term financial projections. The preparation of the budget, within this longer term context, begins with Officers preparing the operating and capital components of the annual budget during February and March. A draft consolidated budget is then prepared and various iterations are considered by Council at informal briefings during March/April. A 'proposed' budget is prepared in accordance with the Act and submitted to Council in May for approval 'in principle'. Council is then required to give 'public notice' that it intends to 'adopt' the budget. It must give 28 days notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices and on its web site. A person has a right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

To assist interested persons to understand the budget Council undertakes a Budget Briefing for community leaders. The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. The budget is required to be adopted and a copy submitted to the Minister by 31 August each year. The key dates for the budget process are summarised below:

Budget process	Date
1. Officers update Council's long term financial projections.	December / January
2. Officers prepare operating and capital budgets.	March
3. Council considers draft budgets at informal briefings.	March/April
4. Proposed Budget submitted to Council for approval .	14 May 2013
5. Public Notice advising intention to adopt Proposed Budget .	15 May 2013
6. Budget Briefing & Information Session.	15 May 2013
7. Budget available for public inspection and comment (28 days).	15 May 2013
8. Submission period closes.	11 June 2013
9. Submissions considered by Panel / Committee.	14 June 2013
10. Budget and submissions presented to Council for adoption.	25 June 2013
11. Copy of adopted budget and City Plan submitted to the Minister.	26 June 2013

BUDGET INFLUENCES

This section sets out the key budget influences arising from the internal and external environment within which the Council operates.

1. External Influences

In preparing the 2013-2014 Budget, a number of external influences have been taken into consideration, because they are likely to impact significantly on the services delivered by Council in the budget period. These include:

- Release of Ministerial Guidelines for Differential Rating resulting in Late Licence differential being discontinued with revenue loss \$0.34M recovered from Commercial differential.
- Introduction of Fire Services Property Levy (FSPL) requiring Council to bill, receipt and collect a FSPL on rateable and non rateable properties. Council's obligations are estimated at \$0.4M for Council owned property.
- Amendments to the Environment Protection Act 1970 to increase municipal and industrial waste landfill levies commenced from 1 July 2010. The provincial landfill levy rate is forecast to increase from \$48.40/tonne and \$53.20/tonne in 2013-2014.
- The Reserve Bank decision of 7 May 2013 to lower the cash rate by 25 basis points to 2.75%. This impacts on Council's available borrowing interest rates and also deposit rates on sums invested.
- The Budget needs to take into account the forecast Local Government Cost Index (LGCI) 3.9% 2012, which is higher than Consumer Price Index (CPI) forecast at 2.5%. The CPI is reflective of household consumption, whereas the LG Cost Index reflects the costs Council incurs in delivering services and infrastructure to the community.
- Wages growth in Victoria is projected to be 3.5% in 2013-2014. Workcover premium reductions in 2012-2013 will flow through as savings in 2013-2014.
- State Government funded Local Government Infrastructure program 2011-2015 total \$2M, with \$1M already received. A further \$0.5M is to be received in 2013-2014.
- Victorian Grants Commission annual funding to be remitted over four quarterly payments, not repeating 2012 experience where an advance payment was made in 2011-2012 with reduced quarterly payments in 2012-2013.
- State Government funding available for community facilities in 2013-2014 includes \$5.1M for Geelong Library & Heritage Centre and \$0.9M for Stead Park Hockey Precinct.
- Announcement of the Geelong Advancement Fund and opportunity to fund Central Geelong Revitalisation project.
- Projects dependant on external funding to commence including Clean Energy \$0.72M. Future projects include - Ocean Grove Infrastructure Plan - Pavilion and Elcho Drain (requiring Special Rate & Charge Scheme).

2. Internal Influences

As well as external influences, there were a number of internal influences arising from the 2012-2013 year that significantly impacted on budget development. Some of these influences include:

- Financial sustainability objectives - Recurrent result (>1% of Turnover), Liquidity (Current Asset/Liabilities >1), Indebtedness (< 60% of rate revenue), Capital Renewal/Upgrade ratio to Depreciation.
- EBA wage increases set at 4.25% for 2013-2014 together with 0.25% increase in superannuation guarantee levy, resulting in additional ongoing employee costs per annum.
- Council adopted a funding strategy in response to the unfunded defined benefit superannuation call in 2012 of \$22.3M. This funding strategy includes \$10M borrowing in 2013-2014 and internal savings of \$1.7M (in each of the 4 SRP years) in order to reinstate cash balances.
- New Waste Collection contract commencing 1 July 2013, together with a waste management strategy impacting on Garbage charge.
- Completion of Drysdale cell construction 4A, resulted in reassessment of timing for construction of Cell 6. Funding \$4M (borrowings) brought forward into 2013-2014.

- Resolution of Corio Landfill Rehabilitation obligations to EPA acceptance and funding obligations.
- Assessment of Capital carryover projects from 2012-2013 estimated at \$25M.
- Council has identified a number of Community priority projects during 2013 through engagement with the community as part of the budget process.

Additionally, a number of Council decisions during 2012-2013 related to funding implications for the 2013-2014 Budget. Some of these include:

- Enterprise Geelong \$270K additional recurrent funding.
- Lara Township expansion \$1.8M.
- Public Art Place Strategy.
- Commitment to Leopold Community Hub stage 1.
- 2012-2013 Sport & Recreation Victoria Funding program submissions including Grinter Reserve BMX Track \$0.09M, Queens Park Playground Upgrade \$0.07M and Evans Reserve Soccer Facility Upgrade \$0.10M.
- Sport & Recreation Victoria Community facility funding - \$0.88M Stead Park Hockey (Second Synthetic Hockey pitch).
- Home and Community Care funding cuts in 2012-2013 by Department of Health, imposing pressure on Council to fund the shortfall.
- Projects commenced in 2012-2013 requiring additional funding in 2013-2014: Geelong Library & Heritage Centre \$13.00M, Ocean Grove Integrated Children's Centre \$1.00M, Grovedale Integrated Children's Centre \$2.00M, Leopold Community Hub \$1.03M, Geelong Botanic Gardens Irrigation Upgrade \$0.25M, Wandana Heights Tennis Club \$0.12M, Thomson Reserve Masterplan \$0.08M and Guild Cricket Clubrooms \$0.03M.
- Hosting of 2013 Australian Masters Games (sponsorship commitment 2013-2014 \$0.15M).

3. Budget Principles

In response to these influences, guidelines were prepared and distributed to all Council officers with budget responsibilities. The guidelines set out the key budget principles upon which the officers were to prepare their budgets. The principles included:

- The Long Term Financial Plan provides a guide to capture strategic priorities within the context of an affordability framework to comply with sustainability measures. The plan is principally focused on a capital works program to capture priorities of Council, development capital plans, core capital works, Infrastructure renewal increases, landfill rehabilitation and new program requests.
- The Budget is developed in constant dollars and in general no uplift factors are included, other than requests for additional funding via project proposals.
- New initiatives or new employee proposals that are not cost neutral to be justified through a project proposal.
- Grants to be based on confirmed funding levels or where a reasonable expectation of receipt is possible.
- Salary & Wages have been developed on the basis of current budget EFT's plus specific increments identified in the authorised budget proposal or when alternative funding (Government Grants or Fees & Charges) is being provided.
- New Loan borrowings are linked to specific funding priorities within the capital works program.
- Existing fees and charges to be increased in line with cost increases or market levels, changes in supply and demand for services and the user pays principle.
- Non cash item depreciation will contribute to fund the net capital expenditure program.
- Operating revenues and expenses arising from completed 2012-2013 capital projects to be identified via funding proposals.

4. Long term strategies

The budget includes consideration of a number of long term strategies to assist Council in preparing the Budget in a proper financial management context. These include a Strategic Resource Plan for the budget year 2013-2014 through to 2016-2017, Rating Strategy and Other Long Term Strategies including borrowings, infrastructure and service delivery.

STANDARD INCOME STATEMENT

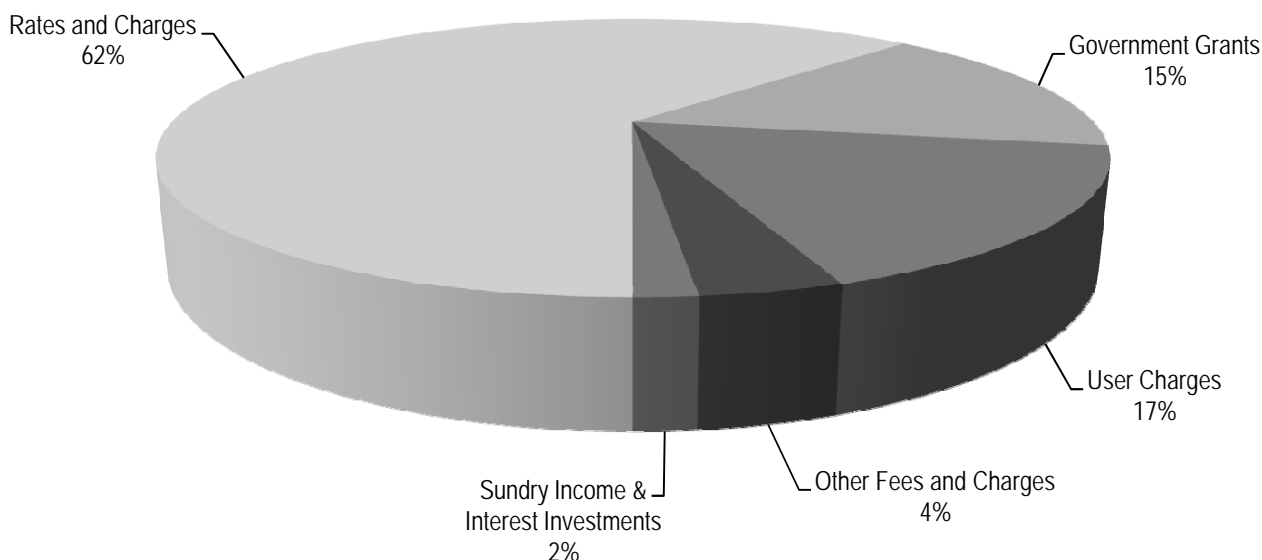
	Budget 2012-2013 \$'000	Projection 2012-2013 \$'000	Budget 2013-2014 \$'000	Budget Change Fav / (Unfav) \$'000
RECURRENT INCOME				
Rates and Charges	160,456	160,645	170,707	10,251
Government Grants	41,384	31,820	42,343	959
User Charges	43,682	43,782	45,673	1,991
Other Fees and Charges	10,156	10,582	10,635	479
Sundry Income	4,392	5,075	4,661	269
Interest Investments	2,101	2,112	1,701	(400)
Total Recurrent Income	262,171	254,016	275,720	13,549
RECURRENT EXPENDITURE				
Employee Related				
Salaries / Superannuation	109,844	107,934	116,620	(6,776)
Workcover	2,336	1,865	2,107	229
	112,180	109,799	118,727	(6,547)
Goods and Services				
General Works - Materials	6,902	7,364	7,474	(572)
General Works - Plant, Vehicle Costs	5,773	5,874	6,333	(560)
General Works - External Services	68,925	76,975	68,253	672
Administration	10,178	9,245	11,114	(936)
Professional Services	3,662	5,619	4,540	(878)
Utilities	8,382	8,345	8,831	(449)
	103,822	113,422	106,545	(2,723)
Depreciation	45,698	44,302	49,102	(3,404)
Landfill Provision	1,197	1,197	481	716
(Gain)/Loss on Sale of Plant & Equipment	(905)	(839)	(143)	(762)
Total Recurrent Expenditure	261,992	267,881	274,712	(12,720)
Recurrent Surplus / (Deficit)	179	(13,865)	1,008	829
NON-RECURRENT INCOME				
Capital Grants and Income	17,284	26,263	14,046	(3,238)
Developer Cash Contributions	1,350	3,500	1,950	600
Gain / (Loss) on Sale of Property	1,503	1,503	(157)	(1,660)
Recognition of Infrastructure	30,000	30,000	33,500	3,500
Total Non-Recurrent Income	50,137	61,266	49,339	(798)
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	3,660	3,660	3,660	0
Non Council Assets	0	0	0	0
Unfunded Superannuation	3,300	0	0	3,300
Total Non-Recurrent Expenditure	6,960	3,660	3,660	3,300
Non-Recurrent Surplus / (Deficit)	43,177	57,606	45,679	2,502
NET SURPLUS / (DEFICIT)	43,356	43,741	46,687	3,331

ANALYSIS OF OPERATING BUDGET

This section of the report analyses the expected revenues and expenses of the Council for the 2013-2014 year.

1. Operating Revenue

Revenue Types	Adopted Budget 2012-2013 \$'001	Budget 2013-2014 \$'000	Fav/(Unfav) Variance \$'000
Rates and Charges	160,456	170,707	10,251
Government Grants	41,384	42,343	959
User Charges	43,682	45,673	1,991
Other Fees and Charges	10,156	10,635	479
Sundry Income	4,392	4,661	269
Interest Investments	2,101	1,701	(400)
Total Operating Revenue	262,171	275,720	13,549



1.1 Rates and Charges (\$10.25M increase)

Movements in all differential rates will generate \$136.39M general rates income (including growth in the rate base). The charges income includes an \$88.90 Municipal Charge (\$9.81M income) and a Waste Collection Service Charge of \$234.50 per tenement (\$23.12M income). There has been an increase to the Municipal Charge of \$2.57 per tenement and the Waste Collection Service Charge has increased by \$8.50 per tenement.

Provision for Supplementary Rates, Interest Charges and rates waivers make up the balance of the \$170.71M Rate Budget. Rating Strategy (p 3-8) includes a more detailed analysis of the rates and charges to be levied for 2013-2014.

1.2 Government Grants (\$0.96M increase)

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers. Overall, the level of operating grants has increased by \$0.96M compared to 2012-2013. Significant movements in grant funding are summarised below:

Grant Funding Types	Adopted Budget	Budget	Fav / (Unfav)
	2012-2013	2013-2014	Variance
	\$'000	\$'000	\$'000
Aged Care	13,199	13,984	785
Family Services	6,763	7,164	401
Grants Commission	19,700	19,546	(154)
Sub Total	39,662	40,694	1,032
Other	1,722	1,649	(73)
Total Government Grants	41,384	42,343	959

The Department of Human Services has again provided funding of \$1,503,000 for Healthy Communities project and funding of \$156,940 for Be Active Project, plus increased funding of \$523,475 to contribute towards Care Services. This will be matched with increased labour costs. In addition, there is increased funding for Centre Based Long Day Care \$124,387 and Community Child Health \$202,073. Actual Grants Commission funding received in 2012-2013 was \$19,069K against Budget of \$19,700K. Budget for 2013-2014 is based on current year actual plus 2.5% increase, although this is not formally advised until June 2013.

1.3 User Charges (\$1.99M increase)

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

User charges have increased by \$1.99M compared to 2012-2013 and includes the increase of \$0.23M in fees relating to the Leisurelink facility and increases in Centre Based Long Day Care income \$0.78M and Commercial Waste income \$0.52M.

Fees & Charges (p 2-7) includes a more detailed analysis of the User Charges to be levied for 2013-2014.

1.4 Other Fees and Charges (\$0.48M increase)

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

Statutory fees have increased by \$0.48M compared to 2012-2013 mainly due to parking infringements \$0.45M.

Fees & Charges (p 2-7) includes a more detailed analysis of the Other Fees & Charges to be levied for 2013-2014.

1.5 Sundry Income (\$0.27M increase)

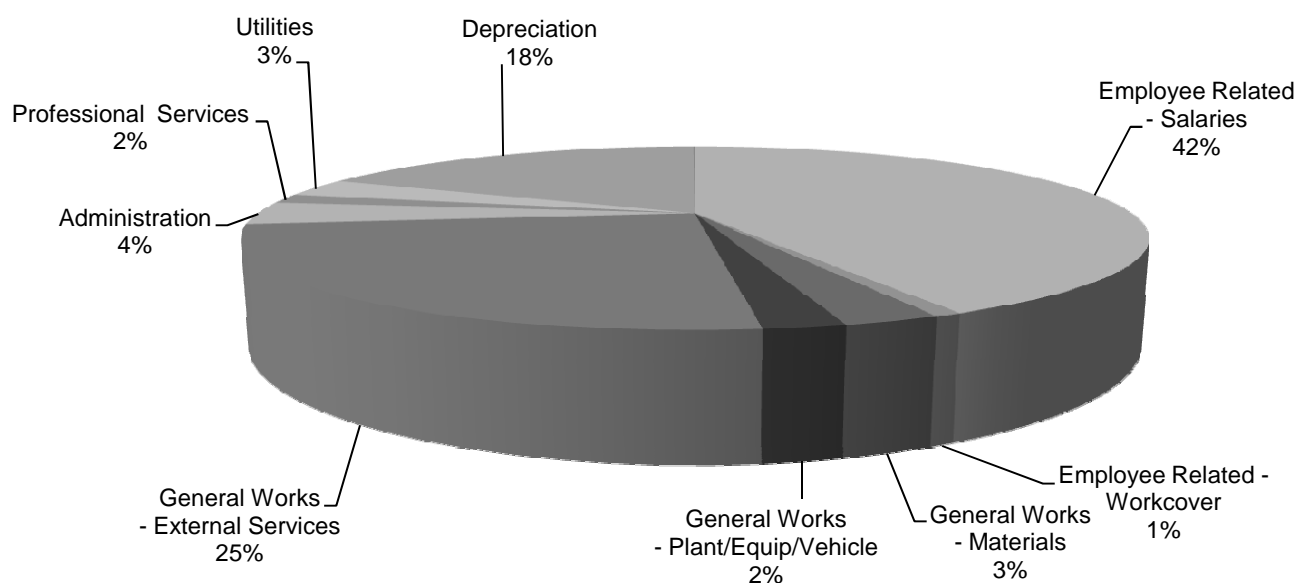
Sundry Income has increased \$0.27M compared to 2012-2013.

1.6 Interest Investments (\$0.40M decrease)

The 2013-2014 budgeted interest income of \$1.7M represents a decrease from 2012-2013 Budget and is based on expected lower cash balances and lower interest deposit rates relative to prior years budget.

2. Operating Expenditure

Expenditure Types	Adopted Budget	Budget	Fav / (Unfav)
	2012-2013	2013-2014	Variance
	\$'000	\$'000	\$'000
Employee Related - Salaries	109,844	116,620	(6,776)
Employee Related - Workcover	2,336	2,107	229
General Works - Materials	6,902	7,474	(572)
General Works - Plant/Equip/Vehicle	5,773	6,333	(560)
General Works - External Services	68,925	68,253	672
Administration	10,178	11,114	(936)
Professional Services	3,662	4,540	(878)
Utilities	8,382	8,831	(449)
Depreciation	46,895	49,583	(2,688)
(Gain) Loss on Sale of Plant/Equip	(905)	(143)	(762)
Total operating expenditure	261,992	274,712	(12,720)



2.1 Employee Related - Salaries (\$6.78M increase)

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

Employee costs are forecast to increase by (\$6.78M) compared to 2012-2013.

- EBA increase equates to an estimated (\$4.37M) in 2013-2014.
- Other movements (provisions, allowances, overtime and on-costs) of (\$1.05M).
- Superannuation (\$0.76M) in line with salary increases.
- EFT increases 26.29 (\$0.99M) funded as follows:

Funding Source for EFT Increases	Rates	Govt Grants	Fees & Charges	Total
Increases/(Decreases) 2012-2013	10.63	7.03	3.35	21.01
Proposals 2013-2014	2.50	-	2.00	4.50
Growth Positions 2013-2014	0.34	-	0.44	0.78
Full Time position increases	13.47	7.03	5.79	26.29

Government Grants (7.03 EFT's): Increase in Aged & Disability Services for Health & Promotion Officer 4.30 EFT's. New position Central Geelong Place Activation Officer 0.80 EFT, and Community Development increased 0.50 EFT for GASP Project Officer. Family Services increased 0.80 EFT for Secondary School Immunisation Officer. Other increases 0.63 EFT.

Fees & Charges (5.79 EFT's): Mainly consist of a reduction in Waste Services of (1.32) EFT's and Health and Local Laws of (0.38) EFT's. Family Services increased 8.42 EFT's for Ocean Grove ICC, and increased 2.0 EFT's Early Childhood Educators, offset by reduction in Parenting EFT's of (3.14) EFT's. Arts & Culture increased 1.31 EFT including Potato Shed Facilities and Support Officers 0.64 EFT, Cultural Tourism & Communication Officer 0.32 EFT, and an increase in casual hours 0.34 EFT. Reduction in Leisure Services totalling (3.82) EFT's. Other increases 1.42 EFT's.

Rates (13.47 EFT's): The main increases are 2.88 EFT's in Parks & Support Services, 1.25 EFT's in Infrastructure Operations, 6.0 EFT's in Waste Services and 1.50 EFT's in Enterprise Geelong. Aged & Disability Services increased 2.0 EFT's. Other decreases 0.08 EFT.

2.2 Employee Related - Workcover \$0.23M decrease

Workcover premium paid for 2012-2013 was under budget by \$0.52M. Budget for 2013-2014 has included an increase due to wage growth, leaving a net decrease budget to budget of \$0.23M.

2.3 General Works - Materials (\$0.57M increase)

General Works Materials include the purchase of consumables, materials for building, road making, ground renovation, cleaning and health & safety.

The main factors for the increase are Stores Issues (\$130,484), Road Making Materials (\$91,750), Cleaning (\$73,528) and Consumable Materials (\$79,885).

2.4 General Works - Plant/Equip/Vehicle cost (\$0.56M increase)

General Works - Plant/Equipment/Vehicle Cost includes purchase of minor plant and equipment, fuel, motor vehicle maintenance, plant and equipment hire.

The main factor for the increase is in External Plant & Equipment Hire (\$344,922) mainly in Waste Services.

2.5 General Works - External Services \$0.67M decrease

General Works - External Services includes Contractors, supplementary labour, security, waste disposal, disbursements, insurance, advertising, etc.

Decrease in Contractor Costs \$278,283 including Aged & Disability Services \$425,518, Governance \$650,000, Corporate Strategy & Property \$385,000, offset by increases in Waste Collection and Disposal (\$536,003), Engineering Services (\$402,000) and Operations (\$179,200).

Decrease in Waste Disposal & Recycling \$475,563 mainly due to decrease in Green Waste Service \$1,054,281 due to revised disposal method, offset by increase in Garbage Service (\$533,420).

Decrease in Supplementary Labour \$444,000 mainly Waste Services \$355,520, offset by increase in Salaries & Wages.

Decrease in Contributions \$1,035,782 including Events Services \$355,000 (Australian International Airshow), Sport & Recreation \$338,129 and Capital Projects Unit \$280,000.

Offset by increase in Levies and Contributions (\$874,362) with Waste Services (\$347,067) due to EPA Levy increase and increase in Library Contribution (\$501,850) including Unfunded Superannuation contribution.

Also increases in Rental Expenses (\$324,376) mainly lease of Brougham St and Corio St and new cost for Fire Services Levy (\$400,000) (levy on Council Owned buildings)

2.6 Administration (\$0.94M increase)

Administration costs include printing, stationery, computer software and hardware, postage, training, travel, interest paid, doubtful debts.

Interest expense costs have increased by (\$257,947) resulting from new loans to be taken out in 2013-2014. Other increases in Leases (\$405,962) mainly Green Waste Service (\$400,000) (lease of Pt Wilson site) and Fringe Benefits Tax (\$123,090).

2.7 Professional Services (\$0.88M increase)

Professional Services include consultants, legal fees, etc.

Increases in Professional Services of (\$878,571) mainly due to movement in Consultants (\$159,072), Audit for Corio/Drysdale landfill sites (\$258,253), Valuation Services (\$396,000) (being a valuation year) and Legal Services (\$65,246).

2.8 Utilities (\$0.45M increase)

Utility costs relate to telecommunications, water, gas and electricity.

The electricity costs in total is estimated to increase (\$374,241) with street lighting electricity being (\$215,000) and gas and water combined increasing by (\$80,919).

2.9 Depreciation (\$2.69M increase)

Depreciation is an accounting function which is used to measure the usage of Council's infrastructure assets, buildings, and plant & equipment.

The (\$2.69M) increase in depreciation includes an increase of (\$2.31M) for Infrastructure assets, increase for Recreation assets (\$1.04M), decrease for Computer Equipment \$0.24M and decrease in Rehabilitation Provision \$0.45M.

The (\$2.31M) increase for Infrastructure assets, such as roads, drainage and footpath assets, is made up of the following components:

	\$M
Increase in net capitalisation	(0.46)
Decrease - Disposals	0.20
<u>*Increase due to revaluation of Roads (Full Year)</u>	<u>(2.05)</u>
<i>*Estimate based on preliminary results</i>	

2.10 Gain on Sale of Plant / Equipment (\$0.76M decrease)

Gain from the sale of Council's assets is forecast to be \$0.14M for the 2013-2014 year and represents a decrease of (\$0.76M). The profit on sale is subject to the mix of assets made available for sale each year.

FEES & CHARGES SUMMARY

	2012-2013 Budget \$	2013-2014 Budget \$	Movement Fav/(Unfav) \$
Corporate Services			
1560 - Corporate Strategy & Property Management	3,741,816	3,618,545	(123,271)
1610 - Customer & Councillor Support Serv. Admin.	636	636	0
2130 - Property & Revenue	400,300	554,364	154,064
2320 - Governance Services	120,000	0	(120,000)
	4,262,752	4,173,545	(89,207)
City Services			
3640 - Project Implementation	154,381	152,773	(1,608)
3660 - Infrastructure Management	2,258,500	2,312,000	53,500
3720 - Operations Maintenance Administration	49,027	83,650	34,623
3725 - North Zone	10,000	5,000	(5,000)
3730 - South Zone	1,102,300	1,105,000	2,700
3735 - East Zone	9,091	9,500	409
3810 - Waste Collection Services	1,779,950	2,183,062	403,112
3820 - Waste Disposal Services	3,111,611	3,236,080	124,469
6110 - Environment & Natural Resources Admin.	395,682	419,005	23,323
6310 - Manager Parks	20,000	46,147	26,147
	8,890,542	9,552,217	661,675
Economic Development, Planning & Tourism			
4130 - Strategic Implementation	15,000	15,000	0
4420 - Statutory Planning	1,113,123	1,161,800	48,677
4450 - Building Services	1,318,091	1,338,222	20,131
	2,446,214	2,515,022	68,808
Community Services			
4440 - Local Laws & Traffic	13,288,896	13,820,166	531,270
4460 - Environmental Health	1,112,391	1,121,640	9,249
5280 - Community Development Activities	46,136	81,008	34,872
5350 - National Wool Museum	206,500	218,000	11,500
5410 - Family Services Administration	4,455	4,636	181
5420 - School Holiday Program	212,219	188,365	(23,854)
5430 - Centre Based Long Day Care	3,925,421	4,337,771	412,350
5436 - Kindergarten Development Services	3,488	1,852	(1,636)
5440 - Community Child Health	3,788	0	(3,788)
5450 - Family Day Care	162,240	209,280	47,040
5490 - Ocean Grove ICC	0	371,591	371,591
5520 - HACC Care Services	1,127,982	1,156,600	28,618
5530 - HACC Ancillaries	976,389	991,196	14,807
5550 - Commonwealth Programs	94,900	119,496	24,596
5580 - Agencies	569,272	670,258	100,986
5725 - Community Facilities	279,967	256,119	(23,848)
5740 - Youth Services	4,277	3,855	(422)
5770 - Cultural Development	114,850	145,503	30,653
5810 - Heritage Centre	17,000	12,360	(4,640)
	22,150,171	23,709,696	1,559,525

	2012-2013 Budget \$	2013-2014 Budget \$	Movement Fav/(Unfav) \$
Projects, Recreation & Central Geelong			
1170 - Events Services Unit	30,000	10,000	(20,000)
6410 - Leisure Services Administration	1,200,006	1,226,601	26,595
6420 - Simonds Stadium Management	83,477	98,382	14,905
6430 - Leisurelink	6,861,410	7,086,792	225,382
6440 - Splashdown	2,017,148	2,021,743	4,595
6450 - Waterworld	2,467,350	2,417,566	(49,784)
6460 - Arena	695,406	774,377	78,971
6470 - Bellarine Aquatics Sports Centre	1,963,943	2,086,908	122,965
6610 - Sport & Recreation	9,364	9,364	0
6620 - Indoor Activity Centres	467,348	326,416	(140,932)
7320 - Central Geelong City Management	4,364	720	(3,644)
7330 - Central Geelong & Waterfront Place Mgmnt	288,007	298,410	10,403
	16,087,823	16,357,279	269,456
Total	53,837,502	56,307,759	2,470,257

Major Movements

1560 - Corporate Strategy & Property Management	Decrease in commercial rentals.
2130 - Property & Revenue	Increase in valuation income from State Revenue Office due to 2014 being a revaluation year.
2320 - Governance Services	Decrease in the provision for Council election fines due to 2013-2014 not being an election year.
3660 - Infrastructure Management	Increase in subdivision design checking fees based on the anticipated lots released at Armstrong Creek and an increase in the number of road opening permits. Offset by a decrease in the number of vehicle crossing permits.
3720 - Operations Maintenance Administration	Increase in the fire prevention penalty notice charge from \$244 to \$1,408, partly offset by a decrease in the number of notices issued.
3810 - Waste Collection Services	Increase in commercial collections and income from the North Geelong transfer station due to a \$4.80 per tonne increase in the EPA levy, carbon tax increase of \$2 and a CPI increase.
3820 - Waste Disposal Services	Increase in income for the Drysdale landfill due to a \$4.80 per tonne increase in the CPA levy, carbon tax increase of \$2 and a CPI increase.
4420 - Statutory Planning	Increase in income from developer contribution information requests and subdivision certificates, offset partly by a decrease in developer contribution planning certificates.
4440 - Local Laws & Traffic	Increased income for animal infringements, animal registrations, parking infringement control and civic centre car park fees.
5280 - Community Development Activities	Increased income for the hire of the Grovedale Neighbourhood House.
5420 - School Holiday Program	Anticipated decrease in the utilisation of the service compared with 2012-2013.
5430 - Centre Based Long Day Care	Increased childcare income from federal grants and user charges.
5450 - Family Day Care	Increase due to the introduction of an educator levy and an increase in the parent service levy.
5490 - Ocean Grove Integrated Children's Centre	New facility anticipated to open in January 2014.
5520 - HACC Care Services	Increase in the utilisation of the general care service.

5580 - Agencies	Increase based on current levels of brokerage for care management agencies.
5725 - Community Facilities	Decrease in Civic Hall facility hire to match 2012-2013 actuals and a decrease in community bus hire.
5770 - Cultural Development	Increase in general admission fees for the Potato Shed.
6430 - Leisurelink	Reflects a 6% increase in membership and learn to Swim fees and a 4% increase on most other products.
6440 - Splashdown	Reflects a 6% increase in membership and learn to Swim fees and a 4% increase on most other products.
6450 - Waterworld	Reflects a 6% increase in membership and learn to Swim fees and a 4% increase on most other products, offset by a decrease in patronage.
6460 - Arena	Increase in café, major event and venue hire income.
6470 - Bellarine Aquatics Sports Centre	Reflects a 6% increase in membership and learn to Swim fees and a 4% increase on most other products.
6620 - Indoor Activity Centres	Removal of Futsal income from activity and program fees - now reflected in sundry income for Leisuretime and BVAC - \$38,110 and \$114,329 respectively.

FEES & CHARGES ANALYSIS

Each year Council's fees and charges are reviewed to ensure that consideration has been given to market factors, comparison with other municipalities, demand for service, and the operation of user pays principles. Council has a continuing commitment to ensure its services are priced fairly to allow for maximum community participation, whilst meeting National Competition Policy requirements for services subject to competition.

Charges

The major movements in charges include:

- Leisure centres and outdoor aquatic centres will increase memberships and the learn to swim program by 6%, with the majority of other fees increasing by 4%. A twelve month membership has increased by \$52 to \$920 and family memberships by \$75 to \$1,340. No fee increases have been applied to adult casual swim prices, with the fee to remain at \$5.80.
- Desexed dog fees have increased from \$40.95 to \$48.00, the pensioner fee for a desexed dog has increased from \$20.45 to \$24.00. Microchipped dogs have increased from \$44.00 to \$57.00, desexed and microchipped dogs have increased from \$31.65 to \$37.00, full fees for the registration of a dog have increased by \$12.05 from \$138.95 to \$151.00, the pensioner full fee for the registration of a dog has increased by \$6.05 to \$75.50. Dangerous dog fees have increased by \$60.10 from \$165.90 to \$226.00 in line with legislative requirements.
- Desexed cat fees have increased by \$6.00 to \$34.00. The pensioner fee for a desexed cat has increased by \$3.00 from \$14.00 to \$17.00. Full cat registrations have increased with a cat fee increasing by \$10.30 to \$114.00. The pensioner fee for a cat registration has increased by \$5.15 to \$57.00. Cat fees for a desexed and microchipped cat have increased by \$5.25 to \$26.00.
- Meals on Wheels to Council clients will increase by 25¢ to \$7.35/meal. Full cost meals to agencies will rise by \$1.07 to \$18.67.
- There will be no change in parking fees for 2013-2014, with the fee to remain at \$2.00 per hour.
- Parking fines will increase from \$62.00 to \$72.00 with these fees being set by Legislation (effective from 1 July 2013).
- Motorcycle impound release fees will increase from \$193.50 to \$300.00.
- Community bus hire has increased by \$2 from \$30 to \$32 for the 12 seater bus 4 hour hire, with a similar 7% increase for 8 hour hire with fees increasing from \$61 to \$65.
- Hire of the Arena main stadium for community groups has increased by 5% from \$2,200 to \$2,310. The commercial rate hire has also increased by 5% from \$3,750 to \$3,950.

- 12 month membership for the Queens Park Golf Course has increased from \$445 to \$470. Elcho Park has increased from \$390 to \$410. Balyang Par 3 has increased from \$285 to \$300.
- Simonds Stadium AFL match days fees have increased by \$235.00 from \$4,675.00 to \$4,910.00. Facility hire at Sports House have increased from \$620 to \$682.
- Fees and Charges for Corio Leisuretime Centre and Barwon Valley Activity Centre have also been reviewed with most fees increasing by 5%. Casual squash has increased from \$14.50 to \$15.50, basketball before 5pm has increased from \$25.50 to \$26.80.
- Carousel rides are increasing by 20¢ a ride to \$3.90 for children and \$4.40 for adults.
- Commercial collection of garbage bins has increased by \$27 from \$276 to \$303 for the first bin. The fee for an additional bin has increased by \$12.55 from \$124.70 to \$137.25.
- Commercial fees for Drysdale landfill and the transfer stations have increased significantly due to the \$4.80 per tonne increase in the EPA Levy. Fees for waste disposal at the North Geelong and Drysdale transfer stations have increased from \$17.00 to \$18.50 for a car boot. Single Axle trailers have increased by \$3 to \$37 and heaped single axle trailers have increased by \$4 to \$48.00. These charges also include the Carbon Tax impact.
- The weekly rates for childcare fees will increase by 4.5%. Ariston Child Care will increase from \$385 to \$402 per week. City Learning and Care at Belmont, Drysdale and Ocean Grove will increase from \$380 to \$397. City Learning and Care at Corio, Trudy Moritz and The Link will increase from \$375 to \$392.
- New fees have been added in 2013-2014 for the Ocean Grove Integrated Childcare Centre. These fees have been set at \$402 for the full time rate, \$86 for the daily rate and \$60 for the sessional rate.

Volume Changes

The major movements in quantity include:

- Increase in subdivision design checking fees of \$50K based on anticipated lots being released at Armstrong Creek.
- Decrease in the number of sheep sales from 90,000 to 60,000. Offset by an increase in quantity for beef, stores & dairy cattle of 1,000, weighing charges 1,000 and truck wash fees 2,500.
- Increase in caravan park registration income of \$44K due to the registrations being payable every 3 years as set by legislation.
- Election fines have decreased by (\$120K) as a result of the Council elections held in 2012-2013.
- Overall quantities for animal control have decreased by (8,419). This movement is due to a decrease in the number of dogs and cats being registered based on the current year's data. The categories which have decreased significantly compared with 2012-2013 are the microchipped dogs (3,096), desexed dogs (1,006) and desexed and microchipped cats (1,610).
- The volume of street parking income has increased by 35,000, generating an additional \$67K income.
- Increase in the volume of income for the Grovedale Neighbourhood House by \$26K to reflect the current year actuals.
- Income for the school holiday program has decreased by (\$24K) due to a decrease in utilisation of the service based on current year's actuals.
- Income for the leisure centres is expected to remain steady with the exception of Waterworld which has experienced a decrease in patronage.

One-off adjustments

(One-off income items included / excluded between budgets years 2012-2013 and 2013-2014).

Cost Centre	Comments	Movement Fav/(Unfav) \$M
2130 - Property & Revenue	Reimbursement Contract 2014 Revaluation income received from State Revenue Office in 2013-2014.	0.2
2320 - Governance Services	Decrease in income in 2013-2014 for Council Election Fines.	(0.1)
Total		0.1

DIVISIONAL OPERATING STATEMENTS 2013-2014

CHIEF EXECUTIVE

	2012-2013 Adopted Bgt \$'000	2013-2014 Draft Bgt \$'000	Variance Bgt to Bgt \$'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	0	0	0	
User Charges	0	0	0	
Other Fees & Charges	0	0	0	
Sundry Income	7	0	7	
Interest Investments	0	0	0	
TOTAL RECURRENT INCOME	7	0	7	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	1,189	1,002	188	Reduction in Salary provision \$200K.
Workcover	12	12	0	
<i>Goods & Services</i>				
General Works - Materials	0	0	0	
General Works - Plant/Equip/Vehicle costs	1	1	0	
General Works - External Services	75	77	(3)	
Administration	125	86	39	EMT, JMT & Councillor Sessions - Reduction in Corporate Costs \$21K & Travel & Accommodation \$22K.
Professional Services	303	290	13	EMT, JMT & Councillor Sessions - Reduction in Consultants \$13K.
Utilities	7	7	0	
	1,711	1,474	237	
Depreciation	0	0	0	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	1,711	1,474	237	
RECURRENT SURPLUS/(DEFICIT)	(1,705)	(1,474)	244	
NON-RECURRENT INCOME				
Capital Grants & Income				
Developer Cash Contributions				
Gain/(Loss) on Sale of Property				
Recognition of Infrastructure				
TOTAL NON-RECURRENT INCOME	0	0	0	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure			0	
Unfunded Superannuation	3,300	0	3,300	
TOTAL NON-RECURRENT EXPENDITURE	3,300	0	3,300	
NON-RECURRENT SURPLUS/(DEFICIT)	(3,300)	0	3,300	
NET SURPLUS/(DEFICIT)	(5,005)	(1,474)	3,544	

DIVISIONAL OPERATING STATEMENTS 2013-2014

CORPORATE SERVICES

	2012-2013 Adopted Bgt \$'000	2013-2014 Draft Bgt \$'000	Variance Bgt to Bgt \$'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	160,456	170,707	10,251	
Government Grants	19,700	19,546	(154)	Grants Commission (\$154K).
User Charges	4,013	4,020	7	
Other Fees & Charges	280	164	(116)	Council Election Fines (\$115K).
Sundry Income	363	264	(99)	Mayoral Ball (\$150K), Fire Services Levy Admin \$52K.
Interest Investments	2,100	1,700	(400)	
TOTAL RECURRENT INCOME	186,913	196,401	9,488	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	14,327	14,925	(597)	
Workcover	182	261	(78)	
<i>Goods & Services</i>				
General Works - Materials	348	270	78	Facilities Mtce - Contract Cleaning \$78K.
General Works - Plant/Equip/Vehicle costs	43	46	(4)	
General Works - External Services	14,196	13,686	510	Contractors \$1,346K - Reduction in Discretionary projects \$1,285K (Myer St Exit \$190K, Council Election \$650K, Mayoral Ball \$150K). Other \$61K. Fire Services Levy (\$400K) - Levy on Council Properties. Insurance Premium (\$117K) - Annual premium increase less Fire Services levy \$57K, plus new insurance for Gradual Pollution Liability \$60K. Rental Expense (\$318K) - Brougham & Corio St Offices.
Administration	6,621	7,014	(393)	Interest Paid (\$258K) - New loans.
Professional Services	962	1,358	(396)	Valuation Services (\$396K) (valuation year).
Utilities	747	828	(80)	Electricity (\$58K).
	37,427	38,387	(961)	
Depreciation	3,429	3,307	122	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	40,856	41,694	(838)	
RECURRENT SURPLUS/(DEFICIT)	146,057	154,707	8,650	
NON-RECURRENT INCOME				
Capital Grants & Income	550	721	171	
Developer Cash Contributions	0	0	0	
Gain/(Loss) on Sale of Property	1,253	(158)	(1,411)	
Recognition of Infrastructure	0	0	0	
TOTAL NON-RECURRENT INCOME	1,803	564	(1,240)	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	0	0	0	
TOTAL NON-RECURRENT EXPENDITURE	0	0	0	
NON-RECURRENT SURPLUS/(DEFICIT)	1,803	564	(1,240)	
NET SURPLUS/(DEFICIT)	147,860	155,270	7,411	

DIVISIONAL OPERATING STATEMENTS 2013-2014

CITY SERVICES

	2012-2013 Adopted Bgt \$'000	2013-2014 Draft Bgt \$'000	Variance Bgt to Bgt \$'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	402	423	21	
User Charges	8,183	8,800	617	Waste Disposal Commercial \$524K. Design & Supervision Fees \$50K - Subdivisions.
Other Fees & Charges	708	752	44	Fire Prevention Fines \$47K.
Sundry Income	880	883	3	
Interest Investments	0	0	0	
TOTAL RECURRENT INCOME	10,172	10,858	686	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	27,029	28,855	(1,826)	Waste Services (\$386K) - offset by reduction in Supplementary labour.
Workcover	754	677	77	
<i>Goods & Services</i>				
General Works - Materials	3,733	4,039	(306)	Road Making Materials (\$92K) - Operations (Sealed Rd Pavements). Grounds Mtce Materials (\$67K) - EZ Parks & Reserves. Stores Issues (\$140K) - Waste Services (\$97K), Other (\$43K).
General Works - Plant/Equip/Vehicle costs	4,591	5,024	(433)	External Plant & Equipment Hire (\$346K) - Waste Services (\$273K), Other (\$73K).
General Works - External Services	29,880	30,133	(253)	Contractors (\$1,064K) - Engineering Services (\$392K) (Footpath, K&C Routine Mtce \$350K), Waste Collection (\$675K). Waste Disposal & Recycling \$499K - Green Waste \$1,054K, offset by Garbage Service (\$533K). Levies & Contributions (\$347K) - EPA Levy - Landfill Site. Supplementary Labour \$453K - Waste \$355K (offset by Salaries & Wages). Other \$206K - including Marketing & Promotion, Contributions.
Administration	863	1,260	(398)	Leases (\$336K) - New lease for Pt Wilson Site (\$400K), Other \$64K.
Professional Services	570	643	(74)	Legal Expenses (\$55K) - Waste Services \$50K.
Utilities	4,217	4,493	(276)	Electricity (\$251K) - Street Lighting (\$215K), Other (\$36K).
	71,637	75,125	(3,488)	
Depreciation	31,057	33,110	(2,053)	
(Gain)/Loss on Sale of Plant & Equipment	(905)	(143)	(762)	Dedicated Fleet (\$260K), Heavy Plant (\$280K), Light Fleet (\$222K).
TOTAL RECURRENT EXPENDITURE	101,789	108,092	(6,303)	
RECURRENT SURPLUS/(DEFICIT)	(91,617)	(97,234)	(5,617)	
NON-RECURRENT INCOME				
Capital Grants & Income	5,783	4,331	(1,452)	
Developer Cash Contributions	0	0	0	
Gain/(Loss) on Sale of Property	0	0	0	
Recognition of Infrastructure	30,000	30,000	0	
TOTAL NON-RECURRENT INCOME	35,783	34,331	(1,452)	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	3,600	3,600	0	
TOTAL NON-RECURRENT EXPENDITURE	3,600	3,600	0	
NON-RECURRENT SURPLUS/(DEFICIT)	32,183	30,731	(1,452)	
NET SURPLUS/(DEFICIT)	(59,434)	(66,503)	(7,069)	

DIVISIONAL OPERATING STATEMENTS 2013-2014

COMMUNITY SERVICES

	2012-2013 Adopted Bgt \$'000	2013-2014 Draft Bgt \$'000	Variance Bgt to Bgt \$'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	21,138	22,224	1,086	State Grants \$1,108K - Aged & Disability Services \$754K (Care Services \$585K, Be Active \$163K), Family Services \$454K (Community Child Health \$202K, Ocean Grove ICC \$137K), Other (\$100K). Federal Grants (\$22K) - Family Services.
User Charges	15,347	16,422	1,075	Centre Based Long Day Care \$412K, A&DS \$169K, Ocean Grove ICC \$372K.
Other Fees & Charges	6,803	7,288	485	Fines & Costs \$461K - Parking Infringements \$446K, Other \$15K.
Sundry Income	1,623	1,721	98	Reimbursements - Court Fees \$104K- (Parking Infringements \$80K, Animal Infringements \$24K).
Interest Investments	0	0	0	
TOTAL RECURRENT INCOME	44,911	47,654	2,743	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	40,541	43,443	(2,903)	Ocean Grove ICC (\$462K).
Workcover	984	758	226	
<i>Goods & Services</i>				
General Works - Materials	1,402	1,477	(75)	Consumable Materials (\$33k), Food Supplies (\$23k)
General Works - Plant/Equip/Vehicle costs	362	398	(36)	MV Admin & Maintenance (\$31K) - Healthy Communities(\$32K).
General Works - External Services	17,842	18,174	(332)	Contractors \$196K - A&DS \$426K (Food Services \$97K, Reduction in discretionary projects \$320K), Health & Local Laws (\$174K) - Approved budget proposal for Animal Pound Operating Costs. Levies & Contributions (\$527K) - Arts & Culture (\$502K) - Increase in Library Contribution (\$320K) and Contribution to GRLC Unfunded Superannuation (\$182K). Contributions \$214K - Community Development \$215K. Carer Payments (\$130K) - Offset by increase in income. Events & Functions (\$86k) - Healthy Communities (\$60k)
Administration	1,378	1,552	(174)	Leases (\$70K) - NWM (\$40K), Courthouse Youth Art (\$30K). Fringe Benefits Tax (\$48K). Training & Development (\$32K) - Healthy Communities (\$24K), Other (\$8K).
Professional Services	551	752	(200)	Consultants (\$190K) - Healthy Communities (\$155K), Be Active (\$55K).
Utilities	896	968	(73)	Electricity (\$52K).
	63,956	67,522	(3,567)	
Depreciation	2,927	2,781	145	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	66,883	70,304	(3,421)	
RECURRENT SURPLUS/(DEFICIT)	(21,971)	(22,649)	(678)	
NON-RECURRENT INCOME				
Capital Grants & Income	68	67	(0)	
Developer Cash Contributions	0	0	0	
Gain/(Loss) on Sale of Property	0	0	0	
Recognition of Infrastructure	0	0	0	
TOTAL NON-RECURRENT INCOME	68	67	(0)	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	0	0	0	
TOTAL NON-RECURRENT EXPENDITURE	0	0	0	
NON-RECURRENT SURPLUS/(DEFICIT)	68	67	(0)	
NET SURPLUS/(DEFICIT)	(21,904)	(22,582)	(679)	

DIVISIONAL OPERATING STATEMENTS 2013-2014

ECONOMIC DEVELOPMENT, PLANNING & TOURISM

	2012-2013 Adopted Bgt \$'000	2013-2014 Draft Bgt \$'000	Variance Bgt to Bgt \$'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	84	87	3	
User Charges	81	84	3	
Other Fees & Charges	2,365	2,431	66	
Sundry Income	229	209	(20)	Reduction in Discretionary Projects.
Interest Investments	1	1	0	
TOTAL RECURRENT INCOME	2,760	2,811	51	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	9,553	10,562	(1,009)	Approved EFT's for Enterprise Geelong (\$270K).
Workcover	115	124	(10)	
<i>Goods & Services</i>				
General Works - Materials	118	115	3	
General Works - Plant/Equip/Vehicle costs	28	30	(3)	
General Works - External Services	1,168	1,316	(148)	Contributions (\$178K), Internal Vehicle Costs \$35K.
Administration	389	421	(32)	Fringe Benefits Tax (\$14K), Travel & Accommodation(\$13K).
Professional Services	1,206	1,426	(220)	Consultants (\$220K) - Increase in discretionary projects.
Utilities	104	109	(5)	
	12,680	14,104	(1,424)	
Depreciation	11	6	6	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	12,691	14,110	(1,419)	
RECURRENT SURPLUS/(DEFICIT)	(9,932)	(11,299)	(1,367)	
NON-RECURRENT INCOME				
Capital Grants & Income	7,300	0	(7,300)	
Developer Cash Contributions	1,350	1,950	600	
Gain/(Loss) on Sale of Property	250	0	(250)	
Recognition of Infrastructure	0	0	0	
TOTAL NON-RECURRENT INCOME	8,900	1,950	(6,950)	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	0	0	0	
TOTAL NON-RECURRENT EXPENDITURE	0	0	0	
NON-RECURRENT SURPLUS/(DEFICIT)	8,900	1,950	(6,950)	
NET SURPLUS/(DEFICIT)	(1,032)	(9,349)	(8,317)	

DIVISIONAL OPERATING STATEMENTS 2013-2014

PROJECTS, RECREATION & CENTRAL GEELONG

	2012-2013 Adopted Bgt \$'000	2013-2014 Draft Bgt \$'000	Variance Bgt to Bgt \$'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	60	64	4	
User Charges	16,058	16,347	289	Activity & Program Fees \$249K - Leisurelink \$225K, BASC \$123K, Arena \$79K, offset by Indoor Activity Centres (\$152K) - Futsal income now in Sundry Income. Other \$40K - includes Green Fees, General Admission, Site Fees and Memberships.
Other Fees & Charges	0	0	0	
Sundry Income	1,290	1,585	295	Special Rates & Charges \$65K - Central Geelong. Sundry Income \$179K - Futsal income \$152K previously in User Charges. Retail & General Sales \$50K - Leisure Centre \$33K, Indoor Activity Centres \$17K.
Interest Investments	0	0	0	
TOTAL RECURRENT INCOME	17,408	17,996	588	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	17,204	17,832	(627)	
Workcover	288	276	12	
<i>Goods & Services</i>				
General Works - Materials	1,348	1,572	(224)	Cleaning (\$138K) - Leisurelink (\$60K), Arena (\$70K), Other (\$8K). Other(\$86K) - including Consumable Materials (\$35K), Food Supplies (\$22K), Stock for Resale (\$23K).
General Works - Plant/Equip/Vehicle costs	749	834	(84)	Repairs & Maintenance (\$82K) - Arena (\$30K), Waterfront (\$29K), Leisure Services (\$20K).
General Works - External Services	5,767	4,867	899	Contributions \$973K - Reduction in discretionary projects \$598K. Australian International Airshow \$375K. Contractors (\$80K) - Recurrent increases in Sport & Recreation (\$45K), Leisure Services (\$18K), Other (\$17K).
Administration	752	781	(29)	
Professional Services	70	71	(1)	
Utilities	2,412	2,426	(14)	
	28,590	28,659	(69)	
Depreciation	9,471	10,380	(909)	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	38,062	39,039	(977)	
RECURRENT SURPLUS/(DEFICIT)	(20,654)	(21,043)	(389)	
NON-RECURRENT INCOME				
Capital Grants & Income	3,583	8,927	5,344	
Developer Cash Contributions	0	0	0	
Gain/(Loss) on Sale of Property	0	0	0	
Recognition of Infrastructure	0	3,500	3,500	Gifted Assets - Sporting reserves in new subdivisions e.g Armstrong Creek.
TOTAL NON-RECURRENT INCOME	3,583	12,427	8,844	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	60	60	0	
TOTAL NON-RECURRENT EXPENDITURE	60	60	0	
NON-RECURRENT SURPLUS/(DEFICIT)	3,523	12,367	8,844	
NET SURPLUS/(DEFICIT)	(17,131)	(8,676)	8,455	

STANDARD CASH FLOW STATEMENT

	Budget 2012-2013 \$'000	Projection 2012-2013 \$'000	Budget 2013-2014 \$'000	Budget Change Fav/(Unfav) \$'000
Cash Flows from Operating Activities				
Receipts				
General Rates	160,239	160,616	169,246	9,007
Fees and Charges	61,170	62,478	65,014	3,844
GST Recoveries on Operating Transactions	5,627	5,627	5,627	0
Investment Income	2,101	2,112	1,701	(400)
Government Grants	43,139	33,575	44,098	959
	272,276	264,408	285,686	13,410
Payments				
Employee Costs	(112,988)	(128,471)	(117,360)	(4,372)
General Works / Utilities / Disbursements	(100,317)	(106,531)	(100,888)	(571)
Administration / Professional Services	(11,706)	(13,760)	(13,263)	(1,557)
Interest Expense	(3,076)	(2,046)	(3,333)	(257)
	(228,087)	(250,808)	(234,844)	(6,757)
Net Cash Inflow from Operating Activities	44,189	13,600	50,842	6,653
Cash Flows from Investing Activities				
Capital Expenditure	(81,054)	(83,619)	(73,767)	7,287
Landfill Rehabilitation	(11,150)	(1,000)	(11,000)	150
Proceeds from Sale of Land and Buildings	4,255	4,305	1,250	(3,005)
Proceeds from Sale of Plant and Equipment	2,263	2,263	706	(1,557)
Developer Cash Contributions	1,350	3,500	1,950	600
Income for Capital Expenditure	17,284	26,263	14,046	(3,238)
Net Cash Outflow from Investing Activities	(67,052)	(48,288)	(66,815)	237
Cash Flows from Financing Activities				
Repayment of Borrowings	(5,772)	(5,593)	(9,686)	(3,914)
Proceeds from New Loans	32,848	10,848	32,128	(720)
Net Cash Inflow/(Outflow) from Financial Activities	27,076	5,255	22,442	(4,634)
Net Increase / (Decrease) in Cash Held	4,213	(29,433)	6,469	2,256
Cash at the Beginning of the Financial Year	46,378	74,198	44,765	(1,613)
Cash at the end of the Financial Year	50,591	44,765	51,234	643
Loan Balance	53,736	31,992	54,435	699
Net Cash (Deficit) / Surplus	(3,145)	12,773	(3,201)	(56)

ANALYSIS OF BUDGETED CASH POSITION

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2013-2014 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

The analysis is based on three main categories of cash flows:

- Operating activities - Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt.
- 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.
- Financing activities - Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayment of the principal component of loan repayments for the year.

1. Budgeted Cash Flow Statement

	Budget 2012-2013 \$'000	Budget 2013-2014 \$'000	Variance (Outflow) \$'000
Cash flows from operating activities			
<i>Receipts</i>			
General rates	160,239	169,246	9,007
Grants	43,139	44,098	959
Interest	2,101	1,701	(400)
Fees and Charges	61,170	65,014	3,844
Other revenue	5,627	5,627	-
	272,276	285,686	13,410
<i>Payments</i>			
Employee costs	(112,988)	(117,360)	(4,372)
General Works / Utilities	(100,317)	(100,888)	(571)
Administration / Professional Services	(11,706)	(13,263)	(1,557)
Finance costs	(3,076)	(3,333)	(257)
	(228,087)	(234,844)	(6,757)
Net cash provided by operating activities	44,189	50,842	6,653
Cash flows from investing activities			
Proceeds from sales of property, plant & equip.	6,518	1,956	(4,562)
Income related to Capital Expenditure	17,284	14,046	(3,238)
Developer Contributions	1,350	1,950	600
Payments for property, plant & equip.	(81,054)	(73,767)	7,287
Landfill Rehabilitation Expenditure	(11,150)	(11,000)	150
Net cash used in investing activities	(67,052)	(66,815)	237
Cash flows from financing activities			
Proceeds from borrowings	32,848	32,128	(720)
Repayment of borrowings	(5,772)	(9,686)	(3,914)
Net cash used in financing activities	27,076	22,442	(4,634)
Net increase/(decrease) in cash and cash equivalents	4,213	6,469	2,256
Cash and cash equivalents at begin.	46,378	44,765	(1,613)
Cash and cash equiv. at end of the year	50,591	51,234	643

	Budget 2012-2013 \$'000	Budget 2013-2014 \$'000	Variance (Outflow) \$'000
Represented by:			
Restricted cash and investments			
- Statutory reserves	1,000	2,410	1,410
- Discretionary reserves	330	268	(62)
- Long service leave	15,800	18,500	2,700
Working capital	33,461	30,056	(3,405)
Total cash and investments	50,591	51,234	643

1.1 Operating Activities (\$6.7M favourable)

Operating activities refer to the cash generated or used in the normal service delivery functions of Council. The increase in cash inflows from operating activities reflects the \$9.0M increase from rates, the \$3.8M increase from Fees and Charges and the \$1.0M increase from Government Grants that has been used to fund recurrent program increases of \$6.8M.

1.2 Investing Activities (\$0.2M favourable)

Investing activities refer 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, equipment, etc. Payments for property plant and equipment have decreased by \$7.3M and capital income has decreased by \$3.2M to achieve the list of capital projects detailed in Appendix 1. Sale of Land & Buildings has decreased by \$4.6M based on expected timing of forward year property settlements.

1.3 Financing Activities (\$4.6M unfavourable)

During 2013-2014 Council is budgeting to borrow \$22.1M to fund Ocean Grove Integrated Children's Centre, Barwon Heads Early Learning Centre, Leopold Community Hub, Geelong Library & Heritage Centre, Grovedale Integrated Children's Centre, Central Geelong Revitalisation, Drysdale Landfill Cell and Lara Town Centre Expansion. In addition, Council is budgeting to borrow \$10.0M for the Unfunded Superannuation payment made in 2012-2013. Repayment of borrowings has increased by \$3.9M over 2012-2013 due to the new loans budgeted for 2013-2014.

1.4 Cash and Cash Equivalents at End of the Year (\$0.6M favourable)

The projected cash position at the end of June 2013 is \$44.8M. This is \$5.8M unfavourable to the budgeted cash position (see Impact of Current Year on 2013-2014 Budget p 2-31).

The years activities result in an increase in cash of \$6.5M. This is mainly due to borrowings of \$10M to fund the Unfunded Superannuation payment made in 2012-2013.

The budgeted cash position at 30 June 2014 is \$51.2M and will be influenced by the actual level of capital expenditure relative to Budget.

2. Restricted Funds and Working Capital

The Cash Flow Statement above indicates that Council is estimating cash and investment balance as at 30 June 2014 at \$51.2M which has been restricted as follows:

- **Statutory Reserves (\$2.4M)** – These reserves represent future commitments that Council has for Developer Contribution Plans, Drainage, Public Open Space, Water Quality Levies and Carparking in accordance with various legislative and contractual requirements. Reserves balance at 30 June 2014 includes Developer Contribution Plans \$1.6M, Water Quality Levies \$0.6M and Carparking \$0.2M.
- **Discretionary Reserves (\$0.3M)** – In this case Council has made commitments for the future use of these funds for development of Waterfront assets. The decisions about future use of these funds has been reflected in Council's Strategic Resource Plan.
- **Long Service Leave (\$18.5M)** – These funds are separately identified as a future commitment for long service leave liability.
- **Working Capital (\$30.0M)** – These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements and unexpected short term needs. The level of working capital fluctuates over the year and generally trends downwards through to December / January and upwards in February when 53% of Councils Rate Revenue is received.

3. Reconciliation of Cash and Operating Results

	Budget 2012-2013 \$'000	Budget 2013-2014 \$'000	Fav/(Unfav) Variance \$'000
Surplus (deficit) for the year	43,356	46,687	3,331
Depreciation	45,719	49,102	3,383
Landfill provision	1,176	481	(695)
Loss (gain) on sale of assets	(2,408)	14	2,422
Recognition of Infrastructure Contributions	(30,000)	(33,500)	(3,500)
Net movement in current assets and liabilities	4,980	4,054	(926)
Cash flows available from operating activities	44,189	50,842	6,653
Proceeds from the sale of assets	6,518	1,956	(4,562)
Repayment of borrowings	(5,772)	(9,686)	(3,914)
Capital Income and Developer Contributions	18,634	15,996	(2,638)
Proceeds from Loans	32,848	32,128	(720)
Cash flows available for capital works	96,417	91,236	(5,181)
Capital expenditure	(81,054)	(73,767)	7,287
Landfill Rehabilitation Expenditure	(11,150)	(11,000)	150
Net cash outflows	4,213	6,469	2,256
Cash and cash equivalents at the beginning of the year	46,378	44,765	(1,613)
Cash and cash equivalents at the end of the year	50,591	51,234	643

Cash flows available for capital works is expected to decrease by \$5.2M to \$91.2M during the 2013-2014 year mainly due to increased repayments of \$3.9M on new borrowings in 2013-2014 and decreased proceeds from Sale of Property, Plant & Equipment \$4.6M. A net cash inflow of \$6.5M during the year will result in a cash balance of \$51.2M, adequate to cover Council's financial obligations and future commitments.

STANDARD CAPITAL WORK STATEMENT

Project Category	Asset	Asset	New	Gross	Income	Net Cost
	Renewals \$'000	Upgrades \$'000	Assets \$'000	Expenditure \$'000	\$'000	\$'000
Infrastructure Leisure	1,539	3,749	7,074	12,362	1,155	11,207
Roads	10,358	582	3,498	14,438	1,948	12,490
Fleet	2,226	0	0	2,226	706	1,520
Buildings	592	2,934	19,501	23,027	6,060	16,967
Drainage	972	0	3,430	4,402	0	4,402
Computer Equipment	881	27	532	1,440	0	1,440
Streetscapes	0	40	205	245	0	245
Footpaths	2,775	80	220	3,075	0	3,075
Miscellaneous	0	135	2,686	2,821	0	2,821
Kerb & Channel	1,268	0	0	1,268	0	1,268
Central Geelong Revitalisation Program	0	0	5,000	5,000	2,500	2,500
Land	0	0	644	644	0	644
Waste Collection	0	0	5,365	5,365	1,000	4,365
Plant & Equipment	65	0	100	165	0	165
Special Rates and Charges Program	0	0	2,225	2,225	1,319	906
Water Saving Initiatives	0	0	0	0	0	0
Total	20,676	7,547	50,480	78,703	14,688	64,015
Reconciliation						
Design				4	4	0
Construction				60	60	0
Asset Sales Income					0	0
Plant Replacement Program					(706)	706
Landfill Provision				(1,000)	0	(1,000)
Developer Contributions					0	0
Carryover from 2012-2013				25,000	0	25,000
Carryover to 2014-2015				(19,000)	0	(19,000)
Total				5,064	(642)	5,706
Operating Statement Total				83,767	14,046	69,720

Property, Plant & Equipment Movement Reconciliation	
Total Capital Works (per Cashflow)	73,767
Asset Revaluation Movement	0
Depreciation & Amortisation	(49,102)
Written down value of assets sold	(5,630)
Recognition of Infrastructure	33,500
Net Movement in Property, Plant & Equipment (2012-2013 Projection to 2013-2014 Budget)	52,535

ANALYSIS OF CAPITAL BUDGET

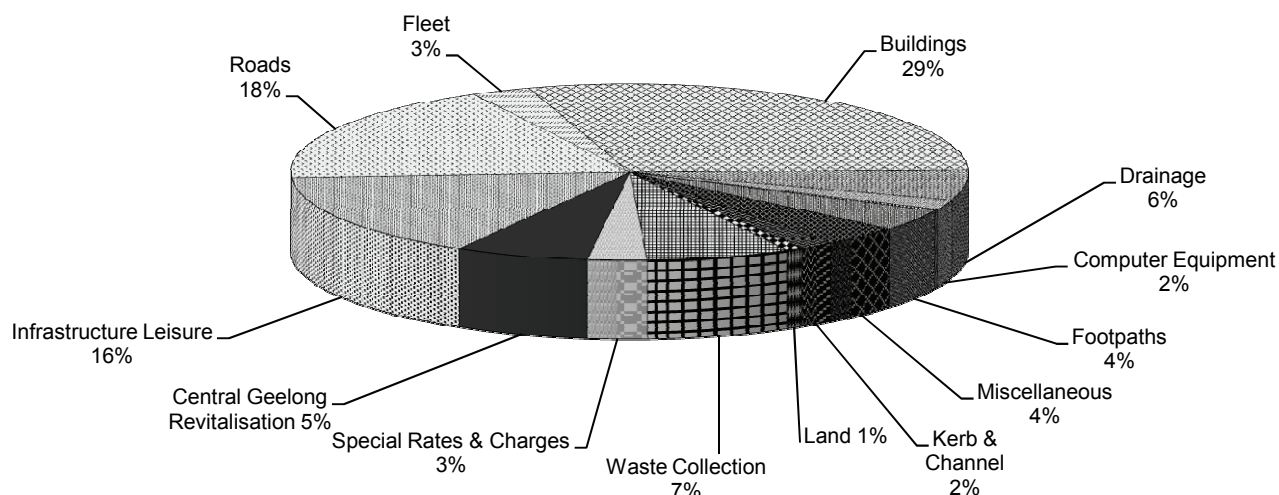
This section of the report analyses the planned capital expenditure budget for the 2013-2014 year and the sources of funding for the capital budget.

1. Capital Program

Capital Program Categories	Budget 2012-2013 \$'000	Budget 2013-2014 \$'000	(Increase)/ Decrease \$'000
Works carried forward from 2012-2013	42,000	25,000	17,000
Capital Funding for 2013-2014			
Infrastructure Leisure	8,190	12,362	(4,172)
Roads	12,341	14,438	(2,097)
Fleet	4,885	2,226	2,659
Buildings	23,951	23,027	924
Drainage	6,402	4,402	2,000
Computer Equipment	1,795	1,440	355
Streetscapes	94	245	(151)
Footpaths	2,855	3,075	(220)
Miscellaneous	2,656	2,986	(330)
Kerb & Channel	1,068	1,268	(200)
Land	186	644	(458)
Waste Collection	1,331	5,365	(4,034)
Special Rates & Charges	2,425	2,225	200
Central Geelong Revitalisation Program	-	5,000	(5,000)
Water Saving Initiatives	960	-	960
Sub Total	69,139	78,703	(9,564)
Works carried forward to 2014-2015	(19,000)	(19,000)	-
Landfill Provision	(1,000)	(1,000)	-
Design / Construction	65	64	1
Total Capital Program	91,204	83,767	7,437
Capital Funding for 2013-2014 represented by:			
New Assets	36,886	50,480	(13,594)
Asset Upgrades	7,762	7,547	215
Asset Renewal	24,491	20,676	3,815
Total Capital Works	69,139	78,703	(9,564)

Refer Appendix 1 for a detailed list of 2013-2014 capital program.

Budgeted Capital Program 2013-2014



Capital Program Categories

1.1 Carried Forward Works (\$25.00M)

At the end of each financial year there are projects, that are either incomplete or not commenced due to planning issues, weather delays, extended consultation, etc. For the 2012-2013 year Project Managers estimate that \$25M of capital works will be incomplete and carried forward into the 2013-2014 year. The more significant projects include the Ocean Grove Integrated Children's Centre, Corio Landfill Rehabilitation, Leopold Community Hub, Grovedale Integrated Children's Centre, Barwon Heads Early Learning Centre, Windsor Park Family & Children's Hub and Rosewall Kindergarten Rebuild.

1.2 Infrastructure Leisure (\$12.36M)

A total of \$12.36M is proposed for Infrastructure Leisure projects which covers Parks, Sportsgrounds, Foreshore, Aquatic Facilities and Playgrounds. The more significant projects include: Parks (\$0.96M) - Geelong Botanic Gardens, Open Space Program; Sports Grounds (\$8.88M) - Simonds Stadium Players Stand, Stead Park Hockey Precinct, Leopold Memorial Park Masterplan, Barwon Heads Village Park Sportlights, St Josephs Netball Court Upgrade, Barrabool Cricket Clubroom, Myers Reserve Changeroom Facilities and Evans Reserve Soccer Facilities Upgrade; Aquatics (\$0.67M) - Gymnasium Equipment Replacement, Leisurelink Gymnasium extension; Playgrounds (\$1.03M) - Playground Development Program, Queens Park Playground Upgrade.

1.3 Roads (\$14.44M)

The more significant projects include Road Surfacing program (\$4.61M), federally funded Roads to Recovery projects (\$1.35M), Local Roads Construction (\$0.80M), Road Rehabilitation (\$2.86M), VicRoads Funded Works (\$0.50M), Roads Other (bridges, culverts, etc.) (\$2.34M) and Lara Town Centre Expansion Project (\$1.80M). An increased amount has been allocated in 2013-2014 to renewal program Road Surfacing (\$0.20M).

1.4 Fleet (\$2.23M)

The gross purchase cost \$2.23M on replacement of Light Fleet, Heavy Plant and Dedicated Plant has decreased by \$2.66M relative to 2012-2013 due to deferment of expenditure until 2014-2015. Trade and sale values for replaced units are estimated at \$0.71M, leaving a net changeover expenditure of \$1.52M.

1.5 Buildings (\$23.03M)

For the 2013-2014 year, \$23.03M will be expended on building projects - Upgrades \$2.94M, Renewal \$0.59M and New \$19.50M. The more significant upgrade projects include Clean Energy Building Upgrade (\$0.99M), Disability Access Program (\$0.32M), Children's Services Facilities Upgrade (\$0.40M), Community Halls (\$0.21M) and Toilet Block Upgrades (\$0.25M). New projects include Geelong Library & Heritage Centre (\$15.00M), Ocean Grove Integrated Children's Centre (\$1.00M), Grovedale Integrated Children's Centre (\$2.00M) and Leopold Community Hub (\$1.03M).

1.6 Drainage (\$4.40M)

Drainage Construction is an ongoing program including upgrading main drainage infrastructure (\$2.50M), Drainage Renewal Program (\$0.80M), NE Lara Main Drainage / Flood Mitigation Works (\$0.50M) and implementation of the Stormwater Management Plan (\$0.21M).

1.7 Computer Equipment (\$1.44M)

Expenditure on computer equipment renewal is proposed at \$1.44M. The more significant projects include IT Asset Replacement Program (\$0.88M), Minor Acquisitions Program (\$0.21M) and Maintenance Management System (\$0.32M).

1.8 Streetscapes (\$0.25M)

For the 2013-2014 year, \$0.25M will be expended on streetscape projects.

1.9 Footpaths (\$3.08M)

The ongoing footpath replacement program proposes (\$2.78M) in 2013-2014, an increase over 2012-2013 of (\$0.10M). Other expenditure includes Cycle Strategy Implementation (\$0.10M).

1.10 Miscellaneous (\$2.99M)

For the 2013-2014 year, \$2.99M will be budgeted on a range of projects including Project Management Salaries, Furniture Replacement and Minor Plant & Equipment.

1.11 Kerb & Channel (\$1.27M)

The ongoing kerb and channel renewal program proposes \$1.27M for replacement of kerb and channel in full block sections, an increase over 2012-2013 of (\$0.20M).

1.12 Land (\$0.64M)

For the 2013-2014 year, \$0.36M will be expended on Acquisition of Drainage Reserves for Elcho Drain, \$0.21M on Jetty Rd NS Collector Rd Land Acquisition and \$0.08M on purchase of land at New Corio and Station Estates.

1.13 Waste Collection (\$5.37M)

Further provision for Corio Landfill Rehabilitation of (\$1.00M) has been made in 2013-2014. Other expenditure will be (\$4.00M) for new Landfill Cell at Drysdale, plus the ongoing program for new property waste bins (\$0.29M).

1.14 Special Rates & Charges (\$2.23M)

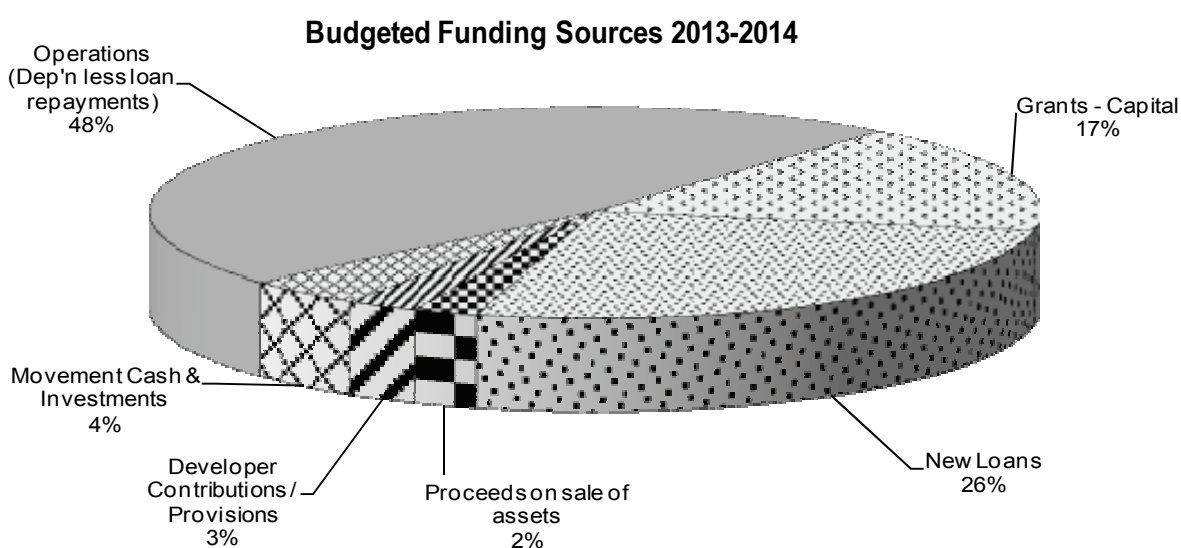
For the 2013-2014 year, \$2.23M will be expended on Special Rates & Charges projects, including Street Construction (\$1.54M) and Footpath Construction (\$0.47M).

1.15 Central Geelong Revitalisation Program (\$5.00M)

The Geelong Advancement Fund announcement provides an opportunity for Council to propose Central Geelong Revitalisation projects. Submitted projects for consideration, will need to be approved for matching grant funding in order to proceed.

2. Funding Sources

Sources of Funding	Budget 2012-2013 \$'000	Budget 2013-2014 \$'000	Increase/ (Decrease) \$'000
External			
Grants - Capital	17,284	14,046	(3,238)
New Loans	7,848	22,128	14,280
Proceeds on sale of assets	4,868	1,956	(2,912)
	30,000	38,130	8,130
Internal			
Developer Contributions / Provisions	1,350	2,160	810
Movement Cash & Investments	18,731	3,580	(15,151)
Operations (Dep'n less loan repayments)	41,123	39,897	(1,226)
	61,204	45,637	(15,567)
Total Funding Sources	91,204	83,767	(7,437)



2.1 Grants - Capital (\$14.05M)

Capital grants and contributions include all funds received from State, Federal and community sources towards the capital works program. Significant grants and contributions are budgeted to be received for the Geelong Library & Heritage Centre (\$5.10M), Central Geelong Revitalisation Program (\$2.50M), Stead Park Hockey Precinct (\$0.88M), Clean Energy (\$0.72M), Roads to Recovery Projects (\$1.35M), VicRoads Funded Works (\$0.50M) and Street, Drainage, Footpath, Kerb & Channel Construction - Special Rates & Charges (\$1.32M).

2.2 Loans (\$22.13M)

The 2013-2014 budget provides for \$22.13M of borrowings to fund the following projects: Geelong Library & Heritage Centre \$9.90M, Ocean Grove Integrated Children's Centre \$1.00M, Grovedale Integrated Children's Centre \$2.00M, Lara Town Centre Expansion \$1.80M, Drysdale Landfill Cells \$4.00M, Central Geelong Revitalisation Program \$2.50M, Barwon Heads Early Learning Centre \$0.10M and Leopold Community Hub \$0.83M.

2.3 Proceeds from Sale of Assets (\$1.96M)

Proceeds from sale of assets includes fleet sales in accordance with Council's fleet renewal policy (\$0.71M) and sale of land (\$1.25M).

2.4 Developer Contributions / Provisions (\$2.16M)

For 2013-2014 \$2.16M will be allocated from Developer Contributions and Provisions. The capital program assumes that the upgrade of various Parks (Stead Park, Eastern Park, Buckley Park), Playgrounds and Reserves (Queens Park Playground, Pettit Park Playground, Myers Reserve Playground, Playground Redevelopment, Sports Grounds Renovation), and the Open Space Acquisitions Plan will be allocated from Developer Contributions.

2.5 Movement Cash & Investments (\$3.58M)

Funding of approved 2012-2013 projects carried over to 2013-2014.

2.6 Operations (\$39.90M)

Council generates cash from its operating activities, which is used as a funding source for the capital works program. Depreciation expense of \$49.58M less loan repayments (\$9.68M) will allocate cash from operations to fund the 2013-2014 capital works program.

3. Asset Type

3.1 Expenditure on New Assets (\$50.48M)

The Capital projects that are defined as creating new or growth assets include: Geelong Library & Heritage Centre (\$15.00M), Central Geelong Revitalisation Program (\$5.00M), Drysdale Landfill Cell 6 (\$4.00M), Simonds Stadium Players Stand (\$3.00M), Drainage Construction (\$2.50M), Grovedale Integrated Children's Centre (\$2.00M), Stead Park Hockey Precinct (\$1.88M), Lara Town Centre Expansion (\$1.80M), Street Construction Special Rates & Charges (\$1.54M), Leopold Community Hub (\$1.03M), Ocean Grove Integrated Children's Centre (\$1.00M), Corio Landfill Rehabilitation (\$1.00M) and Local Roads Construction (\$0.80M).

3.2 Expenditure on Asset Upgrades (\$7.55M)

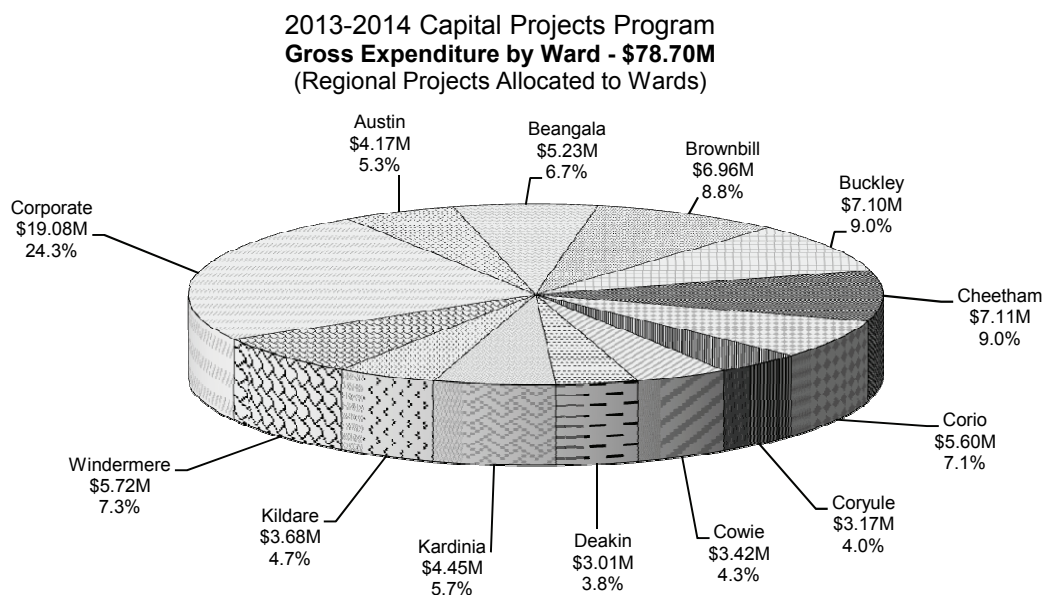
The Capital projects that constitute expenditure on assets upgrades, are various Sportsground Upgrades (\$2.37M), Playgrounds (\$0.94M), Roads/Car Parks (\$0.58M) and various Building Upgrades (\$2.94M).

3.3 Expenditure on Asset Renewals (\$20.68M)

The Capital projects that constitute expenditure on renewals, are the Federal Roads Program (\$1.35M), Road Surfacing program (\$4.61M), Light Fleet Replacement (\$1.11M), Heavy & Dedicated Plant Replacement (\$1.11M), Footpath Renewal (\$2.78M), Road Rehabilitation (\$2.86M), Building Renewal (\$0.50M), Kerb & Channel Renewal (\$1.27M) and IT Asset Replacement (\$0.88M).

4. Ward Summary

Facilities located in one ward are often regional facilities that benefit the whole community, not simply those living in that particular ward. The value of projects falling into this category have been divided evenly over the twelve wards unless specific allocations could be made.



Examples of Key Projects by Ward

Austin Ward

Thomson Reserve Masterplan Implementation
Grinter Reserve BMX Track Improvements
St Albans Sporting Club Upgrades
Newcomb & District Sports Club Upgrade

Beangala

Collendina Reserve Masterplan Implementation
Ocean Grove Park Performance Space
Memorial Reserve Masterplan Implementation
Ocean Grove Integrated Children's Centre

Brownbill Ward

Central Geelong Streetscape Activation
Eastern Park Masterplan Implementation
Geelong Botanic Gardens Irrigation Upgrade
Lt Malop & Lt Ryrie Sts Carparking Improvements

Coryule Ward

Portarlington Netball Court Upgrade
Portarlington Reserve DDA Compliant Toilet
Portarlington F & C Pavilion Upgrade
Parks & Playgrounds Improvements

Cowie Ward

Myers Reserve Clubroom Upgrade
Beauford Ave Streetscape Improvements
Pettit Park Playground & Amenities Upgrade
Separation St Traffic Management Improvements

Deakin Ward

Queens Park Playground Upgrade
Barrabool Cricket Clubroom Upgrade
Wandana Heights Tennis Club Upgrade
Queens Park Golf Club Building Redesign

Buckley Ward

Grovedale Integrated Children's Centre
Barwon Heads Early Learning Centre
Barwon Heads Village Park Sportlights
Grovedale Sports Club Upgrade

Cheetham Ward

Memorial Park, Leopold Masterplan
Clifton Springs Tennis Courts & Lighting
Drysdale Pony Club Improvements
Leopold Community Hub

Corio Ward

Stead Park Pet Park
Stead Park Hockey Precinct Development
North Shore Netball Upgrade
Evans Reserve Soccer facility Upgrade

Kardinia Ward

Barwon Valley Golf Club Office Upgrade
Winters Reserve Clubroom Upgrade
Marshall & Sth Barwon Practice Wickets Relocation
McDonald Reserve Kitchen Upgrade

Kildare Ward

Guild Cricket Clubrooms Upgrade
St Peters Cricket Pavilion Upgrade
St Josephs Netball Court Upgrade
Footpath Works, Melville Ave

Windermere Ward

Corio Cricket Club Nets
Restoration of King Edward Statue
Hendy St Tennis Courts Upgrade
Elcho Park Golf Course Driving Range

STANDARD BALANCE SHEET

	Budget 2012-2013 \$'000	Projection 2012-2013 \$'000	Budget 2013-2014 \$'000	Budget Change Fav/(Unfav) \$'000
*Year End 30 June Balances				
Current Assets				
Cash and Investments	50,591	44,765	51,234	643
Receivables	11,707	9,000	9,500	(2,207)
Prepayments	200	200	200	0
Inventories	678	737	690	12
Total Current Assets	63,176	54,702	61,624	(1,552)
Current Liabilities				
Payables	14,103	16,787	16,288	(2,185)
Interest Bearing Liabilities	8,120	9,686	12,441	(4,321)
Refundable Deposits	2,000	2,000	2,000	0
Provisions	24,006	22,880	23,654	352
Total Current Liabilities	48,229	51,353	54,383	(6,154)
Net Current Assets	14,947	3,349	7,241	(7,706)
Non-Current Assets				
Property, Plant & Equipment	1,780,697	1,873,511	1,926,046	145,349
Investments	8,694	8,694	8,694	0
Receivables	925	925	944	19
Total Non-Current Assets	1,790,316	1,883,130	1,935,684	145,368
Non-Current Liabilities				
Creditors and Provisions	5,722	7,217	7,808	(2,086)
Loans	45,616	22,307	41,994	3,622
Landfill Provision	7,151	17,322	6,803	348
Total Non-Current Liabilities	58,489	46,846	56,605	1,884
NET ASSETS	1,746,774	1,839,633	1,886,320	139,546
Ratepayers Equity				
Accumulated Surplus	1,035,125	1,006,014	1,058,001	22,876
Asset Revaluation Reserve	691,319	806,641	806,641	115,322
Reserves	20,330	26,978	21,678	1,348
TOTAL EQUITY	1,746,774	1,839,633	1,886,320	139,546

ANALYSIS OF BUDGETED FINANCIAL POSITION

This section of the budget report analyses the movements in assets, liabilities and equity between 2012-2013 and 2013-2014.

1. Budgeted Balance Sheet

	Budget 2012-2013 \$'000	Budget 2013-2014 \$'000	Variance Fav / (Unfav) \$'000
Current assets			
Cash and cash equivalents	50,591	51,234	643
Trade and other receivables	11,707	9,500	(2,207)
Prepayments	200	200	-
Inventories	678	690	12
Total current assets	63,176	61,624	(1,552)
Current liabilities			
Trade and other payables	14,103	16,288	(2,185)
Interest-bearing loans and borrowings	8,120	12,441	(4,321)
Refundable Deposits	2,000	2,000	-
Provisions	24,006	23,654	352
Total current liabilities	48,229	54,383	(6,154)
Net current assets	14,947	7,241	(7,706)
Non-current assets			
Trade and other receivables	925	944	19
Investments	8,694	8,694	-
Property, infrastructure, plant and equipment	1,780,697	1,926,046	145,349
Total non-current assets	1,790,316	1,935,684	145,368
Non-current liabilities			
Interest-bearing loans and borrowings	45,616	41,994	3,622
Landfill Provision	7,151	6,803	348
Provisions	5,722	7,808	(2,086)
Total non-current liabilities	58,489	56,605	1,884
Net assets	1,746,774	1,886,320	139,546
Equity			
Accumulated surplus	1,035,125	1,058,001	22,876
Asset revaluation reserve	691,319	806,641	115,322
Other reserves	20,330	21,678	1,348
Total equity	1,746,774	1,886,320	139,546

1.1 Current Assets (\$1.6M unfavourable)

The decrease in current assets is primarily due to a \$2.2M decrease in Receivables reflecting recent year end trends.

1.2 Current Liabilities (\$6.2M unfavourable)

The increase in current liabilities reflects the increase in amounts owed on loans of \$4.3M due to new borrowings of \$32.1M budgeted for 2013-2014. Payables have increased \$2.2M in line with actual creditor balances.

1.3 Non Current Assets (\$145.4M favourable)

The increase in Property, Infrastructure, Plant and Equipment is the net result of the capital works program of \$73.8M of new assets, assets gifted to Council of \$33.5M, the depreciation of non-current assets (\$49.1M), the disposal and sale of property, plant & equipment (\$5.6M) and the revaluation of Roads \$92.0M completed in April 2013.

1.4 Non Current Liabilities (\$1.9M favourable)

The decrease in non current liabilities (ie. obligations Council must pay beyond the next year) results mainly from decrease in Loan Balances (\$3.6M), offset by increased provision for Long Service Leave \$2.1M partly due to EBA rate adjustment.

1.5 Working Capital (\$7.2M)

Working capital is the excess of current assets above current liabilities. This calculation recognises that although Council 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.

Council has also committed further current assets to specific and restricted purposes, represented by reserves, which may not yet be represented as current liabilities at 30 June.

	Forecast Actual	Budget	Variance
	2013	2014	Fav / (Unfav)
	\$'000	\$'000	\$'000
Current assets	54,702	61,624	6,922
Current liabilities	51,353	54,383	(3,030)
Working capital	3,349	7,241	3,892
Restricted cash and investment current assets			
- Statutory Reserves	(1,000)	(2,410)	(1,410)
- Discretionary Reserves	(330)	(268)	62
Unrestricted working capital*	2,019	4,563	2,544

* Unrestricted working capital may also be committed to completion of carry forward capital works.

1.6 Equity (\$139.5M favourable)

The net increase in accumulated surplus of \$22.8M results from:

- Net surplus shown in the income statement.
- Other reserves have increased by \$1.3M.

Asset Revaluation Reserve has increased due to revaluation of Roads \$92.0M, and revaluation of Land & Buildings \$23.3M.

IMPACT OF CURRENT YEAR ON 2013-2014 BUDGET

This section of the report analyses the variances from the current budget year and assesses whether there will be any significant impacts on the 2013-2014 Budget.

1. Operating Performance

	Budget	Amended	Projection	Variance Budget
	2012-2013	(a) Budget	2012-2013	(a) v
	\$'000	2012-2013	2012-2013	Projected Actual
	\$'000	\$'000	\$'000	\$'000
Operating				
Revenue	262,171	252,560	254,016	1,456
Expenditure	(261,992)	(268,375)	(267,881)	494
Recurrent result- Surplus/ (Deficit)	179	(15,815)	(13,865)	1,950
Non-operating				
Revenue	50,137	55,234	61,266	6,032
Expenditure	(6,960)	(8,960)	(3,660)	5,300
Non Recurrent - Surplus/ (Deficit)	43,177	46,274	57,606	11,332
Net surplus (deficit)	43,356	30,459	43,741	13,282

Amendments to the 2012-2013 Budget were made for carryover of Discretionary and Capital Programs and early receipt of 50% of Grants Commission grant.

The amendments were: Operating - Discretionary program carryover net expenditure (\$6.10M), Grants Commission (\$9.90M) and Non Operating (Capital Income carryover plus other unbudgeted grants) \$5.10M and Unfunded Superannuation increase \$2.0M.

The forecast operating performance for the year ending 30 June 2013 is a recurrent deficit of (\$13.9M), which is \$2.0M favourable compared to the amended budget. After non-operating items, the operating surplus is \$43.7M, which is \$13.3M favourable compared to the amended budget.

The 2012-2013 favourable operating variances include Salaries \$1.4M, Depreciation \$1.4M, Interest Paid \$1.2M, Waste Disposal Income \$0.7M, Workcover Premium Savings \$0.5M. This has been partially offset by unfavourable variances in Grants Commission (\$1.2M), Rental Expense (\$0.7M), Legal Costs (\$0.3M), Leisure Centres (net) (\$0.4M), Insurance Premium (\$0.3M) and Centre Based Long Day Care (net) (\$0.2M).

The favourable variance in Non operating is due to increase in Capital Income \$3.9M, increase in Developer Contributions received \$2.1M and Unfunded Superannuation payment \$5.3M (liability accrued 30 June 2012).

2. Cash Performance

	Budget	Projection	Variance
	2012-2013	2012-2013	
	\$'000	\$'000	\$'000
Net Cash Inflow from operations	44,189	13,600	(30,589)
Cash Inflow from Investing activities	25,152	36,331	11,179
Funds available	69,341	49,931	(19,410)
Capital expenditure	(92,204)	(84,619)	7,585
Net Borrowing movements	27,076	5,255	(21,821)
Net Increase/(Decrease) Cash held	4,213	(29,433)	(33,646)
Cash at beginning of year	46,378	74,198	27,820
Cash at end of year	50,591	44,765	(5,826)

Cash balances at 30 June 2013 are expected to be \$44.8M, a decrease of \$5.8M on the budget mainly due to payment of Unfunded Superannuation Liability \$22.3M, offset by lower than expected Landfill Rehabilitation and higher Capital Income receipts. The cash balance is adequate to meet future commitments as follows: Long Service Leave \$17.1M, Statutory Reserves \$1.7M, Discretionary Reserves \$0.3M.

3. Capital Performance

	Adopted Budget 2012-2013 \$'000	Amended (a) Budget 2012-2013 \$'000	Projected Actual 2012-2013 \$'000	Variance Budget (a) v Projected Actual \$'000
Capital Income	17,284	22,381	26,263	3,882
Capital Expenditure	(110,204)	(127,970)	(109,619)	18,351
Carryover to 2013-2014	19,000	19,000	25,000	6,000
Total Net Capital works	(73,920)	(86,589)	(58,356)	28,233

The projected capital performance for the year ending 30 June 2013 shows that the net capital works program for the 2012-2013 year will be underspent by \$28.2M compared to the amended budget. This variance is due mainly to cancellation of the Civic Accommodation Project \$22.0M, an increase of \$6.0M in carryover from budgeted \$19.0M to \$25.0M, plus approved net projection changes of \$0.3M. Carryover is due to a number of projects being behind schedule, including Corio Landfill Rehabilitation \$9.0M, Ocean Grove Integrated Children's Centre \$3.0M, Leopold Community Hub \$3.5M, Grovedale Integrated Children's Centre \$1.7M, Barwon Heads Early Learning Centre \$1.8M, Windsor Park Family & Children's Hub \$2.0M and Rosewall Kindergarten Rebuild \$1.2M. As a consequence of these projects being Work in Progress, it is forecast that \$25.0M of capital works projects expenditure will need to be carried forward and completed in the 2013-2014 year.

4. Matters Significant to the 2013-2014 Budget

The net projected 2012-2013 operating result and adherence to budget provides a sound basis for development of the 2013-2014 budget. Many challenges including implications from the Unfunded Superannuation payment, Superannuation Guarantee increase, EBA 3rd year commitment, Fire Services Levy on Council owned properties, Carbon Tax, EPA landfill levy increase, Capital Works program and Borrowing commitments have been absorbed into 2013-2014 Operating Budget.

As a result of the variances between the forecast actual and budgeted results for the 2012-2013 year, the following matters have influenced the preparation of the 2013-2014 Annual Budget:

- Capital expenditure carry over estimated at \$25.0M into 2013-2014.
- Projects commenced in 2012-2013 requiring additional funding in 2013-2014: Geelong Library & Heritage Centre \$13.00M, Ocean Grove Integrated Children's Centre \$1.00M, Grovedale Integrated Children's Centre \$2.00M, Leopold Community Hub \$1.03M, Geelong Botanic Gardens Irrigation Upgrade \$0.25M, Wandana Heights Tennis Club \$0.12M, Thomson Reserve Masterplan \$0.08M and Guild Cricket Clubrooms \$0.03M.
- Rates growth achieved in 2012-2013 provides additional rateable properties in 2013-2014 of 2.0%.
- Council's EBA commitments in 2013-2014 and 0.25% increase to Superannuation Guarantee.
- Impact of increased EPA levies from \$48.40/t to \$53.20/t effective 1 July 2013.
- Fire Services Levy commencing 1 July 2013 \$0.40M.
- Councils pre-budget commitment to Enterprise Geelong \$0.27M.
- Announcement of the Geelong Advancement fund and opportunity to fund Central Geelong Revitalisation Projects.
- Revaluation of Road Assets (effective date 1/4/2013) has resulted in an increase to asset values of \$92.0M. The additional roads valuation results in additional depreciation expense of \$2.1M in 2013-2014.
- Developer Contribution Plans adopted in 2012-2013 - Armstrong Creek West Precinct.

STRATEGIC RESOURCE PLAN

2013-2014 to 2016-2017

The Strategic Resource plan has been prepared from assumptions incorporated in the 2013-2014 Budget and other applicable assumptions to develop an additional three year forecast.

This section considers the long term financial projections of the Council. The Act requires a Strategic Resource Plan to be prepared covering both financial and non-financial resources, and including key financial indicators for at least the next four financial years to support the Council Plan.

Plan Development

Council has prepared a Strategic Resource Plan (SRP) for the four years 2013-2014 to 2016-2017 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 Council Plan and expresses them in financial terms for the next four years.

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

- Maintain an operating surplus to contribute internal funding for capital works program.
- Maintain core infrastructure renewal expenditure, whilst increasing expenditure on new community infrastructure.
- Maintain net financial liabilities at a sustainable level.
- Provide minimum rate increases whilst maintaining funding of service delivery consistent with community expectations.

The Plan can be assessed within the context of financial sustainability indicators whereby satisfactory targets are set. Council monitors four main indicators as follows:

Recurrent result - 1% of turnover

- A positive operating result means sufficient revenue has been generated to fund operations and provide internal funding for an expansionary Capital works program. A ratio less than 1% of turnover indicates alternative funding sources for the capital program are required or funding requirements are reducing.

Liquidity - > 1

- Working capital ratio indicates short term viability issues with sufficient current assets to cover current liabilities. A ratio of one or more means there is more cash and liquid assets than short term liabilities.

Indebtedness - < 60% of own source revenue (Rate revenue)

- The level of loan debt directly impacts on ability to repay from own source revenue. Debt levels greater than 60% of rate revenue represents potential for longer term concern over ability to repay debt.

Renewal Gap

- The ratio of renewal and upgrade expenditure to depreciation compares replacement of existing assets to depreciation. The percentage of renewal / upgrade capital expenditure is a long term indicator and averages 73.2% over the last 5 years. This trend indicates spending on existing assets is less than the depreciation rate.

Operating Statement - (additional assumptions)

- CPI of 2.5% in 2013-2014.
- Rates income increases following budget year are 4.5% in 2014-2015, 2015-2016 and 2016-2017 with growth of 1.5% each year.

- Municipal charge increases at 3% in line with CPI in the years following the budget year and garbage charge increases at 4.0% dependent on environmental assurance and new processing contracts.
- Government Grants to increase by CPI after the budget year.
- User Fees and Charges have been adjusted for one off items. Remaining user fees and charges are to increase by 3.5% in the years following the budget year.
- Other Fees and Charges including statutory charges to increase by CPI in the years following the budget.
- Salaries estimate include EBA increases, banding increases, growth positions and service changes linked to external funding sources.
- Materials and Plant & Vehicles expenditure has increased by CPI and General Works by CPI per year after the budget year in addition to lump sum increments to incorporate growth.
- Interest Expense has increased reflecting the borrowing strategy. Council will borrow in line with expenditure on nominated major projects as listed below.
- Depreciation has increased 4.25% per annum to cover new assets constructed and vested in Council.
- Asset Sales include sales reasonably expected to eventuate.
- Recognition of Infrastructure from Developers is projected at \$15M p.a. for 2014-2015 through to 2016-2017.

Balance Sheet

- Debtors have increased \$0.5M per year in line with increased rates collectables after 2013-2014.
- Creditors have increased in line with increased cost of goods after 2013-2014.
- Employee Benefit Provisions have increased \$1.5M per year.

Capital Expenditure

	2013-2014	2014-2015	2015-2016	2016-2017
Major Initiatives	\$'000	\$'000	\$'000	\$'000
Projects	41,483	52,074	49,852	53,430
Central Geelong Revitalisation	5,000	5,000	0	0
Geelong Library & Heritage Centre	15,000	19,000	9,110	0
Armstrong Creek / Projects General	0	5,663	1,600	4,440
Geelong Ring Road Employment Precinct	358	9,775	4,417	0
Leopold Community Hub	1,025	4,437	250	4,125
Grovedale Integrated Children's Centre	2,000	2,580	0	0
Barwon Heads Early Learning Centre	100	1,850	0	0
Ocean Grove Integrated Children's Centre	1,000	0	0	0
Windsor Park Family & Children's Hub	0	2,950	0	0
Ocean Grove Infrastructure Plan	0	1,000	5,000	0
Corio Landfill Rehabilitation	1,000	6,377	0	0
Drysdale Landfill Cells	4,000	2,900	0	5,000
Simonds Stadium Players Stand	3,000	0	0	0
Stead Park Hockey Precinct	1,876	0	0	0
Leisurelink Expansion	125	3,000	0	0
Hendy St Corio Family Hub	0	2,000	2,000	0
Lara Town Centre Expansion	1,800	1,950	0	0
Yarra St Pier	0	0	500	1,500
Ocean Grove Neighbourhood House	0	800	0	0
Rosewall Neighbourhood House	0	0	500	1,000
Bellvue, Highton Family Hub	0	500	2,500	2,500
Plus Carry Over from previous year	25,000	19,000	18,000	18,000
Less Carry Over to next year	(19,000)	(18,000)	(18,000)	(18,000)
Capital Expenditure	83,767	122,856	75,729	71,995

Loans

Loans are tied to expenditure on specific projects.

	2013-2014	2014-2015	2015-2016	2016-2017
	\$'000	\$'000	\$'000	\$'000
Community Facilities	3,928	13,567	4,200	4,875
Geelong Library & Heritage Centre	9,900	7,100	2,110	0
Central Geelong Revitalisation	2,500	2,500	0	0
Lara Town Centre Expansion Project	1,800	0	0	0
Drysdale Landfill Cells	4,000	2,900	0	5,000
Unfunded Superannuation	10,000	0	0	0
Leisurelink Expansion	0	1,900	0	0
Armstrong Creek	0	4,513	0	3,140
Corio Landfill Rehabilitation	0	5,377	0	0
Geelong Ring Road Employment Precinct	0	1,050	1,050	0
Ocean Grove Infrastructure Plan	0	0	3,000	0
Total Loans	32,128	38,907	10,360	13,015

Financial Sustainability Indicators

Budget	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Working Capital Ratio (not adjusted for LSL)	1.31	1.13	1.08	1.17	1.14
Recurrent Result	0.1%	0.4%	0.3%	0.7%	1.3%
Indebtedness	33.5%	31.9%	44.8%	41.3%	38.6%
Renewal Gap	71.0%	57.0%			

STANDARD INCOME STATEMENT

4 Year Plan

	Budget 2012-2013 \$000's	Projection 2012-2013 \$000's	Budget 2013-2014 \$000's	Plan 2014-2015 \$000's	Plan 2015-2016 \$000's	Plan 2016-2017 \$000's
RECURRENT INCOME						
Rates and Charges	160,456	160,645	170,707	180,568	191,045	202,138
Government Grants	41,384	31,820	42,343	43,516	44,721	45,960
User Charges	43,682	43,782	45,673	47,271	48,926	50,638
Other Fees and Charges	10,156	10,582	10,635	10,954	11,283	11,621
Sundry Income	4,392	5,075	4,661	4,801	4,945	5,093
Interest Investments	2,101	2,112	1,701	1,600	1,900	2,100
Total Recurrent Income	262,171	254,016	275,720	288,710	302,820	317,550
RECURRENT EXPENDITURE						
Employee Related						
Salaries	109,844	107,934	116,620	122,322	127,952	133,850
Workcover	2,336	1,865	2,107	2,191	2,279	2,370
	112,180	109,799	118,727	124,513	130,231	136,220
Goods and Services						
General Works - Materials	6,902	7,364	7,474	7,698	7,929	8,167
General Works - Plant, Vehicle Costs	5,773	5,874	6,333	6,523	6,718	6,920
General Works - External Services	68,925	76,975	68,253	71,801	75,055	78,424
Administration	7,102	7,199	7,781	8,015	8,255	8,502
Interest Expense	3,076	2,046	3,333	4,712	5,238	5,290
Professional Services	3,662	5,619	4,540	4,676	4,816	4,961
Utilities	8,382	8,345	8,831	9,096	9,369	9,650
	103,822	113,422	106,545	112,521	117,380	121,914
Depreciation	45,698	44,302	49,102	51,166	53,341	55,608
Landfill Provision	1,197	1,197	481	0	0	0
(Gain)/Loss on Sale of Plant & Equipment	(905)	(839)	(143)	(450)	(353)	(360)
Total Recurrent Expenditure	261,992	267,881	274,712	287,750	300,599	313,382
Recurrent Surplus / (Deficit)	179	(13,865)	1,008	960	2,221	4,168
NON-RECURRENT INCOME						
Capital Grants and Income	17,284	26,263	14,046	28,900	18,468	7,893
Developer Cash Contributions	1,350	3,500	1,950	2,100	2,100	2,100
Gain / (Loss) on Sale of Property	1,503	1,503	(157)	4,730	4,530	280
Recognition of Infrastructure	30,000	30,000	33,500	15,000	15,000	15,000
Total Non-Recurrent Income	50,137	61,266	49,339	50,730	40,098	25,273
NON-RECURRENT EXPENDITURE						
Loss on Disposal of Infrastructure	3,660	3,660	3,660	2,550	2,550	2,550
Non Council Assets	0	0	0	0	0	0
Unfunded Superannuation	3,300	0	0	0	0	0
Total Non-Recurrent Expenditure	6,960	3,660	3,660	2,550	2,550	2,550
Non-Recurrent Surplus / (Deficit)	43,177	57,606	45,679	48,180	37,548	22,723
NET SURPLUS / (DEFICIT)	43,356	43,741	46,687	49,140	39,769	26,891

STANDARD CAPITAL WORK STATEMENT

4 Year Plan

Project Category	2013-2014 Budget			2014-2015 Plan			2015-2016 Plan			2016-2017 Plan		
	Gross Expenditure \$'000	Income \$'000	Net Cost \$'000	Gross Expenditure \$'000	Income \$'000	Net Cost \$'000	Gross Expenditure \$'000	Income \$'000	Net Cost \$'000	Gross Expenditure \$'000	Income \$'000	Net Cost \$'000
Infrastructure Leisure	12,362	1,155	11,207									
Roads	14,438	1,948	12,490									
Fleet	2,226	706	1,520									
Buildings	23,027	6,060	16,967									
Drainage	4,402	0	4,402									
Computer Equipment	1,440	0	1,440									
Streetscapes	245	0	245									
Footpaths	3,075	0	3,075									
Miscellaneous	2,821	0	2,821									
Kerb & Channel	1,268	0	1,268									
Central Geelong Revitalisation Program	5,000	2,500	2,500									
Land	644	0	644									
Waste Collection	5,365	1,000	4,365									
Plant & Equipment	165	0	165									
Special Rates and Charges Program	2,225	1,319	906									
Water Saving Initiatives	0	0	0									
TOTAL	78,703	14,688	64,015	121,856	31,900	89,956	75,729	20,822	54,907	71,995	10,294	61,701
Reconciliation												
Design	4	4	0			0			0			0
Construction	60	60	0			0			0			0
Asset Sales Income		0	0			0			0			0
Plant Replacement Program		(706)	706		(3,000)	3,000		(2,354)	2,354		(2,401)	2,401
Landfill Provision	(1,000)	0	(1,000)			0			0			0
Carry over from Previous Year	25,000	0	25,000	19,000	0	19,000	18,000	0	18,000	18,000	0	18,000
Carry over to Next Year	(19,000)	0	(19,000)	(18,000)	0	(18,000)	(18,000)	0	(18,000)	(18,000)	0	(18,000)
TOTAL	5,064	(642)	5,706	1,000	(3,000)	4,000	0	(2,354)	2,354	0	(2,401)	2,401
OPERATING STATEMENT TOTAL	83,767	14,046	69,720	122,856	28,900	93,956	75,729	18,468	57,261	71,995	7,893	64,102

STANDARD STATEMENT OF CASH FLOW

4 Year Plan

	Budget 2012-2013 \$000's	Projection 2012-2013 \$000's	Budget 2013-2014 \$000's	Plan 2014-2015 \$000's	Plan 2015-2016 \$000's	Plan 2016-2017 \$000's
Cash Flows from Operating Activities						
Receipts						
General Rates	160,239	160,616	169,246	181,860	190,959	202,046
Fees and Charges	61,170	62,478	65,014	64,215	67,756	69,960
GST Recoveries on Operating Transactions	5,627	5,627	5,627	5,627	5,627	5,627
Investment Income	2,101	2,112	1,701	1,600	1,900	2,100
Government Grants	43,139	33,575	44,098	45,271	46,476	47,715
	272,276	264,408	285,686	298,573	312,718	327,448
Payments						
Employee Costs	(112,988)	(128,471)	(117,360)	(122,979)	(128,717)	(134,634)
General Works / Utilities / Disbursements	(100,317)	(106,531)	(100,888)	(104,134)	(107,913)	(111,982)
Administration / Professional Services	(11,706)	(13,760)	(13,263)	(13,633)	(14,013)	(14,405)
Interest Expense	(3,076)	(2,046)	(3,333)	(4,712)	(5,238)	(5,290)
	(228,087)	(250,808)	(234,844)	(245,458)	(255,881)	(266,311)
Net Cash Inflow from Operating Activities	44,189	13,600	50,842	53,115	56,837	61,137
Cash Flows from Investing Activities						
Capital Expenditure	(81,054)	(83,619)	(73,767)	(116,479)	(75,729)	(71,995)
Landfill Rehabilitation	(11,150)	(1,000)	(11,000)	(6,803)	0	0
Proceeds from Sale of Land and Buildings	4,255	4,305	1,250	7,700	6,600	600
Proceeds from Sale of Plant and Equipment	2,263	2,263	706	3,000	2,354	2,401
Developer Cash Contributions	1,350	3,500	1,950	2,100	2,100	2,100
Income for Capital Expenditure	17,284	26,263	14,046	28,900	18,468	7,893
Net Cash Outflow from Investing Activities	(67,052)	(48,288)	(66,815)	(81,582)	(46,207)	(59,001)
Cash Flows from Financing Activities						
Repayment of Borrowings	(5,772)	(5,593)	(9,686)	(12,441)	(12,377)	(13,793)
Proceeds from New Loans	32,848	10,848	32,128	38,907	10,360	13,015
Net Cash Inflow/(Outflow) from Financial Activities	27,076	5,255	22,442	26,466	(2,017)	(778)
Net Increase / (Decrease) in Cash Held	4,213	(29,433)	6,469	(2,001)	8,613	1,358
Cash at the Beginning of the Financial Year	46,378	74,198	44,765	51,234	49,233	57,846
Cash at the end of the Financial Year	50,591	44,765	51,234	49,233	57,846	59,204
Loan Balance	53,736	31,992	54,435	80,901	78,884	78,106
Net Cash (Deficit) / Surplus	(3,145)	12,773	(3,201)	(31,668)	(21,038)	(18,902)

STANDARD BALANCE SHEET

4 Year Plan

	Budget 2012-2013	Projection 2012-2013	Budget 2013-2014	Plan 2014-2015	Plan 2015-2016	Plan 2016-2017
*Year End 30 June Balances	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Current Assets						
Cash and Investments	50,591	44,765	51,234	49,233	57,846	59,204
Receivables	11,707	9,000	9,500	10,000	10,500	11,000
Prepayments	200	200	200	200	200	200
Inventories	678	737	690	747	770	793
Total Current Assets	63,176	54,702	61,624	60,180	69,316	71,197
Current Liabilities						
Payables	14,103	16,787	16,288	16,759	17,405	18,071
Interest Bearing Liabilities	8,120	9,686	12,441	12,377	13,793	15,296
Refundable Deposits	2,000	2,000	2,000	2,000	2,000	2,000
Provisions	24,006	22,880	23,654	24,831	26,034	27,297
Total Current Liabilities	48,229	51,353	54,383	55,967	59,232	62,664
Net Current Assets	14,947	3,349	7,241	4,213	10,084	8,533
Non-Current Assets						
Property, Plant & Equipment	1,780,718	1,873,511	1,926,046	1,998,288	2,029,055	2,055,530
Investments	8,694	8,694	8,694	8,694	8,694	8,694
Receivables	925	925	944	954	963	973
Total Non-Current Assets	1,790,337	1,883,130	1,935,684	2,007,936	2,038,712	2,065,197
Non-Current Liabilities						
Creditors and Provisions	5,722	7,217	7,808	8,165	8,477	8,801
Loans	45,616	22,307	41,994	68,524	65,091	62,811
Landfill Provision	7,172	17,322	6,803	0	0	0
Total Non-Current Liabilities	58,510	46,846	56,605	76,689	73,568	71,612
NET ASSETS	1,746,774	1,839,633	1,886,320	1,935,460	1,975,228	2,002,118
Ratepayers Equity						
Accumulated Surplus	1,035,125	1,006,014	1,058,001	1,108,141	1,147,909	1,174,799
Asset Revaluation Reserve	691,319	806,641	806,641	806,641	806,641	806,641
Reserves	20,330	26,978	21,678	20,678	20,678	20,678
TOTAL EQUITY	1,746,774	1,839,633	1,886,320	1,935,460	1,975,228	2,002,118

Rating Information

1. Rating Context 2013-2014

City Plan

Rates and Charges are the major source of Council revenue accounting for 62% of the total revenue for Council annually. Increases in rate income are required to meet the objectives of Council aspirations and community expectations for new infrastructure. City Plan advocates rate increases over the Council term, required to fund new initiatives and maintain existing service levels.

Council continues to monitor the relativity of the City's residential rates to other comparable municipalities.

Average Rates & Charges

Regional Cities	2007-2008 Annual Report		2008-2009 Annual Report		2009-2010 Annual Report		2010-2011 Annual Report		2011-2012 Annual Report		Residential 2011-2012 on 2010-2011 % increase	Residential Gross % Movement 5 Years
	per Assessment \$	per Residential Assessment \$	per Assessment \$	per Residential Assessment \$	per Assessment \$	per Residential Assessment \$	per Assessment \$	per Residential Assessment \$	per Assessment \$	per Residential Assessment \$		
Wodonga	1,507	1,310	1,578	1,372	1,615	1,375	1,735	1,466	1,877	1,569	7.0%	19.8%
Horsham	1,130	1,139	1,211	1,233	1,303	1,330	1,409	1,434	1,527	1,358	-5.3%	19.2%
Wangaratta	1,204	1,060	1,290	1,124	1,338	1,165	1,398	1,228	1,490	1,278	4.1%	20.6%
Warrnambool	1,282	1,102	1,367	1,218	1,438	1,278	1,542	1,388	1,655	1,389	0.1%	26.0%
Latrobe	1,289	1,022	1,351	1,032	1,402	1,078	1,483	1,159	1,582	1,250	7.9%	22.3%
Greater Geelong	1,157	977	1,227	1,028	1,293	1,079	1,347	1,129	1,423	1,182	4.7%	21.0%
Ballarat	1,229	955	1,348	1,016	1,410	1,061	1,454	1,125	1,561	1,193	6.0%	24.9%
Greater Bendigo	1,140	906	1,197	996	1,344	1,098	1,332	1,131	1,404	1,218	7.7%	34.4%
Neighbouring Councils												
Borough of Queenscliffe	1,419	1,354	1,529	1,483	1,597	1,542	1,693	1,626	1,770	1,711	5.2%	26.4%
SurfCoast	1,384	1,326	1,487	1,430	1,589	1,530	1,698	1,638	1,804	1,749	6.8%	31.9%
Wyndham	1,178	1,080	1,344	1,087	1,476	1,078	1,582	1,168	1,668	1,258	7.7%	16.5%
Golden Plains	975	886	1,068	929	1,150	1,063	1,306	1,200	1,402	1,268	5.7%	43.1%
Colac Otway	1,151	1,090	1,228	1,000	1,288	1,031	1,400	1,151	1,474	1,222	6.2%	12.1%
Metropolitan Councils												
Maribyrnong	1,496	1,174	1,616	1,288	1,687	1,341	1,812	1,442	1,911	1,523	5.6%	29.7%
Whittlesea	1,238	975	1,312	1,030	1,308	1,058	1,413	1,114	1,367	1,166	4.7%	19.6%
City of Port Phillip	1,178	966	1,230	1,017	1,258	1,068	1,310	1,131	1,391	1,199	6.0%	24.1%

¹ Figures Include: Rates, Municipal Charge & Garbage Charge

The table indicates that Council's average residential assessment compares favourably to other regional cities, and is in the lower half of residential movements over the last five years.

Cost Indicators – Local Government Index

Movements in CPI & LGCI (Source: MAV Local Government Cost Index 2012)

% Growth	2010-2011	2011-2012	2012-2013
CPI	2.5%	2.5%	3.7%*
LGCI	3.5%	3.25%	3.9%

The MAV Local Government Cost Index is a Consumer Price Index (CPI) comparison that forecasts the change in costs to deliver goods and services provided by Victorian Local Government.

*The CPI increase for 2012-2013 is currently forecast at 2.5%. The LGCI is likely to be less than 3.9% given reduced impact of carbon tax.

Local Government expenses are different to household expenses. CPI measures price movements in a standard basket of common household goods and services. A 'basket' of common council services is primarily affected by the growth in construction, material and wage costs, not CPI.

The Local Government Cost Index uses a combination of established Government and industry indexes to reflect average wages, construction and material costs that best represent councils' spending profile.

2. Current year rate increases

In order to achieve Council's objectives while maintaining service levels and a strong capital expenditure program, general rates will increase by \$10M in 2013-2014 raising a total of \$169M.

Rating Model

- Rates and charges on a residential property will increase overall by 4.45%, including rate in \$ movement 4.7%, Municipal charge movement 3%, and Waste Collection Service Charge 3.8%. The residential rate has been set at \$0.002665 per \$ of CIV valuation.
- Vacant Land rate in the dollar will increase to 140% of residential in order to encourage building activity and development.
- The Local Government Legislation Amendment (Miscellaneous) Act 2012 imposes changes to Differential rating. The late licence differential is being discontinued in response to the Ministerial Guidelines. The Commercial rate in \$ will therefore increase by 7%.
- Automobile, Petroleum and Aluminium differentials have been aligned to the same rate in the \$. Council's objective is to reduce the gap between the rate in \$ for these differentials and the Industrial differential. The Industrial rate increases by 7.7%.
- The Waste Collection Service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The charge is impacted by cost estimates of EPA levy \$24.55 and Carbon Tax of \$2.23 per tenement. The charge for 2013-2014 will increase from \$226.00 to \$234.50 or 3.8%.
- The Municipal charge represents a fee on all rateable assessments as a contribution to the fixed and unavoidable costs of governance. The municipal charge is to increase from \$86.33 to \$88.90 or 3%.
- The Farm rebate will remain at 36.2% with average rates increasing by 4.45% (as per residential). This rebate provides ongoing rate relief to farmers (33% rebate 2006-2007, 40% rebate 2007-2008, 45% 2008-2010, 45% for 2009-2010, 46.5% for 2010-2011, 46.5% for 2011-2012, 36.2% for 2012-2013). In 2013-2014 a 36.2% rebate represents a cost to Council of \$1.384M.
- The housing support rebate for eligible Charitable Housing will be replaced with a rates waiver for 2013-2014.
- The transitional rebate introduced in 2010-2011 for nominated charitable housing properties will remain at a 50% rebate in 2013-2014.
- A rates waiver has been introduced for the New Corio Estate from 2013-2014 recognising this inappropriate subdivision and Planning Scheme Amendment C243.
- The pensioner concession will increase from \$198.00 in accordance with movement in CPI for Melbourne as advised by the Australian Bureau of Statistics to \$202.90.

Residential Rates and Charges

The average Capital Improved Value of residential properties within the municipality has increased from \$363,800 to \$365,610. This reflects a 2% growth in the number of residential properties together with growth of 2.5% in Residential Capital Improved Value.

The total increase in rates and charges for the average property with a capital improved value of \$365,610 is \$55.24 or 4.45%. This increase is made up of \$44.17 for General Rates, \$2.57 for Municipal Charge and \$8.50 for the Waste Collection Service.

Residential Properties	2012-2013	2013-2014	Increase %
	Rates on Average CIV \$	Budget Rates on Average CIV \$	
General Rates CIV x Rate in \$	930.11	974.28	4.75%
Municipal Charge	86.33	88.90	2.98%
Waste Collection Service	226.00	234.50	3.76%
Total Rates and Charges	1,242.44	1,297.68	4.45%

3. Rating Structure

All rating is made with respect to the Local Government Act 1989 (LGA), Section 154 to Section 181.

The rating structure is comprised of three key elements. Striking a proper balance between these elements provides equity in the distribution of the rate burden across residents.

1. Using the Capital Improved Valuation system of valuing land, a rate in the dollar is applied. Thirteen differential rates are proposed for 2013-2014. In reviewing these differentials, Council have considered the objectives, the suitable uses and the types and classes of land.
2. The Municipal Charge (a fixed contribution per property to cover some of the governance costs of Council). The purpose of the municipal charge is to recover some of the administrative costs of the Council. The charge is applied to all rateable properties and is proposed to be increased from \$86.33 to \$88.90. Where rates are a variable charge levied on CIV at a rate in the dollar, the municipal charge is a fixed contribution on all ratepayers.
3. A fee for a separate component to reflect usage of services provided (ie. Waste Services).

Recycling and Waste Collection Service Charge

The Annual Service Charge is proposed at \$234.50 for each rateable land and non-rateable land. The charge is levied on the following criteria:

- Geographic existence within those areas of the municipal district in which Council provides a domestic refuse collection and disposal service.
- The charge will be raised irrespective of whether the service is used or not.

The Waste Collection Service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The charge for 2013-2014 will increase from \$226.00 to \$234.50 or 3.8%.

Part of the standard service will be altered as part of the new waste collection contract for 2013-2014. There will be a provision for a 660 litre bin for multi unit premises where presentation and storage is an issue. This bin will be available for general, recycling and green waste. The default collection is fortnightly for recycling and green waste and weekly for garbage. Each unit within the complex will be charged the residential waste charge.

Larger 140 litre general waste bins will be introduced in 2013-2014. These bins replace damaged or stolen 120 litre bins. There will be no additional charge to the ratepayer for this increased service.

The Waste Voucher system will continue in 2013-2014 either as a boot load or half a trailer and be issued to the occupier instead of the ratepayer. Each voucher has a value of \$18.50 compared to \$17.00 for 2012-2013.

Provision has been made for a HACC support program for residents requiring assistance with waste removal.

The rating structure also includes provision for Rates Waivers, Rebates and incentives.

Charitable Housing

Prior to the 2011-2012 Budget, a review was conducted of housing provided for social, community or charitable purposes. Commencing from 2011-2012 all housing provided by Housing Associations, charitable or government organisations will be rated in accordance with legal precedent and the Local Government Act.

A Housing Support waiver will be provided for Transitional, Crisis or Emergency housing provided by charitable organisations. The waiver will also be provided for housing provided by Geelong Legacy Club or the RSL and housing provided by charitable organisations to support disabled people. Waivers will be for 100% of general rates and the municipal charge. Previously, a rebate was provided.

A Transitional rebate of 50% of general rates and municipal charges will be provided in 2013-2014 for nominated charitable housing properties that have previously not been rated to allow for a smooth transition in the rateable

status of these properties. It had been Councils intention to continue the transition process and reduce the rebate. However, with the introduction of the State Government Fire Services Property Levy, it is proposed to retain the rebate at 50% for 2013-2014.

Rates Assistance

It is proposed to continue the rate relief provisions to allow for the continuation of a one-off waiver for residential and farm properties where the valuation of the assessment has increased between the 2010 valuation and the 2012 valuation by 50% or more and that increase is purely attributable to market factors, not attributable, in whole or in part, to improvements made to the assessment by the owner (or occupier). The amount of the waiver be set at:

- between 25% and 49.99% of the general rates payable for the 2013-2014 financial year, increasing pro rata according to the valuation increase, for valuation increases between 50% and 59.99%; and
- 50% of the general rate payable for the 2013-2014 financial year for valuation increases of 60% or more.

The waiver is designed to mitigate the rates shock of a valuation increase and is only claimable once in a two year valuation period.

Council also provides a range of assistance measures to suit individual needs including pension rebates, farm rebates, rates deferral, and payment options such as regular Direct Debit, and Centrepay.

New Corio Estate

The New Corio Estate is an old and inappropriate subdivision within an established farming zone in Corio. Since the land is zoned as farming land it cannot be developed for residential use with no services available for the area. There is no prospect of these services becoming available in the future. In addition, environment reports in recent years have shown that the land contains significant native vegetation which Council is obligated to protect for future generations. Council has recently adopted Planning Scheme amendment C243 which formally protects the native vegetation and provides some certainty over the future of the land. The native vegetation identified within this Estate is of high conservation significance and the application of the overlay to this area will ensure its ecological value is protected indefinitely. This amendment was approved by the Minister of Environment & Climate Control on 30 April 2013.

Council has continuously rated New Corio Estate property whilst actively pursuing a voluntary purchase scheme to property owners.

For 2013-2014 Council will declare a waiver under section 171 of the LGA of 100% of general rates and municipal charge for privately owned properties. This rates assistance waiver recognises the financial burden associated with ownership of the land and the encumbrances that prevents property owners from making any demands on Council services now and into the future.

Incentives

No incentives be declared as the incentives to be given by Council for the payment of General Rates, Municipal Charge and the Annual Service Charge (described earlier in this document) before the dates fixed for their payment under Section 167 of the LGA.

4. Local Government Legislation Amendment (Miscellaneous) Act 2012

Ministerial Guidelines

The Local Government Legislation Amendment (Miscellaneous) Act 2012 allows the Minister to set differential rating guidelines for compliance by councils. The final version of the Ministerial Guidelines, was gazetted on 26 April 2013 and will come into effect from 1 July 2013. The intention of the Guidelines is to provide clarity, consistency and transparency. Council needs to consider the objectives, the suitable uses and the types of classes of land when introducing a differential rate. The Guidelines define specific differential rates that are appropriate, those that require careful consideration and those that are not appropriate.

The Guidelines state that: "The use of a differential rate as a revenue instrument to raise funding for specific action to ameliorate the effects of problem gambling or late night venues is not an appropriate use of general rates which are intended for consolidated revenue and allocation via the Council budget process".

Council had a differential rate for Late Night venues, which is now seen as inappropriate. The Late Licence differential rate was introduced in 2000-2001 in recognition of the cost associated with this activity. This Late Licence differential rate will be discontinued from 2013-2014. The properties that were categorised under this differential will now be categorised under the commercial differential rate with a reduction in revenue of \$340K.

Penalty Interest

Penalty interest applicable to outstanding rates may be back dated to the date from when Council declared the rate ie. 1 July of the rate year. The Local Government Legislation Amendment (Miscellaneous) Act 2012 changed this method of calculation.

From 2013-2014 Penalty interest is to be charged from the date when each instalment was due, irrespective of whether a lump sum option is available.

Therefore, where a ratepayer makes a late payment of rates as a lump sum, penalty interest will be calculated as if the payment was via instalments. This will cause a reduction in the amount of interest charged to ratepayers and has a reduction to the 2013-2014 Budget of \$150K.

Interest on unpaid rates and charges will be charged in accordance with Section 172 of the LGA (as amended).

5. Fire Services Property Levy

The Fire Services Property Levy Act 2012 (FSPL) will come into effect from 1 July 2013 and will require Local Government to bill, receipt and collect FSPL on rateable and non-rateable properties. It is estimated that Council will levy \$23M in 2013-2014 and remit to the State Revenue Office.

The Act is in response to one of the recommendations of the Victorian Bushfires Royal Commission with the objective being to ensure that all property owners benefiting from Victoria's Fire Services should make a contribution to the cost of the service compared with the existing insurance-based levy.

The new levy is designed to ensure that all property owners pay a fair contribution for fire services so that Victoria's fire services continue to operate with sufficient resources. The new levy will be assessed on the Capital Improved Value (CIV) of property and is consistent with the valuation base used by most municipalities in levying rates. Since there will not be another revaluation cycle before 1 July 2013, a valuation of all non-rateable leviable properties has been undertaken as at 1 January 2012, for FSPL purposes.

The Levy will consist of a fixed component plus a variable component based on the property's capital improved value. The fixed component will be \$100 for residential properties and \$200 for non-residential properties. The variable component will be a rate based on the land use classification code, known as the Australian Valuation Property Classification Code (AVPCC) for different property types (residential, commercial, industrial, primary production, public benefit, vacant) and will be determined by the Minister on or before 31 May each year. A \$50 per property concession will apply to pensioner concession and Veterans Affairs gold card holders. The levy will contribute 77.5% of the annual funding requirements of the Country Fire Authority (CFA) with the State contributing the remaining 22.5%.

Council will also be required to apply the FSPL to all Council owned land and buildings. Land that is vested in, occupied or under the care, control or management of Council will only incur the fixed charge. This is property that is not operated for commercial purposes, but is available for public use such as halls and service club rooms, community and neighbourhood facilities and sports grounds.

Property that is currently assessed as non-rateable by Council will also be subject to the levy. A separate notice will be issued to non-rateable leviable land where no rate notice is currently issued.

The FSPL rates were released 2 May 2013. The City of Greater Geelong is in the Country Fire Authority (CFA) area only.

Land Use Classification for FSPL	Fixed Charge	Variable Charge per \$ of CIV	Council Differential
Residential (including vacant residential land)	\$100.00	0.000115	Residential The Point Residential Vacant* The Point Vacant*
Vacant (excluding vacant residential land)	\$200.00	0.000115	Vacant* The Point Vacant*
Commercial	\$200.00	0.001092	Commercial Mixed Use The Point Commercial

Land Use Classification for FSPL	Fixed Charge	Variable Charge per \$ of CIV	Council Differential
Industrial	\$200.00	0.001709	Industrial Automobile Petroleum Aluminium
Primary Production	\$200.00	0.000312	Farm
Public Benefit	\$200.00	0.000115	Cultural & Recreational

*Vacant Land for Council rates are all under the Vacant Land Differential rate.
For FSPL Vacant Land is split between Residential Land and other Vacant Land.

Council Differential Rates

The purpose of the various rating groups is to ensure that each group makes a fair and equitable contribution to rates. Full disclosure of the rating groups, number of properties, valuations and revenue is shown in the Statutory Information on Rates.

Residential Land - means any land:

- i. that is used exclusively for residential purposes; or
- ii. on which a habitable building is erected, which building is unoccupied, and which is zoned residential under the Greater Geelong Planning Scheme.

Rating Objective: To ensure that all rateable land makes an equitable and efficient financial contribution to cost of carrying out the functions of Council, generally including the:

- a) Construction and maintenance of public infrastructure.
- b) Development and provision of health and community services.
- c) Provision of general support services.

Vacant Land – means any land:

- i. that does not have the characteristics of Farm Land; and
- ii. on which no building is erected, save for any uninhabitable shed or shelter, the size of which does not exceed 5% of the total area of the land.

Rating Objectives:

- i. To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:
 - a) construction and maintenance of public infrastructure;
 - b) development and provision of health and community services; and
 - c) provision of general support services.
- ii. To encourage the prompt development of vacant land to attract new residents and businesses to the City of Greater Geelong.
- iii. To discourage untimely and unnecessary divisions of land.

These objectives will be met by setting the Vacant Land differential at 140% of the Residential Land differential.

Commercial Land – means any land that:

- i. does not have the characteristics of:
 - a) Farm Land; or
 - b) Industrial Land; or
 - c) Petroleum Production Land; or
 - d) Aluminium Production Land, or
 - e) Automobile Manufacture Land; and

- ii. is used predominately for the sale of goods or services or other commercial purposes; or
- iii. on which a habitable building is erected, which building is unoccupied, and which is zoned other than residential under the Greater Geelong Planning Scheme.

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

The Point – Residential Land - means any land that:

- i. is used exclusively for residential purposes; or
- ii. on which a habitable building is erected, which building is unoccupied, and which is zoned residential under the Greater Geelong Planning Scheme; and
- iii. forms part of the land described (or formerly described) in Certificate of Title Volume 09901 Folio 324 and also described as Lot B LP 214468 (Location Specific).

Rating Objectives:

- i. To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:
 - a) construction and maintenance of public infrastructure;
 - b) development and provision of health and community services;
 - c) provision of general support services; and
 - d) management of environmentally sensitive land.
- ii. To ensure that, following the development of the Point Land, and transfer to Council of the management of environmentally sensitive land, including the provision of a range of services around an existing waterway, constructed lake and canal system, an equitable and efficient financial contribution to the cost of Council's management responsibilities will be made by the ratepayers in respect of that land.

The Point – Vacant Land - means any land:

- i. that does not have the characteristics of Farm Land; and
- ii. on which no building is erected save for any small uninhabitable storage shed or shelter, the size of which does not exceed 5% of the total land area; and
- iii. forms part of the land described (or formerly described) in Certificate of Title Volume 09901 Folio 324 and also described as Lot B LP 214468 (Location Specific).

Rating Objectives:

- i. To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council, generally including the:
 - a) construction and maintenance of public infrastructure;
 - b) development and provision of health and community services;
 - c) provision of general support services; and
 - d) management of environmentally sensitive land.
- ii. To ensure that, following the development of the Point Land, and transfer to Council of the management of environmentally sensitive land, including the provision of a range of services around an existing waterway, constructed lake and canal system, an equitable and efficient financial contribution to the cost of Council's management responsibilities will be made by the ratepayers in respect of that land.
- iv. To encourage the prompt development of vacant land to attract new residents and businesses to the City of Greater Geelong and, more specifically, to the Point Land.
- iii. To discourage untimely and unnecessary divisions of land.

The Point – Commercial Land - means any land that:

- i. does not have the characteristics of:
 - a) Farm Land; or
 - b) Industrial Land; and
- ii. is used predominantly for the sale of goods or services, or other commercial purposes; or
- iii. on which a habitable building is erected, which building is unoccupied, and which is zoned other than residential under the Greater Geelong Planning Scheme; and
- iv. forms part of the land described (or formerly described) in Certificate of Title Volume 09901 Folio 324 and also described as Lot B LP 214468 (Location Specific).

Rating Objectives:

- i. To ensure that all rateable land makes an equitable and efficient financial contribution to cost of carrying out the functions of Council, generally including the:
 - a) construction and maintenance of public infrastructure;
 - b) development and provision of health and community services;
 - c) provision of general support services; and
 - d) management of environmentally sensitive land.
- ii. To ensure that, following the development of the Point Land, and transfer to Council of the management of environmentally sensitive land, including the provision of a range of services around an existing waterway, constructed lake and canal system, to ensure that an equitable and efficient financial contribution to the cost of Council's management responsibilities will be made by the ratepayers in respect of that land.

Industrial Land – means any land that:

- i. does not have the characteristics of
 - a) Vacant Land; or
 - b) Commercial Land; or
 - c) Petroleum Production Land; or
 - d) Aluminium Production Land; or
 - e) Automobile Manufacture Land; and
- ii. is used predominately for industrial purposes, which includes manufacturing, repairing, servicing, processing and reprocessing.

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

Mixed Use Land – means any land that:

- i. has the characteristics of Residential Land combined with the characteristics of Commercial Land or Industrial Land; and
- ii. is used partly for residential purposes and partly for commercial and/or industrial purposes.

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

Farm Land – means any land which:

- i. is not less than 2 hectares in area; and
- ii. is used predominantly for the business of grazing (including agistment), dairying, pig-farming, poultry farming, fish farming, tree farming, bee-keeping, viticulture, horticulture, fruit growing or the growing of crops of any kind or for any combination of those activities; or
- iii. satisfies the criteria for municipal purpose benefit for large holdings to the extent that it is, for example, land that is predominantly used and maintained for heritage, cultural or environmental purposes, or land that is held as natural bushland under a trust for nature covenant, or land that is held under some other type of similar formal undertaking.

To avoid doubt, 'business' for the purposes of identifying Farm Land has the same meaning as that given to it by section 2(1) of the *Valuation of Land Act* 1960 for the same purpose, being a business that:

- a) has a significant and substantial commercial purpose or character; and
- b) seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
- c) is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating.

Rating Objectives:

- i. To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:
 - a) construction and maintenance of public infrastructure;
 - b) development and provision of health and community services; and
 - c) provision of general support services.
- ii. To encourage and support the business of primary production and, where appropriate, expand the business of primary production.

These objectives will be met by setting the Farm Land differential at 100% of the Residential Land differential and by the provision of a farm rebate under Section 169 of the LGA.

Automobile Manufacture Land – means any land that:

- i. used primarily for the manufacture of automobiles or automobile products; and
- ii. described as:
 - a) all that land generally bounded more or less by Melbourne Road, North Shore Road and Corio Quay Road and being north of Cowies Creek, excluding the land known as 60-80 North Shore Road, being the Ford Research and Development Facility; and
 - b) all that land generally bounded more or less by Sea Beach Parade, St Georges Road, Geelong-Melbourne Railway and neighbouring southern land.

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

The Automobile Manufacture Land differential is set at 367% of the Residential Land differential with the long term intention that it will move closer to the Industrial Land differential over time.

Petroleum Production Land – means any land that:

- i. used primarily for the production or conveyance of petroleum and/or petroleum by-products; and
- ii. described as all that land generally bounded more or less by Princes Highway, Shell Parade, Corio Bay Foreshore, Wharf Road, Station Road and neighbouring land.

Rating Objective:

To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

The Petroleum Production Land differential is set at 367% of the Residential Land differential with the long term intention that the Petroleum Production Land differential will move closer to the Industrial Land differential over time.

Aluminium Production - means any land that:

- i. used primarily for the manufacture or production of aluminium or aluminium products and
- ii. described as all land generally bounded more or less by Point Henry Road, Corio Bay Foreshore and Stoddart Lane.

Rating Objective: To ensure that all rateable land makes an equitable and efficient financial contribution to the cost of carrying out the functions of Council generally, including the:

- a) construction and maintenance of public infrastructure;
- b) development and provision of health and community services; and
- c) provision of general support services.

The Aluminium Production Land differential is set at 367% of the Residential Land differential with the long term intention that the Aluminium Production Land differential will move closer to the Industrial Land differential over time.

Cultural & Recreational Land – means any land that:

Has the characteristics of Recreational land as defined by the Cultural and Recreational Lands Act 1963. As described in the Council report.

STATUTORY INFORMATION ON RATES

Differential Rates & Charges Schedule LGA Section 161 (3)

For period 1 July 2013 - 30 June 2014

Category	No. of Properties 2012-2013	No. of Properties 2013-2014	% Change 2012-2013 vs 2013-2014	2012-2013 Rate* in \$	2013-2014 Rate* in \$	% Change Rate in \$ 2013-2014 vs 2012-2013	2012-2013 Budget	2013-2014 Income Est	Net % Change in Income	\$ Change 2012-2013 to 2013-2014	CIV Value 2012 Level Budget 2012	CIV Value (Reval) Jun 2012	% Change in CIV 2012-2013 vs 2013-2014
Residential-base	94,809	96,665	2.0%	0.002544	0.002665	4.7%	\$87,746,417	\$94,178,557	7.3%	\$6,432,140	34,491,516,000	35,341,698,000	2.5%
Vacant Land	5,097	5,190	1.8%	0.003401	0.003731	9.7%	\$5,806,561	\$6,116,111	5.3%	\$309,550	1,707,109,200	1,639,391,501	(4.0%)
Commercial	5,068	5,266	3.9%	0.005082	0.005437	7.0%	\$17,974,925	\$20,219,265	12.5%	\$2,244,340	3,536,978,500	3,718,827,301	5.1%
The Point Residential	0	0	0.0%	0.002544	0.002665	4.7%	\$0	\$0	0.0%	\$0	0	0	0.0%
The Point Vacant Land	1	23	2200.0%	0.003401	0.003731	9.7%	\$66,565	\$87,429	31.3%	\$20,864	19,570,000	23,435,000	19.7%
The Point Commercial	0	1	100.0%	0.005082	0.005437	7.0%	\$0	\$54	100.0%	\$54	0	10,000	100.0%
Late Licence Premises*	28		-100.0%	0.009976			\$758,874		(100.0%)	(758,874)	76,070,000		(100.0%)
Industrial	1,746	1,797	2.9%	0.006735	0.007252	7.7%	\$8,183,506	\$8,854,279	8.2%	\$670,773	1,215,071,378	1,220,943,000	0.5%
Mixed Use	238	244	2.5%	0.003781	0.003966	4.9%	\$451,939	\$503,494	11.4%	\$51,555	119,529,000	126,944,000	6.2%
Farm-(with Rebate)	1,087	1,079	-0.7%	0.002544	0.002665	4.7%	\$2,306,535	\$2,440,119	5.8%	\$133,585	1,421,092,000	1,435,244,000	1.0%
Cultural & Rec	59	59	0.0%	0.001606	0.001685	4.9%	\$197,994	\$198,115	0.1%	\$121	123,284,000	117,597,000	(4.6%)
Automobile Manufacture Land*	2	2	0.0%	0.009325	0.009782	4.9%	\$531,712	\$557,765	4.9%	\$26,054	57,020,000	57,020,000	0.0%
Petroleum Production Land *	1	1	0.0%	0.010176	0.009782	(3.9%)	\$2,832,490	\$2,132,890	(24.7%)	(699,600)	278,350,000	218,044,000	(21.7%)
Aluminium Production Land*	1	1	0.0%	0.010176	0.009782	(3.9%)	\$844,608	\$811,900	(3.9%)	(32,708)	83,000,000	83,000,000	0.0%
Municipal Charge	108,137	110,328	2.0%	\$86.33	\$88.90	3.0%	\$9,335,759	\$9,808,148	5.1%	\$472,389			
Total of Rates Inc. MC							\$137,037,884	\$145,908,126	6.5%	\$8,870,243			
Garbage Charge	96,840	98,604	1.8%	\$226.00	\$234.50	3.8%	\$21,885,530	\$23,122,638	5.7%	\$1,237,108			
Total	108,137	110,328	2.03%				\$158,923,414	\$169,030,764	6.36%	\$10,107,351	43,128,590,078	43,982,153,802	1.98%

*One rate cannot be greater than 4 times any other rate S161(5)

OTHER STRATEGIES

In developing the Strategic Resource Plan, strategies have also been developed for Borrowings, Infrastructure, Service Delivery and Environmental Management.

BORROWING STRATEGY

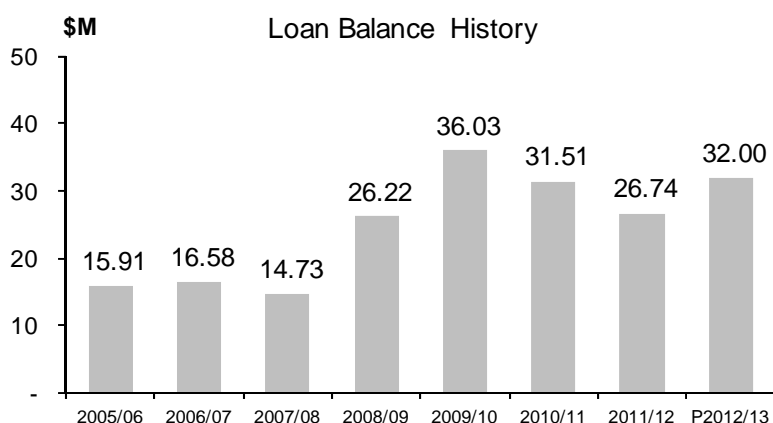
Loan Balance History

Loan balances recorded as at June 1999 were \$38.19M and over the years to June 2005 reduced to \$12.49M as part of a deliberate strategy of reducing outstanding loans with reduced debt servicing costs providing increased funding for recurrent services.

A new loan of \$7M was taken out in May 2006 in order to restore working capital balances (Unfunded superannuation payment) and in June 2007 a \$5M loan was taken out to commence funding of the Leisurelink Facility Replacement. In June 2008 a \$3.125M loan was taken out to fund the Bellarine Aquatic Centre and a loan of \$12.675M was taken out in June 2009 to continue funding construction of the Leisurelink Facility Replacement. The final loan for Leisurelink of \$12.5M was taken out in February 2010. A new loan of \$10.85M is being taken out in May 2013 to fund Community Facilities and commence funding of the new Geelong Library & Heritage Centre.

New Loans of \$32.1M are included in the 2013-2014 Budget to fund Leopold Community Hub, Ocean Grove ICC, Grovedale ICC, Drysdale Landfill Cells, Lara Town Centre, Central Geelong Revitalisation, the Geelong Library & Heritage Centre and Unfunded Superannuation.

The following table tracks the outstanding loan balance since 2005-2006.



Capital Funding Gap Analysis 2013-2014

In recent years Council has approved capital programs in excess of the internal operating cash generation. The following table provides analysis of internal funding available for capital versus proposed net capital expenditure.

	\$M Net
Depreciation	49.58
Loan Repayments	(9.69)
Unfunded Superannuation	(1.74)
Recurrent Operating Surplus (33% of Surplus)	0.33
Internal Funding Available for Capital	38.48
2013-2014 Net Capital Program	64.72
Property Asset Sales	(1.95)
Developer Contributions	(2.16)
Total Funding Required for Capital	60.61
Difference required to be funded by loan in 2013-2014	22.13
Unfunded Superannuation Loan (to replenish Working Capital)	10.00
Total Borrowings for 2013-2014	32.13

The 2013-2014 program includes \$25.0M of capital works carried over from 2012-2013 and \$19.0M of works carried over to 2014-2015.

The following table shows the total borrowings and available cash and investments over the last eight years. Council's debt position has been within the prudential limits required by the State Government. The reduction in the current ratio is a measure of Council's current assets to current liabilities and is influenced by the timing of borrowings and the change in accounting treatment of long service leave.

Year	Outstanding Loans \$M's	Cash and Investments \$M's	Current Ratio	Debt Management		Realisable Assets / Liabilities
				Total Debt Repayments/ Rates %	Debt Servicing Costs / Revenue %	
2006-2007 Actual	16.58	31.93	1.13	4.05	0.37	10.17
2007-2008 Actual	14.73	30.16	1.36	4.30	0.40	11.37
2008-2009 Actual	26.22	53.13	1.82	1.71	0.38	9.44
2009-2010 Actual	36.28	58.64	1.79	3.56	0.79	9.51
2010-2011 Actual	31.51	66.30	1.74	4.86	0.80	9.45
2011-2012 Actual	26.74	74.20	1.64	4.51	0.67	8.17
2012-2013 Projection	31.99	44.77	1.06	4.75	0.64	10.31
2013-2014 Budget	54.44	51.23	1.13	7.63	1.03	9.43
Tolerances			>1.00	<8.00	<5.00	>1.50

Future Borrowings

It is planned that the capital program for non commercial facilities will be generally funded from specific grants and charges and internally from funds maintained through depreciation. For new long life assets required in response to Council commitments, it is recognised that Council's contribution may need to be funded via borrowings to avoid impacting on other 10 year capital works priorities.

Where Council is developing commercial facilities which will generate future income to pay back the initial investment, Council will also borrow to develop those facilities.

Council has identified the future development of the Geelong Library & Heritage Centre, Armstrong Creek, Community Facilities and Landfill rehabilitation as projects to be funded by loans.

	2013-2014 \$'000	2014-2015 \$'000	2015-2016 \$'000	2016-2017 \$'000
Community Facilities	3,928	13,567	4,200	4,875
Geelong Library & Heritage Centre	9,900	7,100	2,110	0
Central Geelong Revitalisation	2,500	2,500	0	0
Lara Town Centre Expansion Project	1,800	0	0	0
Drysdale Landfill Cells	4,000	2,900	0	5,000
Unfunded Superannuation	10,000	0	0	0
Geelong Ring Road Employment Precinct	0	1,050	1,050	0
Ocean Grove Infrastructure Plan	0	0	3,000	0
Leisurelink Expansion	0	1,900	0	0
Armstrong Creek	0	4,513	0	3,140
Corio Landfill Rehabilitation	0	5,377	0	0
Total Loans	32,128	38,907	10,360	13,015

Council has committed to maintain loans at a level to ensure Council is at all times within the tolerances on the above ratios assessed by the State Government.

The following table sets out future proposed borrowings, based on the projected financial position of Council as at 30 June 2013. The loan balance can be compared to the net debt position which recognises Council's significant cash balances.

Year	New Borrowings \$'000	Principal Repayment \$'000	Interest Repayments \$'000	Loan Balance \$'000	Net Debt \$'000
2012-2013	10,848	(5,593)	(2,046)	31,992	12,773
2013-2014	32,128	(9,686)	(3,333)	54,435	(3,201)
2014-2015	38,907	(12,441)	(4,712)	80,901	(31,669)
2015-2016	10,360	(12,377)	(5,238)	78,884	(21,038)
2016-2017	13,015	(13,793)	(5,290)	78,106	(18,902)

These principal and interest loan repayments have been factored into the strategic resource plan estimates. The impact of future loan borrowings and repayments on future budgets will be significant.

INFRASTRUCTURE

Councils infrastructure maintenance and renewal backlog is regularly reviewed as part of asset management plans.

Council maintains a strategy to address the backlog by steadily increasing expenditure on infrastructure capital renewal and maintenance. Information on asset conditions is retained in the Asset Management System to assist in determining priorities for asset maintenance and renewal.

2013-2014 Budget Initiatives

As part of the 2013-2014 Budget Council has continued to increase spending on infrastructure maintenance and renewal. Capital renewal includes an additional \$0.50M of renewal expenditure for priority Road Surfacing \$0.20M, Kerb & Channel \$0.20M and Footpaths \$0.10M. Also an amount of \$0.10M has been allocated for Renewal of Civil Assets in Parks. Recurrent renewal increases includes an additional \$0.35M for Footpath routine maintenance and \$0.04M extra for Boating facilities maintenance.

Other related infrastructure includes allocation for :

	\$'000
Clifton Springs Coastal Erosion Mitigation Works	150
Irrigation System Geelong Botanic Gardens	250
Building Renewal Works	500
Restoration of King Edward Statue	50

Trend of Maintenance and Renewal

It is recognised that maintenance expenditure during the life of assets, assists for the asset to remain functional and achieve its expected useful life. An optimum level of maintenance will delay and minimise renewal expenditure. Council has developed a measure of core maintenance and renewal expenditure to monitor performance on infrastructure maintenance and renewal. The table below is an indicator of Council's capital renewal and asset maintenance expenditure over the last two years and into the budget year.

Asset Maintenance and Renewal Program

	Budget 2011-2012 \$'000	Budget 2012-2013 \$'000	Budget 2013-2014 \$'000
Parks & Roads Routine Maintenance	32,328	34,915	37,250
Road and Footpath Renewal Works			
Road Rehabilitation Program	4,016	4,600	4,400
Kerb & Channel Program	1,380	1,418	1,618
Footpath Program	2,704	3,375	3,475
Bicycle Path Program	90	90	90
Asphalt Overlay Program	2,227	2,809	3,009
Reseal Program	1,545	1,602	1,602
Bitumous Surfacing Rubber Seal Program			
Drainage	1,022	1,051	1,051
Other Road Infrastructure	1,779	1,981	1,981
	14,763	16,926	17,226
Building Maintenance	3,593	4,346	3,946
Recreation Infrastructure			
Recreation Reserves	159	159	159
Playgrounds	391	655	525
Irrigation Upgrade	250	250	258
Hard Surface Program	220	220	227
Ground Renovation Upgrade	206	214	214
Recreation Facilities Maintenance	1,125	1,169	1,206
	2,351	2,667	2,589
Community Development	248	248	248
Program Totals	53,283	59,102	61,259

Parks & Roads Routine Maintenance \$37.2M - (Increased by \$2.3M)

The general routine maintenance of Council's Roads and Parks assets has increased by \$2.3M. Council's Infrastructure Operations and Parks Management departments undertake routine maintenance of roads, signs, bridges, footpaths, drains, roadside furniture, parks, gardens, golf courses, sporting facilities, reserves and trees, linemarking, major patching, street sweeping, toilet cleaning and irrigation.

Initiatives introduced as part of 2013-2014 Budget are:

- An increase of \$0.35M funding for Footpath routine maintenance.
- Additional funding of \$0.18M for dust suppression of unsealed roads.
- An increase of \$0.24M in funding will allow Council to accommodate the increased cost of routine maintenance of Parks assets due to increase in asset growth within the City of Greater Geelong.
- An increase of \$0.11M for maintenance of trees and powerline clearances.
- Balance of increase due to effect of salary increases and general material cost increases.

Road & Footpath Infrastructure Renewal and Major Maintenance Works \$17.2M - (Increased by \$0.3M)

The infrastructure maintenance program covers the programmed maintenance, renewal and rehabilitation of the City's engineering infrastructure assets including, roads, kerb and channel, footpaths, bicycle paths and carparks as well as roadways within parks and reserves. Drainage infrastructure including open drains, underground piped systems and storm water retarding basins is also included.

The 2013-2014 Budget includes additional funds of \$0.30M for renewal programs - in particular Road Surfacing (\$0.20M), Kerb & Channel (\$0.20M) and Footpaths (\$0.10M) in recognition of the continuing need to renew ageing infrastructure. Reduction of (\$0.20M) in Federally funded Roads to Recovery Program.

Building Maintenance \$3.9M - (Decreased by \$0.4M)

The Budget for building maintenance is applied to preventative, scheduled and emergency maintenance for the 750 individual buildings owned or controlled by the Council. The works are implemented through the use of over 35 service contractors complimented by in-house carpentry resources. Scheduled maintenance is prioritised to ensure that resources are allocated to optimise expenditure and meet their required service standards.

Recreation Infrastructure \$2.6M - (Decreased by \$0.1M)

Works include ongoing maintenance of the rolling program in the area of Aquatic Centres and other Recreation assets. The budget includes maintenance for hard court surfacing, recreation reserves irrigation works, ground renovation and on upkeep of playgrounds.

Renewal Gap

A key objective of the Infrastructure Strategy is to maintain or preserve Council's existing assets at desired condition levels. If sufficient funds are not allocated to asset preservation then Council's investment in those assets will reduce, along with the capacity to deliver services to the community. A measure of Council's performance in respect to infrastructure management is the proportion of the total asset value consumed (equivalent to the annual depreciation charge), compared to the amount spent in preserving the asset (expenditure aimed at renewing the assets service potential) on an annual basis. A value of 100% or greater is the desired target.

The following table shows Council's gross capital expenditure on renewal and expenditure on upgrade, compared to the annual depreciation to give a measure of how Council is maintaining its service capacity.

Council, in reviewing the condition and replacement of old assets, often decides not only to replace the asset but to upgrade it to modern standards and improve the facilities available to the community. Including both renewal and upgrade expenditure in the measure shows that Council is spending a lower than required percentage of depreciation on renewal and upgrade.

	2011-2012 Budget \$'000	2012-2013 Budget \$'000	2013-2014 Budget \$'000
Capital Renewal Expenditure	21,233	24,491	20,676
Capital Upgrade Expenditure	10,139	7,762	7,547
Assets Used (Depreciation)	43,091	45,719	49,102
Renewal Gap Measure - Renewal Expenditure / Depreciation	49%	54%	42%
Upgrade and Renewal Gap Measure - Upgrade and Renewal Expenditure / Depreciation	73%	71%	57%

SERVICE DELIVERY

The key objectives in Council's Strategic Resource Plan are to maintain existing service levels and to achieve recurrent operating savings in order to assist funding of the capital program. The cost of service delivery is influenced by a number of internal and external influences that management were requested to take into account in developing the budget. In addition, management were requested to absorb CPI cost increases for external goods and services within existing funding levels, unless specific increases were authorised. Mandatory and critical funding increases for service delivery priorities were reviewed in detail with council.

The following comments are provided as a guide to service delivery planned for 2013-2014.

Key Services

Landfill Sites / Transfer Stations

Commercial fees for Drysdale landfill and the transfer stations have increased by CPI, a further \$4.80 per tonne increase in the EPA Levy and price recovery of Carbon tax. Work will commence on creation of Cell 6 at Drysdale

Waste Collection

The cost for collection and disposal of recyclable waste, green waste and garbage will increase in 2013-2014 by \$1.23M from \$14.80M to \$16.03M. This increase includes effect of EPA Levy increase of \$4.80 per tonne, increase in collection contracts and price recovery of Carbon tax. This cost increase will be fully recovered in the Waste Collection Service Charge.

Infrastructure Operations

Council manages significant infrastructure maintenance programs throughout the region with expected spending on Sealed Roads Maintenance \$2.25M, Unsealed Roads Maintenance \$2.24M, Footpath Kerb & Channel Maintenance \$0.80M, Drainage Works \$1.50M and City Cleansing \$2.76M in 2013-2014.

Aged & Disability Services

Government funding for Aged and Disability services is expected to increase by approximately \$0.78M in total from 2013-2014. This includes General Care, Personal Care, Respite Care and Meals. The net cost of Aged Care Services is budgeted to be \$4.9M.

Community Development

Council maintains a number of buildings across the region for community use including Preschools, Neighbourhood Houses, Community Halls, Civic Centres and Community Buses. Net cost for program delivery is \$8.7M.

Arts & Culture

Council is actively committed to promoting heritage and cultural programs for community benefit including cost of support for the National Wool Museum \$1.02M and sponsorship for many community and youth arts programs. In 2013-2014 Council is to provide increased contribution to the Geelong Regional Library \$0.32M and Geelong Gallery \$0.03M. Overall, net increased cost to Council is \$0.64M.

Aquatics

Operational benefits anticipated in 2013-2014 from existing aquatic centres includes increase in fees and charges of \$0.35M, offset by \$0.49M increase in costs to deliver new service increments.

Family Services

Childcare fees are increasing by \$17 per week from July to cover cost increases for the service resulting from staffing ratio and quality standards changes. Overall Childcare income has increased \$0.91M as a result of increase from Federal contributions and user charges. Offset by \$1.11M increase in costs to deliver new service increments to comply with Children's Services Regulations. Net Child Care cost to Council for 2013-2014 is \$1.19M. Government support of \$0.43M will continue in 2013-2014 for Family Service initiatives - Best Start, Indigenous Kindergarten Assistance, Playgroup Support, Family Relationship Services Program, Immunisation Targeting Low Coverage and Family Coaching.

Events

Council proactively sponsors and promotes major sporting and cultural events within the region which provides ongoing tourism and economic benefits to the community. In 2013-2014 major events include: 2013 Australian Masters Games, Festival of Sails, Victorian Open Golf, Toast to the Coast, New Years Eve, Carols by the Bay and Melges World Championship. Total funding is \$1.21M.

Tourism

Council is an active supporter of regional promotion including support for Information Centres, conference marketing and promotion and support of Geelong Otway Tourism. Overall, net cost to Council is \$1.69M.

Planning Strategy

The importance of statutory planning function to the community continues to be recognised by Council and is a high priority area for service enhancements. Net cost for business unit is budgeted to be \$3.9M.

ENVIRONMENTAL MANAGEMENT

The ongoing impact of climate change is placing an array of pressures and threats on our natural environment and our environmental capital. The Council's response has been to adopt a Sustainable Water Use Plan to implement important water saving and drought recovery initiatives. In addition, Council has responded in other positive ways to climate change with the adoption in December 2007 of a Greenhouse Reduction Strategy with further initiatives to be funded in 2013-2014. The adoption of the Carbon Pollution Reduction scheme formally imposed a price on Carbon effective 1 July 2012 and Council is impacted by this Federal Legislation. The Environment Protection Authority continue to impose standards and specifications to the management of landfill sites.

Response to Climate Change

The City has responded in a proactive way to climate change such as with the adoption of a Greenhouse Reduction Strategy with the ongoing objective to reduce corporate greenhouse emissions.

To support this strategy, the 2013-2014 Budget incorporates further funding:

- To implement Clean Energy initiatives by upgrading plant and equipment at major energy consuming Council owned facilities - Capital \$0.99M. Dependant on Federal Grant of \$0.66M.
- To implement Clean Energy initiatives by Hot Water Service Replacements - Capital \$0.10M. Dependant on Federal Grant of \$0.06M.
- Implement actions within the Greenhouse Reduction Local Action Plan - Capital \$0.08M.
- Implement Non Capital initiatives (Future Proofing Geelong) \$0.34M.

Sustainable Water Use Plan

Programs funded in 2013-2014 to implement the Sustainable Water Use Plan are as follows:

Non Capital Projects

- **Tree Planting, establishment and after care** - Non Capital \$0.40M.

Capital Projects

- **Ground Renovation Program** - Cost \$0.21M for improvements to sports fields.
- **Wastewater / Stormwater reuse for Recreation Reserves** - where feasible pavilion upgrades will include water saving devices. In addition where feasible, rainwater tanks are installed as part of the project to provide some irrigation supplies.
- **Council Recreation Reserves and Parks Water Saving Initiatives** - Upgrade Botanic Gardens irrigation system cost \$0.25M.

Coastal Erosion

Programs funded in 2013-2014 are as follows:

- **Clifton Springs Coastal Erosion mitigation works** - Cost \$0.15M for completion of revetment wall
- **Curlewis Landslide Control Works** - Cost \$0.09M for slope stabilisation and drainage works.
- **Access to the Dell** - Cost \$0.06M for realignment of eastern access path to avoid an area at risk of landslide.

Summary:

Capital	\$1.93M
Non Capital	\$0.74M
Total	\$2.67M

Carbon Tax Impact

Council has a direct exposure to Carbon Tax with new (non legacy) waste deposited at Drysdale Landfill from 1 July 2012. It is estimated that the 2013-2014 emissions, together with lifetime emissions of the waste will impose \$0.20M additional cost for Waste Collection Service and \$0.35M additional costs for other waste to Landfill. These costs are recovered via a higher Waste Collection Service Charge (ie. \$2.23/tenement) and higher gate fees.

Landfill Management

Council has a present and ongoing responsibility for high standards of environmental management of Landfill sites according to Environment Protection Authority requirements.

Corio

Council has been making provision for funding the rehabilitation of the Corio Landfill for several years. Minimal expenditure has occurred to date but \$11.0M has been scheduled to be spent in 2013-2014, with a further \$6.8M in 2014-2015.

Drysdale

Council has budgeted \$4.0M in 2013-2014 for construction of Cell 6 at Drysdale Landfill, with a further \$2.9M in 2014-2015.

An additional \$0.08M has been budgeted for an Evapotranspiration Cap study at Drysdale Landfill.

Disused Landfills

A further \$0.05M has been budgeted in 2013-2014 for a continuation of risk assessments and monitoring works on disused landfills.

Corio and Drysdale landfills are audited each year by the EPA and recommendations from these audits must be implemented. Council has budgeted \$0.08M in 2013-2014 to implement recommended works.

2013-2014 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2013-2014		
				Expenditure \$	Income \$	Net \$
BUILDINGS						
C14501	Corio Coolroom	Based on the current understanding of Community Chef's production model, and Council's delivery to client requirements, the current coolroom capacity of the Corio Meals on Wheels Centre does not physically meet the needs of the current and forecasted meal numbers.	Corporate	35,000	0	35,000
C09505	Potato Shed Facility Renewal	Capital fund as part of agreement between CoGG, Bellarine Secondary College and Catholic Regional College for critical facility maintenance and improvement.	Municipal	42,443	18,190	24,253
C14503	Potato Shed Exterior Pathways OHS Upgrade	Deterioration of pathways surrounding the Potato Shed exterior has become an OHS Risk to students and other users of the facility. A risk management review was undertaken following an incident in 2012. A 5-stage process for upgrade has been identified, with the first stage now complete. Committee of Management are in support of this plan, and just under half of this expense will be borne by the school partners (St Ignatius College and Bellarine Secondary College).	Municipal	56,000	24,000	32,000
C14504	Potato Shed Seating Bank Compliance	The current Potato Shed Seating Bank has been identified as non-compliant with Building Commission legislation. There are several non-compliance issues which have resulted in the need for replacement or re-engineering of the seating bank. Key issues include height, unfixed seating, aisle width and unfit railings.	Municipal	150,000	0	150,000
C09203	Roof Safety Access Program	Provide safe roof access systems on Council buildings.	Corporate	50,000	0	50,000
C02622	Building Design - Core Program	Requirements for safety and emerging priorities.	Municipal	22,000	0	22,000
C09306	Implementation of Greenhouse Strategy and Local Action Plan	To implement actions within the Greenhouse Reduction Strategy and Local Action Plan to progress towards achieving Councils CO2 emissions reduction target. Expenditure to include maintenance of reporting systems required to meet legislative requirements, staff and community education programs, support events such as Sustainable House Day, minor capital works to reduce emissions from Council buildings.	Various	80,000	0	80,000
C09201	Office Alteration / Improvement Program	Ongoing program of minor office alterations and improvements.	Corporate	20,000	0	20,000
C10206	Toilet Block Renewal / Replacement Program	Ongoing program of public toilet refurbishment, to meet community needs and expectations.	Municipal	250,000	0	250,000
C12202	Buildings Renewals	Annual Buildings Renewals funding.	Corporate	500,000	0	500,000

2013-2014 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2013-2014		
				Expenditure \$	Income \$	Net \$
C14201	Clean Energy - Buildings Plant & Equipment Upgrades	CEEP Round 2 Funding. Upgrade plant and equipment at John Drysdale Library, The Arena, and Anakie Road Operations Centre. Federal Grant application at 2:1 ratio ie, \$2 federal grant for every \$1 of Council.	Corporate	990,000	660,000	330,000
C14202	Clean Energy - Hot Water Service Replacement	LGEEP Funding. Upgrade hot water services in Council-owned buildings. Federal Grant application to be submitted for \$61K to match Council's \$41K commitment. Supported by Councils' Clean Energy Future Plan Working Group.	Corporate	102,000	61,000	41,000
C14203	Leisuretime Centre	Upgrade toilets at Corio Leisuretime Centre.	Corio	20,000		20,000
C13801	Seniors Kitchen upgrades	Roll out of upgrade to kitchens to meet registered standards. All seniors kitchens must now be registered with Health and Local Laws.	Various	100,000	0	100,000
C14809	Disability Access	Identification and completion of works, designs, plans and estimates of community facilities that do not provide equal accessibility to people with disabilities.	Municipal	320,000	0	320,000
C14810	Children Services Facilities Upgrades	Upgrade of children service facilities including childcare centres, kindergartens and playgroup and Maternal and Child Health venues to ensure compliance with Children service regulations and continuation of service delivery.	Various	395,000	0	395,000
C14811	Community Halls Upgrade	Upgrades to major halls to maintain a standard of venue delivery.	Various	214,000	0	214,000
C14847	Queens Park Golf Club Building Redesign	Investigate design options.	Deakin	20,000	0	20,000
C14808	Sport & Recreation Building Notice - Rectification Works	This project will fund the rectification works required as part of a number of "Building Notices" issued to Council where previous projects have not been completed in line with the Building Permit issued.	Various	70,000	0	70,000
C14867	Corio Moorabool Pony Club Floor Covering	New floor covering for Council building (club house).	Windermere	22,000	0	22,000

2013-2014 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2013-2014		
				Expenditure \$	Income \$	Net \$
	Community Facilities Upgrades Include:			19,569,000	5,297,000	14,272,000
C14508	Geelong West Neighbourhood House Program	Scope accommodation requirements for senior citizens and Neighbourhood House. Utilise existing senior citizens building with minor upgrade to provide short term accommodation solutions.	Brownbill			
C13505	Acquisition and Replacement of Resources and Equipment to meet the National Quality Standards	In order to meet and maintain compliance with the standards and regulations on an ongoing basis, a budget must be provided to upgrade resources, children's furniture and equipment as necessary.	Various			
C14204	Portarlinton Reserve DDA Compliant Toilet	Design and construction of a DDA compliant toilet and building related costs as part of the sports pavilion upgrade.	Coryule			
C14869	Beauford Avenue, Bell Post Hill - Streetscape and amenities improvements	Install new public toilet at Beauford Avenue, Bell Post Hill shopping strip area.	Cowie			
C12801	Ocean Grove Integrated Children's Centre	Funding to complete the Ocean Grove Integrated Childrens Centre. This is the final year of funding.	Beangala			
C12827	Barwon Heads Early Learning Centre	Funding to continue the Barwon Heads Early Learning Centre.	Buckley			
C12828	Grovedale Integrated Children's Centre	Funding for the third year of the Grovedale Integrated Children's Centre.	Buckley			
C12856	Geelong Library Heritage Centre	Construction of the Geelong Library & Heritage Centre. These funds are for Year 2 of a 5 Year program of works. These funds are to allow the construction works to commence.	Municipal			
C13803	Leopold Community Hub Stage 1	Funding for construction of Stage 1 the Leopold Community Hub. Stage 1 includes kindergarten, MCH, long day care and ancillary components.	Cheetham			
C14802	Geelong Library & Heritage Centre Car Park	Funds required to construct car park.	Municipal			
C14814	Capital Projects Design Program	Funds for design work on Capital projects.	Corporate			
C14816	East Geelong Mens Shed Extension	An 8 metre extension to the East Geelong Mens Shed in Coppards Road.	Austin			
C14824	Ocean Grove Community Garden Toilet	Addition of a unisex fully accessible toilet to the gazebo/shed that was funded in 2012-2013.	Beangala			
TOTAL BUILDINGS				23,027,443	6,060,190	16,967,253

2013-2014 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2013-2014		
				Expenditure \$	Income \$	Net \$
CORPORATE SERVICES						
C06210	Capital Program Project Management - Capitalised Salaries	Annual allowance for salaries associated with delivering the Capital Projects Program - based on current approved headcount.	Corporate	2,686,403	0	2,686,403
C12308	Maintenance Management System - Total system Roll-out	Implement the MMS Pilot program which will bring process (Administrative, OH&S compliance and operational consistency) and productivity savings to the organisation, the pilot component of the project will enable the implementation team to quantify these savings in preparation for a full system roll-out.	Corporate	317,600	0	317,600
C14502	Geelong Gallery Building Management System Replacement	Replacement of the outdated, inefficient and expensive Building Management System in Council's Geelong Gallery building.	Corporate	27,000	0	27,000
C05207	Minor Acquisitions Program - Core Program	Funding of minor items below \$20K via IT steering Committee for hardware, software and minor infrastructure items.	Corporate	214,000	0	214,000
C05208	IT Asset Replacement Program - Core Program	Based on cycle replacement.	Corporate	881,300	0	881,300
C09202	Furniture Replacement	Annual capital allocation for furniture and equipment replacement.	Corporate	10,000	0	10,000
C14873	Central Geelong Revitalisation Program	Central Geelong revitalisation projects and other community priorities subject to funding under a State Government funding initiative known as the Geelong Advancement Fund.	Corporate	5,000,000	2,500,000	2,500,000
C11206	New Corio / New Station Estates Voluntary Purchase Scheme	Purchase of land in the New Corio and New Station Estates Corio, being old and inappropriate subdivisions comprising total of 847 small lots.	Corporate	76,000	0	76,000
C12601	Acquisition of Drainage Reserves for Elcho Drain	Acquisition of reserves required for the construction of Elcho Drain.	Corporate	357,500	0	357,500
C68901	DCP - Jetty Rd NS Collector Rd Land Acquisition	Jetty Road DCP (item R002)- Land acquisition of approx 1.34 ha, impacting three parcels of land north of Portarlington Road (within the Jetty Road Growth Area). A PAO exists over most of the land to be acquired, with an additional PAO to be approved mid - late 2013. This will allow either staging of acquisition proceeds or concurrent proceeds early in 2014.	Corporate	210,000	0	210,000
C14507	Little Malop Street & Little Ryrie Street Carparking improvements	Carparking infrastructure - 'pay on exit'.	Corporate	125,000	0	125,000
TOTAL CORPORATE SERVICES				9,904,803	2,500,000	7,404,803

2013-2014 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2013-2014		
				Expenditure \$	Income \$	Net \$
PARKS & LEISURE						
C13808	Leisurelink Gymnasium Extension	Extend the Leisurelink gymnasium and program room to relieve overcrowding and allow greater community access.	Kardinia	125,000	0	125,000
C09811	Concrete Core Replacement Program	Ongoing core replacement program for pool area surface surrounds. This includes concrete paving and other pool surfaces such as rubber and hard mixes.	Various	100,000	0	100,000
C10850	Gymnasium Equipment Replacement Program	Annual replacement of gymnasium equipment inline with 10 year gymnasium replacement plan.	Corporate	330,000	0	330,000
C13807	Kardinia Pool Infrastructure and Pool Maintenance	Investigate and rectify damaged underground infrastructure and provide pool shell painting and maintenance.	Kildare	35,000	0	35,000
C14862	Aquatic Play activities for Splashdown	Upgrade the current old aquatic play activities to better and more interactive activities inline with those offered at other Leisure Centres. Upgrade includes installation of sprinklers.	Austin	30,000	0	30,000
C14863	Increased aquatic play activities for the Bellarine Aquatic Centre	Addition of "pools and falls" aquatic play equipment to the current AquaPlay structure at the Bellarine Aquatic and Sports Centre.	Beangala	30,000	0	30,000
C14866	Geelong Swimming Club Storage Garage	Storage Garage.	Kildare	8,000	0	8,000
C14868	Lara Pool Storage Shed	Storage shed for lane ropes.	Windermere	11,000	0	11,000
Total Aquatics				669,000	0	669,000
C13302	Clifton Springs coastal erosion mitigation works - completion of revetment wall	Erosion of the cliffs along the Clifton Springs foreshore near Beacon Point has recently accelerated and the beach below has become hazardous for walkers. In response Council's Environment and Natural Resources department has undertaken an assessment of hazards and implemented a number of initial works in 2012-2013.	Coryule	150,000	0	150,000
C14302	Access to The Dell	The eastern access pathway needs to be realigned to avoid an area at risk of landslide. The existing track is very steep and restricts access to the elderly and disabled. Council needs to improve access to meet existing legal responsibilities under discrimination law.	Coryule	60,000	0	60,000
C14304	Curlewis Landslide Control Works	Landslide control at Avilla Road Curlewis. The recent landslide at this Council owned foreshore reserve requires slope stabilisation, filling of large, deep crevices and drainage works.	Cheetham	85,000	0	85,000
Total Foreshores				295,000	0	295,000

2013-2014 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2013-2014		
				Expenditure \$	Income \$	Net \$
C08308	Environment Reserves Capital Improvement Program	A program of priority capital works as indentified in adopted conservation and environment reserves management plans.	Municipal	149,000	0	149,000
C13509	Public Art Program - High St Belmont	Project to extend public artwork in High St. Belmont.	Kardinia	20,000	0	20,000
C14506	Central Geelong Public Art	Public Art Strategy implementation.	Brownbill	25,000	0	25,000
C14509	Geelong West Forecourt Public Art Piece	Public Art Strategy implementation.	Brownbill	30,000	0	30,000
C14510	Public Art Central Geelong	Public Art Strategy implementation - Minns Lane.	Brownbill	5,000	0	5,000
C14511	Beacon Point Rd - Arts Sculpture	Installation of public art.	Coryule	25,000	0	25,000
C14512	Heritage Seat - Eastern Gardens	Heritage seat and plaque.	Windermere	15,000	0	15,000
C14513	Restoration of King Edward Statue	Restoration of statue (with marble sourced from Italy as original) and relocation to Geelong Waterfront.	Windermere	50,000	25,000	25,000
C14823	Ocean Grove Park Performance Space	Construction of an outdoor performance space in Ocean Grove Park. The project requires additional funding from State and/or Federal Governments and is conditional on the ownership of the park being transferred to Council.	Beangala	200,000	0	200,000
Total Other				519,000	25,000	494,000
C06405	Geelong Healthy Waterways Program	The ongoing maintenance and upgrading of the City's numerous freshwater waterway assets.	Various	80,000	0	80,000
C14303	Buckley Park Staircase Construction	A new staircase and small board walk is to be constructed at Buckley Park in Point Lonsdale to control and direct access to a formal point, and protect the dune area.	Beangala	65,000	0	65,000
C12823	Cheetham Ward - Minor Capital Renewal Projects	Repair and refurbishment of facilities in Council reserves and community facilities.	Cheetham	35,000	0	35,000
C12861	Geelong Botanic Gardens Irrigation System Upgrade	Delivery of Geelong Botanic Gardens irrigation system upgrade: supply and installation of water tanks, pumping station and irrigation systems, upgrade of irrigation hardware and connection to ring main in heritage section of Geelong Botanic Gardens. This project enables use of recycled stormwater from the Eastern Park stormwater harvest system.	Brownbill	250,000	0	250,000
C14825	Eastern Park Masterplan Implementation	Master Plan Implementation including: Link to Pedestrian crossing at Orchard Street or Meakin Street. Tan track works and investigation and possible implementation of timing system.	Brownbill	100,000	0	100,000
C14835	Detroit Park	Replacement of existing tables and chairs (x2).	Corio	6,000	0	6,000
C14836	Stead Park Pet Park	Pet park - install chair, pathworks, drinking fountain with dog bowl, fencing and dog poo bin/bag.	Corio	40,000	0	40,000

2013-2014 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2013-2014		
				Expenditure \$	Income \$	Net \$
C14874	Kenworthy Reserve Upgrade	Upgrade to reserve including playgrounds and grass.	Brownbill	10,000	0	10,000
C05508	Open Space Networks Study and Acquisitions Plan Implementation	To implement the recommendations of these plans which will be funded out of the Open Space Reserve Fund. Income is from previously collected developer contributions.	Municipal	320,000	0	320,000
C14805	Eastern Park - Fencing removal & replacement (Upper Hearne Pde)	Identified as a matter of safety by Parks and Sport & Rec, this project aims to fund the removal and replacement of severely damaged bluestone pillars and timber posts, with a suitable and safe replacement option. The project also involves the removal of damaged and unsafe timber bollarding on the main circuit and opposite side of Upper Heard Pde.	Brownbill	60,000	0	60,000
Total Parks				966,000	0	966,000
C12853	Playground Development Brownbill Ward	Improvements and restoration of playgrounds in Brownbill Ward.	Brownbill	30,000	0	30,000
C14812	Playground Development Program Implementation - Core Program	Playground development program to bring existing playgrounds up to standard to legislative requirements and the needs of the community.	Various	525,000	0	525,000
C14822	Collendina Reserve Playground Relocation	Implementation of the Collendina Reserve Master Plan - relocation of playground to south side of entry road.	Beangala	13,400	0	13,400
C14826	Queens Park Playground Upgrade	Upgrade existing low level playground to a sub regional facility.	Deakin	250,000	70,000	180,000
C14837	Fountain of Friendship Park Masterplan	Master Plan implementation.	Corio	10,000	0	10,000
C14840	Coryule Ward Parks & Playgrounds Improvements	Upgrades to parks, playgrounds and other open space in Coryule ward.	Coryule	55,000	0	55,000
C14842	Myers Reserve Playground	Develop new playground at Myers Reserve.	Cowie	29,000	0	29,000
C14843	Playground Dane Ave Bell Post Hill	Develop new playground at 45 Dane Ave, Bell Post Hill.	Cowie	29,000	0	29,000
C14844	Hume Reserve – Community Activity Precinct	Develop new play ground at Hume Reserve.	Cowie	32,000	0	32,000
C14845	Pettitt Park, Bell Post Hill Play Ground, Park and Amenities Upgrade	Upgrade play ground equipment and park.	Cowie	40,000	0	40,000
C14851	Alexander Thomson Kindergarten Play Area Upgrade	Play area upgrade including sunshade.	Kardinia	20,000	0	20,000
Total Playgrounds				1,033,400	70,000	963,400

2013-2014 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2013-2014		
				Expenditure \$	Income \$	Net \$
	Recreation Reserve Upgrades Include:			629,600	0	629,600
C12826	Thomson Reserve Masterplan	Implementation of improvements identified in the Thomson Reserve Masterplan (furniture and upgrade of social pavilion).	Austin			
C13826	Memorial Park Master Plan	Memorial Reserve toilet upgrade.	Beangala			
C14817	Ervin Reserve Masterplan	Implementation of the Ervin Reserve Masterplan.	Austin			
C14821	Collendina Reserve Master Plan	Implementation of the Collendina Reserve Master Plan including replacement of public toilets, construction of netting to reduce balls going into the drain and further landscaping.	Beangala			
C14831	Memorial Park Leopold - Master Plan implementation	Ongoing projects to implement Masterplan.	Cheetham			
C14856	Kevin Kirby Reserve Master Plan Implementation	This project aims to fund works direct from the Master Plan.	Kildare			
C14859	Rennie St Reserve, Lara	Investigate "dog off leash" area and potential development of this area to include gates and fencing.	Windermere			
	Recreation Facility Upgrades Include:			8,250,000	1,060,000	7,190,000
C12832	Wandana Heights Tennis Club	Completion of existing project.	Deakin			
C12843	Friers Reserve - Pavilion Upgrade	This project aims to finalise the projects already commenced at the reserve.	Kildare			
C13846	Grovedale Sports Club Kitchen Upgrade	Kitchen upgrade.	Buckley			
C13849	Newcomb & District Sports Club - social room refurbishment	This project aims to fund the upgrade of the social rooms for the Newcomb & District Sports Club. The upgrade involves replacing the bar, removing walls, painting and curtains.	Austin			
C13854	St Albans Breakwater Cricket Club	Safety netting, furniture and training equipment upgrade to prevent balls hitting passers by, at rear of nets (enclose whole practice wicket area). Includes new fencing.	Austin			
C13861	North Shore Netball Upgrade	Construction of storage room.	Corio			
C14803	Stead Park Hockey Precinct Development	Regional Project Construction of an additional hockey field, including lighting, fencing and all other associated works. This project is linked to an SRV Major Facility Grant Application.	Corio			
C14806	Landy Field - Flood Prevention Drainage	This project aims to install 2 x 250mm knife gate valves in the existing stormwater outlet drainage before the pipe enters the river. The project will reduce the likelihood of the athletics facility flooding in the future.	Brownbill			
C14807	Simonds Stadium - Players Stand	This project will enable the new Players Stand and associated lighting to be completed.	Municipal			

2013-2014 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2013-2014		
				Expenditure \$	Income \$	Net \$
C14813	Ground Renovation Program - Core Program	Improvements to sports fields.	Various			
C14815	Grinter Reserve BMX Track Improvements	Improvements and upgrades to the existing BMX facility at Grinter Reserve.	Austin			
C14818	St Albans Sporting Club Kitchen Upgrade	Kitchen upgrade at St Albans Recreation Reserve. Replace gas appliances, cupboards, bench tops and floors, etc. Partnership project.	Austin			
C14819	St Albans Sporting Club Decking	Extension of the social space to the front of the building, including ramp access. To include red line area. Will increase observation decking and viewing capacity. Partnership project.	Austin			
C14820	Thomson Reserve Bitumen Works	Bitumen Works near the netball courts together with rendering and painting of the existing part of the extended building. To complete project as per Master Plan.	Austin			
C14827	Barwon Heads Village Park Sportslights	Develop sports lighting to oval No. 2.	Buckley			
C14828	Grovedale Sports Club Improvements Design	Design of sports lights, visitor change rooms and other building improvement planning.	Buckley			
C14829	Clifton Springs Tennis Club Courts & Lighting	Construction of two new courts and lighting (in conjunction with club contributions).	Cheetham			
C14830	Lake Lorne Reserve - Drysdale Pony Club Improvements	Fencing and pavilion refurbishment project.	Cheetham			
C14832	Evans Reserve Soccer Facility Upgrade	Upgrade of soccer facilities. State Government grant application submitted to assist with funding.	Corio			
C14833	North Shore Sports Club Upgrade	Kitchen upgrade and community space development.	Corio			
C14838	Portarlington Football & Cricket Club Pavilion Upgrade	Internal refurbishment of main pavilion by the Club.	Coryule			
C14839	Portarlington Netball Club Court upgrade	Upgrade 2-3 netball courts to comply with Netball Victoria standards and relocate the courts to create a sporting hub at the reserve.	Coryule			
C14841	Myers Reserve - Bell Post Hill Football Netball and Bowls Club Change Room Facilities	Develop new change room facilities for Bell Post Hill Netball and Bowls players.	Cowie			
C14846	Barrabool Cricket Club Clubroom	Clubroom renovation.	Deakin			
C14848	Wauron Ponds Tennis Court Resurface	Resurface tennis courts.	Deakin			

2013-2014 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2013-2014		
				Expenditure \$	Income \$	Net \$
C14849	Marshall & South Barwon Cricket Clubs Practice Wickets	Relocation and reconstruction of Cricket Practice wickets.	Kardinia			
C14850	McDonald Reserve Commercial Kitchen	Completion of commercial kitchen - South Barwon Football & Netball Club and Highton Cricket Club.	Kardinia			
C14852	Winters Reserve Clubroom Upgrade	Belmont Lions Sports Club & East Belmont Cricket Club Social clubrooms upgrade. State and Federal funding to be sought.	Kardinia			
C14853	St Peters Cricket Club - Social Rooms Refurbishment	This project involves the refurbishment of the social rooms within the cricket club and the development of an outdoor deck area. Design only.	Kildare			
C14854	St Joseph Netball Club - Court Redevelopment & Changeroom Development	This projects involves the reconfiguration of the existing netball court to add one additional court, totalling two new courts. The project will also include the relocation of cricket nets to allow space for the netball court redevelopment. The development of netball change facilities will also be considered as part of this project dependant upon available funding.	Kildare			
C14855	Newtown & Chilwell Football Netball Club	Lighting.	Kildare			
C14857	Corio Bay Archery Club Shed	Storage shed at Corio Reserve for targets and equipment.	Windermere			
C14858	Corio Cricket Club	To relocate nets to opposite side of the ground, new mesh and new pitches.	Windermere			
C14861	Hendy St Tennis Courts Upgrade	Upgrade courts and nets.	Windermere			
C14864	Elcho Park Golf Course - Driving Range	Upgrade driving range, pro shop and clubhouse.	Windermere			
C14865	Disc Golf – Barwon Valley Park	Installation of 2-3 basket course.	Kardinia			
C14871	St Albans Sporting Club Netball Upgrade	Netball Club - upgrade and furniture.	Austin			
C14872	Barwon Valley Golf Club Office Upgrade	Upgrade of ProShop / Admin office. Exploring "modular style" development. Funding to be sought from State and Federal Government.	Kardinia			
Total Recreation Reserves and Facilities				8,879,600	1,060,000	7,819,600
TOTAL PARKS & LEISURE				12,362,000	1,155,000	11,207,000

2013-2014 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2013-2014		
				Expenditure \$	Income \$	Net \$
PLANT & EQUIPMENT						
C02314	Heavy and Dedicated Plant Replacement - Core Program	Heavy and dedicated plant replacement program.	Corporate	1,114,000	256,000	858,000
C02313	Light Fleet Program	Light Fleet Replacement Program.	Corporate	1,112,800	449,800	663,000
C02320	Minor Plant & Equipment - Replacements - Core Program	Fund from which minor plant and equipment replacement can be purchased.	Corporate	64,000	0	64,000
C10205	Christmas in Geelong 2013	The Christmas Decorations is an ongoing program that each year needs refurbishment of the existing decorations and expansion of the program to meet with community expectations.	Corporate	99,500	0	99,500
TOTAL PLANT & EQUIPMENT				2,390,300	705,800	1,684,500
ROADS, FOOTPATHS, DRAINAGE & WASTE						
Drainage	Various Drainage Projects	Ongoing program of drainage improvements.	Various	4,402,000	0	4,402,000
Footpaths	Various Footpath & Bikepath Projects	Ongoing program of footpath and bikepath improvements.	Various	3,075,000	0	3,075,000
Roads and Kerb & Channel	Various Road Projects	Includes Road Pavement, Road Seals, Other road associated assets, Special Rates & Charges and Kerb & Channel.	Various	17,931,000	3,267,000	14,664,000
Streetscapes	Streetscape Projects	Various streetscape improvement projects.	Various	245,000	0	245,000
C04308	New Property Mobile Bins - Core Program	Supply of mobile bins to new and additional occupancy residential properties and for new commercial customers.	Municipal	285,000	0	285,000
C14305	Drysdale Landfill Evapotranspiration Cap Study	Investigate Evapotranspiration Cap as an alternative design in accordance with EPA Best Practice Environmental Management (BPEM) Guideline.	Corporate	80,000	0	80,000
C13857	Corio Landfill Rehabilitation	Ongoing funding for the rehabilitation (Capping) of Corio Landfill in accordance with Licence and EPA approved plans.	Corporate	1,000,000	1,000,000	0
C13859	Drysdale Landfill - Construction of Cell 6	Construct cell 6 at Drysdale Landfill.	Corporate	4,000,000	0	4,000,000
TOTAL ROADS, FOOTPATHS, DRAINAGE & WASTE				31,018,000	4,267,000	26,751,000
TOTAL EXPENDITURE - CAPITAL PROJECTS				78,702,546	14,687,990	64,014,556

2013-2014 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2013-2014		
			Expenditure \$	Income \$	Net Expenditure
CITY SERVICES					
Engineering Services	Line Marking Bike Lanes in North	Line marking of 'new' on-road bike lanes in North (Sparks Rd, Plantation Rd, Rose Ave, Forster St, Matthews/Anakie Rd).	10,000		10,000
Environment and Waste Services	Roadsides for Conservation and Fire Management - 3rd Year	This concept maintains the successful Roadsides for Conservation and Fire Prevention Program which commenced in 2011-2012 as a partnership between the CoGG, Vic Roads, CFA and DSE. The project identified and targeted works on roadside for four years that achieved both strategic fire management and conservation outcomes including woody weed control, ecological burns and removal of dead branches. The first years has resulted in a partnership to emerge in an area where conflict is common.	50,000		50,000
Environment and Waste Services	Biodiversity Assessment Stage Three	Following the removal of nationally significant vegetation along roadsides in 2010, CoGG commenced the process of remapping the biodiversity assets across the municipality. This work had not been undertaken for over ten years and during that time significant changes have occurred with legislation (EPBC Act), our understanding of the significance of these places and the consequences of not managing these reserves and roadsides containing these assets appropriately.	100,000		100,000
Environment and Waste Services	Belmont Island Litter Traps	Environment & Waste Services to oversee implementation of this infrastructure.	40,000		40,000
Environment and Waste Services	Hardwaste Initiatives - 2013-2014	To develop and deliver alternative options in lieu of a full hardwaste collection. This will target specific materials and unwanted household items causing greatest disposal issues for various sections of the community.	200,000		200,000
Environment and Waste Services	Composting Works Approval - Barro Site	Engage consultants to carry out detailed documentation required for an EPA Works Approval application at the leased Barro Quarry site (Pt Wilson). Detailed process description will be required to satisfy EPA of minimal environmental impact and to satisfy community expectations. Once Works Approval is obtained, site works will need to be carried out.	50,000		50,000
Environment and Waste Services	HACC Hardwaste Support	Support program of HACC clients to utilise tip voucher, via contractor.	100,000		100,000
Environment and Waste Services	Waste Voucher Distribution Costs	Cost of printing and distribution of Hardwaste vouchers to occupier rather than ratepayer.	57,000		57,000

2013-2014 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2013-2014		
			Expenditure \$	Income \$	Net Expenditure
Environment and Waste Services	Disused Landfills Project - 2013-2014	Continue risk assessments and monitoring works on up to 12 disused landfills throughout the City. EPA have issued Guidelines (Publication 1490 December 2012) which will require quite onerous works for the City to carry out in relation to these sites. Planning applications within 500 metres of these sites could also trigger more detailed assessments to be carried out.	50,000		50,000
Environment and Waste Services	Landfill Audits - Implement recommended works from mandatory 53v audits	Both Corio and Drysdale landfills are audited each year by EPA appointed Environmental Auditors. Recommendations from those audits must be implemented.	80,000		80,000
Parks	Tree Planting, Establishment and Aftercare - 6th Year	Planting and establishment of street and park trees requested by residents and new estate tree planting for which Council has accepted developer contributions.	400,000		400,000
Parks	Open Space Tree Planting - Cloverdale	Cloverdale - Princess Road and Robin Avenue.	10,000		10,000
Parks	Stead Park Master Plan - Grass	Community space - grass.	10,000		10,000
Parks	Landscaping - Clifton Springs Fountain	Landscaping.	20,000		20,000
Parks	Corio North Trees	To provide trees for nature strips, reserves and parkland where needed.	30,000		30,000
City Services Total			1,207,000	0	1,207,000

2013-2014 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2013-2014		
			Expenditure \$	Income \$	Net Expenditure
COMMUNITY SERVICES					
Aged & Disability Services	Hungry Brochure	Printing cost.	6,000		6,000
Aged & Disability Services	Inclusion Week Activities	Week activities to design and celebrate inclusion activities for people with disabilities in communities.	5,000		5,000
Arts & Culture	Library Contribution	Funding to maintain current service delivery, separate from recurrent funding contribution.	60,000		60,000
Arts & Culture	Queen Victoria Statue Relocation	To relocate statue to Central Geelong/Waterfront area.	25,000		25,000
Arts & Culture	Geelong Library & Heritage Centre Arts Strategy Design	Design development will include local artist engagement and heritage interpretation.	80,000		80,000
Arts & Culture	Street Art Project	Public Art - Ryrie St Toilet Block.	10,000		10,000
Arts & Culture	Contribution - Library Unfunded Superannuation	Contribution to Geelong Regional Library for Unfunded Superannuation Liability.	182,000		182,000
Community Development	Aboriginal Action Plan	Work with Aboriginal community to develop and implement actions that support cultural, health and wellbeing outcomes for aboriginal people.	5,000		5,000
Community Development	Multicultural Action Plan	Implement priority initiatives from the Multicultural Action Plan (as identified by Multicultural Action Plan Advisory Committee).	15,000		15,000
Community Development	Whittington Flamefest	Local festival organised by community members, which includes support in skills development and celebrating local community.	20,000		20,000
Community Development	Women's Advisory Group	Seed funding to support the work of the Women's Advisory Group that will be established to support the Mayor's new portfolio "Women in Community Life".	15,000		15,000
Community Development	Skaart Festival	Annual northern suburbs skate and arts festival at the fOrT Youth Centre, Stead Park, Norlane.	20,000		20,000
Community Development	Bellarine Youth Action Team	Facilitation, training, projects and activities for the Bellarine Youth Action Team Committee.	15,000		15,000
Community Development	Spud Fest	Contribution to Crash Course Productions and Council's YDU for the annual Spud Fest musical event, held at the Potato Shed.	15,000		15,000
Community Development	L2P - Learner Driver Program	The L2P program provides mentor-supervised driving experience to learner permit holders aged 16-21 years who lack capacity to meet the 120 hour experience requirement.	117,000	117,000	0
Community Development	Engage it Up	State Government funded youth project for the Newcomb/Whittington Area.	40,000	40,000	0

2013-2014 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2013-2014		
			Expenditure \$	Income \$	Net Expenditure
Community Development	Lara Youth Festival	Lara Youth Festival in conjunction with the Lara Secondary College and fOrT Youth Centre staff.	20,000		20,000
Community Development	Northern Suburbs Youth Action Team	Support and development of youth activities in conjunction with the Northern Suburbs Youth Action Team.	5,000		5,000
Community Development	SSAGQ Youth Suicide Prevention Initiative	The SSAGQ youth suicide prevention initiative involves the development of two new prevention, identification and early intervention programs targeted to young SSAGQ people aged 10-25 years who are at risk of, or experiencing, distress, poor social and emotional wellbeing.	215,000	215,000	0
Family Services	Family Services Strategic Plan	To provide capacity for Family Services to engage an external consultant to assist with the development of a 3 year strategic plan.	20,000		20,000
Family Services	Targeting Low Immunisation Coverage	Program funded by Department of Health to increase secondary school immunisation participation rates.	71,000	71,000	0
Family Services	MCH Healthy Kids	Trial project to improve engagement of families attending local early years children's services to MCH.	5,000	5,000	0
Family Services	Stronger Families	DHS fully funded program. The program is a direct service program that aims to prevent infants being placed in out of home care by providing intensive support and education to parents involved in the Child Protection system.	77,346	77,346	0
Family Services	Corio-Norlane Best Start Project	The Corio-Norlane Best Start is a prevention and early intervention project funded by the Victorian State Government, aimed at improving outcomes and opportunities for local children aged between 0-8 years and their families. Best Start programs and activities focus on the development and implementation of a range of local initiatives designed in response to identified local needs and priorities.	100,000	100,000	0
Family Services	Supported Playgroup Project	The Supported Playgroups and Parent Groups Initiative (SPPI) is funded by the Victorian State Government. The project aims to engage vulnerable and disadvantaged families who may, for a range of reasons, under-utilise or have difficulties accessing universal early childhood services and supports, including playgroups and parent groups within the City of Greater Geelong.	125,000	95,000	30,000
Family Services	Children's Week	October event designed to celebrate and promote the unique interests and contributions of young children to the community.	20,000		20,000
Family Services	Tiny Bubbles Program	Tiny Bubbles is a water safety and early childhood development program aimed at families with children aged 0-5 within priority target areas.	10,000		10,000
Family Services	Municipal Early Years Program	Implementation of actions and recommendations contained within the Municipal Early Years Plan.	20,000		20,000
Community Services Total			1,318,346	720,346	598,000

2013-2014 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2013-2014		
			Expenditure \$	Income \$	Net Expenditure
CORPORATE SERVICES					
Organisation Development	Meerkin & Apel Employee Relations Advice - 2nd Year	Meerkin & Apel are a legal firm that offer support services for advice on employee relations matters. This service allows for COGG's participation in Council Enterprise Agreement meetings, attendance at training and information seminars and advice on matters that arise in relation to the management of employee relations issues.	10,000		10,000
Corporate Services Total			10,000	0	10,000

2013-2014 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2013-2014		
			Expenditure \$	Income \$	Net Expenditure
ECONOMIC DEVELOPMENT, PLANNING & TOURISM					
Planning Strategy and Economic Development	Armstrong Creek Planning and Infrastructure Implementation - 6th Year	Implementation of Armstrong Creek Urban Growth Plan.	250,000		250,000
Planning Strategy and Economic Development	Lara Town Centre Expansion Project - 4th Year	The Lara Town Centre Expansion Project will implement an expansion of the Lara town centre onto Crown land, to provide for additional retail and commercial floorspace. The current project phase is in planning, design and construction of enabling works to enable the transfer of land from the State to Council and then from Council to the developer.	300,000		300,000
Planning Strategy and Economic	GREP Design and Implementation	Planning Design and implementation work associated with GREP.	125,000		125,000
Planning Strategy and Economic Development	Armstrong Creek - DCP Administration	During the 2010-2011 financial year Council approved two Development Contributions Plans (DCPs) for Armstrong Creek precincts. There is a legislative obligation for Council to update the land valuation portion of these plans annually.	60,000		60,000
Planning Strategy and Economic	Future Proofing Geelong - Year 3	To complete and implement Future Proofing Geelong project including Low Carbon Growth Plan and Sustainability Covenant.	240,000		240,000
Planning Strategy and Economic Development	Project Officer - Future Proofing Geelong - 2nd Year	The position objective is to provide high level research, advice and support to the Future Proofing Geelong Project in implementing the Low Carbon Growth Plan regarding grant funds and applications, advocacy planning, reporting requirements and other forms of communications and engagement.	104,500		104,500
Planning Strategy and Economic Development	Freight and Logistics Gateway Project - Year 2	Geelong Port is a major generator of economic activity supporting over 600 direct and 1,300 indirect jobs. Council partnered with the port operator and major users to investigate infrastructure improvements to facilitate its continued growth. Implementation of this plan (Geelong Port and Land Freight Infrastructure Plan) requires further technical investigation, engagement with State and Federal Government and the wider community.	50,000		50,000
Planning Strategy and Economic Development	Residential Zone Reform Implementation	The recent announcement by the State Government to overhaul the zoning provisions requires further strategic planning work by Council to apply the new residential zones. To realise the benefits of the new zones and avoid future conflicts of unconsidered direct translation further strategic planning investigations are critical.	60,000		60,000

2013-2014 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2013-2014		
			Expenditure \$	Income \$	Net Expenditure
Planning Strategy and Economic Development	Retail Strategy Review	Review the 2006 Retail Strategy to assist Council in guiding the development of the retail sector and activity centres and to provide a basis for retail policy and decision making in the City. The recent announcement by the State Government to overhaul all commercial zones will undermine our existing retail strategy and will result in detrimental impacts to existing centres, particularly strip shopping areas.	60,000		60,000
Planning Strategy and Economic Development	Rural Planning Policy Review	This project will review Council's planning policy on tourism developments in rural areas. It is essential to extend the policy to industry, education, retail and accommodation uses in response to the State Government's intention to increase the range of non-agricultural uses that can be located in farming areas.	60,000		60,000
Planning Strategy and Economic Development	Ocean Grove Town Centre Masterplan	This project will prepare an Urban Design Framework (UDF) for the Ocean Grove Town Centre to address the issues raised in the Ocean Grove Structure Plan 2007. Preliminary consultations with the community has identified the need for major investigations and resolution of issues in the Town Centre.	100,000		100,000
Planning Strategy and Economic	Leopold Strategic Planning Project	Strategic review of land use and bay access in the north of Leopold.	100,000		100,000
Planning Strategy and Economic	Knowledge Economy - facilitation project	Support for initiatives to facilitate development of knowledge economy in CoGG.	60,000		60,000
Planning Strategy and Economic	Portarlinton Safe Harbour Strategic Plan	Partly fund development of a strategic plan. State funding may also be possible.	100,000		100,000
Planning Strategy and Economic	Lara WiFi	To provide wireless free WiFi in the town centre and park and the future new shopping centre.	25,000		25,000
Planning Strategy &	Agribusiness Study	Development of an Agribusiness document.	10,000		10,000
Economic Development, Planning & Tourism Total			1,704,500	0	1,704,500

2013-2014 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2013-2014		
			Expenditure \$	Income \$	Net Expenditure
PROJECTS, RECREATION & CENTRAL GEELONG					
Sport and Recreation	Geelong Arena Cyclical and Programmed Maintenance - 5th Year	Ensure the Geelong Arena complies with current codes and regulations.	120,000		120,000
Sport and Recreation	Greater Geelong Open Space Strategy Review	The City of Greater Geelong currently uses the 2001 Study of Open Space Networks as a policy platform for all open space development decisions. The document provides principles and broad recommendations on the development of open space within the municipality and considers open space as part of a network rather than as individual parcels.	80,000	30,000	50,000
Capital Projects	Stead Park Master Plan - Redevelopment BMX Track	Redevelopment of the BMX track at Stead Park.	25,000		25,000
Capital Projects	St Leonards Streetscape	Improvement works to Murradoc Road shopping precinct.	10,000		10,000
Capital Projects	Highton Reserve Carpark Design	Design only: Carpark improvements / upgrade.	6,000		6,000
Capital Projects	Norlane Bowls Club Fencing	Fencing repairs at Norlane Bowls Club.	5,000		5,000
Leisure Services	Waterworld Masterplan - Stage 2	Increase the scope of the current Masterplan process to include more detailed design and include more detail with the precinct integration of Waterworld with the community hall and library (subject to RDV funding).	20,000		20,000
Urban Design	Lara Six Ways Shopping Centre Upgrade	Beautification works to shopping strip with trees and furniture.	25,000		25,000
Projects, Recreation & Central Geelong Total			291,000	30,000	261,000
NON CAPITAL PROJECTS TOTAL			4,530,846	750,346	3,780,500

DISBURSEMENTS DETAIL

Division	Cost Centre Description	Job Description	2013-2014 Budget \$	Comments
Approval Status				
In accordance with Council's governance requirements all proposed Council Disbursements are subject to the recipient community group completing an application and funding agreement. The application requires the community group to specify the objectives and outcomes of the proposed project. Projects that exceed \$20,000 will require a milestone plan and no one payment will exceed \$20,000.				
Exempt groups that have their own agreement are: Barwon Region Waste Management Group, Geelong Cricket Association, Geelong Art Gallery, Courthouse, Geelong Kindergarten Association, Major Events managed via Geelong Major Events and G21 Contributions.				
Grants				
City Services	GM City Services	Emergency Management	74,546	Contribution from Department of Justice in 2012-2013 was \$53,046. This disbursement was split between Grants to (4) SES units around Geelong to the value of \$74,546 (no increase in Council contribution of \$21,500).
Community Services	Arts & Culture	Community Arts Grants Program	120,000	Advertised seeding and biennial grants for groups or programs related to Arts.
Community Services	Arts & Culture	Community Festival Grants Program	100,000	Advertised seeding and triennial Grants to community festivals.
Community Services	Community Development	Councillor Community Grants Program	240,000	Funds available for community grants.
Community Services	Community Development	Neighbourhood Houses	156,500	Neighbourhood Houses grants (12 @ \$12,500 plus 1 @ 6,500).
Community Services	Development Officer Aged &	Geelong Seniors Festival	20,000	Seeding grants for community organisations who wish to run programs for Geelong Seniors Festival.
Economic Development, Planning & Tourism	Planning Strategy	Economic Development (Industrial Invest Support)	25,000	Incentive grants to support investment attraction.
Grants Sub Total			736,046	
Donations				
Community Services	Community Development	Life Education Van	8,000	Contribution to operating costs.
Community Services	Community Development	Give Where You Live (previously United Way)	20,000	Contribution to operating costs.
Donations Sub Total			28,000	

DISBURSEMENTS DETAIL

Division	Cost Centre Description	Job Description	2013-2014 Budget \$	Comments
Contributions				
Chief Executive	C E Administration	Committee for Geelong Contribution	22,000	Leading foundation annual subscription - Committee of Geelong.
City Services	Environment & Natural Resources	Bellarine Catchment Network	20,000	To support the Bellarine Catchment Network in providing environment projects for the Bellarine Peninsula community.
City Services	Environment & Natural Resources	Community Stewardship Fund	65,000	Assist community groups working on Council Parks.
City Services	Environment and Natural Resources	Friends of Buckley Falls	20,000	Contribution to fund projects.
City Services	Operations	Emergency Management	1,250	Contribution to CREST (Citizens Radio Volunteers).
City Services	Waste Collection Waste Disposal	Barwon Region Waste Management Group	89,000	Contribution to regional waste management projects.
Community Services	Arts & Culture	Lara Heritage Festival	50,000	Development of public art Rainbow Serpent \$25K for festival parade; Festival contribution \$25K including funding for parade, rides, food, Lara talent show, etc.
Community Services	Arts & Culture	Lara Food & Wine Festival	20,000	Lara food and wine funding.
Community Services	Arts & Culture	Geelong Art Society critical maintenance works	30,000	Contribution to fund critical maintenance on privately owned heritage listed building.
Community Services	Arts & Culture	Lara Arts & Culture / Theatre	70,000	Permanent lights and staging at the Lara Secondary Middle Hall. To provide a 'Potato Shed Style' with sound, lighting, stage and screen for movie nights for community use.
Community Services	Arts & Culture	Geelong Art Gallery	1,022,000	Triennial agreement adopted in 2013-2014.
Community Services	Arts & Culture	Geelong Maritime Museum	8,000	Continuation of funding.
Community Services	Arts & Culture	Courthouse Youth Arts	232,117	Continuation of funding (plus \$6,761 increase).
Community Services	Community Development	Vehicle Entry Passes	1,500	Council contribution to community groups for waste disposal.

DISBURSEMENTS DETAIL

Division	Cost Centre Description	Job Description	2013-2014 Budget \$	Comments
Community Services	Community Development	Ukrainian Association Geelong	12,000	Develop new toilet for Ukrainian Community
Community Services	Community Development	Slovenian Association Geelong	16,000	Develop new playground for Slovenian Community
Community Services	Community Development	Ocean Grove Carols by Candlelight	10,000	Contribution to the Ocean Grove Carols by Candlelight event held every December at Ocean Grove Park.
Community Services	Community Development	Christmas Carols	13,000	Funding for Christmas Carols - Corio Ward
Community Services	Community Development	Cloverdale Community Centre	5,000	Community activities.
Community Services	Community Development	Ocean Grove/Barwon Heads Summer Shuttle Bus	10,000	Contribution to the Ocean Grove/Barwon Heads shuttle bus that is managed by Barwon Coast for 6 weeks over the summer period.
Community Services	Community Development	Multicultural Policy Development - Diversitat	14,000	Support multicultural groups and communities with minor operational costs via Diversitat.
Community Services	Community Development	Geelong West Neighbourhood House Grant	15,000	Administration and operation of the Geelong West Neighbourhood House to enable provision of local programs and activities
Community Services	Community Development	Ukrainian Association Geelong	5,000	As per the Multicultural Action Plan - Contribution to priority projects.
Community Services	Community Development	Grovedale Baptist Kindergarten	10,000	Upgrade play area to assist with demand for kindergarten places in the area.
Community Services	Community Development	Lara Scouts	10,000	Assist with relocation of cricket shed to make room for 1918 plantation of WW1 trees and make room for new netball courts.
Community Services	Community Development	Lara Museum & Historical Centre	20,000	Purchase computers, readers and other material needed for researching rooms.
Community Services	Community Development	Neighbourhood Watch	3,000	Council contribution.
Corporate Services	GM Corporate Services Admin	G21 Contribution	419,000	Contribution to G21 Regional Organisation (as per Memorandum of Understanding).
Economic Development Planning and Tourism	Planning Strategy & Economic Development	Geelong Manufacturing Council	20,000	Annual contribution for specific programs.

DISBURSEMENTS DETAIL

Division	Cost Centre Description	Job Description	2013-2014 Budget \$	Comments
Economic Development Planning and Tourism	Planning Strategy & Economic Development	Central Geelong Partnership Projects	100,000	50% grants for business initiatives in Central Geelong.
Economic Development Planning and Tourism	Planning Strategy & Economic Development	Geelong Bioscience Centre Belmont High	30,000	Funding to assist with news program for local school students - via Bio Geelong.
Economic Development Planning and Tourism	Planning Strategy & Economic Development	Belmont Business Association	40,000	Engage with Mainstreet.
Projects, Recreation & Central Geelong	Capital Projects	West Oval Floodlighting	30,000	Contribution to fund a lighting design to determine the exact requirements and construction project to upgrade the existing fittings.
Projects, Recreation & Central Geelong	Capital Projects	Bell Park Sports Club (Ballarat Rd, Batesford) Change Rooms	25,000	As per Soccer Strategy - Develop plans for new change room facilities.
Projects, Recreation & Central Geelong	Capital Projects	Murghebuloc Cricket Club - Practice Wicket Improvements	30,000	Contribution to fund improvements to the practice wicket for the Murghebuloc Cricket Club.
Projects, Recreation & Central Geelong	Capital Projects	Asher Road Playgroup, Lovely Banks	20,000	Assist creation of community playground for Slovenian Club.
Projects, Recreation & Central Geelong	Capital Projects	Anakie Primary School Playground	15,000	Playground repairs.
Projects, Recreation & Central Geelong	Events Services	Queenscliff Music Festival	5,000	Sponsorship of the Queenscliff Music Festival.
Projects, Recreation & Central Geelong	Events Services	Geelong Regional Christmas Carols Event	40,000	Sponsorship.
Projects, Recreation & Central Geelong	Events Services	Carols by Candlelight	19,000	Contribution to Carols by Candlelight.
Projects, Recreation & Central Geelong	Events Services	Geelong Show	10,000	Contribution to the Geelong Show.
Projects, Recreation & Central Geelong	Events Services	Geelong Gala Day	10,000	Contribution to Geelong Gala Day.
Projects, Recreation & Central Geelong	Events Services	Australian Masters Games	150,000	Sponsorship.

DISBURSEMENTS DETAIL

Division	Cost Centre Description	Job Description	2013-2014 Budget \$	Comments
Projects, Recreation & Central Geelong	Events Services	Geelong Harness Racing Club	10,000	Training / maintenance / infrastructure.
Projects, Recreation & Central Geelong	Events Services	Geelong Greyhound Racing Club	10,000	Sponsorship.
Projects, Recreation & Central Geelong	Events Services	Geelong (Thoroughbred) Racing Club	26,000	Funding to assist with on course track. Sponsorship.
Projects, Recreation & Central Geelong	Events Services	Australia Day Committee	33,000	Contribution for Australia Day Committee.
Projects, Recreation & Central Geelong	Events Services	Events Funding	930,000	Funding for the attraction of major events to Geelong.
Projects, Recreation & Central Geelong	Sport & Recreation	GCA Agreement	230,846	As per Council report 28/6/11 - allocation will be \$216,125 p.a. plus CPI for a five year term. (2013-14 will be \$224,122 plus \$6,724).
Projects, Recreation & Central Geelong	Sport & Recreation	Geelong Rowing Association - Landing Extension	50,000	Contribution to fund the lengthening of the landing for the Barwon Rowing Association.
Projects, Recreation & Central Geelong	Sport & Recreation	Park Stewardship Funds	10,000	Council commitment to groups to develop parks (including Hoffman Walk).
Projects, Recreation & Central Geelong	Sport & Recreation	Surf Life Saving Grants	39,392	Commitment to professional life guards at Ocean Grove, Barwon Heads and Bancoora (\$1,147 increase).
Projects, Recreation & Central Geelong	Sport & Recreation	Barwon Sports Academy	50,000	Council contribution - \$40K cash and \$10K in kind (office accommodation etc.).
Projects, Recreation & Central Geelong	Sport & Recreation	Kevin Hoffman Walk	25,000	Support for a part time gardener.
Projects, Recreation & Central Geelong	Sport & Recreation	Newcomb & District Cricket Club	15,000	Contribution to fund purchase of Roller.
Contributions Sub Total			4,186,105	

DISBURSEMENTS DETAIL

Division	Cost Centre Description	Job Description	2013-2014 Budget \$	Comments
Sponsorship				
Economic Development, Planning & Tourism	Economic Development	Economic Development GBE Sponsorship	9,000	Geelong Business Excellence Awards sponsorship.
Community Services	Youth Services	Youth Administration - Young Achievers Program	5,000	Young Achievers business development program for young people.
Projects, Recreation and Central Geelong	Sport & Recreation	Recreation Sponsorships	6,000	Support for Bizsport and locally held State and National Championships.
Sponsorship Sub Total			20,000	
Grand Total			4,970,151	

2013-2014 FEES & CHARGES MAJOR PRICE CHANGES

Description	Charge 2012-2013 \$ per unit	Charge 2013-2014 \$ per unit	Movement in price per unit Inc/(Dec) \$	Comment
City Services				
Fire Prevention				
Fire Prevention - Second Notice	215.00	215.00	0.00	
Fire Prevention Penalty Notice	244.00	1,408.00	1,164.00	Fees set by State Government, penalties have increased as per the CFA Act.
Breach of Local Law	100.00	100.00	0.00	
Geelong Saleyards				
Sheep/Lamb Sale	0.80	0.85	0.05	
S/Yards Horse Sales	485.00	500.00	15.00	
S/Yards Beef/Stores/Dairy Cattle	9.10	9.40	0.30	
Saleyards Agents Rental	34.50	35.50	1.00	
Saleyards Canteen Rental	67.50	69.50	2.00	
Saleyards Market Fees (For Yards)	109.00	112.00	3.00	
Saleyards Poultry	0.85	0.90	0.05	
Subdivisions				
Subdivision Building Site Access Permit	110.00	115.00	5.00	
Subdivision Property Information Fees	65.00	65.00	0.00	
Subdivision Road Opening Permit	110.00	115.00	5.00	
Subdivision Vehicle Crossing Permits	170.00	175.00	5.00	
Reinstatements				
Up to 10m2 Deep Strength Asphalt	210.25	231.25	21.00	Based on CPI plus proposed increase of \$6/tonne for asphalt.
Up to 10m2 Asphalt Path	120.20	132.20	12.00	Based on CPI plus proposed increase of \$6/tonne for
Up to 10m2 Concrete Path - 75mm	144.30	153.70	9.40	Increased price to match market rates.
Up to 10m2 Concrete Kerb	153.05	163.00	9.95	Increased price to match market rates.
Up to 10m2 Segmental Block Pavers	153.45	161.10	7.65	Increased price to match market rates.
Transfer Stations				
Car Boot	17.00	18.50	1.50	Increase in EPA Levy of \$4.80/tonne plus CPI increase and carbon tax increase.
Utilities, Vans, Single Axle trailers	34.00	37.00	3.00	
Single axle trailers (heaped) min	44.00	48.00	4.00	
Tandem Trailers (waterline)	44.00	48.00	4.00	
Tandem Trailers (heaped) min	88.00	96.00	8.00	

Description	Charge 2012-2013 \$ per unit	Charge 2013-2014 \$ per unit	Movement in price per unit Inc/(Dec) \$	Comment
Waste Disposal				
Animal Carcass (single)	37.20	38.30	1.10	Increase in EPA Levy of \$4.80/tonne plus CPI increase
Industrial Waste	106.60	123.00	16.40	
Seaweed	90.10	104.00	13.90	
Mattresses	20.50	20.50	0.00	
Tyres	9.50	9.50	0.00	Recycled - No EPA levy or Carbon tax applicable.
Corporate Services				
Revenue				
P&R Valuations	14.38	13.75	-0.63	Based on a new contract.
P&R Sales Registers	1,000.00	1,000.00	0.00	
P&R Land Information Certificates	20.00	20.00	0.00	Statutory fee unchanged.
Economic Development & Planning				
Statutory Planning				
Certification Fee - Procedural Plan	100.00	100.00	0.00	
Certification Fee - Plan of Subdivision (plus \$20/lot)	100.00	100.00	0.00	
Building Services				
Building - Copying Plans (A0)	8.90	9.10	0.20	
Building - Statutory - Council Consents - all matters except easements	222.30	232.90	10.60	Statutory Fees.
Community Services				
National Wool Museum				
NWM General Admission	7.50	7.50	0.00	No increase to encourage visitations.
NWM General Admission Child	4.00	4.00	0.00	
NWM General Admission Family	25.00	25.00	0.00	
Child Care				
Ariston Child Care	Weekly \$385 Daily \$82 Sessions \$57	Weekly \$402 Daily \$86 Sessions \$60	Weekly \$17 Daily \$4 Sessions \$3	
City Learning & Care Belmont, Drysdale, Ocean Grove	Weekly \$380 Daily \$79 Sessions \$52	Weekly \$397 Daily \$83 Sessions \$54	Weekly \$17 Daily \$4 Sessions \$2	
City Learning & Care Corio, Trudy Moritz, The Link	Weekly \$375 Daily \$79 Sessions \$52	Weekly \$392 Daily \$83 Sessions \$54	Weekly \$17 Daily \$4 Sessions \$2	

Description	Charge 2012-2013 \$ per unit	Charge 2013-2014 \$ per unit	Movement in price per unit Inc/(Dec) \$	Comment
Ocean Grove Integrated Childcare Centre	Weekly \$ - Daily \$ - Sessions \$ -	Weekly \$402 Daily \$86 Sessions \$60	Weekly \$402 Daily \$86 Sessions \$60	New fees applicable from Jan 2014 to June 2014. Based on fees charged at Ariston.
F.D.C. Child Care Assistance Service Levy	0.65	0.70	0.05	
Kindergarten Development Services				
4 Yr Old Kindergarten Fees	218.00	231.50	13.50	Fees set to match State Government Fee Subsidy.
Aged Care				
Meal Charges to Clients	7.10	7.35	0.25	
Meal Charges to Agencies	17.60	18.67	1.07	
Community Development				
12 Seater Community Bus Hire - per 4 hours	30.00	32.00	2.00	
12 Seater Community Bus Hire - per 8 hours	61.00	65.00	4.00	
12 Seater Community Bus Hire - per 12 hours	90.00	95.00	5.00	
km rate over 400 kms	0.55	0.55	0.00	
Youth Services				
Ramp Delivery	155.00	155.00	0.00	
Ramp Hire	269.00	269.00	0.00	
Potato Shed				
Facility Hire - Community Rate - All areas daily	800.00	850.00	50.00	There has been no fee increase since 2011-2012.
Facility Hire - Community Rate - All areas weekly	3,800.00	3,900.00	100.00	There has been no fee increase since 2011-2012.
Facility Hire - Community Rate - All areas weekend	1,600.00	1,700.00	100.00	There has been no fee increase since 2011-2012.
Facility Hire - Community Rate - Auditorium	600.00	660.00	60.00	There has been no fee increase since 2011-2012.
Facility Hire - Corporate Rate - All areas daily	1,500.00	1,600.00	100.00	There has been no fee increase since 2011-2012.
Facility Hire - Corporate Rate - All areas weekly	6,500.00	7,000.00	500.00	There has been no fee increase since 2011-2012.
Facility Hire - Corporate Rate - All areas weekend	2,750.00	3,000.00	250.00	There has been no fee increase since 2011-2012.
Local Laws & Traffic				
Street Parking Fees per hour	2.00	2.00	0.00	
Reserve Car Park Space - metered	37.55	38.70	1.15	
Reserve Car Park Space - unmetered	20.20	20.80	0.60	
Parking Fine	62.00	72.00	10.00	Legislation sets the maximum penalty amount.
Parking Fine (Higher Fee)	125.00	144.00	19.00	Legislation sets the maximum penalty amount.
Parking Fine - Loading zones Bus stops	75.00	87.00	12.00	Legislation sets the maximum penalty amount.

Description	Charge 2012-2013 \$ per unit	Charge 2013-2014 \$ per unit	Movement in price per unit Inc/(Dec) \$	Comment
Busport Casual per day	4.00	4.00	0.00	
Busport reserved space	1,692.00	1,743.00	51.00	
Busport unreserved permit	1,248.00	1,285.00	37.00	
Wesley car parking permits	1,248.00	1,285.00	37.00	
Wesley casual Parking	1.80	1.90	0.10	Increase by 10c due to parking ticket machines ability to only accept 10c increments. Has not been increased for 3 years.
Haymarket Day Parking	7.50	7.50	0.00	
Roadside Trading Permit	177.85	183.15	5.30	
Impound Release Fees - Vehicles	193.50	199.30	5.80	
Impound Release Fees - Motorcycles	193.50	300.00	106.50	Increased fee to act as a deterrent, agreed in conjunction with the Police and is linked to the 'Outcomes' program.
Environmental Health				
Health Septic Tanks Misc Approvals/Permits	390.00	402.00	12.00	
Animal Registrations				
Dog Registration - Full	138.95	151.00	12.05	Animal registrations include a levy for increased pound costs.
Dog over 10 years old	46.65	54.00	7.35	
Dog Breeder	47.70	54.00	6.30	
Dog Working Dog	47.70	54.00	6.30	
Dog Member Canine Association	47.70	54.00	6.30	
Dog Obedience Trained	43.50	54.00	10.50	
Dog Microchipped	44.00	57.00	13.00	
Dog Desexed	40.95	48.00	7.05	
Dog Desexed and Microchipped	31.65	37.00	5.35	
Dog Pensioner Desexed	20.45	24.00	3.55	
Dog Pensioner Microchipped	21.80	28.50	6.70	
Dog Pensioner Fee - Full	69.45	75.50	6.05	
Cat Registration - Full	103.70	114.00	10.30	
Cat Desexed	28.00	34.00	6.00	
Cat Pensioner Desexed	14.00	17.00	3.00	
Cat Desexed and Microchipped	20.75	26.00	5.25	
Cat Pensioner Microchipped and Desexed	10.35	13.00	2.65	
Cat Microchipped	31.10	47.00	15.90	
Microchip Sales	16.00	16.50	0.50	

Description	Charge 2012-2013 \$ per unit	Charge 2013-2014 \$ per unit	Movement in price per unit Inc/(Dec) \$	Comment
Animal Infringement Control				
Sustenance Charge (sheep or smaller)	15.50	16.00	0.50	
Sustenance Charge (larger than sheep)	15.50	16.00	0.50	
Impound Release Fees - Livestock	70.50	72.50	2.00	
Food and Health Act				
Pros/CL Alfresco Occupancy Fee (CAA)	31.00	32.00	1.00	
Pros/CL Alfresco Occupancy Fee (non CAA)	25.50	26.00	0.50	
Transfer of Registration - Food	309.00	318.00	9.00	
Health Renewal Registration Late Fee	81.00	90.00	9.00	
Health Class 2 Prem - Base Rate	412.00	424.00	12.00	
Health Class 2 Prem - Small Scale - 50%	224.00	230.00	6.00	
Health Consult - Inspect Fee - Food <300m2	309.00	318.00	9.00	
Alfresco Approval Establishment Fee	68.00	70.00	2.00	
Al Fresco Transfer Fee	68.00	70.00	2.00	
Al Fresco Fixed Furniture	69.00	71.00	2.00	
Health Personal Treatment Est Register	188.00	194.00	6.00	
A Frame (0-60km/h)	164.00	169.00	5.00	
Busking (month)	16.00	16.50	0.50	
Projects Recreation and Central Geelong				
Swim, Sport & Leisure				
Waterworld, Splashdown, Leisurelink, BASC				
Monthly membership	75.00	80.00	5.00	
3 months membership	408.00	432.00	24.00	
12 months membership	868.00	920.00	52.00	
Family 3 months	681.00	722.00	41.00	
Family 12 months	1,265.00	1,340.00	75.00	
Gym Adult	16.50	17.00	0.50	
Gym Adult x 10 visits	120.00	136.00	16.00	10 visits for the price of 8.
Swimming Adult	5.80	5.80	0.00	Price held at \$5.80 to encourage visitations.
Swimming Concession	3.90	4.00	0.10	
School Swimming	3.20	3.30	0.10	
Learn to Swim	11.40	12.10	0.70	
Casual 25m Lane Hire	32.00	32.00	0.00	
Club 25m Lane Hire	9.30	9.70	0.40	
Arena				

Description	Charge 2012-2013 \$ per unit	Charge 2013-2014 \$ per unit	Movement in price per unit Inc/(Dec) \$	Comment
Main Stadium Hire - Community Group (per day)	2,200.00	2,310.00	110.00	
Main Stadium Hire - Commercial (per day)	3,750.00	3,950.00	200.00	
Corio Leisure Time Centre				
Casual Squash After 5pm	18.00	19.00	1.00	
Multi Purpose Room	20.00	20.00	0.00	
BVAC				
Futsal u18 per game	37.00	40.00	3.00	
Badminton	6.50	6.80	0.30	
Kardinia / Lara Pool				
Pool Swim Spectator	1.90	2.00	0.10	
Pool Swim	5.80	5.80	0.00	
Season ticket (adult)	251.00	266.00	15.00	
Golf				
Queens Park Adult Green Fee	19.50	20.50	1.00	
Queens Park Memberships Adult 12mths	445.00	470.00	25.00	
Queens Park Memberships Pensioner 12mths	350.00	370.00	20.00	
Queens Park Student Green Fee	12.50	13.00	0.50	
Elcho Adult Green Fee	18.50	19.50	1.00	
Elcho Park Memberships Adult 12mths	390.00	410.00	20.00	
Elcho Park Memberships Pensioner 12mths	310.00	325.00	15.00	
Elcho Park Student Green Fees	11.00	11.50	0.50	
Balyang Adult Membership	285.00	300.00	15.00	
Balyang Adult Green Fee	10.40	11.00	0.60	
Balyang Concession Adult Green Fee	9.30	9.80	0.50	
Carousel				
Wedding - Ceremony 1 hour	340.00	360.00	20.00	
Private Booking 2-4 hours	975.00	1,030.00	55.00	
Admission - Child	3.70	3.90	0.20	
Admission - Adult	4.20	4.40	0.20	

KEY STRATEGIC ACTIVITIES

The Annual Budget converts the activities and initiatives identified in the plan into financial terms to ensure that there are sufficient resources for their achievement. Listed below are the detailed financial commitments included in the 2013-2014 Budget.

STRATEGIC DIRECTIONS – Activities & Initiatives Cost Summary

Annual City Plan Actions 2013-2014	2013-2014 Gross Expenditure \$
Community Wellbeing	
<i>Priority: Healthy lifestyles</i>	
Learn to Swim program	1,668,426
Healthy Together Geelong	1,503,709
Be Active program	156,940
Corio-Norlane Best Start project	100,000
Stronger Families / Family Coaching program	77,346
Target low immunisation coverage program	71,000
Implementation of the Municipal Early Years Plan	20,000
Tiny Bubbles program	10,000
Development of the City of Greater Geelong Municipal Public Health and Wellbeing Plan	Funded through recurrent budget
Promote breastfeeding through additional consultations and referrals to other agencies	Funded through recurrent budget
Promote kindergarten enrolments through public media releases	Funded through recurrent budget
Provide Maternal Child Health nurses with professional development opportunities on lactation	Funded through recurrent budget
<i>Priority: Healthy environments</i>	
Parks and reserves maintenance	8,300,272
Renewal work on Council owned buildings	500,000
Recreation Facility Upgrades	
Barrabool Cricket Club - clubrooms renovation	
Barwon Valley Golf Club - office upgrade	
Bell Park Sports Club (Ballarat Rd, Batesford) - change rooms planning	
Bell Post Hill Football Netball and Bowls Club - change room facilities	
Collendina Reserve Master Plan implementation	
Corio Moorabool Pony Club new floor covering	
Elcho Park Golf Course - driving range	
Evans Reserve - soccer facility upgrade	
Friers Reserve - pavilion completion	
Geelong Rowing Association landing extension	
Grovedale Sports Club - kitchen upgrade	
Grovedale Sports Club - building and light improvements design	
Lake Lorne Reserve Drysdale Pony Club improvements	
McDonald Reserve - commercial kitchen installation	
Memorial Park Leopold - master plan implementation	
Memorial Reserve Ocean Grove - toilet upgrade	
Newcomb and District Cricket Club - purchase of roller	
Newcomb and District Sports Club - social room refurbishment	
North Shore Netball Club - netball rooms upgrade	
North Shore Sports Club - kitchen and community space upgrade	
Portarlington Football and Cricket Club - pavilion upgrade	
Queens Park Golf Club - building redesign	
St Albans Sporting Club - Kitchen upgrade	
St Albans Sporting Club - installation of decking to clubrooms	
St Albans Sporting Club - netball upgrade	
St Josephs Netball Club - court redevelopment and change room development	
St Peters Cricket Club - social rooms refurbishment design	
Stead Park hockey precinct development	
Thomson Reserve – change room extension	
Wandana Heights Tennis Club - completion of works	

Annual City Plan Actions 2013-2014**Gross Expenditure \$**

Winters Reserve - clubroom upgrade

Recreation Reserves Upgrades

2,123,000

Barwon Heads Village Park - sports lights

Burdoo Reserve - road and carpark upgrade

Capital renewal of civil assets in parks across the municipality

Clifton Springs Tennis Club - courts and lighting

Corio Bay Archery Club - new shed

Corio Cricket Club - new nets

Eastern Gardens heritage seat

Eastern Park - fencing removal and replacement on Upper Hearne Parade

Eastern Park Master Plan implementation

Ervin Reserve Master Plan implementation

Greater Geelong Open Space Strategy review

Grinter Reserve BMX track improvements

Hendy Street tennis courts upgrade

Kevin Hoffman walk maintenance and upgrades

Landy Field - flood prevention drainage

Marshall and South Barwon Cricket Clubs - practice wickets

Minor capital renewal projects in the Cheetham ward

Murghebuloc Cricket Club - practice wicket improvements

Newtown and Chilwell Football Netball Club - lighting

Ocean Grove Park - performance space

Portarlinton Netball Club - courts upgrade

Sports grounds renovation program

St Albans Breakwater Cricket Club - practice wicket area

Stead Park - installation of a 'Pet Park'

Stead Park BMX Track redevelopment

Thomson Reserve - bitumen works

Waurm Ponds tennis courts resurfacing

West Oval - flood lighting

Footpaths

3,495,000

Footpath renewal program

Footpath works Melville Avenue Newtown

Footpath works Hitchcock Avenue Barwon Heads

Swim Sport and Leisure Centre Upgrades

810,000

Aquatic play activities for Splashdown

Concrete core replacement program

Geelong Arena cyclical and programmed maintenance

Gymnasium equipment replacement program

Increased aquatic play activities for Bellarine Aquatic Centre

Kardinia Pool infrastructure and pool maintenance

Leisurelink gymnasium program room extension

Leisuretime Centre toilet upgrade

Waterworld Master Plan stage two

Playgrounds

1,058,400

Anakie Community Centre playground

Asher Road Playgroup playground, Slovenian Club

Barwon Valley Fun Park Master Plan implementation

Collendina Reserve playground relocation

Coryule ward parks and playgrounds improvements

Hume Reserve community activity precinct

Myers Reserve playground development

Pettit Park playground, park and amenities upgrade

Playground development Dane Avenue Bell Post Hill

Playground development program

Playground developments in Brownbill ward

Queens Park playground upgrade

Public Toilets

461,000

Toilet block renewal and replacement program

Annual City Plan Actions 2013-2014**Gross Expenditure \$**

New public toilet Beauford Avenue shopping strip, Bell Post Hill	
Portarlington Reserve DDA compliant toilet	
Ocean Grove community garden toilet	
<i>Bikepaths</i>	270,000
Greater Geelong Cycle Strategy implementation	
Bicycle infrastructure program	
Bellarine Rail Trail works	
Implement Municipal Emergency Management Plan	Funded through recurrent budget
Conduct community dog/cat micro-chipping and registration 'roadshows'	Funded through recurrent budget
Continue to conduct assessments of restricted breed dogs and dogs declared as dangerous dogs	Funded through recurrent budget
Ensure all school crossing are adequately supervised and patrolled to protect children's safety	Funded through recurrent budget
Implement Municipal Fire Prevention Plan	Funded through recurrent budget
Implement Year 1 actions of the Domestic Animal Management Plan	Funded through recurrent budget
Monitor, assess and register all food premises based on compliance	Funded through recurrent budget
Preparation of a Flood Management Plan for the City.	Funded through recurrent budget
<i>Priority: Connected, creative and strong communities</i>	
<i>Community Hubs</i>	4,125,000
Grovedale Integrated Children's Centre construction	
Leopold Community Hub stage one construction	
Ocean Grove Integrated Children's Centre construction	
Barwon Heads Early Learning Centre construction	
<i>Community Facility Upgrades</i>	734,000
Disability access program	
Community halls upgrade program	
Seniors Citizens centre's kitchen upgrades	
East Geelong Mens Shed extension	
Geelong West Neighbourhood House accommodation options	
<i>Children's Services Upgrades</i>	505,000
Children services facilities upgrades to meet changing needs and regulations	
Acquisition and replacement of resources and equipment at City Learning and Care centres	
Alexander Thomson Kindergarten play area upgrade	
<i>Arts, Culture and Heritage</i>	290,000
Community arts and festivals grants program	
Lara Heritage Festival	
Lara Food and Wine Festival	
Development of Cultural Strategy	
Mouth - Mountain 2014	
<i>Public Art</i>	110,000
Beacon Point Road art sculpture	
Central Geelong public art initiative	
Street art project	
Geelong West forecourt public art piece	
Public art program - in High Street Belmont	
<i>Whittington Community Building and renewal</i>	69,500
Whittington community building and engagement	
Whittington Flamefest	
<i>Youth activities, programs and events</i>	942,813
including Skaart Festival, Lara Youth Festival, skate program, Spud Fest, National Youth Week, Courthouse Youth Arts, SSAGQ youth suicide prevention initiative, L2P Learner Driver program, Engage it up, Youth activity services, Youth action teams, Lara Youth Centre, Switch quarterly magazine, multicultural youth development, YAMS, Youthcan Van	
Geelong Regional Library contribution	7,796,353
School Holiday Program	570,613
Corio Norlane transport project stage two	500,000

Annual City Plan Actions 2013-2014	2013-2014 Gross Expenditure \$
Councillor Community Grants program	240,000
Neighbourhood houses support	156,500
Supported playgroups and parent groups initiative	125,000
Children's Week activity program	40,587
Indigenous kindergarten assistance	39,068
Multicultural Action Plan	29,000
Geelong Seniors Festival	20,000
Landscaping Clifton Springs fountain	20,000
Aboriginal Action Plan	5,000
Growing Our Economy	
<i>Support existing businesses and encourage new and emerging growth sectors</i>	
Enterprise Geelong implementation	270,000
Retail Strategy review	60,000
Belmont Business Association engage with Mainstreet	40,000
Regeneration of shopping strips at Rose Avenue, Robin Avenue and Nevada Avenue, in Norlane and Corio	40,000
Geelong Manufacturing Council contribution	20,000
Economic Development Industrial Investment Support	25,000
Six ways shopping centre Lara upgrade	25,000
Agribusiness study	10,000
Marketing skill capability and lifestyle attributes	Funded through recurrent budget
<i>Facilitate major infrastructure and investment to enable economic growth</i>	
<i>Lara Town Centre</i>	2,100,000
Lara Recreation Reserve - infrastructure works to service the reserve and progress	
Lara Town Centre expansion project	
Implementation of Armstrong Creek Urban Growth Plan.	310,000
Geelong Ring Road Employment Precinct design and implementation	125,000
Leopold Strategic planning project	100,000
Ocean Grove Town Centre Master Plan	100,000
Portarlinton Safe Harbour Strategic Plan	100,000
Residential zone reform implementation	60,000
Rural planning policy review	60,000
Freight and Logistics Gateway Project	50,000
<i>A prosperous and innovative Geelong</i>	
Skilled migration program	72,500
Knowledge Economy facilitation project	60,000
Geelong Bioscience Centre Belmont High	30,000
Lara Wi-Fi project	25,000
<i>A successful and vibrant city centre</i>	
<i>Geelong Library and Heritage Centre</i>	15,000,000
Construction of the Geelong Library and Heritage Centre	
Construction of the Geelong Library and Heritage Centre car park	
Central Geelong revitalisation fund	5,000,000
Geelong Central City Management programs and activities	734,382
Central Geelong streetscape activation	200,000
Central Geelong Park and Ride shuttle service	175,669
Little Malop Street and Little Ryrie Street carparking improvements	125,000
Central Geelong Nightbus service	111,200
Central Geelong partnership projects	100,000
Geelong Library and Heritage Centre Arts Strategy design	80,000
King Edward statue restoration - Waterfront Geelong	50,000
Pedestrian crossing Ryrie Street	35,000
Queen Victoria statue relocation - Waterfront Geelong	25,000
<i>Greater Geelong is a leading city for tourism, arts, culture and events</i>	
Completion of the new players Stand, Simonds Stadium and associated lighting	3,000,000
Geelong Art Gallery contribution	1,022,000
Geelong Major Events funding	930,000
Geelong Major Events - Australian Masters Games	150,000

Annual City Plan Actions 2013-2014	2013-2014 Gross Expenditure \$
Conference Marketing & Delegate Boosting programs	405,935
Provide for tourist information and administrative support centres within the Geelong region	381,490
Potato Shed interior and exterior works	248,443
Christmas carols - various locations across the municipality	72,000
Sustainable Built and Natural Environment	
<i>Enhance and protect natural areas and ecosystem health</i>	
<i>Tree Planting projects</i>	540,000
Corio North tree planting	
Eastern Park tree planting	
Greenway Project - tree planting of Ted Wilson Trail	
Open space tree planting - Cloverdale	
Tree planting, establishment and aftercare	
<i>Water programs</i>	411,000
Geelong Healthy Waterways program	
Stormwater Quality Management Plan implementation	
Water Quality programs	
Council environmental reserves maintenance and improvement works	872,906
Coastal and conservation reserves and infrastructure maintenance	178,000
Clifton Springs coastal erosion mitigation works - completion of revetment wall	150,000
Biodiversity assessment stage three	100,000
Curlewis landslide control works	85,000
Buckley Park staircase construction	65,000
Access to The Dell - eastern access pathway	60,000
Roadsides for Conservation and Fire Management program	50,000
Friends of Buckley Falls contribution	20,000
<i>Support our community to live sustainably</i>	
<i>Hard waste programs</i>	300,000
Hard waste disposal initiatives	
Hard waste pick up service for eligible Home and Community Care (HACC) clients	
Future Proofing Geelong	344,500
Ocean Grove/Barwon Heads Summer Shuttle Bus	10,000
Inclusion of Climate Change impacts in the Infrastructure Development Guidelines	Funded through recurrent budget
<i>Advocate for and promote sustainable design and development</i>	
Implement and promote actions within Councils Sustainable Buildings Policy	Funded through recurrent budget
Promotion and assistance with National Sustainable House Day	Funded through recurrent budget
<i>Minimise our environmental footprint</i>	
<i>Landfill works</i>	5,080,000
Corio landfill rehabilitation	
Drysdale landfill - construction of cell six	
Drysdale landfill evapotranspiration cap study	
Clean energy - buildings, plant and equipment upgrades	990,000
Geelong Botanic Gardens irrigation system upgrade	250,000
Clean energy - hot water service replacement	102,000
Implementation of Greenhouse Strategy and Local Action Plan	80,000
Development of an Integrated Water Cycle Management Plan	Funded through recurrent budget
Green mulch trial - Geelong Botanic Gardens	Funded through recurrent budget

Annual City Plan Actions 2013-2014

Gross Expenditure \$

How We Do Business*Lead by advocating and collaborating on issues important to the Greater Geelong community*

G21 Contribution	419,000
Establishment of a Women's Advisory group	15,000

Efficient and customer focused organisation

Roads - construction and design including local roads, Federal Roads Program and Vic Funded works	11,260,000
Drainage design and construction program	3,938,000
Special Rates and Charges to carry out roads, footpaths, kerb and channel and drainage works	2,225,000
Kerb and channel renewal program	1,518,000
Traffic management - investigation, design and construction	733,000
North East Lara main drainage / flood mitigation works	500,000
Bridge upgrades - major renewal works	365,000
Maintenance management system implementation	317,600
Streetscapes:	100,000

Bell Post Hill roundabout beautification projects	
Roundabout upgrades in the Corio ward	
Separation Street Bell Park - parking management improvements	
Thorburn St, Bell Park - indented car park	
Complete the 2014 Municipal Revaluation	Funded as part of recurrent budget
Develop new Information Services Strategy	Funded as part of recurrent budget
Implement new Aged Care Management System	Funded as part of recurrent budget
Introduction of the Fire services Property levy on council Rates notice and provide customer support for this change	Funded as part of recurrent budget

Responsible and sustainable financial management

Completion of the Buildings Asset Management Plan inclusive of community service levels	Funded as part of recurrent budget
---	------------------------------------

Informed and engaged community

Community engagement training to staff who conduct these activities, based on the International Association for Public Participation (IAP2) principles.	Funded as part of recurrent budget
Corporate banner and billboard program	Funded as part of recurrent budget
Social media stage two	Funded as part of recurrent budget
Undertaken internal plain English campaign	Funded as part of recurrent budget
Publication of City News advertising weekly	Funded as part of recurrent budget
Publication and distribution of Community Update six times per year	Funded as part of recurrent budget
Publication and distribution of Annual Calendar	Funded as part of recurrent budget

Motivated and skilled staff in a safe work environment

Actively seek feedback to continuously improve training and development opportunities for staff within Council	Funded as part of recurrent budget
Ongoing review and communication of CitySafe procedures	Funded as part of recurrent budget
Provide training and development opportunities to enhance and support potential leaders throughout the organisation	Funded as part of recurrent budget

GLOSSARY OF TERMS

Act	Local Government Act 1989.
Accounting Standards	Accounting standards are issued from time to time by the professional accounting bodies and are applicable to the preparation of general purpose financial reports. Standards issued by the Australian Accounting Standards Board (AASB) which are specifically relevant to local government include: AASB 1051 - Land Under Roads, AASB 1052 - Disaggregated Disclosures.
Activities and initiatives	Section 127 of the Act requires a budget to contain a description of the activities and initiatives to be funded by the budget, along with a statement as to how they will contribute to the achievement of the Council's strategic objectives as specified in the Council Plan. The activities of Council are those services which it undertakes to meet the needs of the community as reflected in the Council Plan. They tend to be ongoing in nature and have internal and external customers. Initiatives are tasks or actions that are once-off in nature and lead to improvements in services or service levels.
Annual budget	This document is framed within the Council's strategic resource plan and sets out the short term goals and objectives as part of the overall strategic planning framework.
Annual operating budget (<i>Budgeted income statement</i>)	The budgeted income statement shows the expected operating result in the forthcoming year with a distinction made between revenue received for operating purposes and revenue received for capital purposes.
Annual report	The annual report prepared by a Council under section 131 of the Act .
Annual reporting requirements	Annual reporting requirements include the financial reporting requirements of the Act, Accounting Standards and other mandatory professional reporting requirements.
Asset expansion	Expenditure which extends an existing asset, at the same standard as is currently enjoyed by residents, to a new group of users. Expansion expenditure is discretionary which increases future operating and maintenance costs because it increases council's asset base, but may be associated with additional revenue from the new user group.
Asset renewal	Expenditure on an existing asset, which returns the service potential or the life of the asset, up to, that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components of the asset being renewed. As it reinstates existing service potential, it has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time.
Asset upgrade	Expenditure which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operating and maintenance expenditure in the future because of the increase in the asset base.
Borrowing strategy	A borrowing strategy is the process by which the Council's current external funding requirements can be identified, existing funding arrangements managed and future requirements monitored.
Budgeted balance sheet	The budgeted balance sheet shows the expected net current asset, net non-current asset and net asset positions in the forthcoming year compared to the forecast actual in the current year. The budgeted balance sheet should be prepared in accordance with the requirements of AASB 101 - Presentation of Financial Statements.

Budgeted cash position <i>(Budgeted cash flow statement)</i>	The budgeted cash flow statement shows the expected net cash inflows and outflows in the forthcoming year in the form of reconciliation between opening and closing balances of total cash The budgeted cash flow statement should be prepared in accordance with the requirements of AASB 107 Cash Flow Statements.
Budget preparation requirement	Under the Act, a Council is required to prepare and adopt an annual budget by 31 August each year.
Capital contributions	Capital contributions includes assets contributed by developers, government grants and contributions received for capital purposes and contributions from developers such as open space.
Capital expenditure <i>(capital works)</i>	Capital expenditure is relatively large (material) expenditure that produces economic benefits expected to last for more than 12 months. A pre determined 'threshold' may be used which indicates the level of expenditure deemed to be material in accordance with Council's policy. Capital expenditure includes renewal, expansion and upgrade. Where capital projects involve a combination of renewal, expansion and upgrade expenditures, the total project cost needs to be allocated accordingly.
Capital works budget <i>(Budgeted capital work statement)</i>	The capital works budget shows the expected internal and external funding for capital works program and the total proposed capital works program for the forthcoming year with a comparison with forecast actual for the current year.
Capital works program	Capital works projects that will be undertaken during the 2013-2014 year.
Carry Forward Capital Works	Carry forward capital works are those that are incomplete in the current budget year due to unavoidable delays and will be completed in the following budget year.
Carry forward surpluses	Inappropriately recognised by many Councils at the end of the current year as the critical starting point in the development of the budget for the following year.
Community satisfaction survey	A survey conducted on an annual basis by every Council.
Council plan	This document sets out the medium term goals and objectives as part of the overall strategic planning framework and strategic resource plan and is prepared under section 125 of the Act.
Current year rate increase <i>(Rating information)</i>	A statement included in the budget quantifying the amount of the rate change for the forthcoming year and disclosing any significant factors influencing the rate change.
Differential rates	When a Council intends to declare a differential rate (eg. business and residential), information prescribed by the Act under section 161 must be disclosed in the Council Budget.
Discretionary reserves	Discretionary reserves are funds earmarked by Council for various purposes. Councils can by resolution change the purpose of these reserves.
Executive summary	Opening section of report designed to the give reader an overview and high level "snapshot" of the information provided in the report.
External funding sources <i>(Analysis of capital budget)</i>	External funding sources relate to capital grants or contributions, which will be received from parties external to the Council. It also includes the proceeds of assets sold to fund the capital works program.
External influences in the preparation of a budget	Matters arising from third party actions over which Council has little or no control eg. change in legislation.
Financial sustainability	A key outcome of the strategic resource plan. Longer term planning is essential to ensuring that a Council remains financially sustainable in the long term.

Financing activities	Financing activities means those activities which relate to changing the size and composition of the financial structure of the entity, including equity, and borrowings not falling within the definition of cash.
Infrastructure	Physical assets of the entity or of another entity that contribute to meeting the public's need for access to major economic and social facilities and services.
Infrastructure (strategy)	<p>An infrastructure strategy is the process by which the Council's current infrastructure and ongoing maintenance requirements can be identified, budgeted capital works implemented and future developments monitored.</p> <p>The key objective of an infrastructure strategy is to maintain or preserve Council's existing assets at desired condition levels. If sufficient funds are not allocated to asset preservation then Council's investment in those assets will reduce, along with the capacity to deliver services to the community.</p>
Internal funding sources (<i>Analysis of capital budget</i>)	Internal sources relate to cash and investments held in reserves or which are uncommitted and cash that will be generated from the operations of Council during the budget year. The latter should equate to the cash inflows from operating activities less capital revenue.
Internal influences in the preparation of a budget	Matters arising from Council actions over which there is some element of control eg. approval of unbudgeted capital expenditure.
Investing activities	Investing activities means those activities which relate to acquisition and disposal of non-current assets, including property, plant and equipment and other productive assets, and investments not falling within the definition of cash.
Key assumptions	When preparing a budgeted balance sheet of financial position, key assumptions upon which the statement has been based should be disclosed in the budget to assist the reader when comparing movements in assets, liabilities and equity between budget years.
Key budget outcomes	The key activities and initiatives that will be achieved in line with the Council plan.
Key performance indicators	A range of ratios and comparisons of critical financial and non financial data over a period of years allowing a reader to gain a better understanding of key measures, such as indebtedness, liquidity and performance measurement which are often undisclosed when financial information is presented in standard statement format.
Key strategic activities	<p>Section 127 of the Act requires the budget to separately identify the Key Strategic Activities (KSAs) to be undertaken during the financial year and performance targets and measures in relation to each KSAs. Section 132 of the Act states that KSAs and performance targets and measures specified under section 127 of the Act must be included in the Performance Statement in the Annual Report and be subject to audit.</p> <p>KSAs are those significant activities and/or initiatives which will directly contribute to the achievement of the Council Plan during the current year. KSAs can be initiatives or a combination of activities and initiatives which have a major focus for the budget year and lead to significant outcomes for the organisation and community.</p>
Legislative framework	The Act, Regulations and other laws and statutes which set a Council's governance and reporting requirements.
Local Government (Finance And Reporting) Regulations 2004	<p>The objective of these Regulations, made under Section 243 of the Local Government Act 1989 and which came into operation on 20 April 2004, is to prescribe for the purposes of the Local Government Act 1989:</p> <p>(a) the manner in which the standard statements and financial statements of a Council are to be prepared and their contents.</p> <p>(b) the information to be included in a Council Plan, Budget, revised Budget and Annual Report.</p> <p>(c) other matters required to be prescribed under Parts 6 and 7 of the Act.</p>
New assets	New assets or capital expenditure does not have any element of expansion or upgrade of existing assets. New capital expenditure may or may not result in additional revenue for Council and will result in an additional burden for future operation, maintenance and capital renewal.

Non financial resources	Resources of a non financial nature (such as human resources, information systems and processes, asset management systems) that are consumed by a Council in the achievement of its strategic resource plan goals.
Operating activities	Operating activities means those activities that relate to the provision of goods and services.
Operating expenditure	Operating expenditure is defined as consumptions or losses of future economic benefits, in the form of reductions in assets or increases in liabilities; and that result in a decrease in equity during the reporting period.
Operating performance (<i>impact of current year on 2013-2014 budget</i>)	This statement shows the expected operating result as compared to the budget result in the current year separating operating and capital components of revenue and expenditure.
Operating revenue	Operating revenue is defined as inflows or other enhancements, or savings in outflows of future economic benefits, in the form of increases in assets or reductions in liabilities; and that result in an increase in equity during the reporting period.
Performance statement	Required by Section 132 of the Act, a performance statement must be included in the annual report of a Council and include: <ul style="list-style-type: none"> • the key strategic activities and performance measures specified in the budget under Section 127 for that financial year. • the actual results achieved for that financial year having regard to those performance targets and measures.
Prudential ratios and thresholds (<i>Borrowing strategy</i>)	Used by the Department of Planning and Community Development in assessing a Council's borrowing capacity as part of the annual Australian Loan Council borrowing allocation.
Rating strategy	A rating strategy is the process by which the Council's rate structure is established and how the total income generated through rates and charges is allocated across properties in the municipality. Decisions regarding the quantum of rate levels and increases from year to year are made as part of Council's Budget financial planning processes and with consideration of Council's other sources of income and the planned expenditure on services and works to be undertaken for its community.
Regulations	Local Government (Finance and Reporting) Regulations 2004.
Recurrent	Operating income and expenditure of a recurrent nature.
Restricted funds and discretionary reserves	Monies set aside for statutory and discretionary purposes.
Revised budget	Section 128 of the Act permits a Council to prepare a revised budget if circumstances arise which cause a material change in the budget and which affects the financial operations and position of the Council.
Road Management Act 2004	The purpose of this Act which came into operation from 1 July 2004 is to reform the law relating to road management in Victoria and to make relating amendments to certain Acts, including the Local Government Act 1989.
Service delivery (<i>in strategic resource plan</i>)	A key outcome of a strategic resource plan, service delivery must be linked with performance strategies in order to assess the adequacy of service delivery and the impact on long term budget preparation.
Standard statements	Prepared under section(s) 126(2)(a), 127(2)(a) and / or 131(1)(b) of the Act, standard statements are required in the: <ul style="list-style-type: none"> • Strategic resource plan. • Budget. • Annual Report.

Whilst the same set of statements (detailed below) is required in each of these reports, they have different focuses due to the differing purposes of each report. The formats of these statements therefore need to reflect these different focuses being strategic, management and reporting, whilst remaining comparable.

The standard statements are the:

- Standard Income Statement
- Standard Balance Sheet
- Standard Cash Flow Statement
- Standard Capital Work Statement

“Standard Statements, A Guide”	Publication by the Department for Victorian Communities in 2004 which provides guidance on the preparation of the four standard statements as required by the Act.
Statutory disclosures	Section 127 of the Act and the Regulations require certain information relating to projected results, borrowings, capital works and rates and taxes to be disclosed within the Budget.
Statutory reserves	Statutory reserves are funds set aside for specified statutory purposes in accordance with various legislative and contractual requirements. These reserves are not available for other purposes.
Strategic planning framework	A “community owned” document or process which identifies the long term needs and aspirations of the Council, and the medium and short term goals and objectives which are framed within the long term plan.
Strategic resource plan (SRP)	<p>The Act requires that a Council plan should include a strategic resource plan that includes financial and non-financial resources including human resources.</p> <p>The strategic resource plan outlines the resources required to achieve the Council plan. As a minimum a strategic resource plan must include in respect of at least the next four years:</p> <ul style="list-style-type: none"> • standard statements describing the required financial resources. • statements describing the required non-financial resources – including human resources. <p>Such planning is essential in ensuring that an organisation remains financially sustainable in the long term. The annual budget should be consistent with the first projected year of a strategic resource plan.</p>
Sustainability Index <i>(Infrastructure strategy)</i>	The sustainability index is a means of measuring a Council's performance in the area of infrastructure preservation. This is the proportion of the total asset value consumed compared to the amount spent in preserving the asset on an annual basis.
Three way budgeting methodology <i>(Strategic resource plan)</i>	The linking of the income statement, balance sheet and cash flow statement to produce forecast financial statements based on assumptions about future movements in key revenues, expenses, assets and liabilities.
Underlying result	The underlying result is a measure of financial sustainability of the Council which can be masked in the net surplus (deficit) by non-recurring or capital related items. It is equal to the net surplus (deficit) adjusted for capital grants, non-monetary contributions and other once-off adjustments. This definition differs from the underlying surplus as determined by the Victorian Auditor General in his report “Local Government: Results of the 2011-12 Audits” issued in November 2012 which includes capital contributions in the calculation. In this Guide, capital grants are excluded from the definition on the basis that they are recorded as income but are reflected in assets capitalised on Council's balance sheet and depreciated in later years.
Unrestricted cash and investments	Unrestricted cash and investments represents funds that are free of all specific Council commitments and are available to meet daily cash flow requirements and unexpected short term needs.
Valuations of Land Act 1960	The Valuations of Land Act 1960 requires a Council to revalue all rateable properties every two years.
Working capital	Working capital represents funds that are free of all specific Council commitments and are available to meet daily cash flow requirements and unexpected short term needs.