CITY OF GREATER GEELONG
BUDGET REPORT: 2015-2016
ADOPTED 23 JUNE 2015

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CITY OF GREATER GEELONG

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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.

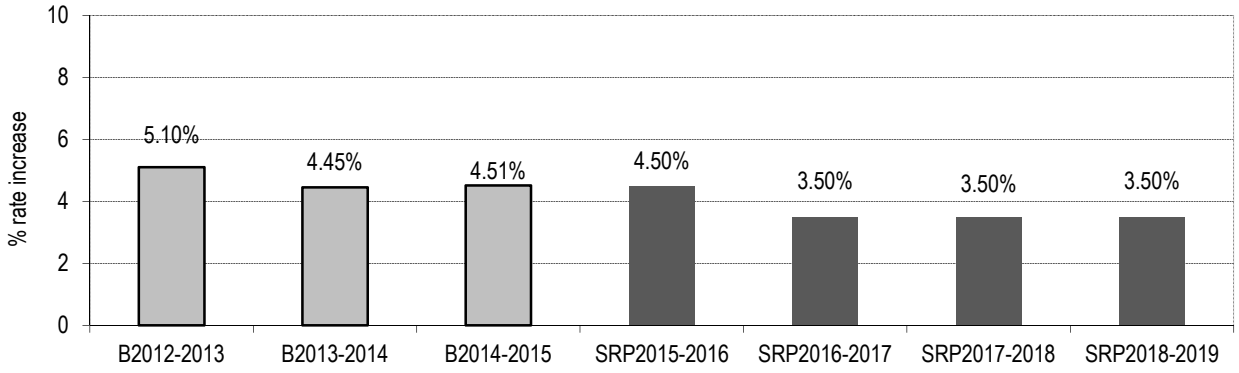
The 2015-2016 budget has again been developed with four key fiscal objectives:

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 $94.9M includes, for major asset categories, $21.9M on Buildings, $13.7M Recreation Assets, $24.8M on Roads, Footpaths, Kerb & Channel and Drains, and $6.3M on Fleet (see Capital Program p 2-23).

Council plans to borrow $27.9M in 2015-2016 (including $14.9M deferred borrowings from 2014-2015), to fund the net capital expenditure on the Central Geelong Action Plan, Corio Landfill Rehabilitation, Drysdale Landfill Cells, Armstrong Creek Projects, Hendy St Reserve Redevelopment, Community Facilities and Shell Rd Reserve Masterplan (see Borrowing Strategy p 3-24).

1(a). Residential Rates



Rate revenue is 62% of total revenue and reflects a 4.5% rate increase for residential ratepayers (including Municipal Charge and Garbage Charge increases).

The 4.5% rate increase can be compared to the 2015-2016 forecast CPI movement of 2.5% and the MAV Local Government Cost Index currently 3.4%.

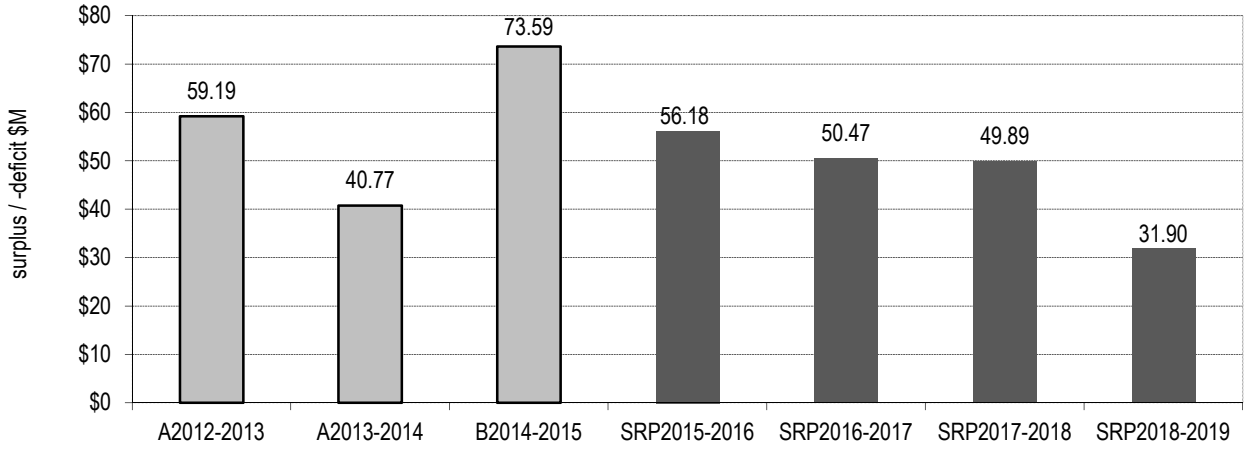
Future years rate increases are assumed at CPI plus 1%, a reduction versus prior Strategic Resource Plan.

1(b). Average Residential Rates

Residential Movement	2014-2015 Rates on Avg. CIV $	2015-2016 Budget Rates on Avg. CIV $
Residential Capital Improved Value		377,721
Rates (CIV x Rate in $)	1,023.60	1,069.65
Municipal Charge	91.55	94.30
Waste Collection Service	246.50	258.25
Total Rates & Charges	**1,361.65**	**1,422.20**

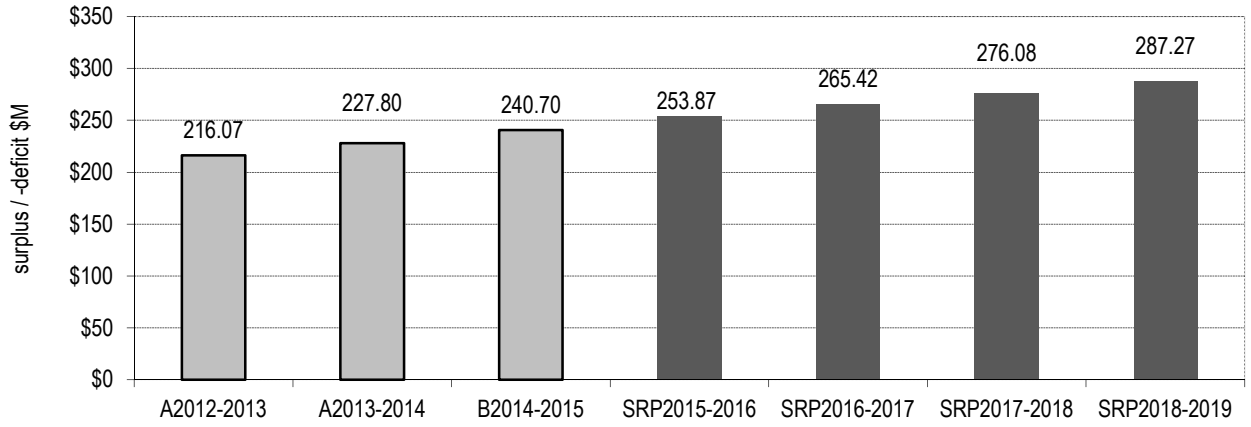
The average Residential Capital Improved Value has increased from $375,674 to $377,721. The average movements in Rates, Municipal Charge and Waste Collection Charge totals $60.55 for the 2015-2016 year, raising total rates of $191M. The Municipal Charge recovers some of the fixed cost of governance. The Waste Collection Service Charge includes the impact of higher cost waste collection and processing operations and EPA levy increases. The increase in rates for the average property valued at Capital Improved Value (CIV) of $377,721 is $46.05 plus an $11.75 increase in the Waste Collection Service and a $2.75 increase to the Municipal Charge. The Landfill EPA levy increases to $60.52/tonne equivalent to $28.75 per Waste Collection Service Charge (previously $27.70).

2. Overall Operating Result



The expected overall result for the 2015-2016 year is a surplus of $56.18M, which is a decrease of $17.41M over 2014-2015 primarily due to a decrease in Capital Income of $12.09M and a reduction in Gain on Sale of Property of $3.83M. The overall result includes recurrent increases in depreciation expenses and salaries growth together with non operating items such as capital grants $21.5M and recognition of infrastructure $34.5M. The recurrent operating result is a surplus of $0.7M, which is an increase of $0.5M over 2014-2015 with capitalisation of $1.0M landfill receipts to fund Corio Landfill Rehabilitation. The projected recurrent result for the current 2014-2015 year is a deficit of ($6.4M) after accounting for non capital projects carried over from 2013-2014. These changes were reflected in amendments to the 2014-2015 Budget. The 2014-2015 projection highlights a $0.5M favourable recurrent variance to the amended budget (refer page 2-32).

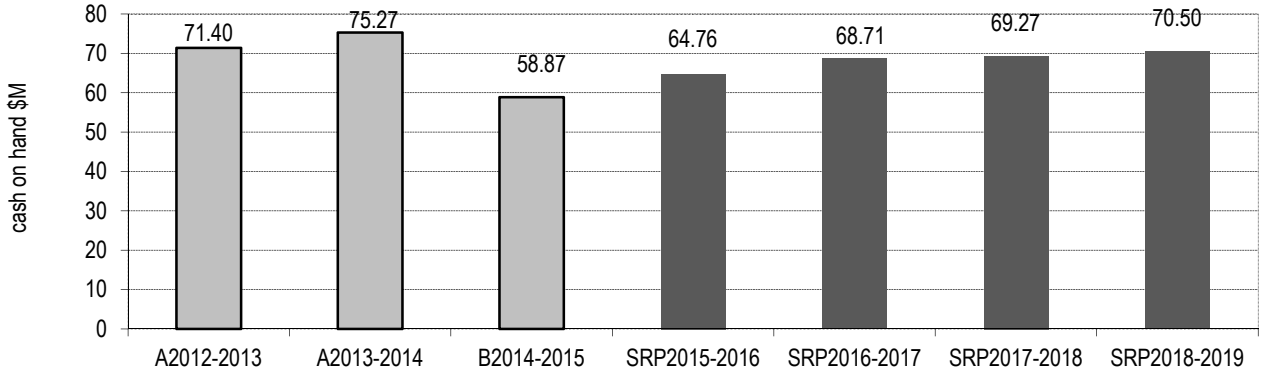
3. Services



*Total Service Cost (Recurrent expenditure less depreciation).

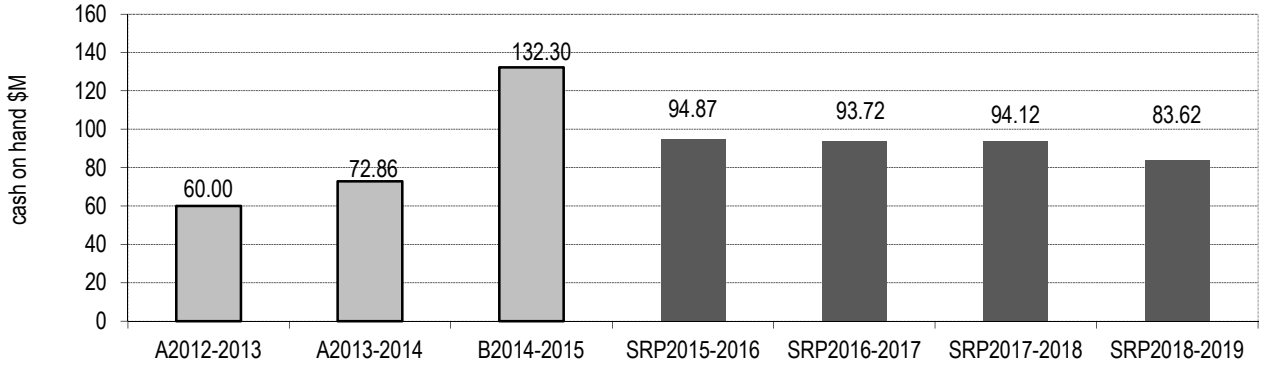
The cost of services delivered to the community for the 2015-2016 year is expected to be $253.87M which is an increase of $13.17M over 2014-2015. A key influencing factor in the development of the 2015-2016 Budget has been the maintenance of existing service funding levels and the inclusion of mandatory and other community funding increases only.

4. Cash and Investments



New borrowings of $13.01M are proposed in 2015-2016, plus deferred borrowings from 2014-2015 of $14.92M. These borrowings will fund Community Services Infrastructure, Central Geelong Action Plan, Corio Landfill Rehabilitation, Drysdale Landfill Cells, Armstrong Creek Projects, Hendy St Reserve Redevelopment and Shell Rd Reserve Masterplan. The proposed June 2016 cash balance is adequate to meet required balances. The capital program assumes $18.0M of capital funds will not be expended until 2016-2017 year.

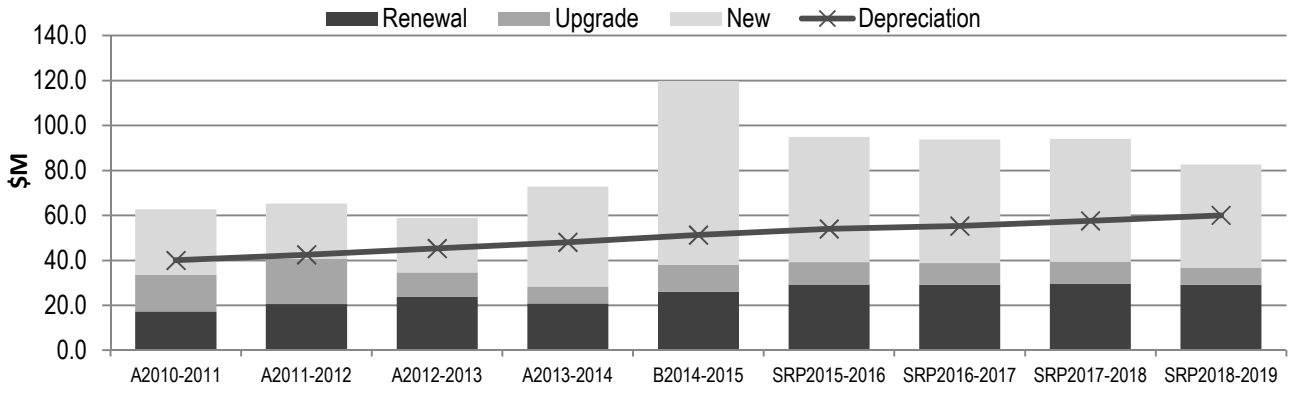
5. Capital Works



The capital works program for the 2015-2016 year is proposed at $94.87M and in addition to major asset categories, $2.7M is proposed for waste collection and landfill projects with $3.66M for Central Geelong Task Force initiatives. A total of $28.0M is estimated for projects which will be carried forward from the 2014-2015 year and $18.0M carried forward into 2016-2017. The capital expenditure program includes key funding for Geelong Library and Heritage Centre, Core Programs, Ageing Infrastructure, a range of Recreation and Leisure projects, Community Facilities and completion of 2014-2015 projects (refer p 2-24 "Analysis of Capital Budget").

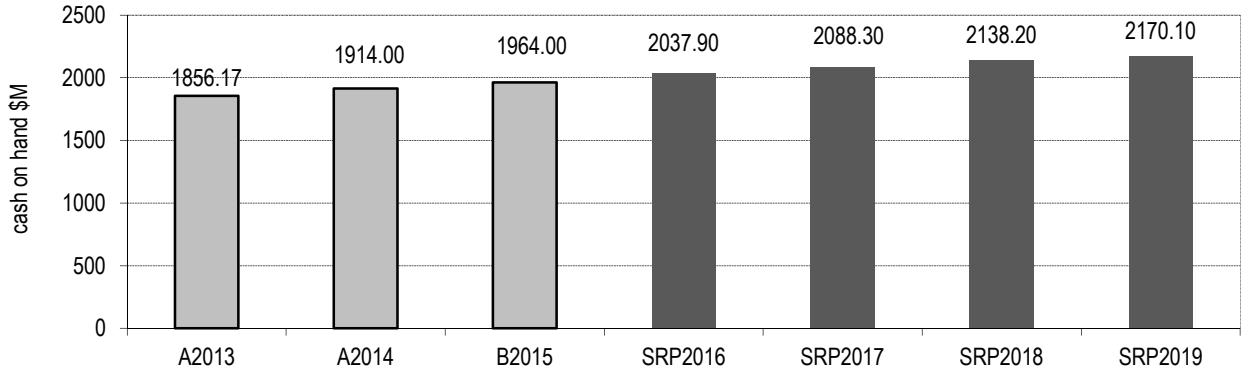
The Capital Works Program is summarised by Project Category and by classification as Renewal, Upgrade or New Project.

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



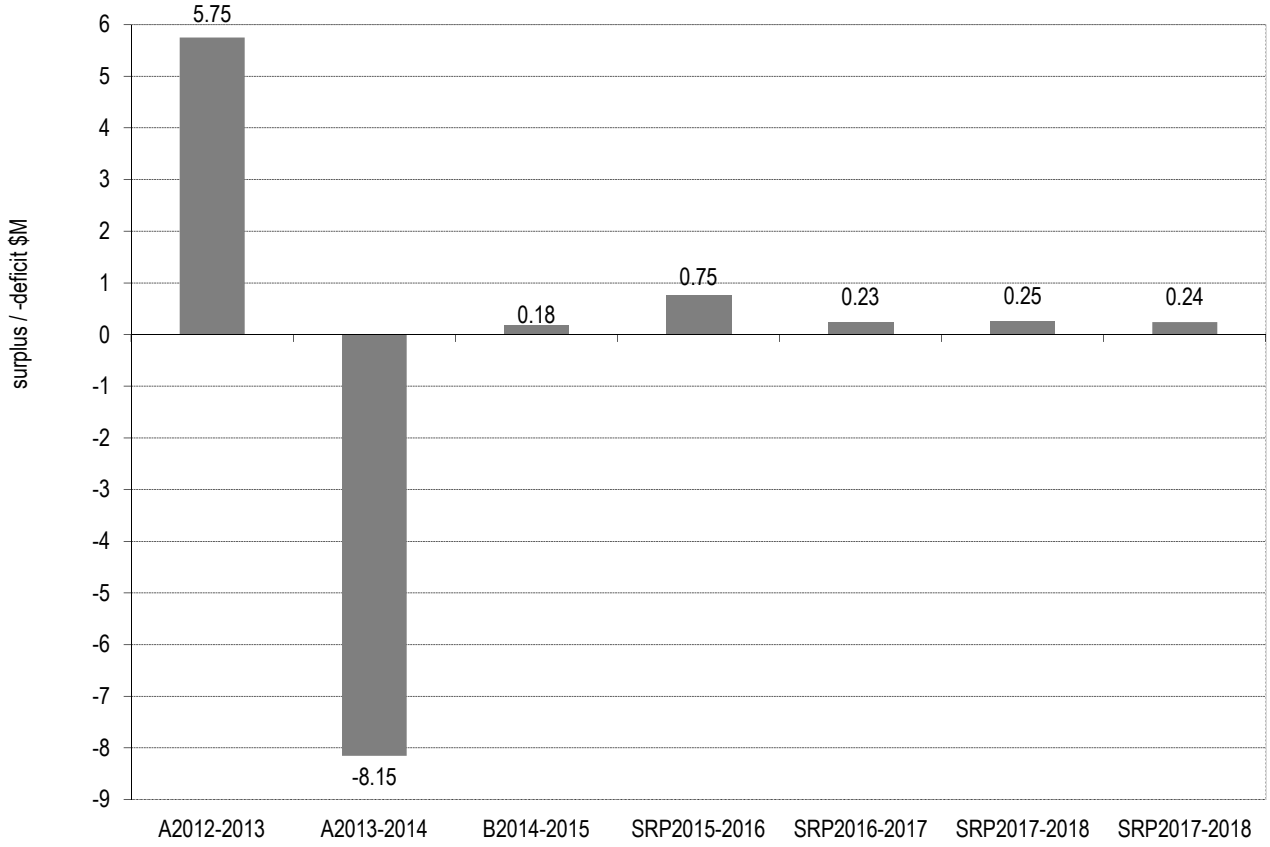
The percentage of renewal / upgrade capital expenditure is a long term indicator. The trend indicates that Council is allocating insufficient resources to renewal / upgrade capital expenditure relative to new.

6. Financial Position



Net assets (net worth) will increase by $73.9M to $2037.9M with Property Plant & Equipment increasing by $66.7M and other increases net $7.2M (refer p 2-30 Analysis of Budgeted Financial Position).

7. Financial Sustainability



A high level Strategic Resource Plan for the years 2015-2016 to 2018-2019 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.

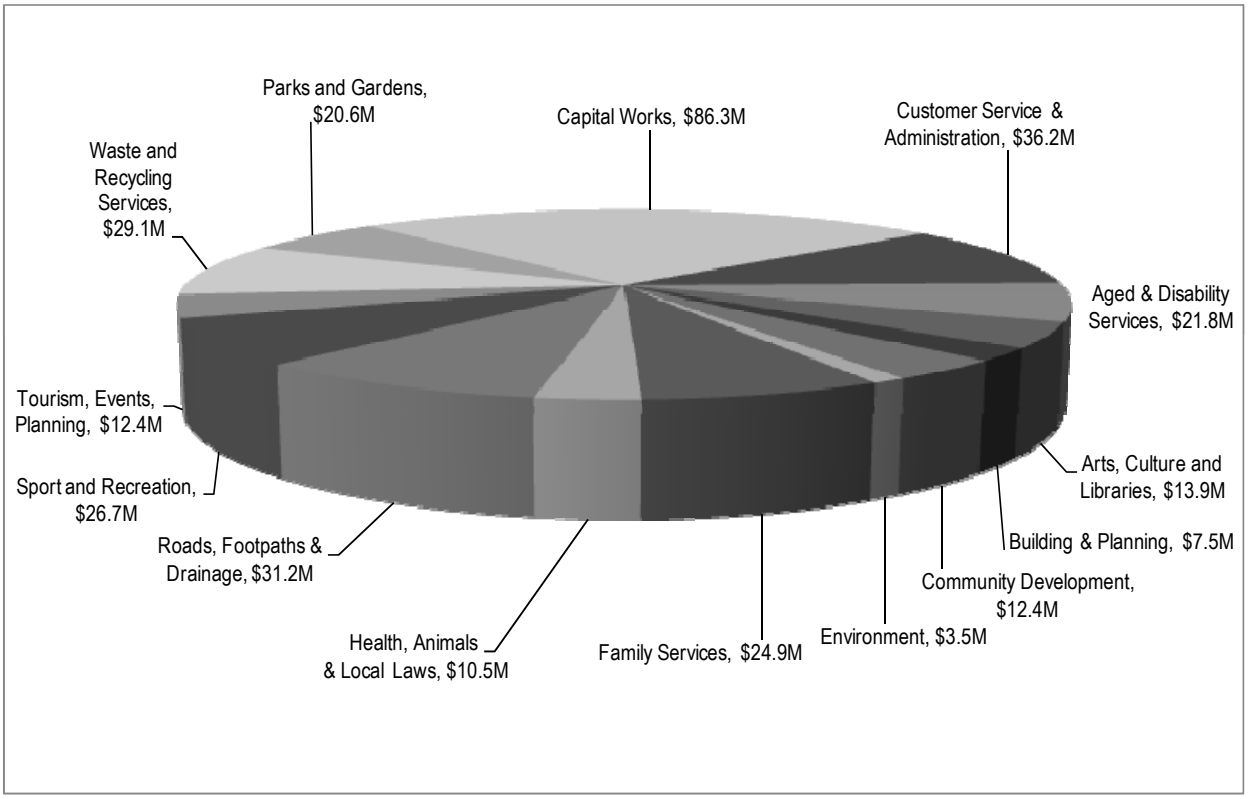
8. Strategic Objectives

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 strategic objectives as set out in the City Plan and the key strategies for achieving these objectives for the 2015-2016 year (refer to page 1-9).

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	2015-2016 Expenditure $M
Community Wellbeing	56.40
Growing the Economy	18.60
Sustainable Built and Natural	5.30
How We Do Business	26.00

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.

Gillian Miles
CHIEF EXECUTIVE OFFICER

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. Planning and accountability 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.

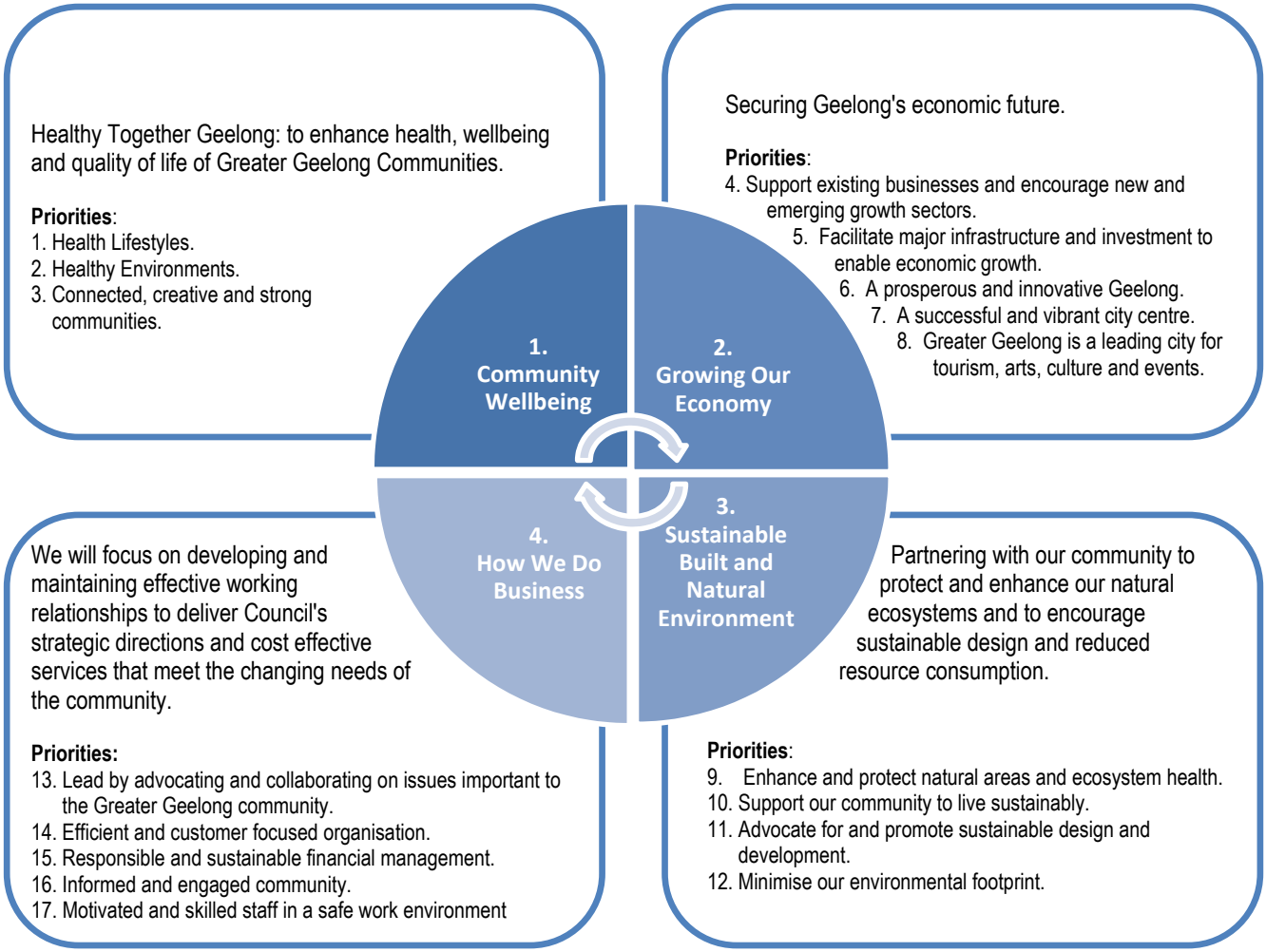
- Innovation
  We will:
  - look for and implement better ways of doing things.
  - be open to learning.
  - be responsive to the changing needs of the community.

- 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.

STRATEGIC OBJECTIVES & PERFORMANCE INDICATORS

Council delivers services and initiatives across four Strategic Objectives as set out in City Plan 2013-2017. These contribute to the achievement of the 17 priority areas within City Plan.

The following matrix illustrates four Strategic Objectives and 17 priority areas within City Plan 2013-2017.



1. Objectives, initiatives and service performance indicators

This section provides a description of the initiatives to be funded in the Budget for the 2015-2016 year and how these will contribute to achieving the strategic directions and priorities specified in the City Plan. It also identifies major initiatives and service performance outcome indicators. The Strategic Resource Plan (SRP) is part of and prepared in conjunction with City Plan.

Note: Please note that the total gross cost is based on actions identified in City Plan 2013-2017 (2015-2016 Update).

Strategic Objective 1: Community Wellbeing

Healthy Together Geelong: to enhance health, wellbeing and quality of life of Greater Geelong communities.

Priority	Description
1. Healthy lifestyles. **Total Gross Cost $3.1M**	We will encourage healthy lifestyle choices by: • Facilitating and promoting physical activity. • Facilitating and promoting healthy eating. • Investing in prevention and improved health across all communities in Greater Geelong. • Working collaboratively with agencies to promote and bring about system level changes aimed at improving wellbeing and lifestyle choices. Initiatives • Learn to Swim program. • Healthy Together Geelong – Workplaces. • Healthy Together Geelong - Early Years. • Healthy Together Geelong - Healthy Living Programs. • Stronger Families / Family Coaching Program. • Corio-Norlane Best Start project. • Recreation and Leisure Strategy development. • Municipal Early Years Plan 2013-17 - implementation and evaluation. • Coordination of the City of Greater Geelong Municipal Public Health and Wellbeing Plan implementation. • Implementation of the Physical Activity Strategy. • Promote breastfeeding through additional consultations and referrals to other agencies. • Promote kindergarten enrolments through public media releases. • Provide Maternal Child Health nurses with professional development opportunities on lactation. Major Initiatives Implement the Healthy Together Geelong Early Years and Workplaces programs to improve the health of Geelong residents and encourage healthy lifestyle choices.
2. Healthy environments. **Total Gross Cost $27.8M**	We will provide safe and vibrant physical environments and infrastructure to support healthy living and connected communities. This includes: • Well maintained public spaces and related infrastructure. • Cycling and walking paths. • Safe, hazard and nuisance free environments. • Maintaining preparedness and responsiveness to emergencies. • Facilities to meet a range of community programs and activities. Initiatives • Recreation Reserves Upgrades. • Recreation Facility Upgrades. • Swim Sport and Leisure Centre Upgrades. • Toilet blocks and amenities. • Bike paths and facilities. • Parks and reserves maintenance. • Footpath renewal program. • Renewal work on Council owned buildings. • Playground development program. • Fairnie Park decking replacement.

Priority	Description
	• Fisherman's Basin marine assets renewal. • Eastern Beach heritage fence replacement. • Local law signage updates. • Waterfront Playground pyramid net replacement. • Civic Centre Car Park safety rail installation. • Annual update and Implementation of Municipal Emergency Management Plan. • Annual update and Implementation of Municipal Fire Prevention Plan implementation. • Conduct mosquito management activities to maximise public amenity and minimise health outcomes. • Facilitate neighbourhood amenity by responding to and investigating nuisance notifications and requests. • Implement activities and facilitate partnerships to promote responsible pet ownership and community safety. • Implement measures and actions to ensure food safety to the community. • Three year review of Community Emergency Risk Assessment (CERA). Major Initiatives Implementation of the Shell Road Reserve Master Plan including completion of the Shell Road Pavilion.
3. Connected, creative and strong communities. **Total Gross Cost $25.5M**	We will facilitate programs and events that encourage increased participation in community life by: • Encouraging and promoting diversity and equity of access for all sectors of the community. • Supporting an inclusive local community culture, where people interact and provide mutual support. • Investing in community regeneration and rebuilding in under resourced communities. • Promoting and providing opportunities for education and lifelong learning. • Building upon existing capacities in local communities. • Bringing the community together through sports, recreation, arts, culture and heritage. Initiatives • Community Hubs. • Youth activities, programs and events. • Children's Services Upgrades. • Community Facility Upgrades. • Armstrong Creek. • Neighbourhood Houses. • Arts, Culture and Heritage. • Geelong Regional Library contribution. • School Holiday Program. • Rosewall Neighbourhood Centre detailed design. • Northern ARC feasibility study and business case. • Councillor Community Grants Program. • Link Learning Program 0-12 years - Eastern suburbs. • Supported playgroups and parent groups initiative. • Ocean Grove principal pedestrian network implementation strategy and design.

Priority	Description
	• Children's Week activity program. • Newtown West Heritage review. • Whittington community building and engagement. • Early childhood education services capacity assessment. • Geelong Seniors Festival. • Waurn Ponds Library signage implementation. • Women in Community Life project implementation. Major Initiatives Construction of the Hendy Street Children's Hub.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Home and Community Care	Participation	Participation in HACC service (Percentage of the municipal target population that receive a HACC service).	(Number of people that received a HACC service / Municipal target population for HACC services) x100.
		Participation in HACC service by Culturally and Linguistically Diverse people (CALD) (Percentage of the municipal target population in relation to CALD people that receive a HACC service).	(Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services) x100.
Maternal and Child Health	Participation	Participation in Maternal Child Health Service (Percentage of children enrolled who participate in the MCH Service).	(Number of children who attend the MCH service at last once (in the year) / Number of children enrolled in the service) x100.
		Participation in Maternal Child Health Service by Aboriginal children. (Percentage of Aboriginal children enrolled who participate in the MCH service	(Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service) x100.
Libraries	Participation	Active library members. (Percentage of the municipal population that are active library members).	(Number of active library members from the City of Greater Geelong / municipal population) x100.
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities (The number of visits to aquatic facilities per head of municipal population).	Number of visits to aquatic facilities / Municipal population.
Animal Management	Health and safety	Animal management prosecutions (Number of animal prosecutions proven in court).	Number of successful animal management prosecutions.
Food safety	Health and safety	Critical and major non-compliance notifications. (Percentage of critical and major non-compliance notifications that are followed up by Council).	(Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises) x100.

Strategic Objective 2: Growing Our Economy
Securing Geelong's economic future

Priority	Description
4. Support existing businesses and encourage new and emerging growth sectors. **Total Gross Cost $0.4M**	We recognise that traditional industries will continue to be key economic and employment drivers in our city. At the same time, it is critical to focus on new and emerging growth sectors that will underpin our city's prosperity. We will: • Support existing businesses and explore strategic opportunities. • Facilitate strategies and activities to attract new business investment and generate employment growth. • Support and encourage new and emerging low carbon industries and sectors. • Promote Geelong as a great place for business and investment, nationally and internationally. • Promote the advantages of Geelong's business and lifestyle environment that will encourage the retention and attraction of highly skilled people and businesses. Link local businesses with growth opportunities and government funding. Initiatives • Mineral Springs Spa Complex expression of interest process. • Geelong Defence Office. • Economic Development Industrial Investment Support. • Geelong Small Business Festival. Major Initiatives Undertake the expression of interest process for the construction of a Mineral Spa Complex at Eastern Park foreshore.
5. Facilitate major infrastructure and investment to enable economic growth. **Total Gross Cost $1.7M**	We will facilitate the provision of appropriate infrastructure to enable economic growth and capitalise on competitive advantages by: • Advocating on local, state and federal government infrastructure priorities and funding submissions. • Facilitating the strategic planning and activation of key precincts to maximise their potential for economic success. • Promoting the economic potential and development opportunity of the region's significant transport infrastructure; Avalon Airport, Port of Geelong, Geelong Ring Road, rail for freight and land for development. • Working together to remove barriers to investment and project delivery. • Streamlining regulatory processes wherever possible, proactively targeting and attracting new investment to Geelong and promoting our regions benefits. Initiatives • Geelong Ring Road Employment Precinct (GREP). • Armstrong Creek Urban Growth Plan continued implementation. • Ocean Grove Town Centre Master Plan implementation. • Bellarine Structure Plans review - Barwon Heads, Indented Head and Portarlington. • Geelong land review projects: Geelong Werribee Corridor; Geelong Port and Land Infrastructure Plan; and Industrial Land Review. • Managing Future Growth - Batesford South investigation. • Managing Future Growth - Lovely Banks framework plan. • Transition from Victorian Planning Provisions to Planning Policy Framework.

Priority	Description
	Major Initiatives Implement the Ocean Grove Town Centre Master Plan to improve pedestrian safety and amenity of the Town Centre, deliver much needed infrastructure in an innovative way that is cost neutral for Council and stimulate a comprehensive development of the land east of Hodgson Street to ensure that the Town Centre remains the community and economic heart of Ocean Grove by consolidating disparate land holdings.
6. A prosperous and innovative Geelong. **Total Gross Cost $0.1M**	Geelong will be recognised as a prosperous and innovative city with an economy that is strong, diverse and resilient. Our competitive advantages will deliver technological initiatives, high employment and prosperity. We will be a leader in technology and use resources effectively to generate a competitive position in key export markets. We will: • Encourage the regions labour force to continually upskill ensuring that we have the necessary capabilities to support our economic growth. • Grow and promote business sectors that offer high-skilled employment. • Advocate for and support innovative and new technological initiatives. • Foster investment in diversification of skills and industries. Advocate for Geelong to be the centre of excellence for research projects, new technologies and emerging industry sectors. Initiatives • BioGeelong cluster development. • Digital Strategy implementation. • Digital inclusion implementation in Whittington. Major Initiatives Deliver the outcomes, actions and recommendations of the Digital Strategy, in relation to economic stimulation and improved local adoption and connection of digital platforms and methods.
7. A successful and vibrant city centre. **Total Gross Cost $12.2M**	The vision for Central Geelong is for greater mixed use where traditional retail is supplemented by arts, culture, residential, entertainment, education, medical and business to create an active and vibrant city centre. We will: • Develop an overall master plan for Central Geelong which will include the ideas from Vision 2. • Promote inner-city living and encourage developers to invest in Central Geelong and generate innovative solutions for sustainable city living. • Develop and foster a vibrant 24-hour cultural city that is welcoming, friendly and safe, and that attracts and generates a robust cultural life for all ages. • Support existing Central Geelong businesses and attract new businesses to the precinct. • Support Deakin University in promoting Geelong as a 'university city'. • Support the continued implementation of the Geelong Cultural Precinct Master Plan. Investigate transport network improvements enabling a cleaner, more user-friendly environment where active transport options are encouraged. Initiatives • Central Geelong Action Plan (CGAP). • Geelong Library and Heritage Centre. • Central Geelong Marketing programs and activities. • Deakin University / The Gordon pedestrian connections improvements. • Central Geelong Park and Ride shuttle service. Major Initiatives Implement Central Geelong Action Plan (CGAP) initiatives for 2015-2016.

Priority	Description
8. Greater Geelong is a leading city for tourism, arts, culture and events. **Total Gross Cost $4.2M**	We will build on our past success and continue the tradition of attracting major events and supporting local festivals with diverse art and cultural activities. Whether for business or leisure, our region is a preferred destination for local, national and international visitors. We will: • Promote the unique strengths our region has to offer such as our natural assets, world class sporting facilities and a great lifestyle. • Build on the opportunities that being Victoria's second largest city offers and our proximity to Victoria's capital. • Support creative endeavour and investigate the potential for unique arts and cultural opportunities. • Support local festivals and events and provide opportunities for participation in the arts for all ages. Advocate on behalf of the community for major event, tourism and cultural opportunities. Initiatives • Geelong Art Gallery contribution. • Geelong Major Events funding. • Conference Marketing and Delegate Boosting programs. • Provide for tourist information and administrative support centres within the Geelong region. • Town Centre tree lighting. • ANZAC Centenary Anniversary Projects. • Cadel Evans Great Ocean Road Race sponsorship. • Wildlife Photographer of the Year exhibition. • Geelong Botanical Gardens ladies kiosk restoration. • 2015 Christmas Light and Decorate Geelong program - launches and public events. • Cadel Evans Bronze Statue. • M~M 24hr Extreme Arts Walk. • Geelong After Dark. • Light and decorate Geelong projections. • New Years Eve fireworks on the Waterfront. • Central Geelong public art project. • Barwon Heads community arts hub feasibility study. • Peninsula Park and Ride service. • Implementation of the Public Arts Strategy. Major Initiatives Continue the program of street tree lighting and decoration programs in town centres across the municipality.

Service Performance Outcome Indicators- Nil

Strategic Objective 3: Sustainable Built and Natural Environment

Partnering with our community to protect and enhance our natural ecosystems and to encourage sustainable design and reduced resource consumption.

Priority	Description
9. Enhance and protect natural areas and ecosystem health. **Total Gross Cost $1.9M**	We have a natural environment rich in diversity. Protecting our native plants and animal habitats, limiting pollution, greening the city and using our natural resources wisely is important and demonstrates our commitment to sound environmental management. We will continue to enhance our natural areas by: • Protecting and restoring our biodiversity. • Engaging the community in protecting our natural areas. • Limiting the loss of native species and natural areas and continuing indigenous plantings. • Protecting our coast, waterways and wetlands. • Continuing the development and implementation of reserve master plans in order to improve the quality of public open spaces. Building community and agency partnerships. Initiatives • Water programs. • Council environmental reserves maintenance and improvement works. • Coastal and conservation reserves and infrastructure maintenance. • Clifton Springs Dell maintenance. • Barwon River infrastructure project implementation (Mt Brandon Landscape Plan). • Roadside vegetation management. • Foreshore Management Plan review - Clifton Springs. • Friends of Buckley Falls contribution. Major Initiatives Continue the implementation of the Mt Brandon Landscape Plan including completing works in the lower carpark area. This includes relocating the carpark, construction of a sealed path and construction of storm water treatment system.
10. Support our community to live sustainably. **Total Gross Cost $0.7M**	We will provide leadership and guidance to maximise environmental sustainability outcomes, reduce greenhouse gas emissions and support progress towards a carbon-neutral city. We will: • Continue to implement the Climate Change Adaptation Strategy. • Investigate and facilitate renewable energy opportunities. • Lead the way in waste management practices and continue to reduce the amount of waste to landfill. • Encourage increased use of alternatives to car transport and seek efficient traffic movement throughout the municipality. • Work in partnership with residents and communities to educate them on lifestyle choices and practices. Encourage buy local and sustainable purchasing behaviours. Initiatives • Waste initiatives. • Future Proofing Geelong. • Dam Safety Emergency Management Plan development - St Augustine

Priority	Description
	Basin. Major Initiatives Continue the implementation of the Future Proofing Geelong project including the Low Carbon Growth Plan and Sustainability Covenant.
11. Advocate for and promote sustainable design and development. **Total Gross Cost $Nil**	We will ensure we meet environmentally sustainable development standards in an effort to reduce the region's carbon footprint and encourage the same throughout the community by: • Ensuring strategies, planning processes and urban design reflects community desires to be living in sustainable places. • Promoting sustainable design and retrofitting. • Acknowledge the community's desire to have their say and be involved in planning for the future of Greater Geelong. Maximising investment and opportunities for green corridors, green belts and parks. Initiatives • Implement and promote actions within Councils Sustainable Buildings Policy. • Promotion and assistance with National Sustainable House Day. Major Initiatives Provide promotion and assistance with National Sustainable House Day.
12. Minimise our environmental footprint. **Total Gross Cost $2.7M**	We want to make sure that all decisions made by staff and Council have a positive impact on our natural environment. We will: • Continue to seek methods of reducing energy, water and waste consumption. • Consider environmental impacts when designing and delivering capital projects and providing services. Demonstrate leadership and share and embed our skills and knowledge within the community and surrounding local organisations. Initiatives • Landfill works. • Geelong Botanic Gardens irrigation upgrade. • Irrigation system upgrades 2015-2016. • Energy efficiency audit top ten buildings. • Development of an integrated water cycle management plan. Major Initiatives Establish a Green Organics Composting site.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Waste collection	Waste diversion	Kerbside collection waste diverted from landfill. (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill).	(Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins) x100.

Strategic Objective 4: 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.

Priority	Description
13. Lead by advocating and collaborating on issues important to the greater Geelong community. **Total Gross Cost $0.5M**	The City of Greater Geelong recognises that collaboration with all levels of government is required in order to meet all of our communities needs. By working in partnerships with other levels of government, we are able to access greater resources and coordinate strategic responses to issues as they arise. We will: • Advocate on the community's interests to State and Federal governments. • Develop and foster partnerships that offer wellbeing, economic and environmental opportunities for our municipality. Work with other governments and organisations for the benefit of the local community, city and region. Initiatives • G21 contribution. Major Initiatives • Disburse G21 Geelong Region Alliance contribution.
14. Efficient and customer focused organisation. **Total Gross Cost $25.0M**	Our goal is to be a customer-focused organisation that considers the customer's perspective and delivers efficient and effective services to meet the growing needs of our community. This is underpinned by our Customer Service Commitments and Customer Service Strategy. We are committed to: • A 'can do' culture. • Delivering our services with integrity and simplicity in a convenient way. • Being responsible and timely in responding to the community. • Using technology effectively to improve business functions and deliver benefits to the community. • Providing efficient and value for money services and programs. Ensuring programs and services meet the current and future needs of the community. Initiatives • Roads - construction and design including local roads, Federal Roads Program and Vic Roads Funded works. • Drainage design and construction program. • Special rates and charges to carry out roads, footpaths, kerb and channel and drainage works. • Kerb and channel renewal program. • Traffic management - investigation, design and construction. • Bridge upgrades including major renewal works and Lee's Road bridge replacement. • Electronic Document and Records Management System replacement. • PABX / Telephone System replacement - Year 2. • Brand and logo audit and review. • Microsoft Office upgrade. • News media monitoring automated service. • Social media monitoring automated service. • Implement change control and business transformations around new integration communications system. • Implement the Local Government Performance Reporting framework indicator collection and reporting. • Implement the new Information Services Strategy.

Priority	Description
	Major Initiatives Implement the Local Government Performance Reporting framework indicator collection and reporting as legislated by the Local Government Act.
15. Responsible and sustainable financial management. **Total Gross Cost $0.4M**	We will provide a sound financial basis that supports our strategic priorities and enables us to deliver and maintain infrastructure and services to ensure the sustainability of our region into the future. We will: • Responsibly manage ratepayers' funds in the delivery of services and programs. • Maintain a strong financial position and a sustainable debt level. • Be consistent with our asset management strategies and policies. Strive to maintain the condition of our community assets. Initiatives • 2016 General Revaluation and Supplementary Valuations. • Completion of the Buildings Asset Management Plan inclusive of community service levels. • Financial Sustainability Review project actions implementation. Major Initiatives Undertake the 2016 General Revaluation and Supplementary Valuations project.
16. Informed and engaged community. **Total Gross Cost $Nil**	Engagement activities will be offered widely and openly to ensure the community has the opportunity to participate in decision making processes and is informed about matters that impact on their lives. We will do this by: • Communicating through a variety of mediums to reach our community. • Engaging with our customers and the broader community to better understand their needs and concerns and provide them with feedback about their input and decisions made. Being open and transparent. Initiatives • Corporate banner and billboard program. • Distribution of Community Update via electronic media six times per year. • Expand the use and increase the promotion of the MyGeelong personal web space to residents and ratepayers. • Publication and distribution of annual calendar. • Publication of City News advertising weekly. • Social media development of channels and content. • Undertake internal Plain English campaign. Major Initiatives Continue the quarterly distribution of the Community Update newsletter to keep residents informed of Council's achievements and projects underway.
17. Motivated and skilled staff in a safe work environment. **Total Gross Cost $0.1M**	We will encourage our staff to be motivated, well-trained and well-resourced to enable them to make informed decisions and to deliver efficient and effective services that benefit our community. A safe work environment will be provided by maintaining occupational health and safety (OHS) processes which meet and exceed current legislative standards and by regularly providing OHS and broad based training to all our staff. We will: • Have a highly skilled, effective and adaptable workforce. • Provide consistent communication to staff and engage them in decision making processes. • Provide training and development opportunities for continuous improvement and OHS processes.

Priority	Description
	• Strive to be an employer of choice with staff who possess a can-do attitude. • Provide effective risk management procedures and maintain a safe work place. • Promote health and wellbeing programs. Promote work-life balance opportunities. Initiatives • Geelong Animal Welfare Shelter security upgrade. • Security improvements for the Old Post Office reception area. • Procurement of Safe-T-Cards for staff working alone in remote areas. • Actively seek feedback to continuously improve training and development opportunities for staff within Council. • Deliver best practice and innovative HR functional delivery through Centres of Excellence . • Improve HR access and service to all employees through HR ASSIST Service Desk. • Improve strategic HR support to the organisation through HR Business Partnering Model. • Ongoing review and communication of CitySafe procedures. • Provide training and development opportunities to enhance and support potential leaders throughout the organisation. Major Initiatives Upgrade the Geelong Animal Welfare security including electronic swipes to control unauthorised access by the public and improve the safety of staff/volunteers.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Governance	Satisfaction	Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community)	Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community.
Statutory planning	Decision making	Planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were not set aside).	(Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of Council decisions made at VCAT) x100.
Roads	Satisfaction	Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads).	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads.

Sustainable Capacity Performance Measures

Service	Indicator	Performance Measure	Computation
Capacity	Own source revenue	Own source revenue per head of municipal populations.	$'s Council own-source revenue / municipal population.
	Recurrent grants	Recurrent grants per head of municipal population.	$'s Council recurrent grants / municipal population.
	Total expenses	Total expenses per head of municipal population.	$'s Council total expenses / municipal population.

Service	Indicator	Performance Measure	Computation
	Infrastructure value	The value of infrastructure per head of municipal population.	Total $ value of Council's infrastructure / municipal population.
	Population density per length of road	Municipal population per km of local road.	Municipal Population / kilometres of local roads within the municipality.
	Relative Socio-economic disadvantage	The relative socio-economic disadvantage of the municipality.	Index of Relative Socio-economic Disadvantage by percentile from 1st percentile (most disadvantaged) to 10th percentile (least disadvantaged).

BUDGET PROCESS

In accordance with the Local Government Act 1989 (the Act) and Local Government (Finance and Reporting) Regulations 2014 (the Regulations), Council is required to prepare and adopt an annual budget for each financial year.

The budget includes budgeted Income Statement, Balance Sheet, Cash Flows, Capital Works and Changes in Equity. These statements have been prepared for the year ended 30 June 2016 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 30 June 2015. 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 .	12 May 2015
5. Public Notice advising intention to adopt Proposed Budget .	13 May 2015
6. Budget Briefing and Information Session.	13 May 2015
7. Budget available for public inspection and comment (28 days).	13 May 2015
8. Submission period closes.	9 June 2015
9. Submissions considered by Panel / Committee.	12 June 2015
10. Budget and submissions presented to Council for adoption.	23 June 2015
11. Copy of adopted budget and City Plan submitted to the Minister.	24 June 2015

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 2015-2016 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:

- Consumer Price Index (CPI) increases on goods and services of 1.7% through the year to December quarter 2014 (ABS release 28 January 2015). CPI is forecast to be 2.5% for the 2015-2016 year.
- The Budget needs to take into account the forecast Local Government Cost Index (LGCI) 3.4% 2014-2015, 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.
- The Victorian State Government has announced that Local Government rates will be capped from 2016-2017. Depending on the level at which rates are capped council will need to undertake a review of services that are provided to the community with the aim of reducing the level of rate payer subsidy for services undertaken by Local Government on behalf of the State and Federal Government.
- Reduction of $0.34M in Victorian Grants Commission funding compared to the prior year
- A 3% increase in the State Government landfill levy. The levy is payable on the disposal of all waste into landfill and has increased from $9/tonne 2009-2010 to $60.52/tonne in 2015-2016. The annual cost is forecast at $5.3M in 2015-2016.
- Additional Roads to Recovery funding was announced in 2014 providing one off increase to $3.0M for 2015-2016 (Previously $1.5M in 2014-2015).
- The carbon price repeal legislation received Royal Assent 0n 17 July 2014, effective from 1 July 2014. Council has accumulated $0.88M as a carbon tax liability which is either to be allocated as a refund or for future carbon abatement projects. No provision has been made for clearing these funds in the 2015-2016 budget pending a Council report and decision.
- The Fire Services property levy will continue to be collected by council on behalf of the State Government. Council will be reimbursed $0.12M for some expenses associated with this legislative imposition on Local Government.
- The Reserve Bank decision of 4 February 2015 to lower the cash rate by 0.25% and the recent decision of 5 May 2015 to lower the cash rate further to 2.0%. This impacts on Council's available borrowing interest rates and also deposit rates on sums invested.
- Wages growth in Victoria is projected to be 3.5% in 2015-2016.
- State Government funding available for community facilities in 2015-2016 is forecast at $12.4M and includes $7.0M for Geelong Library & Heritage Centre, $1.5M for Leopold FC&N clubroom upgrade and $1.8M for Shell Rd Reserve pavilion.
- Federal Government funding available for community facilities in 2015-2016 includes $3.0M for Leopold Community Hub stage 2 and $3.0M for Federal Roads program.
- Projects dependant on funding to commence includes Leopold Community Hub, Leopold FC&N clubroom upgrade and Geelong soccer club facilities upgrade.

2. Internal Influences

As well as external influences, there were a number of internal influences arising from the 2014-2015 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.
- Wage increases for year 2 of the enterprise agreement, resulting in additional ongoing employee costs per annum.
- Budgeted Property sales from 2014-2015 not achieved with $1.9M sales withdrawn and other sales pending.

- Responding to growth in assets and maintenance obligations by asset category.
- New Green Waste processes (composting site set up) and other operational changes.
- Resolution of Drysdale Landfill Cell Creation issues which resulted in diversion of waste to Wyndham.
- Assessment of Capital carryover projects from 2014-2015 estimated at $28M.
- Council has identified a number of Community Concept projects through engagement with the community as part of the budget process.

Additionally, a number of Council decisions during 2014-2015 related to funding implications for the 2015-2016 Budget. Some of these include:

- Land Sales not approved by Council including Draper St, Ocean Grove; Townsend Rd, Whittington & Peninsula Drive, Drysdale impacting on funding for the approved Capital program.
- GREP land development project requiring $1.55M funding in 2014-2015 to enable land sales in Success way.
- 2014-2015 Sport & Recreation Victoria Funding program submissions including Beginner Mountain Bike Course $0.1M, Jetty Rd Sub-Regional Playground Redevelopment $0.1M, Hume Reserve Pitch #1 Lighting $0.1M and Recreation & Leisure Strategy $0.03M
- Projects commenced in 2014-2015 requiring additional funding in 2015-2016 including Geelong Library & Heritage Centre $7.0M, Central Geelong Action Plan $3M, Leopold Community Hub stage 2 $6M, and Leopold FC&N clubroom upgrade $1.5M.

3. Community Engagement

Council engaged with the Community via community concepts being submitted and considered as part of the 2015-2016 Annual Budget Process. Council received 90 Community Concept requests which were reviewed by Officers and Councillors. The Annual Budget includes 15 of these requests for a total of $2.73M:

	Net Expenditure $
Open4 (Geelong Civic Centre Car Park Summer Season Rooftop Cinema)	10,000
Landy Field – New Electronic Timing Display Screen	12,500
Community Arts Hub for Barwon Heads – Feasibility Study (Year 2)	15,000
Geelong Softball Association – New Safety Fence	25,000
Eastern Park – Ladies Kiosk Restoration	30,000
Breakwater Tennis Court	45,000
Norlane Bowling Club – Replacement of Bowling Surface	50,000
Bakers Oval Lighting Upgrade	100,000
Windsor Park, Norlane – Resurfacing, Irrigation & Lighting of 2nd Sports Oval	100,000
Manifold Heights Cricket Club – Cricket Oval Renovation	150,000
Geelong Soccer Club – Club Rooms & Change Rooms	250,000
North Geelong Football & Netball Club – Club Rooms Upgrade	366,000
Grovedale Tennis Club Room & Amenities Upgrade	500,000
Geelong Amateurs Football Netball Club – changeroom Refurbishment & Upgrade	380,000
Anakie Reserve – Upgrade Club Facilities (year 1 $70K, year 2 $630K)	700,000
Total	**$2,733,500**

4. 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 2014-2015 capital projects to be identified via funding proposals.

5. 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 2015-2016 through to 2018-2019, Rating Strategy and Other Long Term Strategies including borrowings, infrastructure and service delivery.

BUDGETED INCOME STATEMENT

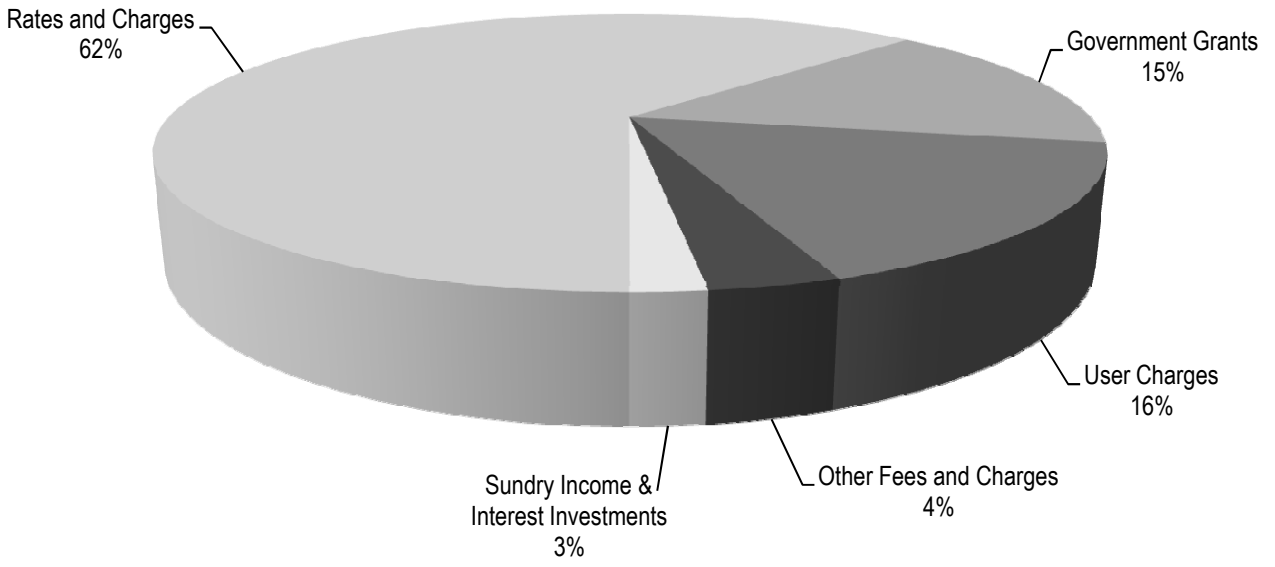
	Budget 2014-2015 $'000	Projection 2014-2015 $'000	Budget 2015-2016 $'000	Budget Change Fav / (Unfav) $'000
RECURRENT INCOME				
Rates and Charges	180,203	180,180	192,223	12,020
Government Grants	44,488	46,430	47,090	2,602
User Charges	49,776	46,690	50,562	786
Other Fees and Charges	10,544	10,648	10,939	395
Sundry Income	5,539	6,302	6,246	707
Interest Investments	1,601	2,449	1,601	0
Total Recurrent Income	**292,151**	**292,699**	**308,661**	**16,510**
RECURRENT EXPENDITURE				
Employee Related				
Salaries / Superannuation	123,729	121,483	130,543	(6,814)
Workcover	2,200	2,035	2,288	(88)
	125,929	123,518	132,831	(6,902)
Goods and Services				
General Works - Materials	7,781	8,049	8,209	(428)
General Works - Plant, Vehicle Costs	7,230	6,935	7,628	(398)
General Works - External Services	74,729	84,405	78,836	(4,107)
Administration	11,256	10,819	11,597	(341)
Professional Services	5,013	6,845	5,951	(938)
Utilities	9,111	8,621	9,222	(111)
	115,120	125,674	121,443	(6,323)
Depreciation	50,147	49,061	53,035	(2,888)
Landfill Provision	1,132	1,132	1,003	129
(Gain)/Loss on Sale of Plant & Equipment	(352)	(278)	(400)	48
Total Recurrent Expenditure	**291,976**	**299,107**	**307,912**	**(15,936)**
Recurrent Surplus / (Deficit)	**175**	**(6,408)**	**749**	**574**
NON-RECURRENT INCOME				
Capital Grants and Income	33,619	34,189	21,533	(12,086)
Developer Cash Contributions	3,450	3,450	3,010	(440)
Gain / (Loss) on Sale of Property	5,508	5,605	1,679	(3,829)
Recognition of Infrastructure	34,500	34,500	34,500	0
Total Non-Recurrent Income	**77,077**	**77,744**	**60,722**	**(16,355)**
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	3,660	3,660	5,290	(1,630)
Total Non-Recurrent Expenditure	**3,660**	**3,660**	**5,290**	**(1,630)**
Non-Recurrent Surplus / (Deficit)	**73,417**	**74,084**	**55,432**	**(17,985)**
NET SURPLUS / (DEFICIT)	**73,592**	**67,676**	**56,181**	**(17,411)**

ANALYSIS OF OPERATING BUDGET

This section of the report analyses the expected revenues and expenses of the Council for the 2015-2016 year.

1. Operating Revenue

Revenue Types	Adopted Budget 2014-2015 $'000	Budget 2015-2016 $'000	Fav/(Unfav) Variance $'000
Rates and Charges	**180,203**	**192,223**	12,020
Government Grants	**44,488**	**47,090**	2,602
User Charges	**49,776**	**50,562**	786
Other Fees and Charges	**10,544**	**10,939**	395
Sundry Income	**5,539**	**6,246**	707
Interest Investments	**1,601**	**1,601**	-
Total Operating Revenue	**292,151**	**308,661**	16,510



1.1 Rates and Charges ($12.0M increase)

Movements in all differential rates will generate $153.34M general rates income (including growth in the rate base). The charges income includes a $94.30 Municipal Charge ($10.80M income) and a Waste Collection Service Charge of $258.25 per tenement ($26.70M income). There has been an increase to the Municipal Charge of $2.75 per tenement and the Waste Collection Service Charge has increased by $11.75 per tenement.

Provision for Supplementary Rates, Interest Charges and rates waivers make up the balance of the $192.22M Rate Budget. Rating Strategy (p 3-13) includes a more detailed analysis of the rates and charges to be levied for 2015-2016.

1.2 Government Grants ($2.6M 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 $2.6M compared to 2014-2015. Significant movements in grant funding are summarised below:

Grant Funding Types	Adopted Budget 2014-2015 $'000	Budget 2015-2016 $'000	Fav / (Unfav) Variance $'000
Aged Care	**13,573**	**14,317**	744
Family Services	**8,748**	**11,626**	2,878
Grants Commission	**19,675**	**19,335**	(340)
Sub Total	**41,996**	**45,278**	**3,282**
Other	**2,492**	**1,812**	**(680)**
Total Government Grants	**44,488**	**47,090**	**2,602**

Funding towards Care Services has increased by $1,144,575 due to CPI and allocated growth. There is increased funding for Centre Based Long Day Care $360,939, plus additional funding for new Integrated Children's Centres of $2,446,022. Actual Grants Commission funding received in 2014-2015 was $19,335,000 against Budget of $19,675,000. Budget for 2015-2016 is based on current year actual with no increase as the Commonwealth has announced it will pause indexation of financial assistance grants to local governments until 2017-2018.

1.3 User Charges ($0.8M 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 $0.79M compared to 2014-2015 and includes the increase in income for Parking Fees $0.55M, Centre Based Long Day Care and the new Integrated Children's Centres $0.89M, Family Day Care $0.88M, Valuation Income $0.18M, offset by reduction in Commercial Waste ($0.47M), Care Services (Disability Care Australia) ($0.67M) and Leisure Services (Aquatic Centres) ($0.88M).

Fees & Charges (p 2-7) includes a more detailed analysis of the User Charges to be levied for 2015-2016.

1.4 Other Fees and Charges ($0.4M 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 $0.40M compared to 2014-2015 mainly due to increase in animal registrations $0.17M and building permits $0.13M.

Fees & Charges (p 2-7) includes a more detailed analysis of the Other Fees & Charges to be levied for 2015-2016.

1.5 Sundry Income ($0.7M increase)

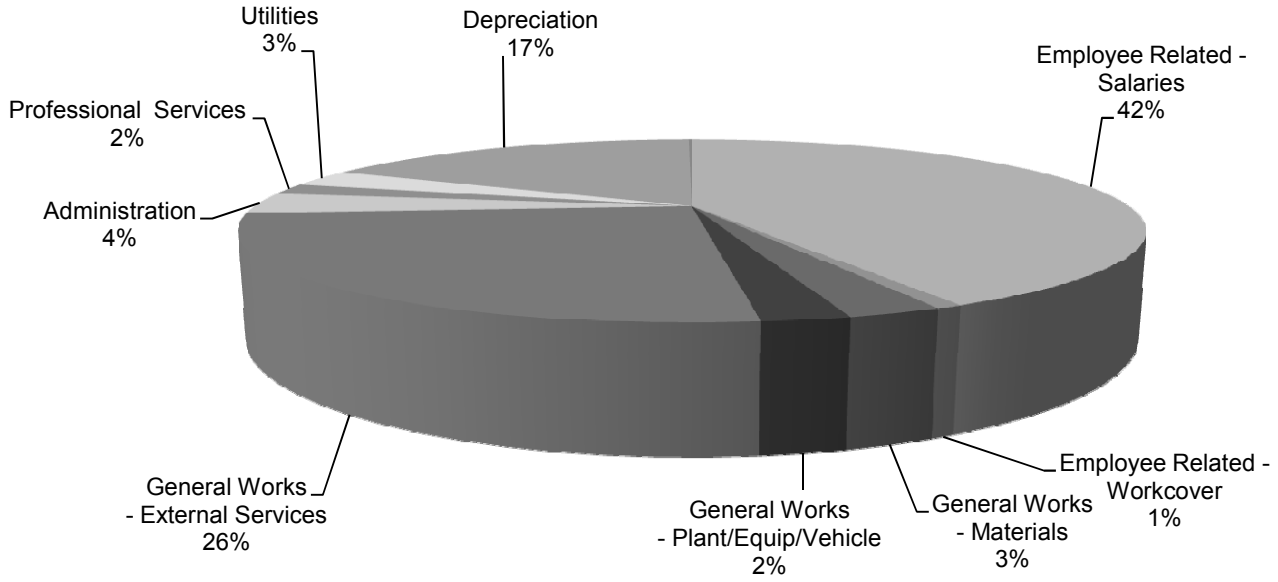
Sundry Income has increased $0.71M compared to 2014-2015, mainly due to change in method of budgeting for Employee Vehicle Contributions.

1.6 Interest Investments

The 2015-2016 budgeted interest income of $1.6M assumes no change from 2014-2015 budget. Whilst higher cash balances are forecast there are expected lower investment earning rates.

2. Operating Expenditure

Expenditure Types	Adopted Budget 2014-2015 $'000	Budget 2015-2016 $'000	Fav / (Unfav) Variance $'000
Employee Related - Salaries	**123,729**	**130,543**	(6,814)
Employee Related - Workcover	**2,200**	**2,288**	(88)
General Works - Materials	**7,781**	**8,209**	(428)
General Works - Plant/Equip/Vehicle	**7,230**	**7,628**	(398)
General Works - External Services	**74,729**	**78,836**	(4,107)
Administration	**11,256**	**11,597**	(341)
Professional Services	**5,013**	**5,951**	(938)
Utilities	**9,111**	**9,222**	(111)
Depreciation	**51,279**	**54,038**	(2,759)
(Gain) Loss on Sale of Plant/Equip	**(352)**	**(400)**	48
Total operating expenditure	**291,976**	**307,912**	**(15,936)**



2.1 Employee Related - Salaries ($6.8M 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 ($6.81M) compared to 2014-2015.

- Provision for EA increase equates to an estimated ($3.36M) in 2015-2016.
- Other movements (provisions, allowances, overtime and on-costs) of ($0.32M).
- Superannuation ($0.56M) in line with salary increases.
- EFT increases 36.25 ($2.57 M) funded as follows:

Funding Source for EFT Increases	Rates	Govt Grants	Fees & Charges	Total
Increases/(Decreases) 2014-2015	(1.80)	(1.81)	38.06	34.45
Proposals 2015-2016	1.00	-	0.80	1.80
Full Time position increases	**(0.80)**	**(1.81)**	**38.86**	**36.25**

Government Grants (1.81 EFT's): Family Services have increased 1.61 EFTs, as well as Youth Services by 0.60 EFT. Environment & Natural Resources has 1.0 additional funded EFT, and Planning Strategy and Community Development have also increased by 0.15 and 0.40 EFTs respectively. All increases are offset by a (5.78) EFT reduction in Preventative Health as Grant funding ceases.

Fees & Charges (38.86 EFT's): Reductions have occurred in Aged & Disability Services (3.55) EFTs, Leisure Services (1.55) EFTs, and Sport & Recreation (0.67) EFTs, with the National Wool Museum recording an increase of 0.80 EFT. Family Services accounts for the majority of EFT increases, recording an overall increase of 42.52 EFTs, of which 43.16 EFTs are directly attributable to ICCs.

Rates (0.80 EFT's): EFT reductions include Customer Service & Councillor Support (1.69) EFTs, Family Services (0.89) EFTs, Aged & Disability Services (0.96) EFTs, Heritage Centre (3.07) EFTs and Enterprise Geelong (2.11) EFTs. These reductions are offset by increases in Communication & Marketing 1.0 EFT, Organisation Development 0.34 EFT, Infrastructure Operations 1.57 EFTs, Waste Services 0.20 EFT, City Development 1.60 EFTs, Community Development 0.50 EFT, Youth Services 0.62 EFT, Parks & Support Services 2.0 EFTs, Central Geelong Marketing Committee 0.83 EFT and Central Geelong Action Plan 1.0 EFT. Minor reductions totalling (1.06) EFTs have occurred across the organisation.

2.2 Employee Related - Workcover ($0.09M increase)

Budget for Workcover premium for 2015-2016 has included an increase due to wage growth partly offset by favourable rate changes.

2.3 General Works - Materials ($0.43M increase)

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

The main factors for the increase are Road Making Materials ($174,500), Cleaning ($168,749) and Consumable Materials ($101,657).

2.4 General Works - Plant/Equip/Vehicle cost ($0.40M increase)

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

The main factors for the increase are in External Plant & Equipment Hire ($189,362) mainly in Infrastructure Operations and Minor Plant, Furniture & Equipment ($106,117) mainly in Centre Based Long Day Care.

2.5 General Works - External Services ($4.11M increase)

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

Increase in Contractor Costs ($622,418) including Waste Collection and Disposal ($284,669), Communications & Marketing ($348,000), Parks ($306,967), Arts & Culture ($411,865), Leisure Services ($319,092) and Operations ($211,000), offset by decrease in Environment & Natural Resources (reduced one off grant funding) $1,110,340 and Community Development $205,464.

Increase in Waste Disposal & Recycling ($558,553) mainly due to increase in Garbage Service ($451,715), Green Waste Service ($261,733), offset by decrease in North Geelong Transfer Station $130,532.

Increase in Levies and Contributions ($898,340) with Waste Services ($424,886) due to EPA Levy increase and contribution to Geelong Library ($1,433,629) (mainly additional operating costs for new Geelong Library & Heritage Centre), offset by one-off contribution in 2014-2015 for new Geelong Library & Heritage Centre book collection $1,000,000.

Also increases in Rental Expenses ($342,068), Building Maintenance ($905,554) and Carer Payments ($905,554).

2.6 Administration ($0.34M increase)

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

Increases in Computer Software ($394,630), Doubtful Debts ($200,000) and Training & Development ($129,712), offset by decrease in Lease Costs $236,194 and Interest expense costs $125,041 resulting from deferring of new loans budgeted to be taken out in 2014-2015.

2.7 Professional Services ($0.94M increase)

Professional Services include consultants, legal fees, etc.

Increases in Professional Services of ($937,530) mainly due to movement in Consultants ($553,410) (mainly Planning Strategy projects $275,542, Waste Services $216,500) and Valuation Services ($349,875) (being a valuation year).

2.8 Utilities ($0.11M increase)

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

Communication costs are estimated to increase ($59,024) and water costs increasing by ($73,166).

2.9 Depreciation ($2.76M increase)

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

The ($2.76M) increase in depreciation includes an increase of ($0.79M) for Land & Buildings and for Infrastructure assets ($2.13M).

2.10 Gain on Sale of Plant / Equipment ($0.05M increase)

Gain from the sale of Council's assets is forecast to be $0.40M for the 2015-2016 year and represents an increase of $0.05M. The profit on sale is subject to the mix of assets made available for sale each year.

FEES & CHARGES SUMMARY

	2014-2015 Budget $	2015-2016 Budget $	Movement Fav/(Unfav) $
Strategy and Performance			
1560 - Corporate Strategy & Property Management	3,648,820	3,655,148	6,328
2130 - Property & Revenue	469,302	658,975	189,673
	4,118,122	**4,314,123**	**196,001**
City Services			
3640 - Project Implementation	159,023	164,739	5,716
3660 - Infrastructure Management	2,352,000	2,363,500	11,500
3720 - Emergency Management	98,590	125,140	26,550
3725 - North Zone	10,000	10,000	0
3730 - South Zone	1,137,000	1,219,000	82,000
3735 - East Zone	12,000	12,000	0
3810 - Waste Collection Services	2,800,050	2,503,558	(296,492)
3820 - Waste Disposal Services	4,527,282	4,410,220	(117,062)
6110 - Environment & Natural Resources Admin	384,668	414,789	30,121
6310 - Manager Parks	56,147	68,460	12,313
	11,536,760	**11,291,406**	**(245,354)**
Planning and Tourism			
4130 - Strategic Implementation	15,000	15,000	0
4420 - Statutory Planning	1,167,700	1,170,220	2,520
4450 - Building Services	1,308,295	1,483,295	175,000
	2,490,995	**2,668,515**	**177,520**
Community Services			
4440 - Local Laws & Traffic	14,778,883	15,502,235	723,352
4460 - Environmental Health	1,135,293	1,224,882	89,589
5280 - Community Development Activities	81,818	92,782	10,964
5350 - National Wool Museum	218,000	219,500	1,500
5410 - Family Services Admin.	4,755	4,873	118
5420 - School Holiday Program	190,528	115,025	(75,503)
5430 - Centre Based Long Day Care	3,336,471	3,561,238	224,767
5436 - Kindergarten Development Services	2,570	23,706	21,136
5440 - Community Child Health	3,702	2,793	(909)
5450 - Family Day Care	213,516	1,088,574	875,058
5490 - Integrated Children Centres	2,182,128	2,876,531	694,403
5520 - HACC Care Services	1,163,800	1,045,300	(118,500)
5530 - HACC Ancillaries	1,150,130	1,006,480	(143,650)
5550 - Commonwealth Programs	142,480	201,609	59,129
5580 - Agencies	1,169,848	707,669	(462,179)
5725 - Community Facilities	249,328	228,955	(20,373)
5740 - Youth Services	4,082	4,205	123
5770 - Cultural Development	167,036	172,234	5,198
5810 - Heritage Centre	6,000	0	(6,000)
	26,200,368	**28,078,591**	**1,878,223**

	2014-2015 Budget $	2015-2016 Budget $	Movement Fav/(Unfav) $
Projects, Recreation & Central Geelong			
6410 - Leisure Services Admin	1,232,486	1,250,233	17,747
6420 - Simonds Stadium	91,221	101,096	9,875
6430 - Leisurelink	6,954,291	6,401,407	(552,884)
6440 - Splashdown	2,063,000	1,743,933	(319,067)
6450 - Waterworld	2,106,335	1,798,678	(307,657)
6460 - Arena	793,737	838,570	44,833
6470 - Bellarine Aquatics Sports Centre	2,098,194	2,397,679	299,485
6610 - Sport & Recreation	9,364	9,364	0
6620 - Indoor Activity Centres	319,826	332,617	12,791
7330 - Central Geelong & Waterfront Place Mgt	305,635	275,291	(30,344)
	15,974,089	**15,148,868**	**(825,221)**
Total	**60,320,334**	**61,501,503**	**1,181,169**

Major Movements

2130 - Property & Revenue	Increase in valuation income from State Revenue Office due to 2016 being a revaluation year.
3720 - Emergency Management	Increase in the fire prevention penalty notice charge from $1,444 to $1,477 with an increase in the number of notices issued.
3730 - South Zone	Increase in reinstatements income based on 2014-2015 projected actuals.
3810 - Waste Collection Services	Decrease in income for the North Geelong transfer station to reflect 2014-2015 trend, partly offset by an increase in commercial collections and recycling services.
3820 - Waste Disposal Services	Decrease in income for the Drysdale landfill to reflect trend in 2014-2015 income.
4440 - Local Laws & Traffic	Decreased income for parking fines to reflect trend in 2014-2015, offset by an increase in income for street parking, animal infringements and animal registrations.
4450 - Building Services	Increase in lodgement fees income based on 2014-2015 projected actuals. Additional income anticipated in 2015-2016 for permits & inspections.
4460 - Environmental Health	Increase in Food Act registrations, Health Act registrations and septic tank income based on 2014-2015 projected actuals.
5420 - School Holiday Program	Income for Ocean Grove, Leopold and North Shore Holiday Programs moved to cost centre 5490 - Integrated Children Centres.
5436 - Kindergarten Development Services	Additional income after the re-opening of Thomson Kindergarten.
5450 - Family Day Care	Increase in parent contribution paid to COGG. This fee used to be paid directly to the family day carer - now paid to COGG and passed onto the carer.
5490 - Integrated Children Centres	Includes a full year's income for the newly opened facilities at Leopold, Norlane, Barwon Heads and Grovedale. Also includes School Holiday Program income from Ocean Grove, Leopold and North Shore previously listed under cost centre 5420 - School Holiday Program.

5520 - HACC Care Services	Reduction due to transition to NDIA. No fee collection due to in-kind arrangement. NDIA continues to be funded via HACC grant funding in 2015-2016.
5530 - HACC Ancillaries	Reduction due to an anticipated decrease in the volume of meals on wheels by 20,000 with a price increase of 30¢.
5550 - Commonwealth Programs	Increase due to the addition of an income tested care fee introduced by the Government on 1 July 2014.
5580 - Agencies	Reduction due to transition to NDIA. No fee collection due to in-kind arrangement. NDIA continues to be funded via HACC grant funding in 2015-2016.
5725 - Community Facilities	Decrease in utilisation of facilities based on 2014-2015 hirings.
5810 - Heritage Centre	Service to be transferred to the Geelong Regional Library Corporation for 2015-2016.
6110 - Environment & Natural Resources	Increased income for the Breamlea Caravan Park.
6310 - Manager Parks	Increased Geelong Botanic Gardens income.
6430 - Leisurelink	Decrease in direct debit memberships volumes to reflect 2014-2015 actuals, partly offset by an increase in fees for memberships, learn to swim, creche, and other casual entry products.
6440 - Splashdown	Decrease in direct debit memberships volumes to reflect 2014-2015 actuals, also $140K reduction in income for closure due to maintenance works, partly offset by an increase in fees for memberships, learn to swim, creche, and other casual entry products.
6450 - Waterworld	Decrease in direct debit memberships volumes to reflect 2014-2015 actuals, partly offset by an increase in fees for memberships, learn to swim, creche, and other casual entry products.
6460 - Arena	Increase in income by CPI with expected growth based on actual trends.
6470 - Bellarine Aquatic Sports Centre	Increase in the volumes for learn to swim income and memberships income based on 2014-2015 trend. Also increase in the prices for memberships, learn to swim, creche and other casual entry products. Additional income anticipated for Gym memberships.
7330 - Central Geelong & Waterfront Place Mgt	Decrease in income for the central Geelong night bus service which has ceased operating.

FEES & CHARGES ANALYSIS

Each year Council's fees and charges are reviewed as part of the budget process. Existing fees and charges have been increased in line with cost increases, market levels, changes in supply and demand for services and the user pay 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.

Discretionary Fees and Charges

The major movements in Council's discretionary fees and charges include:

City Services

- Fees for waste disposal at the North Geelong and Drysdale transfer stations have increased from $20.00 to $20.50 for a car boot. Single Axle trailers have increased by $1.00 to $41.00 and heaped single axle trailers have increased by $1.50 to $53.00.

Community Services

- Desexed and microchipped dogs have increased from $38.00 to $39.00. The pensioner desexed and microchipped dog fees have increased from $19.00 to $19.50. Desexed dog fees have increased from $49.50 to $50.75. Full fees for the registration of a dog have increased by $15.70 from $155.00 to $170.70. The pensioner full fee for the registration of a dog has increased by $7.85 to $85.35.
- Cat fees for a desexed and microchipped cat have increased by 0.70¢ to $27.70. Desexed cat fees have increased by $8.60 to $43.60. The pensioner fee for a desexed cat has increased by $4.30 from $17.50 to $21.80. Full cat registrations have increased by $13.70 to $130.70. The pensioner fee for a full cat registration has increased by $6.85 to $65.35.
- Street parking fees for 2015-2016 will increase from $2.50 to $2.60 per hour.
- The annual fee for a car parking permit at Haymarket car park has increased by $32.50 to $1,331.50. Busport and Civic centre parking reserved permits have increased by $45.60 to $2,189.40. Busport and Civic centre parking unreserved permits have increased by $43.20 to $1,623.60.
- Community bus hire has increased by $3.00 from $99.00 to $102.00 for the 12 seater bus 12 hour hire.
- The weekly corporate rate for the hire of the Potato Shed has increased by $250 from $7,500 to $7,750. The daily corporate rate has increase by $100 to $2,100.
- Meals on Wheels to Council clients will increase by $0.30 to $9.00 per meal. Full cost meals to agencies will remain the same at $18.67.
- The weekly rates for childcare fees will increase by 6%. Ariston Child Care will increase from $418 to $443 per week. City Learning and Care at Belmont and Drysdale will increase from $413 to $438. City Learning and Care at Corio, Trudy Moritz and The Link will increase from $408 to $432.50.
- Ocean Grove, Leopold and Barwon Heads Integrated Children's Centres 3 year old parent fees have increased by $19 from $460 per term to $479 per term. The 3 year old parent fees for the Grovedale Integrated Children's Centre have been set at $370. The 4 year old parent fees will increase from $322 to $329 effective 1 January 2016 at all of the Centres.

Projects, Recreation & Central Geelong

- Hire of the Arena main stadium for community groups has increased by 5.60% from $2,500 to $2,640. The commercial rate hire per day has increased from $4,200 to $5,700.
- A leisure centre twelve month membership has increased by $36 to $1,020 and family memberships by $60 to $1,440. Casual swims have remained the same price at $6.00. Learn to swim fees have increased by 50¢ to $13.20. Casual adult gym visits have decreased by $1.50 to $16.00.
- 12 month membership for the Queens Park Golf Course has increased from $486 to $505. Elcho Park has increased from $424 to $445. Balyang Par 3 has increased from $310 to $322.
- Carousel rides are increasing by 20¢ a ride to $4.20 for children and $4.70 for adults. Private bookings for 2-4 hours at the Carousel have increased by $50 to $1,130.

Statutory Fees and Charges

The major movements in other fees and charges (i.e. statutory charges) include:

- Fire Prevention Penalty Notice fees have increased by $33 to $1,477.
- A new fee has been introduced for Home Care Packages. This fee is income tested and the Department of Human Services (Centrelink) advises who is required to pay the fee and how much based on their assessable income.
- The pensioner fee for a desexed dog has increased from $24.75 to $25.35. Microchipped dogs registered post 2014 have increased from $58.50 to $170.70 due to legislation deeming the only animals to receive a discount on the full price will be desexed animals.

  The fee for a dangerous dog (guard dog) has decreased in line with legislation from $232.00 to $170.70.

Discretionary Volume Changes

The major movements in Council's discretionary fees and charges quantities include:

City Services

- Decrease in the North Geelong Transfer Station income by $467,000 to reflect the actual trend in 2014-2015, offset by an increase in commercial collection $119,000 and recycling services $52,000.
- Decrease in the Drysdale Transfer Station income by $117,000 to reflect the actual trend in 2014-2015.
- Increase in reinstatements income for the South Zone by $82,000 to reflect the actual trend in 2014-2015.

Community Services

- The volume of on and off street parking utilisation is anticipated to increase for 2015-2016 increasing income by $247,000.
- Decrease in the volume of parking fines issued to reflect the 2014-2015 actual trend, reducing income by ($149,000).
- Additional parking income has been introduced in the 2015-2016 budget for the new Corio Street Car Park. Casual parking and permit parking for six months is anticipated to increase parking income by $69,000.
- Decrease in income for the National Insurance Disability Scheme ($480,000) due to the 2014-2015 budget including Home and Community Care transition funding. The current service agreement requires the services to be provided in-kind until the end of the trial period, therefore minimal income to be received for these services in 2015-2016. This agreement also affects the volume of respite care provided with an additional decrease of ($118,000) in this area.
- Commencing July 2015 family day care parents will be invoiced by Council for services provided by family day care. The standardised fee includes the levies previously collected from parents and educators.
- Increase in the utilisation for the Integrated Children's centres based on a full year of operations at Ocean Grove, Grovedale, Barwon Heads, Leopold and Norlane.

Projects, Recreation & Central Geelong

- Income for the leisure centres has been reduced from the 2014-2015 Budget by ($862K), mainly in memberships income. This decrease more accurately reflects member numbers in 2014-2015. This figure also includes a ($140K) anticipated decrease in income due to an expected closure at Splashdown for maintenance works and an additional $200K increase in gym income at Bellarine.
- Decrease in income for the Central Geelong Night Bus ($36,000) - this service has ceased operating since the 2014-2015 Budget was prepared.

Statutory Volume Changes

The major movements in other fees and charges (i.e. statutory charges) quantities include:

- Increase of $45,000 in building lodgement fees income to reflect the actual trend in 2014-2015.

One-off adjustments

(One-off income items included / excluded between budgets years 2014-2015 and 2015-2016).

Cost Centre	Comments	Movement Fav/(Unfav) $M
2130 - Property & Revenue	Reimbursement Contract 2016 Revaluation income received from State Revenue Office in 2015-2016.	0.2
6440 - Splashdown	Decrease in income for expected closure for maintenance works.	(0.1)
Total		**0.1**

DIVISIONAL OPERATING STATEMENTS 2015-2016

CHIEF EXECUTIVE

	2014-2015 Adopted Bgt $'000	2015-2016 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	0	36	36	Employee Vehicle Contribution.
Interest Investments	0	0	0	
TOTAL RECURRENT INCOME	**0**	**36**	**36**	
RECURRENT EXPENDITURE				
Employee Related				
Salaries	1,375	1,506	(131)	Executive Assistant to Mayor previously budgeted to Customer & Councillor Support.
Workcover	12	16	(4)	
Goods & Services				
General Works - Materials	0	0	(0)	
General Works - Plant/Equip/Vehicle costs	1	1	0	
General Works - External Services	57	62	(5)	
Administration	86	89	(3)	
Professional Services	290	290	0	
Utilities	6	4	2	
	1,826	**1,968**	**(142)**	
Depreciation	0	0	0	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	**1,826**	**1,968**	**(142)**	
RECURRENT SURPLUS/(DEFICIT)	**(1,826)**	**(1,932)**	**(106)**	
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	0	0	0	
TOTAL NON-RECURRENT EXPENDITURE	**0**	**0**	**0**	
NON-RECURRENT SURPLUS/(DEFICIT)	**0**	**0**	**0**	
NET SURPLUS/(DEFICIT)	**(1,826)**	**(1,932)**	**(106)**	

DIVISIONAL OPERATING STATEMENTS 2015-2016

STRATEGY & PERFORMANCE

	2014-2015 Adopted Bgt $'000	2015-2016 Draft Bgt $'000	Variance Bgt to Bgt $'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	180,203	192,223	12,020	
Government Grants	19,675	19,335	(340)	Grants Commission ($340K).
User Charges	3,948	4,134	186	Valuation Income $176K (Valuation year).
Other Fees & Charges	170	180	10	
Sundry Income	544	851	307	Vehicle Contribution $186K, Reimbursement & Recoveries (Merchant Service Fees) $125K.
Interest Investments	1,600	1,600	0	
TOTAL RECURRENT INCOME	**206,141**	**218,324**	**12,183**	
RECURRENT EXPENDITURE				
Employee Related				
Salaries	15,559	15,843	(284)	EA increase.
Workcover	274	211	63	
Goods & Services				
General Works - Materials	281	298	(16)	
General Works - Plant/Equip/Vehicle costs	56	54	3	
General Works - External Services	14,095	15,677	(1,583)	**Building Mtce ($878K**) - Facilities Maintenance. **Contractors ($310K) -** Communications & Marketing Discretionary projects $298K **Rental Expense ($341K).**
Administration	7,435	7,699	(264)	**Computer Software ($390K)** - transferred from Capital. **Interest Paid $125K** - Deferment of budgeted loans.
Professional Services	990	1,460	(470)	**Valuation Services ($353K)** - valuation year. **Legal Fees ($100K)** - Organisational Development.
Utilities	682	679	3	
	39,372	**41,920**	**(2,548)**	
Depreciation	3,523	3,533	(9)	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	**42,895**	**45,453**	**(2,558)**	
RECURRENT SURPLUS/(DEFICIT)	**163,245**	**172,871**	**9,625**	
NON-RECURRENT INCOME				
Capital Grants & Income	0	22	22	
Developer Cash Contributions	0	0	0	
Gain/(Loss) on Sale of Property	4,015	(49)	(4,064)	
Recognition of Infrastructure	0	0	0	
TOTAL NON-RECURRENT INCOME	**4,015**	**(27)**	**(4,042)**	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	0	0	0	
TOTAL NON-RECURRENT EXPENDITURE	**0**	**0**	**0**	
NON-RECURRENT SURPLUS/(DEFICIT)	**4,015**	**(27)**	**(4,042)**	
NET SURPLUS/(DEFICIT)	**167,260**	**172,844**	**5,583**	

DIVISIONAL OPERATING STATEMENTS 2015-2016
CITY SERVICES

	2014-2015 Adopted Bgt $'000	2015-2016 Draft Bgt $'000	Variance Bgt to Bgt $'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	1,456	415	(1,041)	**State Grants $1,034K** - Reduction in Environment discretionary grants $1,025k (offset by reduction in Contractor Costs).
User Charges	10,730	10,447	(283)	**Waste Disposal Commercial ($465K)** - North Geelong Transfer Station. **Private Works Income $78K**.
Other Fees & Charges	807	845	38	Fire Prevention Fines $27K.
Sundry Income	916	1,261	345	Vehicle Contributions $340K.
Interest Investments	0	0	0	
TOTAL RECURRENT INCOME	**13,909**	**12,968**	**(941)**	
RECURRENT EXPENDITURE				
Employee Related				
Salaries	30,295	31,689	(1,394)	EA increase plus additional cost in Parks and Operations for growth .
Workcover	708	856	(148)	
Goods & Services				
General Works - Materials	3,900	4,052	(152)	**Road Making Materials ($175K)** - Infrastructure Operations (Unsealed Road Pavements).
General Works - Plant/Equip/Vehicle costs	5,874	6,206	(332)	**External Plant & Equipment Hire ($163K)** - Operations ($182K) (Unsealed Rd Pavement). **Repairs & Maintenance ($124K) -** Waste Services ($99K).
General Works - External Services	33,650	33,979	(329)	**Contractors $274K** - Environment $1,110K (Reduction in Government funded projects),offset by Waste Collection ($285K) (Kerbside collection contract), Parks $307K (asset growth) and Infrastructure Operation ($211K) (asset growth). **Waste Disposal & Recycling ($551K)** - Garbage Services ($452K), Green Waste ($262K), offset by North Geelong Transfer Station $130K and Drysdale Transfer Station $44K. **Levies & Contributions ($425K)** - EPA Levy - Landfill Site. **Supplementary Labour ($129K)** - Operations ($46K) and Waste ($77K). **Internal Charges $498k** - Fleet Management $412K.
Administration	927	736	191	**Leases $237K** - Lease for Pt Henry Site now under Strategy & Performance (Rental Expense).
Professional Services	743	1,002	(259)	**Consultants ($257K)** - Environment & Waste Services ($247K) (Increase in Recurrent projects $203K and Discretionary projects $44K).
Utilities	4,902	4,925	(23)	
	80,999	**83,445**	**(2,446)**	
Depreciation	33,751	35,796	(2,045)	
(Gain)/Loss on Sale of Plant & Equipment	(352)	(400)	48	
TOTAL RECURRENT EXPENDITURE	**114,397**	**118,841**	**(4,444)**	
RECURRENT SURPLUS/(DEFICIT)	**(100,488)**	**(105,873)**	**(5,385)**	
NON-RECURRENT INCOME				
Capital Grants & Income	6,169	6,565	396	
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	**36,169**	**36,565**	**396**	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	3,600	5,230	(1,630)	
TOTAL NON-RECURRENT EXPENDITURE	**3,600**	**5,230**	**(1,630)**	
NON-RECURRENT SURPLUS/(DEFICIT)	**32,569**	**31,335**	**(1,234)**	
NET SURPLUS/(DEFICIT)	**(67,920)**	**(74,539)**	**(6,619)**	

DIVISIONAL OPERATING STATEMENTS 2015-2016

COMMUNITY SERVICES

	2014-2015 Adopted Bgt $'000	2015-2016 Draft Bgt $'000	Variance Bgt to Bgt $'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	23,188	26,997	3,809	**State Grants $1,718K** - Aged & Disability Services $570K - Care Services, Family Services $960K - New Integrated Children's Centres $721K, Community Development $244K - Increase in Discretionary Projects. **Federal Grants $2,092K -** Family Services $1,918K - Centre Based Long Day Care $254K, New Integrated Children's Centres $1,725K. Aged & Disability Services $174K (CACP).
User Charges	19,039	20,747	1,708	**Family Services $1,739K** - New Integrated Children's Centres $694K, Centre Based Long Day Care $225K, Family Day Care $875K. **A&DS ($665K)** - Disability Care Australia ($480K), Food Services ($157K). **Health & Local Laws $643K** - Car Parking Fees $550K.
Other Fees & Charges	7,162	7,331	170	**Animal Registrations $172K, Licence Registrations $83K** (Food & Health Act) **,** offset by **Fines & Costs ($101K)** - Parking Infringements ($153K).
Sundry Income	1,911	1,667	(244)	**Local Laws & Traffic ($218K) -** Infringements Withdrawn & Reimbursements.
Interest Investments	0	0	0	
TOTAL RECURRENT INCOME	**51,299**	**56,742**	**5,443**	
RECURRENT EXPENDITURE				
Employee Related				
Salaries	46,928	50,631	(3,703)	New Integrated Children's Centres ($3,221K) offset by User Charges and Government Grants.
Workcover	787	851	(64)	
Goods & Services				
General Works - Materials	1,712	1,764	(51)	Consumable Materials ($80K), Food Supplies ($44K),offset by Contract Cleaning $67K.
General Works - Plant/Equip/Vehicle costs	400	473	(73)	**Minor Plant Furniture & Equipment ($74K)** - Centre Based Long Day Care (transfer from Capital).
General Works - External Services	19,835	21,465	(1,630)	**Carer Payments ($989K)** - Family Day Care (offset by increased User Charges). **Levies & Contributions ($473K)** - Arts & Culture ($434K) - Increase in Library Contribution ($1,434K) offset by one-off Contribution in 2014-2015 to GRLC for new book collection $1,000K. **Supplementary Labour ($93K).**
Administration	1,577	1,899	(323)	**Doubtful Debts ($200K)** - Parking Infringements **Training & Development ($112K)** - LDC & ICC Professional Development (funded by State Grants).
Professional Services	641	542	99	**Consultants $45K** - Reduction in discretionary projects. **Legal Expenses $54K** - Local Laws Prosecutions.
Utilities	1,080	1,158	(78)	
	72,960	**78,784**	**(5,824)**	
Depreciation	3,165	4,005	(840)	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	**76,125**	**82,789**	**(6,664)**	
RECURRENT SURPLUS/(DEFICIT)	**(24,826)**	**(26,047)**	**(1,221)**	
NON-RECURRENT INCOME				
Capital Grants & Income	19	69	50	
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	**19**	**69**	**50**	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	0	0	0	
TOTAL NON-RECURRENT EXPENDITURE	**0**	**0**	**0**	
NON-RECURRENT SURPLUS/(DEFICIT)	**19**	**69**	**50**	
NET SURPLUS/(DEFICIT)	**(24,807)**	**(25,978)**	**(1,171)**	

DIVISIONAL OPERATING STATEMENTS 2015-2016

PLANNING & TOURISM

	2014-2015 Adopted Bgt $'000	2015-2016 Draft Bgt $'000	Variance Bgt to Bgt $'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	50	0	(50)	**State Grants** - Planning Strategy ($50K).
User Charges	85	85	0	
Other Fees & Charges	2,406	2,583	178	Building Permits $175K .
Sundry Income	62	193	131	Vehicle Contribution $131K.
Interest Investments	1	1	0	
TOTAL RECURRENT INCOME	**2,603**	**2,862**	**259**	
RECURRENT EXPENDITURE				
Employee Related				
Salaries	9,620	10,076	(456)	EA increase
Workcover	114	109	4	
Goods & Services				
General Works - Materials	115	114	1	
General Works - Plant/Equip/Vehicle costs	27	26	1	
General Works - External Services	888	1,016	(127)	**Contractors ($93K) -** increase in discretionary projects.
Administration	404	402	2	
Professional Services	1,162	1,420	(258)	**Consultants ($281K)** - increase in discretionary projects. **Legal Expenses $20K** - Planning Strategy.
Utilities	81	70	11	Communications $11K.
	12,410	**13,232**	**(822)**	
Depreciation	6	6	0	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	**12,417**	**13,238**	**(822)**	
RECURRENT SURPLUS/(DEFICIT)	**(9,813)**	**(10,376)**	**(563)**	
NON-RECURRENT INCOME				
Capital Grants & Income	7,309	0	(7,309)	
Developer Cash Contributions	3,450	3,010	(440)	
Gain/(Loss) on Sale of Property	0	0	0	
Recognition of Infrastructure	0	0	0	
TOTAL NON-RECURRENT INCOME	**10,759**	**3,010**	**(7,749)**	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	0	0	0	
TOTAL NON-RECURRENT EXPENDITURE	**0**	**0**	**0**	
NON-RECURRENT SURPLUS/(DEFICIT)	**10,759**	**3,010**	**(7,749)**	
NET SURPLUS/(DEFICIT)	**946**	**(7,366)**	**(8,312)**	

DIVISIONAL OPERATING STATEMENTS 2015-2016

PROJECTS, RECREATION & CENTRAL GEELONG

	2014-2015 Adopted Bgt $'000	2015-2016 Draft Bgt $'000	Variance Bgt to Bgt $'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	118	343	224	**State Grants $224K** - Mineral Springs Project $250K.
User Charges	15,974	15,149	(825)	**Activity & Program Fees ($854K)** - Waterworld ($308K), Leisurelink ($553K), Splashdown ($319K), offset by BASC $299K. **Other $29K** - includes Green Fees, General Admission, Site Fees and Memberships.
Other Fees & Charges	0	0	0	
Sundry Income	2,106	2,238	132	**Special Rates & Charges $20K** - Central Geelong. **Reimbursements & Recoveries $84K** - Simonds Stadium. **Vehicle Contribution $146K.** **Sundry Income ($114K)** - Skilled Migration Program $132K.
Interest Investments	0	0	0	
TOTAL RECURRENT INCOME	**18,198**	**17,729**	**(469)**	
RECURRENT EXPENDITURE				
Employee Related				
Salaries	19,952	20,798	(846)	EA increase.
Workcover	305	244	61	
Goods & Services				
General Works - Materials	1,773	1,982	(209)	**Cleaning ($220K**) - Splashdown ($100K), Waterworld ($75K), Simonds Stadium ($24K).
General Works - Plant/Equip/Vehicle costs	873	868	5	
General Works - External Services	6,204	6,637	(433)	**Contractors ($447K)** - Increase in Discretionary Projects ($362K), Leisure Services ($97K) (Asset Maintenance ($275K), offset by Cleaning Costs Splashdown & Waterworld now in correct suffix $178K). **Corporate Advertising ($159K) -** Central Geelong Action Team. **Other $173K** - including Events & Functions $75K, Contributions $118K, Building Maintenance ($27K).
Administration	827	773	54	Includes Travel & Accommodation $26K, Fringe Benefits Tax $13K, Printing $13K.
Professional Services	1,188	1,238	(51)	**Consultants ($51K) -** Central Geelong Action Plan ($40K).
Utilities	2,360	2,386	(26)	
	33,482	**34,926**	**(1,445)**	
Depreciation	10,834	10,697	137	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	**44,316**	**45,624**	**(1,308)**	
RECURRENT SURPLUS/(DEFICIT)	**(26,117)**	**(27,894)**	**(1,777)**	
NON-RECURRENT INCOME				
Capital Grants & Income	20,123	14,878	(5,245)	
Developer Cash Contributions	0	0	0	
Gain/(Loss) on Sale of Property	1,493	1,728	235	
Recognition of Infrastructure	4,500	4,500	0	
TOTAL NON-RECURRENT INCOME	**26,116**	**21,105**	**(5,010)**	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	60	60	0	
TOTAL NON-RECURRENT EXPENDITURE	**60**	**60**	**0**	
NON-RECURRENT SURPLUS/(DEFICIT)	**26,056**	**21,045**	**(5,010)**	
NET SURPLUS/(DEFICIT)	**(62)**	**(6,849)**	**(6,787)**	

BUDGETED STATEMENT OF CASH FLOWS

	Budget 2014-2015 $'000	Projection 2014-2015 $'000	Budget 2015-2016 $'000	Budget Change Fav/(Unfav) $'000
Cash Flows from Operating Activities				
Receipts				
General Rates	181,495	181,473	192,134	10,639
Fees and Charges	67,056	67,114	71,554	4,498
GST Recoveries on Operating Transactions	5,627	11,700	11,700	6,073
Investment Income	1,601	2,449	1,601	0
Government Grants	46,243	46,630	47,290	1,047
	302,022	**309,366**	**324,279**	**22,257**
Payments				
Employee Costs	(123,246)	(120,962)	(130,474)	(7,228)
General Works / Utilities / Disbursements	(107,495)	(127,970)	(118,534)	(11,039)
Administration / Professional Services	(13,600)	(16,219)	(15,261)	(1,661)
Interest Expense	(3,611)	(2,645)	(3,487)	124
	(247,952)	**(267,796)**	**(267,756)**	**(19,804)**
Net Cash Inflow from Operating Activities	**54,070**	**41,570**	**56,523**	**2,453**
Cash Flows from Investing Activities				
Capital Expenditure	(119,772)	(136,101)	(78,939)	40,833
Landfill Rehabilitation	(12,570)	(4,301)	(15,934)	(3,364)
Proceeds from Sale of Land and Buildings	11,560	12,324	4,234	(7,326)
Proceeds from Sale of Plant and Equipment	1,653	1,367	1,680	27
Developer Cash Contributions	3,450	3,450	3,010	(440)
Income for Capital Expenditure	33,619	34,189	21,533	(12,086)
Net Cash Outflow from Investing Activities	**(82,060)**	**(89,072)**	**(64,416)**	**17,644**
Cash Flows from Financing Activities				
Repayment of Borrowings	(11,701)	(9,756)	(10,892)	809
Proceeds from New Loans	52,572	37,600	27,932	(24,640)
Net Cash Inflow/(Outflow) from Financial Activities	**40,871**	**27,844**	**17,040**	**(23,831)**
Net Increase / (Decrease) in Cash Held	12,881	(19,658)	9,147	(3,734)
Cash at the Beginning of the Financial Year	45,983	75,271	55,613	9,630
Cash at the end of the Financial Year	**58,864**	**55,613**	**64,760**	**5,896**
Loan Balance	77,703	64,473	81,513	3,810
Net Cash (Deficit) / Surplus	**(18,839)**	**(8,860)**	**(16,753)**	**2,086**

ANALYSIS OF BUDGETED CASH POSITION

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2015-2016 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 2014-2015 $'000	Budget 2015-2016 $'000	Variance (Outflow) $'000
Cash flows from operating activities			
Receipts			
General rates	**181,495**	**192,134**	10,639
Grants	**46,243**	**47,290**	1,047
Interest	**1,601**	**1,601**	-
Fees and Charges	**67,056**	**71,554**	4,498
Other revenue	**5,627**	**11,700**	6,073
	302,022	**324,279**	**22,257**
Payments			
Employee costs	**(123,246)**	**(130,474)**	(7,228)
General Works / Utilities	**(107,495)**	**(118,534)**	(11,039)
Administration / Professional Services	**(13,600)**	**(15,261)**	(1,661)
Finance costs	**(3,611)**	**(3,487)**	124
	(247,952)	**(267,756)**	**(19,804)**
Net cash provided by operating activities	**54,070**	**56,523**	**2,453**
Cash flows from investing activities			
Proceeds from sales of property, plant & equipment	**13,213**	**5,914**	(7,299)
Income related to Capital Expenditure	**33,619**	**21,533**	(12,086)
Developer Contributions	**3,450**	**3,010**	(440)
Payments for property, plant & equipment	**(119,772)**	**(78,939)**	40,833
Landfill Rehabilitation Expenditure	**(12,570)**	**(15,934)**	(3,364)
Net cash used in investing activities	**(82,060)**	**(64,416)**	**17,644**
Cash flows from financing activities			
Proceeds from borrowings	**52,572**	**27,932**	(24,640)
Repayment of borrowings	**(11,701)**	**(10,892)**	809
Net cash used in financing activities	**40,871**	**17,040**	**(23,831)**
Net increase/(decrease) in cash and cash equivalents	**12,881**	**9,147**	**(3,734)**
Cash and cash equivalents at beginning	**45,983**	**55,613**	9,630
Cash and cash equiv. at end of the year	**58,864**	**64,760**	**5,896**

	Budget 2014-2015 $'000	Budget 2015-2016 $'000	Variance (Outflow) $'000
Represented by:			
Restricted cash and investments			
- Statutory reserves	**5,850**	**4,200**	(1,650)
- Discretionary reserves	**958**	**896**	(62)
- Long service leave	**19,200**	**20,200**	1,000
Working capital	**32,856**	**39,464**	6,608
Total cash and investments	**58,864**	**64,760**	**5,896**

1.1 Operating Activities ($2.5M 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 $10.6M increase from rates, the $4.5M increase from Fees and Charges, the $6.1M increase in Other Revenue and the $1.0M increase from Government Grants that has been used to fund recurrent program increases of $19.8M.

1.2 Investing Activities ($17.6M 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 $40.8M and capital income has decreased by $12.1M to achieve the list of capital projects detailed in Appendix 1. Sale of Land & Buildings has decreased by $7.3M based on expected timing of forward year property settlements.

1.3 Financing Activities ($23.8M unfavourable)

During 2015-2016 Council is budgeting to borrow $27.93M, which includes $14.92M of loans deferred from 2014-2015. New loans of $13.01M will fund Leopold Community Hub, Central Geelong Action Plan, Hendy St Children's Hub, Hendy St Reserve Redevelopment, Armstrong Creek Projects, Shell Rd Reserve Masterplan, Bellevue Highton Family Hub and Rosewall Neighbourhood Centre.

1.4 Cash and Cash Equivalents at End of the Year ($5.9M favourable)

The projected cash position at the end of June 2015 is $55.6M. This is ($3.3M) unfavourable to the 2014-2015 budgeted closing cash position (see Impact of Current Year on 2015-2016 Budget p 2-32).

The years activities result in an increase in cash of $9.1M. This is mainly due to deferred borrowings of $14.9M from 2014-2015.

The budgeted cash position at 30 June 2016 is $64.8M 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 2016 at $64.8M which has been restricted as follows:

- **Statutory Reserves ($4.2M)** – 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 2016 includes Developer Contribution Plans $2.6M, Water Quality Levies $1.4M and Carparking $0.2M.
- **Discretionary Reserves ($0.9M)** – These reserves include Asset Development $0.2M (Council has made commitments for the future use of these funds for development of Waterfront assets) and Asset Redevelopment $0.7M - Insurance Recovery for Saleyards. The decisions about future use of these funds has been reflected in Council's Strategic Resource Plan.

- **Long Service Leave ($20.2M)** – These funds are separately identified as a future commitment for long service leave liability.
- **Working Capital ($39.5M)** – Apart from provision for commitment to $18M of carryover Capital works, 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 a significant proportion of Councils Rate Revenue is receipted.

3. Reconciliation of Cash and Operating Results

	Budget 2014-2015 $'000	Budget 2015-2016 $'000	Fav/(Unfav) Variance $'000
Surplus (deficit) for the year	**73,592**	**56,181**	**(17,411)**
Depreciation	**50,147**	**53,035**	2,888
Landfill provision	**1,132**	**1,003**	(129)
Loss (gain) on sale of assets	**5,860**	**2,079**	(3,781)
Recognition of Infrastructure	**(34,500)**	**(34,500)**	-
Contributions	**(37,069)**	**(24,543)**	12,526
Net movement in current assets and liabilities	**(5,092)**	**3,268**	8,360
Cash flows available from operating activities	**54,070**	**56,523**	**2,453**
Proceeds from the sale of assets	**13,213**	**5,914**	(7,299)
Repayment of borrowings	**(11,701)**	**(10,892)**	809
Capital Income and Developer Contributions	**37,069**	**24,543**	(12,526)
Proceeds from Loans	**52,572**	**27,932**	(24,640)
Cash flows available for capital works	145,223	**104,020**	(41,203)
Capital expenditure	**(119,772)**	**(78,939)**	40,833
Landfill Rehabilitation Expenditure	**(12,570)**	**(15,934)**	(3,364)
Net cash outflows	12,881	**9,147**	(3,734)
Cash and cash equivalents at the beginning of the year	**45,983**	**55,613**	9,630
Cash and cash equivalents at the end of the year	**58,864**	**64,760**	**5,896**

Cash flows available for capital works is expected to decrease by $41.2M to $104.0M during the 2015-2016 year mainly due to decreased loan borrowings of $24.6M, decreased Capital Income and Developer Contributions $12.5M, plus decreased proceeds from Sale of Assets $7.3M. A net cash inflow of $9.1M during the year will result in a cash balance of $64.8M, adequate to cover Council's financial obligations and future commitments.

CAPITAL WORKS PROGRAM

For the year ending 30 June 2016

		Asset Expenditure Types			Funding Sources			
Project Category	Project Cost $'000	Asset Renewals $'000	Asset Upgrades $'000	New Assets $'000	Grants $'000	Contributions $'000	Council Cash $'000	Borrowings $'000
Infrastructure Leisure	13,771	1,414	6,342	5,971	4,100	258	6,963	2,450
Roads	15,570	13,514	0	2,056	3,522	0	12,048	0
Fleet	6,278	5,972	0	306	0	1,680	4,598	0
Buildings	21,877	1,755	3,410	16,712	10,622	19	5,136	6,100
Drainage	4,399	821	0	3,578	0	0	4,399	0
Computer Equipment	1,933	893	198	842	0	0	1,933	0
Footpaths	3,047	2,945	0	102	0	0	3,047	0
Miscellaneous	2,931	0	10	2,965	0	72	2,859	0
Kerb & Channel	1,756	1,756	0	0	0	0	1,756	0
Central Geelong Action Plan	3,660	0	0	3,660	0	0	660	3,000
Land	4,200	0	0	4,200	0	0	1,735	2,465
Waste Collection and Landfill	2,696	97	0	2,599	500	1,000	2,196	(1,000)
Plant & Equipment	79	66	0	13	0	0	79	0
Special Rates and Charges Program	2,588	0	0	2,588	0	1,352	1,236	0
Total New Capital Works 2014-2015	**84,785**	**29,233**	**9,960**	**45,592**	**18,744**	**4,381**	**48,645**	**13,015**
Reconciliation								
Design	13				0	13	0	0
Construction	75				0	75	0	0
Plant Replacement Program					0	(1,680)	1,680	0
Carryover from 2014-2015	28,000				0	0	28,000	0
Carryover to 2016-2017	(18,000)				0	0	(18,000)	0
Total	**10,088**				**0**	**(1,592)**	**11,680**	**0**
Operating Statement Total	**94,873**				**18,744**	**2,789**	**60,325**	**13,015**

ANALYSIS OF CAPITAL BUDGET

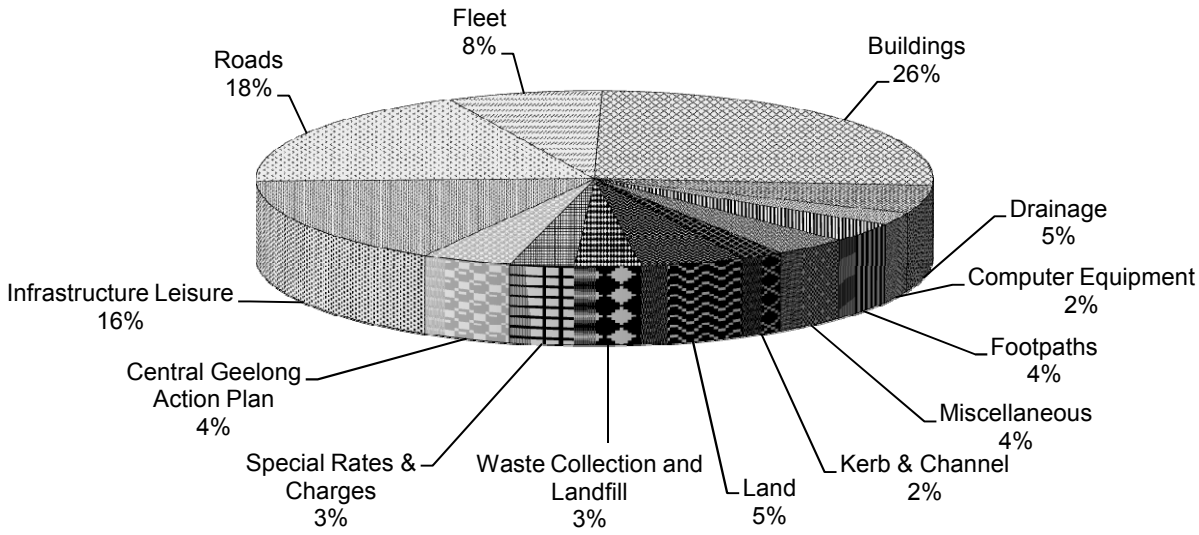
This section of the report analyses the planned capital expenditure budget for the 2015-2016 year and the sources of funding for the capital budget.

1. Capital Program

Capital Program Categories	Budget 2014-2015 $'000	Budget 2015-2016 $'000	(Increase)/ Decrease $'000
Works carried forward from 2014-2015	**30,000**	**28,000**	2,000
Capital Funding for 2015-2016			
Infrastructure Leisure	**13,517**	**13,771**	(254)
Roads	**18,216**	**15,570**	2,646
Fleet	**5,164**	**6,278**	(1,114)
Buildings	**44,801**	**21,877**	22,924
Drainage	**4,327**	**4,399**	(72)
Computer Equipment	**2,118**	**1,933**	185
Footpaths	**3,135**	**3,047**	88
Miscellaneous	**3,976**	**3,010**	966
Kerb & Channel	**1,518**	**1,756**	(238)
Land	**336**	**4,200**	(3,864)
Waste Collection and Landfill	**14,882**	**2,696**	12,186
Special Rates & Charges	**4,241**	**2,588**	1,653
Central Geelong Action Plan	**7,048**	**3,660**	3,388
Sub Total	**123,279**	**84,785**	**38,494**
Works carried forward to 2016-2017	**(21,000)**	**(18,000)**	(3,000)
Design / Construction	**63**	**88**	(25)
Total Capital Program	**132,342**	**94,873**	**37,469**
Capital Funding for 2015-2016 represented by:			
New Assets	**85,153**	**45,592**	39,561
Asset Upgrades	**12,170**	**9,960**	2,210
Asset Renewal	**25,956**	**29,233**	(3,277)
Total Capital Works	**123,279**	**84,785**	**38,494**

Refer Appendix 1 for a detailed list of 2015-2016 capital program.

Budgeted Capital Program 2015-2016



Capital Program Categories

1.1 Carried Forward Works ($28.00M)

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 2014-2015 year Project Managers estimate that $28M of capital works will be incomplete and carried forward into the 2015-2016 year. The more significant projects include Geelong Library & Heritage Centre Car Park, Corio Landfill Rehabilitation, Hendy St Children's Hub, Drysdale Landfill Cell 6, Home for Cycling Pavilion and Central Geelong Action Plan.

1.2 Infrastructure Leisure ($13.77M)

A total of $13.77M is proposed for Infrastructure Leisure projects which covers Parks, Sportsgrounds, Foreshore, Aquatic Facilities and Playgrounds. The more significant projects include Sports Grounds ($10.45M) - Shell Rd Reserve Masterplan, Hendy St Reserve Redevelopment, Leopold FC & N Clubroom Upgrade, Grovedale Tennis Club Facilities Upgrade, Geelong Soccer Club Facilities Upgrade and North Geelong Football & Netball Clubroom Upgrade; Aquatics ($1.65M) - Gymnasium Equipment Replacement, Splashdown Aquatic Play Park Development, Bellarine Aquatic Sports Centre Internal Gymnasium Expansion; Playgrounds ($0.89M) - Playground Development Program, Jetty Rd Sub-Regional Playground.

1.3 Roads ($15.57M)

The more significant projects include Road Surfacing program ($5.64M), Federally funded Roads to Recovery projects ($3.02M), Local Roads Construction ($0.82M), Road Rehabilitation ($3.13M), VicRoads Funded Works ($0.50M), Roads Other (bridges, culverts, etc.) ($1.72M) and Geelong Ring Road Employment Precinct Projects ($0.40M). An increased amount has been allocated in 2015-2016 to renewal program Road Surfacing ($0.50M) and Road Rehabilitation ($0.20M).

1.4 Fleet ($6.28M)

The gross purchase cost $6.28M on replacement of Light Fleet, Heavy Plant and Dedicated Plant has increased by $1.08M relative to 2014-2015 due to reinstatement of deferred expenditure in 2014-2015. Trade and sale values for replaced units are estimated at $1.68M, leaving a net changeover expenditure of $4.60M.

1.5 Buildings ($21.88M)

For the 2015-2016 year, $21.88M will be expended on building projects - Upgrades $3.41M, Renewal $1.76M and New $16.71M. The more significant upgrade projects include Fyans Park Kindergarten Upgrade ($0.81M), Disability Access Program ($0.33M), Children's Services Facilities Upgrade ($0.41M), Community Halls ($0.22M), Cunningham Pier Toilet Upgrade ($0.39M) and Toilet Block Upgrades ($0.26M). New projects include Geelong Library & Heritage Centre ($6.00M), Leopold Community Hub ($6.00M), Hendy St Children's Hub ($2.00M), Armstrong Creek Health & Wellbeing Centre ($0.44M), Rosewall Neighbourhood Centre ($0.35M) and Bellevue Highton Family Hub ($0.40M).

1.6 Drainage ($4.40M)

Drainage Construction is an ongoing program including upgrading main drainage infrastructure ($2.57M), Drainage Renewal Program ($0.82M), Stormwater Treatment Works ($0.40M) and implementation of the Stormwater Management Plan ($0.22M).

1.7 Computer Equipment ($1.93M)

Expenditure on computer equipment renewal is proposed at $1.93M. The more significant projects include IT Asset Replacement Program ($0.89M), PABX / Telephony System Replacement ($0.23M), Minor Acquisitions Program ($0.22M) and Electronic Records & Document Management System ($0.35M).

1.8 Footpaths ($3.05M)

The ongoing footpath replacement program proposes ($2.94M) in 2015-2016. Other expenditure includes Cycle Strategy Implementation ($0.10M).

1.9 Miscellaneous ($3.01M)

For the 2015-2016 year, $3.01M will be budgeted on a range of projects including Project Management Salaries, Furniture Replacement and Minor Plant & Equipment.

1.10 Kerb & Channel ($1.76M)

The ongoing kerb and channel renewal program proposes $1.76M for replacement of kerb and channel in full block sections, an increase over 2014-2015 of ($0.24M).

1.11 Land ($4.20M)

For the 2015-2016 year, $2.42M will be expended on land acquisition at Armstrong Creek and $0.65M at Lara, plus $0.80M on purchase of land at New Corio and Station Estates.

1.12 Waste Collection and Landfill ($2.70M)

For the 2015-2016 year, ($0.75M) will be expended on Composting Site Setup Works, ($0.50M) on Leachate Management at Drysdale Landfill, ($0.37M) on Drysdale Landfill Stormwater PAN Compliance, plus the ongoing program for new property waste bins ($0.57M).

1.13 Special Rates & Charges ($2.59M)

For the 2015-2016 year, $2.59M will be expended on Special Rates & Charges projects, including Street Construction ($1.88M) and Footpath Construction ($0.49M).

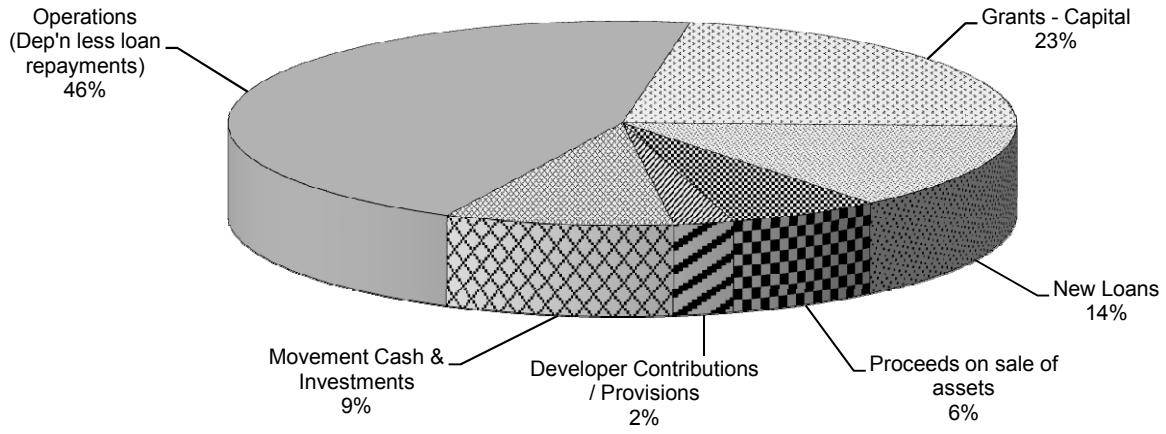
1.14 Central Geelong Action Plan ($3.66M)

For the 2015-2016 year, $3.66M will be expended on projects identified in the Central Geelong Action Plan including, Central Geelong Action Plan ($1.52M), Central Geelong Priority Works ($1.48M), Town Centre Tree Lighting ($0.30M) (priority works to be confirmed by Council Report) and Improve Pedestrian Connection to Deakin and Gordon ($0.30M).

2. Funding Sources

Sources of Funding	Budget 2014-2015 $'000	Budget 2015-2016 $'000	Increase/ (Decrease) $'000
External			
Grants - Capital	**33,618**	**21,533**	(12,085)
New Loans	**36,044**	**13,015**	(23,029)
Proceeds on sale of assets	**13,213**	**5,914**	(7,299)
	82,875	**40,462**	**(42,413)**
Internal			
Developer Contributions / Provisions	**2,050**	**2,350**	300
Movement Cash & Investments	**7,839**	**8,915**	1,076
Operations (Dep'n less loan repayments)	**39,578**	**43,146**	3,568
	49,467	**54,411**	**4,944**
Total Funding Sources	**132,342**	**94,873**	**(37,469)**

Budgeted Funding Sources 2015-2016



2.1 Grants - Capital ($21.53M)

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 ($7.00M), Roads to Recovery Projects ($3.02M), Leopold Community Hub ($3.00M), Leopold FC & N Clubroom Upgrade ($1.50M), Shell Rd Reserve Masterplan ($1.75M), VicRoads Funded Works ($0.50M), Geelong Soccer Club Facilities Upgrade ($0.50M) and Street, Drainage, Footpath, Kerb & Channel Construction - Special Rates & Charges ($1.36M).

2.2 Loans ($13.01M)

The 2015-2016 Budget provides for $13.01M of new borrowings to fund the following projects: Central Geelong Action Plan $3.00M, Leopold Community Hub $3.00M, Armstrong Creek Projects $2.82M, Hendy St Children's Hub $2.00M, Shell Rd Reserve Masterplan $1.25M, Hendy St Reserve Redevelopment $1.20M, Rosewall Neighbourhood Centre $0.35M, Bellevue Highton Family Hub $0.40M, less reduction in loan requirement for Corio Landfill Rehabilitation ($1.00M).

2.3 Proceeds from Sale of Assets ($5.91M)

Proceeds from sale of assets includes fleet sales in accordance with Council's fleet renewal policy ($1.68M) and sale of land ($4.23M).

2.4 Developer Contributions / Provisions ($2.35M)

For 2015-2016 $2.35M will be allocated from Developer Contributions and Provisions. The capital program assumes that the upgrade of various Parks (Geelong Botanic Gardens), Playgrounds and Reserves (Jetty Rd Sub Regional Playground, Playground Redevelopment, Sports Grounds Renovation), and the Open Space Acquisitions Plan will be allocated from Developer Contributions.

2.5 Movement Cash & Investments ($8.92M)

Funding of approved 2014-2015 projects carried over to 2015-2016.

2.6 Operations ($43.15M)

Council generates cash from its operating activities, which is used as a funding source for the capital works program. Depreciation expense of $54.04M less loan repayments ($10.89M) will allocate cash from operations to fund the 2015-2016 capital works program.

3. Asset Type

3.1 Expenditure on New Assets ($45.59M)

The Capital projects that are defined as creating new or growth assets include: Geelong Library & Heritage Centre ($7.00M), Leopold Community Hub ($6.00M), Central Geelong Action Plan ($3.30M), Drainage Construction ($2.56M), Shell Rd Reserve Masterplan ($3.00M), Street Construction Special Rates & Charges ($1.89M), Hendy St Children's Hub ($2.00M) and Hendy St Reserve Redevelopment ($1.20M).

3.2 Expenditure on Asset Upgrades ($9.96M)

The Capital projects that constitute expenditure on assets upgrades, are various Sportsground Upgrades ($4.48M), Building Upgrades ($3.41M), Playgrounds ($0.89M) and Aquatic Centres ($0.70M).

3.3 Expenditure on Asset Renewals ($29.23M)

The Capital projects that constitute expenditure on renewals, are the Federal Roads Program ($3.02M), Road Surfacing program ($5.64M), Light Fleet Replacement ($2.10M), Heavy & Dedicated Plant Replacement ($3.87M), Footpath Renewal ($2.94M), Road Rehabilitation ($3.13M), Building Renewal ($1.53M), Kerb & Channel Renewal ($1.76M) and IT Asset Replacement ($0.89M).

BUDGETED BALANCE SHEET

*Year End 30 June Balances	Budget 2014-2015 $'000	Projection 2014-2015 $'000	Budget 2015-2016 $'000	Budget Change Fav/(Unfav) $'000
Current Assets				
Cash and Investments	58,864	55,613	64,760	5,896
Receivables	10,000	10,000	10,500	500
Prepayments	200	200	200	0
Inventories	739	739	822	83
Total Current Assets	**69,803**	**66,552**	**76,282**	**6,479**
Current Liabilities				
Payables	17,241	17,789	18,161	(920)
Interest Bearing Liabilities	12,386	10,892	13,196	(810)
Refundable Deposits	3,000	3,000	3,000	0
Provisions	26,648	26,448	28,031	(1,383)
Total Current Liabilities	**59,275**	**58,129**	**62,388**	**(3,113)**
Net Current Assets	**10,528**	**8,423**	**13,894**	**3,366**
Non-Current Assets				
Property, Plant & Equipment	2,019,877	2,035,340	2,086,619	66,742
Investments	8,694	10,278	10,278	1,584
Receivables	954	954	963	9
Total Non-Current Assets	**2,029,525**	**2,046,572**	**2,097,860**	**68,335**
Non-Current Liabilities				
Creditors and Provisions	5,212	4,802	5,575	(363)
Loans	65,317	53,581	68,317	(3,000)
Landfill Provision	5,541	14,931	0	5,541
Total Non-Current Liabilities	**76,070**	**73,314**	**73,892**	**2,178**
NET ASSETS	**1,963,983**	**1,981,681**	**2,037,862**	**73,879**
Ratepayers Equity				
Accumulated Surplus	1,128,439	1,122,683	1,190,296	61,857
Asset Revaluation Reserve	807,736	824,797	824,797	17,061
Reserves	27,808	34,201	22,769	(5,039)
TOTAL EQUITY	**1,963,983**	**1,981,681**	**2,037,862**	**73,879**

ANALYSIS OF BUDGETED FINANCIAL POSITION

This section of the budget report analyses the movements in assets, liabilities and equity between 2014-2015 and 2015-2016.

1. Budgeted Balance Sheet

	Budget 2014-2015 $'000	Budget 2015-2016 $'000	Variance Fav / (Unfav) $'000
Current assets			
Cash and cash equivalents	**58,864**	**64,760**	5,896
Trade and other receivables	**10,000**	**10,500**	500
Prepayments	**200**	**200**	-
Inventories	**739**	**822**	83
Total current assets	**69,803**	**76,282**	**6,479**
Current liabilities			
Trade and other payables	**17,241**	**18,161**	(920)
Interest-bearing loans and borrowings	**12,386**	**13,196**	(810)
Refundable Deposits	**3,000**	**3,000**	-
Provisions	**26,648**	**28,031**	(1,383)
Total current liabilities	**59,275**	**62,388**	**(3,113)**
Net current assets	**10,528**	**13,894**	**3,366**
Non-current assets			
Trade and other receivables	**954**	**963**	9
Investments	**8,694**	**10,278**	1,584
Property, infrastructure, plant and equipment	**2,019,877**	**2,086,619**	66,742
Total non-current assets	**2,029,525**	**2,097,860**	**68,335**
Non-current liabilities			
Interest-bearing loans and borrowings	**65,317**	**68,317**	(3,000)
Landfill Provision	**5,541**	**-**	5,541
Provisions	**5,212**	**5,575**	(363)
Total non-current liabilities	**76,070**	**73,892**	**2,178**
Net assets	**1,963,983**	**2,037,862**	**73,879**
Equity			
Accumulated surplus	**1,128,439**	**1,190,296**	61,857
Asset revaluation reserve	**807,736**	**824,797**	17,061
Other reserves	**27,808**	**22,769**	(5,039)
Total equity	**1,963,983**	**2,037,862**	**73,879**

1.1 Current Assets ($6.5M favourable)

The increase in current assets is primarily due to a $5.9M increase in Cash and cash equivalents.

1.2 Current Liabilities ($3.1M unfavourable)

The increase in current liabilities reflects the increase in provisions of $1.4M (mainly Long Service Leave provision). Payables have increased $0.9M in line with actual creditor balances and Loans & Borrowings have increased $0.8M due to new loans to be taken out in 2015-2016.

1.3 Non Current Assets ($68.3M favourable)

The increase in Property, Infrastructure, Plant and Equipment is the net result of the capital works program of $78.9M of new assets, assets gifted to Council of $34.5M, the depreciation of non-current assets ($53.0M) and the disposal and sale of property, plant & equipment ($7.9M).

1.4 Non Current Liabilities ($2.2M favourable)

The decrease in non current liabilities (ie. obligations Council must pay beyond the next year) results mainly from reduction in Landfill Provision $5.5M, offset by increased Loan Balances ($3.0M) and provision for Long Service Leave ($0.3M).

1.5 Working Capital ($13.9M)

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 2015 $'000	Budget 2016 $'000	Variance Fav / (Unfav) $'000
Current assets	66,552	**76,282**	9,730
Current liabilities	58,129	**62,388**	(4,259)
Working capital	8,423	**13,894**	5,471
Restricted cash and investment current assets			
- Statutory Reserves	(5,243)	**(3,873)**	1,370
- Discretionary Reserves	(958)	**(896)**	62
Unrestricted working capital*	2,222	**9,125**	6,903

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

1.6 Equity ($73.9M favourable)

The net increase in accumulated surplus of $61.9M results from:

- Net surplus shown in the income statement.
- Other reserves have decreased by $5.0M.

IMPACT OF CURRENT YEAR ON 2015-2016 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 2015-2016 Budget.

1. Operating Performance

	Budget 2014-2015 $'000	Amended (a) Budget 2014-2015 $'000	Projection 2014-2015 $'000	Variance Budget (a) v Projected Actual $'000
Operating				
Revenue	292,151	292,326	292,699	373
Expenditure	(291,976)	(299,192)	(299,107)	85
Recurrent result- Surplus/ (Deficit)	**175**	**(6,866)**	**(6,408)**	**458**
Non-operating				
Revenue	77,077	77,811	77,744	(67)
Expenditure	(3,660)	(3,660)	(3,660)	-
Non Recurrent - Surplus/ (Deficit)	**73,417**	**74,151**	**74,084**	**(67)**
Net surplus (deficit)	**73,592**	**67,285**	**67,676**	**391**

Amendments to the 2014-2015 Budget were made for carryover of Discretionary and Capital Programs and other minor budget amendments.

The amendments were: Operating - Discretionary program carryover net expenditure ($7.06M) and Non Operating (Capital Income carryover plus other unbudgeted grants) $0.73M.

The forecast operating performance for the year ending 30 June 2015 is a recurrent deficit of ($6.4M), which is $0.5M favourable compared to the amended budget. After non-operating items, the operating surplus is $67.7M, which is $0.4M favourable compared to the amended budget.

The 2014-2015 favourable operating variances include Salaries/Supp Labour $0.4M, Depreciation $1.1M, Interest Paid $1.0M, Electricity Savings $0.5M, Interest on Investments $0.8M, Building & Planning Permit Income $0.4M. This has been partially offset by unfavourable variances in Waste Disposal Income ($0.5M), Parking Fines ($0.5M), Building Maintenance ($0.5M), Leisure Centres Income ($1.5M), Doubtful Debts ($0.3M) and Waste Disposal ($0.4M)

The unfavourable variance in Non operating is due to decrease in Capital Income ($0.2M), offset by increase in Gain / (Loss) Sale of Property $0.1M.

2. Cash Performance

	Budget 2014-2015 $'000	Projection 2014-2015 $'000	Variance $'000
Net Cash Inflow from operations	**54,070**	**41,570**	**(12,500)**
Cash Inflow from Investing activities	50,282	51,330	1,048
Funds available	**104,352**	**92,900**	**(11,452)**
Capital expenditure	(132,342)	(140,402)	(8,060)
Net Borrowing movements	40,871	27,844	(13,027)
Net Increase/(Decrease) Cash held	**12,881**	**(19,658)**	**(32,539)**
Cash at beginning of year	45,983	75,271	29,288
Cash at end of year	**58,864**	**55,613**	**(3,251)**

Cash balances at 30 June 2015 are expected to be $55.6M, a decrease of $3.3M on the budget mainly due to deferment of budgeted loans of $14.9M, offset by lower than expected Capital Expenditure. The cash balance is adequate to meet future commitments as follows: Long Service Leave $19.2M, Statutory Reserves $5.2M, Discretionary Reserves $1.0M.

3. Capital Performance

	Adopted Budget 2014-2015 $'000	Amended (a) Budget 2014-2015 $'000	Projected Actual 2014-2015 $'000	Variance Budget (a) v Projected Actual $'000
Capital Income	33,619	34,353	**34,189**	(164)
Capital Expenditure	(123,342)	(167,254)	**(168,402)**	(1,148)
Carryover to 2015-2016	21,000	21,000	**28,000**	7,000
Total Net Capital works	**(68,723)**	**(111,901)**	**(106,213)**	5,688

The projected capital performance for the year ending 30 June 2015 shows that the net capital works program for the 2014-2015 year will be underspent by $5.7M compared to the amended budget. This variance is due mainly to an increase of $7.0M in carryover from budgeted $21.0M to $28.0M, less approved net projection changes of ($1.3M). Carryover is due to a number of projects being behind schedule, including Corio Landfill Rehabilitation $13.7M, Geelong Library & Heritage Centre Car Park $1.0M, Hendy St Children's Hub $1.1M, Drysdale Landfill Cell 6 $2.2M, Home for Cycling Pavilion $1.0M, Central Geelong Action Plan $2.5M. As a consequence of these projects being Work in Progress, it is forecast that $28.0M of capital works projects expenditure will need to be carried forward and completed in the 2015-2016 year.

4. Matters Significant to the 2015-2016 Budget

The net projected 2014-2015 operating result and adherence to budget provides a sound basis for development of the 2015-2016 Budget. Many challenges including implications from the asset growth, EA commitment (Year 2), EPA landfill levy increase, Capital Works program including new Library and Heritage Centre and Borrowing commitments have been absorbed into 2015-2016 Operating Budget.

As a result of the variances between the forecast actual and budgeted results for the 2014-2015 year, the following matters have influenced the preparation of the 2015-2016 Annual Budget:

- Capital expenditure carry over estimated at $28.0M into 2015-2016.
- Projects commenced in 2014-2015 requiring additional funding in 2015-2016: Geelong Library & Heritage Centre $6.00M and Car Park $1.0M, Shell Rd Master Plan $3.00M, Leopold Community Hub $6.00M, Hendy St Children's Hub $2.00M, Drysdale Landfill Leachate Management $0.5M, Fyans Park Kindergarten Extension $0.81M, Bellvue Highton Family Hub $0.40M, Splashdown Aquatic Play Park $0.35M and PABX Telephony System $0.23M.
- Rates growth achieved in 2014-2015 provides additional rateable properties in 2015-2016 of 2.2%.
- Council's EA finalisation in 2014-2015 determining (year 2) wage increases in 2015-2016.
- Impact of increased EPA levies from $58.50/t to $60.52/t effective 1 July 2015.
- Deferment of 2014-2015 budgeted loans of $14.92M into 2015-2016.
- Property sales budgeted in 2014-2015 which were subsequently not approved and withdrawn from sale: Draper St, Ocean Grove, Townsend Rd, Whittington, Peninsula Drive, Drysdale - Total cash flow impact ($1.9M).
- Councils ongoing commitment to Geelong Regional Employment Precinct.
- Developer Contribution Plans adopted total five with two DCP's Armstrong Creek Town Centre and Horseshoe Bend awaiting adoption. The total Council funding obligation is now estimated at $22M for DCP's and this gap will be incorporated into the Strategic Resource Plan.
- Central Geelong - Year 2 initiatives to be funded as priorities including Geelong Advancement Fund.
- Community Engagement - revised process for capital projects only with 90 Community Concepts Submitted.

STRATEGIC RESOURCE PLAN

2015-2016 to 2018-2019

The Strategic Resource Plan has been prepared from assumptions incorporated in the 2015-2016 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 2015-2016 to 2018-2019 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 80.3% 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 2015-2016.
- Future rate increases are forecast at CPI plus 1% - 3.5% in 2016-2017, 2017-2018 and 2018-2019 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 2.5% 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 EA 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 $30M p.a. for 2016-2017 through to 2017-2018 reducing to $15M in 2018-2019.

Balance Sheet

- Debtors have increased $0.5M per year in line with increased rates collectables after 2015-2016.
- Creditors have increased in line with increased cost of goods after 2015-2016.
- Employee Benefit Provisions have increased $1.5M per year.

Loans

Loans are tied to expenditure on specific projects.

	2015-2016 $'000	2016-2017 $'000	2017-2018 $'000	2018-2019 $'000
Community Facilities	5,750	8,850	6,100	1,000
Central Geelong Action Plan	3,000	0	0	0
Armstrong Creek	2,815	4,080	11,345	14,243
Shell Rd Reserve Masterplan	1,250	0	0	0
Hendy St Reserve Redevelopment	1,200	600	0	0
Corio Landfill Rehabilitation	-1,000	6,000	0	0
Drysdale Landfill Cells	0	3,600	3,000	0
Geelong Ring Road Employment Precinct	0	1,310	1,310	0
Leisurelink Expansion	0	1,000	2,400	0
Yarra St Pier	0	0	750	1,975
Deferred Loans from 2014-2015	14,917	0	0	0
Total Loans	**27,932**	**25,440**	**24,905**	**17,218**

Capital Expenditure

Major Initiatives	2015-2016 $'000	2016-2017 $'000	2017-2018 $'000	2018-2019 $'000
Projects (Miscellaneous)	55,805	51,494	47,111	48,552
Geelong Library & Heritage Centre	7,000	0	0	0
Leopold Community Hub	6,000	6,000	0	0
Central Geelong Revitalisation	3,300	700	0	0
Armstrong Creek / Projects General	3,105	9,080	18,780	20,013
Shell Rd Reserve Master Plan	3,000	0	0	0
Hendy St Family Hub	2,000	2,300	0	0
Leopold FC & N Clubroom Upgrade	1,500	500	0	0
Hendy St Reserve Redevelopment	1,200	600	0	0
Fyans Park Preschool	813	0	0	0
Geelong Ring Road Employment Precinct	400	3,750	3,750	0
Bellevue Ave, Highton Family Hub	400	2,500	2,500	0
Rosewall Neighbourhood Centre	350	1,150	2,000	0
Corio Landfill Rehabilitation	0	7,000	0	0
Drysdale Landfill Cells	0	3,600	3,000	0
Drysdale Sports Precinct	0	3,500	3,226	0
Leisurelink Expansion	0	1,000	2,400	0
Splashdown Facility Upgrade	0	250	2,000	0
Cloverdale Neighbourhood House	0	200	2,000	0
Polwarth Pavilion & West Oval Redevelopment	0	100	2,100	0
Clifton Springs / Jetty Rd Hub	0	0	3,000	0
Yarra St Pier	0	0	1,500	8,550
Drysdale Landfill Rehabilitation	0	0	500	2,500
Waterworld Facility Upgrade	0	0	250	2,500
Central Lara Family Hub	0	0	0	500
Plus Carry Over from previous year	28,000	18,000	18,000	18,000
Less Carry Over to next year	(18,000)	(18,000)	(18,000)	(17,000)
Capital Expenditure	**94,873**	**93,724**	**94,117**	**83,615**

BUDGETED INCOME STATEMENT

4 Year Plan

	Budget 2014-2015 $'000	Projection 2014-2015 $'000	Budget 2015-2016 $'000	Plan 2016-2017 $'000	Plan 2017-2018 $'000	Plan 2018-2019 $'000
RECURRENT INCOME						
Rates and Charges	180,203	180,180	192,223	201,814	211,922	222,540
Government Grants	44,488	46,430	47,090	47,784	48,978	50,203
User Charges	49,776	46,690	50,562	51,827	53,122	54,450
Other Fees and Charges	10,544	10,648	10,939	11,212	11,493	11,780
Sundry Income	5,539	6,302	6,246	6,402	6,562	6,726
Interest Investments	1,601	2,449	1,601	1,900	1,900	1,900
Total Recurrent Income	**292,151**	**292,699**	**308,661**	**320,939**	**333,977**	**347,599**
RECURRENT EXPENDITURE						
Employee Related						
Salaries	123,729	121,483	130,543	136,632	143,344	150,380
Workcover	2,200	2,035	2,288	2,380	2,475	2,574
	125,929	123,518	132,831	139,012	145,819	152,954
Goods and Services						
General Works - Materials	7,781	8,049	8,209	8,414	8,625	8,840
General Works - Plant, Vehicle Costs	7,230	6,935	7,628	7,819	8,014	8,215
General Works - External Services	74,729	84,405	78,836	82,574	85,088	87,973
Administration	7,645	8,174	8,110	8,313	8,521	8,734
Interest Expense	3,611	2,645	3,487	3,984	4,330	4,426
Professional Services	5,013	6,845	5,951	6,100	6,252	6,409
Utilities	9,111	8,621	9,222	9,453	9,689	9,931
	115,120	125,674	121,443	126,657	130,519	134,528
Depreciation	50,147	49,061	53,035	55,289	57,639	60,088
Landfill Provision	1,132	1,132	1,003	0	0	0
(Gain)/Loss on Sale of Plant & Equipment	(352)	(278)	(400)	(253)	(254)	(215)
Total Recurrent Expenditure	**291,976**	**299,107**	**307,912**	**320,705**	**333,723**	**347,355**
Recurrent Surplus / (Deficit)	**175**	**(6,408)**	**749**	**234**	**254**	**244**
NON-RECURRENT INCOME						
Capital Grants and Income	33,619	34,189	21,533	17,669	18,102	16,121
Developer Cash Contributions	3,450	3,450	3,010	3,000	3,000	3,000
Gain / (Loss) on Sale of Property	5,508	5,605	1,679	2,570	1,530	530
Recognition of Infrastructure	34,500	34,500	34,500	30,000	30,000	15,000
Total Non-Recurrent Income	**77,077**	**77,744**	**60,722**	**53,239**	**52,632**	**34,651**
NON-RECURRENT EXPENDITURE						
Loss on Disposal of Infrastructure	3,660	3,660	5,290	3,000	3,000	3,000
Total Non-Recurrent Expenditure	**3,660**	**3,660**	**5,290**	**3,000**	**3,000**	**3,000**
Non-Recurrent Surplus / (Deficit)	**73,417**	**74,084**	**55,432**	**50,239**	**49,632**	**31,651**
NET SURPLUS / (DEFICIT)	**73,592**	**67,676**	**56,181**	**50,473**	**49,886**	**31,895**

BUDGETED COMPREHENSIVE INCOME STATEMENT

4 Year Plan

	Budget 2014-2015 $'000	Projection 2014-2015 $'000	Budget 2015-2016 $'000	Plan 2016-2017 $'000	Plan 2017-2018 $'000	Plan 2018-2019 $'000
Income						
Rates and Charges	180,203	180,180	**192,223**	201,814	211,922	222,540
Statutory Fees and Fines	10,544	10,648	**10,939**	11,212	11,493	11,780
User Fees	49,776	46,690	**50,562**	51,827	53,122	54,450
Interest Income	1,601	2,449	**1,601**	1,900	1,900	1,900
Contributions - Cash	3,450	3,450	**3,010**	3,000	3,000	3,000
Contributions - Non-monetary Assets	34,500	34,500	**34,500**	30,000	30,000	15,000
Grants - Operating (Recurrent)	44,488	46,430	**47,090**	47,784	48,978	50,203
Grants - Operating (Non-recurrent)	0	0	**0**	0	0	0
Grants - Capital (Recurrent)	0	0	**0**	0	0	0
Grants - Capital (Non-recurrent)	33,619	34,189	**21,533**	17,669	18,102	16,121
Net gain on disposal of property, infrastructure, plant and equipment	2,200	2,223	**(3,211)**	(177)	(1,216)	(2,255)
Other income	5,539	6,302	**6,246**	6,402	6,562	6,726
Fair value adjustments for investment property	0	0	**0**	0	0	0
Share of net profits/(losses) of associated and joint ventures accounted for by the equity method	0	0	**0**	0	0	0
Total Income	**365,920**	**367,061**	**364,493**	**371,431**	**383,863**	**379,465**
Expenses						
Employee costs	125,929	123,518	**132,831**	139,012	145,818	152,954
Materials and services	110,989	122,184	**117,236**	121,935	125,434	129,327
Bad and doubtful debts	520	845	**720**	738	756	775
Depreciation and amortisation	51,279	50,193	**54,038**	55,289	57,639	60,088
Finance costs	3,611	2,645	**3,487**	3,984	4,330	4,426
Other expenses	0	0	**0**	0	0	0
Total Expenses	**292,328**	**299,385**	**308,312**	**320,958**	**333,977**	**347,570**
Surplus (deficit) for the year	**73,592**	**67,676**	**56,181**	**50,473**	**49,886**	**31,895**
Other comprehensive income						
Items that will not be reclassified to surplus or deficit:	0	0	**0**	0	0	0
Impairment of fire impacted infrastructure	0	0	**0**	0	0	0
Net asset revaluation increment /(decrement)						
Share of other comprehensive income of associates and joint ventures accounted for by the equity method	0	0	**0**	0	0	0
Comprehensive Result	**73,592**	**67,676**	**56,181**	**50,473**	**49,886**	**31,895**

BUDGETED STATEMENT OF CAPITAL WORKS

4 Year Plan

	2015-2016 Budget			2016-2017 Plan			2017-2018 Plan			2018-2019 Plan		
Project Category	**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	13,771	4,358	9,413	15,278	5,500	9,778	17,228	3,590	13,638	17,965	9,095	8,870
Roads	15,570	3,522	12,048	14,663	2,023	12,640	14,990	2,036	12,954	15,327	2,049	13,278
Fleet	6,278	1,680	4,598	5,491	1,684	3,807	5,826	1,693	4,133	4,823	1,435	3,388
Buildings	21,877	10,641	11,236	19,093	5,320	13,773	26,117	8,616	17,501	11,155	3,521	7,634
Drainage	4,399	0	4,399	5,099	0	5,099	4,701	0	4,701	4,807	0	4,807
Computer Equipment	1,933	0	1,933	1,652	0	1,652	1,199	0	1,199	1,037	0	1,037
Footpaths	3,047	0	3,047	3,223	0	3,223	3,304	0	3,304	3,836	0	3,836
Miscellaneous	2,931	72	2,859	2,932	0	2,932	3,005	0	3,005	3,080	0	3,080
Kerb & Channel	1,756	0	1,756	2,000	0	2,000	2,050	0	2,050	2,101	0	2,101
Central Geelong Action Plan	3,660	0	3,660	1,000	0	1,000	300	0	300	300	0	300
Land	4,200	0	4,200	5,139	0	5,139	4,760	0	4,760	12,212	0	12,212
Waste Collection and Landfill	2,696	1,500	1,196	11,683	1,000	10,683	4,098	0	4,098	3,113	0	3,113
Plant & Equipment	79	0	79	68	0	68	70	0	70	71	0	71
Special Rates and Charges Program	2,588	1,352	1,236	6,403	3,826	2,577	6,469	3,860	2,609	2,788	1,456	1,332
TOTAL	**84,785**	**23,125**	**61,660**	**93,724**	**19,353**	**74,371**	**94,117**	**19,795**	**74,322**	**82,615**	**17,556**	**65,059**
Reconciliation												
Design	13	13	0			0			0			0
Construction	75	75	0			0			0			0
Plant Replacement Program		(1,680)	1,680		(1,684)	1,684		(1,693)	1,693		(1,435)	1,435
Carry over from Previous Year	28,000	0	28,000	18,000	0	18,000	18,000	0	18,000	18,000	0	18,000
Carry over to Next Year	(18,000)	0	(18,000)	(18,000)	0	(18,000)	(18,000)	0	(18,000)	(17,000)	0	(17,000)
TOTAL	**10,088**	**(1,592)**	**11,680**	**0**	**(1,684)**	**1,684**	**0**	**(1,693)**	**1,693**	**1,000**	**(1,435)**	**2,435**
OPERATING STATEMENT TOTAL	**94,873**	**21,533**	**73,340**	**93,724**	**17,669**	**76,055**	**94,117**	**18,102**	**76,015**	**83,615**	**16,121**	**67,494**

BUDGETED STATEMENT OF CASH FLOWS

4 Year Plan

	Budget 2014-2015 $'000	Projection 2014-2015 $'000	Budget 2015-2016 $'000	Plan 2016-2017 $'000	Plan 2017-2018 $'000	Plan 2018-2019 $'000
Cash Flows from Operating Activities						
Receipts						
General Rates	181,495	181,473	192,134	201,738	211,841	222,455
Fees and Charges	67,056	67,114	71,554	73,297	75,036	76,819
GST Recoveries on Operating Transactions	5,627	11,700	11,700	11,700	11,700	11,700
Investment Income	1,601	2,449	1,601	1,900	1,900	1,900
Government Grants	46,243	46,630	47,290	47,984	49,178	50,403
	302,022	**309,366**	**324,279**	**336,619**	**349,655**	**363,277**
Payments						
Employee Costs	(123,246)	(120,962)	(130,474)	(137,447)	(144,096)	(151,148)
General Works / Utilities / Disbursements	(107,495)	(127,970)	(118,534)	(122,571)	(125,881)	(129,371)
Administration / Professional Services	(13,600)	(16,219)	(15,261)	(15,613)	(15,973)	(16,342)
Interest Expense	(3,611)	(2,645)	(3,487)	(3,984)	(4,330)	(4,426)
	(247,952)	**(267,796)**	**(267,756)**	**(279,615)**	**(290,280)**	**(301,287)**
Net Cash Inflow from Operating Activities	**54,070**	**41,570**	**56,523**	**57,004**	**59,375**	**61,990**
Cash Flows from Investing Activities						
Capital Expenditure	(119,772)	(136,101)	(78,939)	(93,724)	(94,117)	(83,615)
Landfill Rehabilitation	(12,570)	(4,301)	(15,934)	0	0	0
Proceeds from Sale of Land and Buildings	11,560	12,324	4,234	6,070	3,100	1,100
Proceeds from Sale of Plant and Equipment	1,653	1,367	1,680	1,684	1,693	1,435
Developer Cash Contributions	3,450	3,450	3,010	3,000	3,000	3,000
Income for Capital Expenditure	33,619	34,189	21,533	17,669	18,102	16,121
Net Cash Outflow from Investing Activities	**(82,060)**	**(89,072)**	**(64,416)**	**(65,301)**	**(68,222)**	**(61,959)**
Cash Flows from Financing Activities						
Repayment of Borrowings	(11,701)	(9,756)	(10,892)	(13,196)	(15,493)	(16,026)
Proceeds from New Loans	52,572	37,600	27,932	25,440	24,905	17,218
Net Cash Inflow/(Outflow) from Financial	**40,871**	**27,844**	**17,040**	**12,244**	**9,412**	**1,192**
Net Increase / (Decrease) in Cash Held	12,881	(19,658)	9,147	3,947	565	1,223
Cash at the Beginning of the Financial Year	45,983	75,271	55,613	64,760	68,707	69,272
Cash at the end of the Financial Year	**58,864**	**55,613**	**64,760**	**68,707**	**69,272**	**70,495**
Loan Balance	77,703	64,473	81,513	93,757	103,169	104,362
Net Cash (Deficit) / Surplus	**(18,839)**	**(8,860)**	**(16,753)**	**(25,050)**	**(33,897)**	**(33,867)**

BUDGETED BALANCE SHEET

4 Year Plan

*Year End 30 June Balances	Budget 2014-2015 $'000	Projection 2014-2015 $'000	Budget 2015-2016 $'000	Plan 2016-2017 $'000	Plan 2017-2018 $'000	Plan 2018-2019 $'000
Current Assets						
Cash and Investments	58,864	55,613	64,760	68,707	69,272	70,495
Receivables	10,000	10,000	10,500	11,000	11,500	12,000
Prepayments	200	200	200	200	200	200
Inventories	739	739	822	842	863	883
Total Current Assets	**69,803**	**66,552**	**76,282**	**80,749**	**81,835**	**83,578**
Current Liabilities						
Payables	17,241	17,789	18,161	18,859	19,403	20,002
Interest Bearing Liabilities	12,386	10,892	13,196	15,493	16,026	14,857
Refundable Deposits	3,000	3,000	3,000	3,000	3,000	3,000
Provisions	26,648	26,448	28,031	29,394	30,852	32,382
Total Current Liabilities	**59,275**	**58,129**	**62,388**	**66,746**	**69,281**	**70,241**
Net Current Assets	**10,528**	**8,423**	**13,894**	**14,003**	**12,554**	**13,337**
Non-Current Assets						
Property, Plant & Equipment	2,019,877	2,035,340	2,086,619	2,147,122	2,207,591	2,241,328
Investments	8,694	10,278	10,278	10,278	10,278	10,278
Receivables	954	954	963	973	983	993
Total Non-Current Assets	**2,029,525**	**2,046,572**	**2,097,860**	**2,158,373**	**2,218,852**	**2,252,599**
Non-Current Liabilities						
Creditors and Provisions	5,212	4,802	5,575	5,776	6,040	6,315
Loans	65,317	53,581	68,317	78,264	87,144	89,504
Landfill Provision	5,541	14,931	0	0	0	0
Total Non-Current Liabilities	**76,070**	**73,314**	**73,892**	**84,040**	**93,184**	**95,819**
NET ASSETS	**1,963,983**	**1,981,681**	**2,037,862**	**2,088,336**	**2,138,222**	**2,170,117**
Ratepayers Equity						
Accumulated Surplus	1,128,439	1,122,683	1,190,296	1,240,770	1,290,656	1,323,551
Asset Revaluation Reserve	807,736	824,797	824,797	824,797	824,797	824,797
Reserves	27,808	34,201	22,769	22,769	22,769	21,769
TOTAL EQUITY	**1,963,983**	**1,981,681**	**2,037,862**	**2,088,336**	**2,138,222**	**2,170,117**

BUDGETED STATEMENT OF CHANGES IN EQUITY

4 Year Plan

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	$'000	$'000	$'000	$'000
2016				
Balance at beginning of the financial year	1,981,681	1,122,683	824,797	34,201
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	56,181	56,181	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(20,310)	-	20,310
Transfer from reserves	-	31,742	-	(31,742)
Balance at end of the financial year	**2,037,862**	**1,190,296**	**824,797**	**22,769**
2017				
Balance at beginning of the financial year	2,037,862	1,190,296	824,797	22,769
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	50,474	50,474	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(19,200)	-	19,200
Transfer from reserves	-	19,200	-	(19,200)
Balance at end of the financial year	**2,088,336**	**1,240,770**	**824,797**	**22,769**
2018				
Balance at beginning of the financial year	2,088,336	1,240,770	824,797	22,769
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	49,886	49,886	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(19,200)	-	19,200
Transfer from reserves	-	19,200	-	(19,200)
Balance at end of the financial year	**2,138,222**	**1,290,656**	**824,797**	**22,769**
2019				
Balance at beginning of the financial year	2,138,222	1,290,656	824,797	22,769
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	31,895	31,895	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(18,200)	-	18,200
Transfer from reserves	-	19,200	-	(19,200)
Balance at end of the financial year	**2,170,117**	**1,323,551**	**824,797**	**21,769**

BUDGETED STATEMENT OF HUMAN RESOURCES

4 Year Plan

	Forecast Actual 2014-2015 $'000	Budget 2015-2016 $'000	Plan 2016-2017 $'000	Plan 2017-2018 $'000	Plan 2018-2019 $'000
Staff expenditure					
Employee costs - operating	123,518	**132,831**	139,011	145,818	152,953
Employee costs - capital	5,288	**5,628**	5,870	6,122	6,386
Total staff expenditure	**128,806**	**138,459**	**144,881**	**151,940**	**159,339**
	EFT	**EFT**	**EFT**	**EFT**	**EFT**
Staff numbers					
Employees	1,520.0	1,584.8	1,589.8	1,594.8	1,599.8
Total staff numbers	**1,520.0**	**1,584.8**	**1,589.8**	**1,594.8**	**1,599.8**

The forecast actual average 2014-2015 EFT's assumes approximately 33.8 favourable EFT positions, partly offset by supplementary labour. The 2015-2016 Full Year Budgeted EFT's includes full year impact of positions approved in 2014-2015 and new EFT's Budgeted of 1.8.

FINANCIAL PERFORMANCE INDICATORS

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

Indicator	Measure	Notes	Forecast Annual 2014-2015	Budget 2015-2016	Strategic Resource Plan Projections 2016-2017	2017-2018	2018-2019	Trend +/o/-
Operating position								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	**1**	-0.3%	**0.8%**	0.9%	0.5%	0.2%	**o**
Liquidity								
Working Capital	Current assets / current liabilities	**2**	114.5%	**122.3%**	121.0%	118.1%	119.0%	**o**
Unrestricted cash	Unrestricted cash / current liabilities		54.0%	**63.7%**	64.0%	61.0%	60.3%	**o**
Obligations								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	**3**	35.9%	**42.4%**	46.5%	48.7%	46.9%	**-**
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		6.9%	**7.5%**	8.5%	9.4%	9.2%	**-**
Indebtedness	Non-current liabilities / own source revenue		29.1%	**28.0%**	30.5%	32.5%	32.1%	**o**
Asset renewal	Asset renewal expenditure / depreciation	**4**	76.0%	**72.5%**	70.8%	68.2%	61.2%	**-**
Stability								
Rates concentration	Rate revenue / adjusted underlying revenue	**5**	58.8%	**61.1%**	61.4%	62.6%	63.6%	**-**
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.4%	**0.4%**	0.4%	0.4%	0.4%	**o**

Indicator	Measure	Notes	Forecast Annual 2014-2015	Budget 2015-2016	Strategic Resource Plan Projections 2016-2017	2017-2018	2018-2019	Trend +/o/-
Efficiency								
Expenditure level	Total expenditure / no. of property assessments		$2,694	**$2,730**	$2,787	$2,856	$2,927	-
Revenue level	Residential rate revenue / No. of residential property assessments		$1,356	**$1,422**	$1,472	$1,524	$1,577	+
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year		5.8%	**6.7%**	7.2%	7.0%	7.0%	o

Key to Forecast Trend:

+ Forecast improvement in Council's financial performance/financial position indicator

o Forecasts that Council's financial performance/financial position indicator will be steady

- Forecast deterioration in Council's financial performance/financial position indicator

Notes to indicators

1 Adjusted underlying result – An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Financial performance is expected to remain steady over the period.

2 Working Capital – The proportion of current liabilities represented by current assets. Working capital is forecast to increase in 2015-2016 year due increased cash balances. The trend in later years is to remain steady at an acceptable level.

3 Debt compared to rates - Trend indicates Council's increasing reliance on debt against its annual rate revenue in 2015-2016 due to increased loans being drawn down and then remaining steady in the future years.

4 Asset renewal - This percentage indicates the extent of Council's renewals against its depreciation charge (an indication of the decline in value of its existing capital assets). Councils level of spend on its renewal program, although remaining constant, indicates that its assets are detoriorating faster than they are being renewed and expenditure will be required in the future to renew assets.

5 Rates concentration - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will become slightly more reliant on rate revenue compared to all other revenue sources.

8.4 Non-financial resources

In addition to the financial resources to be consumed over the planning period, Council will also consume non-financial resources, in particular human resources. A summary of Council's anticipated human resources requirements for the 2015/16 year is shown below and further detail is included on page 2-4 of this budget.

Indicator	Forecast Annual 2014-2015	Budget 2015-2016	Strategic Resource Plan Projections 2016-2017	2017-2018	2018-2019
Employee costs ($'000)					
- Operating	123,518	**132,831**	139,011	145,818	152,953
- Capital	5,288	**5,628**	5,870	6,122	6,386
Total	128,806	**138,459**	144,881	151,940	159,339
Employee numbers (EFT)	1520	**1585**	1590	1595	1600

Rating Information

1. Rating Context 2015-2016

City Plan 2013-2017 (2015-2016 Update)

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.

Average Rates & Charges

	2008-2009 Annual Report		2009-2010 Annual Report		2010-2011 Annual Report		2011-2012 Annual Report		2012-2013 Annual Report		2013-2014 Annual Report			
Regional Cities	per Assessment $	per Residential Assesment $	per Assessment $	per Residential Assesment $	per Assessment $	per Residential Assesment $	per Assessment $	per Residential Assesment $	per Assessment $	per Residential Assesment $	per Assessment $	per Residential Assesment $	**Residential 2013-2014 on 2012-2013 % increase**	**Average Residential % Movement over 6 Years**
Wodonga	1,578	1,372	1,615	1,375	1,735	1,466	1,877	1,569	1,894	1,690	1,985	1,771	4.8%	4.85%
Horsham	1,211	1,233	1,303	1,330	1,409	1,434	1,527	1,358	1,638	1,466	1,750	1,564	6.7%	4.47%
Wangaratta	1,290	1,124	1,338	1,165	1,398	1,228	1,490	1,278	1,570	1,377	1,644	1,445	4.9%	4.76%
Warrnambool	1,367	1,218	1,438	1,278	1,542	1,388	1,655	1,389	1,714	1,429	1,821	1,494	4.5%	3.78%
Latrobe	1,351	1,032	1,402	1,078	1,483	1,159	1,582	1,250	1,683	1,346	1,778	1,431	6.3%	6.44%
Greater Geelong	1,227	1,028	1,293	1,079	1,347	1,129	1,423	1,182	1,481	1,242	1,548	1,297	4.4%	4.36%
Ballarat	1,348	1,016	1,410	1,061	1,454	1,125	1,561	1,193	1,613	1,275	1,554	1,364	7.0%	5.71%
Greater Bendigo	1,197	996	1,344	1,098	1,332	1,131	1,404	1,218	1,529	1,371	1,617	1,343	-2.0%	5.81%
Neighbouring Councils														
SurfCoast	1,487	1,430	1,589	1,530	1,698	1,638	1,804	1,749	1,885	1,805	1,993	1,960	8.6%	6.18%
Wyndham	1,344	1,087	1,476	1,078	1,582	1,168	1,668	1,258	1,753	1,350	1,824	1,539	14.0%	6.93%
Golden Plains	1,068	929	1,150	1,063	1,306	1,200	1,402	1,268	1,539	1,461	1,614	1,503	2.9%	10.30%
Metropolitan Councils														
Maribyrnong	1,616	1,288	1,687	1,341	1,812	1,442	1,911	1,523	2,018	1,609	2,070	1,684	4.7%	5.12%
Whittlesea	1,312	1,030	1,308	1,058	1,311	1,114	1,367	1,166	1,504	1,220	1,568	1,284	5.2%	4.11%
City of Port Phillip	1,230	1,017	1,258	1,068	1,310	1,131	1,391	1,199	1,470	1,224	1,536	1,279	4.5%	4.29%

[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 six years.

Cost Indicators – Local Government Index

Historical Movements in CPI & LGCI (Source: MAV Local Government Cost Index 2013-14)

% Growth	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
CPI	3.60%	2.80%	3.30%	2.50%	2.50%	3.7%*/2.1%	2.50%	2.50%
LGCI	5.20%	5.00%	3.40%	3.70%	3.45%	4.36%	3.39%	3.39%

*estimate one off Carbon Tax Impact 0.7%

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 2015-2016 is currently forecast at 2.5%. The LGCI is likely to be 3.4% driven primarily by wage prices increasing at 3.5%.

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 $11.3M in 2015-2016 raising a total of $191M.

Rating Matters considered for the 2015-2016 Budget

In formulating the 2015-2016 Rating Strategy Council has considered the representations from some ratepayers, the impact of rating appeals, review of rate differentials and the appropriateness of land use definitions relative for rating differentials. The matters considered are summarised as follows:

- To increase the Farm rebate from 34% to 50% on a permanent basis.

  The Farm rebate is reviewed in context of biannual revaluations and the relative movement of farm valuations relative to residential. The current Farm differential is set at the residential rate less a 34% rebate. Any increase in the rebate cost would need to be funded by rate increases to other rate differentials. The farm rebate will be reviewed following outcomes of the 2016 Municipal revaluation, impacting on the 2016-2017 rating strategy.

- Provision of a rating incentive for broader commercial land use on Farm land

  Where a portion of a farm property is used for commercial activities then the commercial differential applies to this land use (ie. a separate rating assessment is created from the farm assessment). It was suggested that a rebate off the commercial rate would act as incentive for farmers to introduce commercial activities such as cafes or restaurants. The introduction of a new rebate would need to be funded by rate increases to other rate differentials. No new rebates are proposed as part of the 2015-2016 Rating Strategy.

- Rate in Dollar review for Cultural & Recreation land use differential

  Under the Cultural and Recreation Lands Act, provision is made for a council to levy the rate for recreational lands at such amount as the council determines reasonable, having regard to the services provided by the council in relation to such lands and having regard to the benefit to the community derived from such recreational lands. The commercial rate is set at 208% of the residential rate and the rate concession for recreational land is set at 31% of the commercial rate for 2015-2016.

- Requests from Cultural & Recreation organisations to shift from the Commercial differential to the Cultural & Recreation differential

  Council has previously extended the Cultural & Recreation differential to not-for-profit clubs or associations engaged in, indoor sporting, recreational and cultural activities which have similar characteristics and objectives to Cultural & Recreational land.

  To be considered, each property should have limited venue hire, restricted liquor licensing provisions and have little impact on neighbouring amenity. The following organisations are proposed to be included as Cultural & Recreation land use.

Croatian Community Centre of Geelong (Inc)	172-178 Cox Road, CORIO VIC 3214
Association of Ukrainians - Victoria	16-21 Monastery Court, LOVELY BANKS VIC 3213

- Rate Objections and VCAT appeals lodged by Petroleum and Aluminium ratepayers

  The resolution of Rate objections and VCAT appeals for high value property, create risks to achieving budgeted rate revenue. The 2014 level valuation for Petroleum land has been certified and the objection for Aluminium production land is awaiting final certification. These objections and appeals represent significant rate reductions to be incorporated in the 2015-2016 Rating Strategy. The Rating Strategy provides for a reduction of $0.9M in Petroleum rate revenue and a net reduction of $0.4M for the Aluminium differential. This rate revenue reduction has been partly offset by the increase in supplementary rates growth.

- Review of Aluminium production differential

  The Aluminium Production Land differential rate has been discontinued from 2015-2016, given there are no applicable rateable properties. This follows the closure of the Alcoa smelter in December 2014. The Aluminium production assessment is now defined as industrial land and rated at the industrial differential rate.

- Review of Petroleum & Automobile production differential

  Council maintains a rating priority to align the Petroleum production land and Automobile production land differential.

  Council has previously adopted a policy position that the long term intention was to move the Petroleum production land differential (along with Automobile production land differential) closer to the Industrial land differential. Council proposes to adopt a timeline for transitioning the Petroleum and Automobile rating differential to the Industrial rating differential so that the differentials cease to exist as from 1 July 2017. A 50% reduction in the gap between the Petroleum and Automobile rating differential and the Industrial rating differential is proposed as part of the 2015-2016 Rating Strategy.

- Review of Mixed use land characteristics

  The Mixed use differential applies to any land which has characteristics of residential land combined with characteristics of commercial or industrial land. There are no changes proposed to this land use definition in 2015-2016.

Rating Model

- Rates and Charges on a residential property will increase overall by 4.45%, including rate in $ movement 4.5%, Municipal Charge movement 3%, and Waste Collection Service Charge 4.77%. The residential rate has been set at $0.002832 per $ of CIV valuation.
- 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 $28.75 per tenement. The charge for 2015-2016 will increase from $246.50 to $258.25 or 4.77%.
- 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 $91.55 to $94.30 or 3%.
- The Farm rebate will remain at 34% and represents a cost to Council of $1.289M.
- Vacant Land rate in the dollar will remain at 145% of residential in order to encourage building activity and development.
- Petroleum and Automobile differentials have been aligned to the same rate in the dollar. Council's adopted Statement of Principle is to reduce the gap between the rate in the dollar for these differentials and the industrial differential. For 2015-2016 Petroleum and Automobile differential have moved from 367% to 322% relative to residential.
- The Housing Support Waiver for eligible Charitable Housing will be maintained for 2015-2016 and is available upon application for eligible properties.
- The transitional rebate introduced in 2010-2011 for nominated charitable housing properties was reduced to 25% in 2014-2015 and has been withdrawn from 2015-2016.
- A rates waiver for the New Corio Estate will be maintained for 2015-2016.
- The pensioner concession will increase from $208.00 in accordance with movement in CPI for Melbourne as advised by the Australian Bureau of Statistics to $213.00.

Residential Rates and Charges

The average Capital Improved Value of residential properties within the municipality has increased from $375,674 to $377,721.

The total increase in rates and charges for the average property with a capital improved value of $377,721 is $60.55 or 4.45%. This increase is made up of $46.05 for General Rates, $2.75 for Municipal Charge and $11.75 for the Waste Collection Service.

Residential Properties	2014-2015 Rates on Average CIV $	2015-2016 Budget Rates on Average CIV $	Increase %
General Rates CIV x Rate in $	1023.60	1069.65	4.50%
Municipal Charge	91.55	94.30	3.00%
Waste Collection Service	246.50	258.25	4.77%
Total Rates and Charges	**1,361.65**	**1,422.20**	**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. Twelve differential rates are proposed for 2015-2016. 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 $91.55 to $94.30. 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 $258.25 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 2015-2016 will increase from $246.50 to $258.25 or 4.77%.

Provision has been retained for a HACC support program for aged and disadvantaged 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 was rated in accordance with legal precedent and the Local Government Act.

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

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 2012 valuation and the 2014 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 2015-2016 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 2015-2016 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, to qualifying ratepayers.

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, Council has adopted Planning Scheme amendment C243 which formally protects the native vegetation and provides some certainty over future use of the land.

For 2015-2016 Council will declare a waiver under section 171 of the LGA of 100% of general rates and municipal charge for privately owned properties in the New Corio Estate. 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 came into effect from 1 July 2013. Council needs to consider the objectives, the suitable uses and the types of classes of land when introducing a differential rate. There are no new differential rates being introduced as part of the 2015-2016 Budget.

Penalty Interest

Interest is charged on all overdue rates in accordance with LGA Section 172. Penalty interest is to be charged from the date when each instalment was due, irrespective of whether a lump sum option is available.

The interest rate to apply is fixed under Section 2 of the Penalty Interest Rates Act 1983, which is determined by the Minister and published by notice in the Government Gazette. The penalty interest rate of 10.5% per annum will apply from 1 July 2015.

In proven cases of hardship where Council allows rates to be deferred, interest will be charged at 5.82% for 2015-2016.

5. Fire Services Property Levy

The Fire Services Property Levy Act 2012 (FSPL) came into effect from 1 July 2013 and requires Local Government to bill, receipt and collect FSPL on rateable and non-rateable properties. It is estimated that Council will levy $23.4M in 2015-2016 and remit to the State Revenue Office.

The Levy, which appears on the Rate Notice, consists of a fixed component plus a variable component based on the property's capital improved value to be determined by the Minister on or before 31 May each year.

Council is 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 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.

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 145% 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) 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 11423 Folio 073 and 074 also described in Lot C PS 638301 and PS 722214 (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 11423 Folio 073 and 074 also described in Lot C PS 638301 and PS 722214 (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.

iii. 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.

iv. 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 11423 Folio 073 and 074 also described in Lot C PS 638301 and PS 722214 (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) Automobile Manufacture Land; and

ii. is used predominantly 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 form 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 322% of the Residential Land differential with the intention that it will be at the Industrial Land differential from 2017-2018.

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 322% of the Residential Land differential with the intention that the Petroleum Production Land differential will be at the Industrial Land differential from 2017-2018.

Aluminium Production

The Aluminium Production Land differential rate has been discontinued from 2015-2016, given there are no applicable rateable properties. This follows the closure of the Alcoa smelter in December 2014.

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 2015 - 30 June 2016

Category	No. of Properties 2014-2015	No. of Properties 2015-2016	% Change 2014-2015 vs 2015-2016	2014-2015 Rate* in $	2015-2016 Rate* in $	% Change Rate in $ 2015-2016 vs 2014-2015	2014-2015 Budget $	2015-2016 Income Est $	Net % Change in Income	$ Change 2014-2015 to 2015-2016	CIV Value 2014 Level Budget 2014 $	CIV Value Mar 2015 $	% Change in CIV 2014-2015 vs 2015-2016
Residential-base	98,460	100,803	2.4%	0.002710	0.002832	4.5%	100,243,441	107,827,550	7.6%	7,584,109	36,988,813,000	38,075,372,000	2.9%
Vacant Land	5,004	4,930	-1.5%	0.003930	0.004107	4.5%	6,320,552	6,570,484	4.0%	249,932	1,608,427,201	1,599,884,001	-0.5%
Commercial	5,309	5,448	2.7%	0.005654	0.005908	4.5%	21,660,641	23,453,165	8.3%	1,792,524	3,830,704,201	3,969,441,200	3.6%
The Point Residential	15	24	60.0%	0.002710	0.002832	4.5%	21,288	37,297	0.0%	16,009	7,855,000	13,170,000	0.0%
The Point Vacant Land	24	28	16.7%	0.003930	0.004107	4.5%	66,706	62,157	-6.8%	(4,549)	16,975,000	15,135,000	-10.8%
The Point Commercial	2	3	50.0%	0.005654	0.005908	4.5%	70	53,002	100.0%	52,932	12,300	8,970,500	100.0%
Industrial*	1,851	1,887	1.9%	0.007542	0.007881	4.5%	9,577,423	10,293,466	7.5%	716,043	1,269,865,000	1,306,047,000	2.8%
Mixed Use	255	298	16.9%	0.004146	0.004333	4.5%	554,452	644,275	16.2%	89,823	133,717,000	148,705,000	11.2%
Farm-(with Rebate)	1,075	1,041	-3.2%	0.002710	0.002832	4.5%	2,538,965	2,501,569	-1.5%	(37,396)	1,419,473,000	1,338,391,000	-5.7%
Cultural & Recreation	58	64	6.9%	0.001702	0.001846	8.5%	206,892	236,127	14.1%	29,235	121,591,000	127,883,000	5.2%
Automobile Manufacture Land	2	2	0.0%	0.009946	0.009133	-8.2%	453,044	415,994	-8.2%	(37,050)	45,550,000	45,550,000	0.0%
Petroleum Production Land	1	1	0.0%	0.009946	0.009133	-8.2%	2,168,682	1,242,047	-42.7%	(926,635)	218,044,000	136,000,000	-37.6%
Aluminium Production Land**	1	0	0.0%	0.009946	0.000000	-100.0%	626,603	0	-100.0%	(626,603)	63,000,000	0	-100.0%
Municipal Charge	112,057	114,522	2.2%	$ 91.55	$ 94.30	3.0%	10,258,471	10,799,024	5.3%	540,553			
Total of Rates Inc. MC							154,697,228	164,136,157	6.1%	9,438,929			
Garbage Charge	100,767	103,400	2.2%	$ 246.50	$ 258.25	4.8%	24,838,703	26,703,402	7.5%	1,864,699			
Total	**112,057**	**114,522**	**2.20%**				**179,535,931**	**190,839,558**	**6.3%**	**11,303,627**	**45,724,026,702**	**46,784,548,701**	**2.3%**

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

** Aluminium Production Land differential has been discontinued from 2015-2016, with no qualifying properties and is shown for comparison purposes only.

OTHER STRATEGIES

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

BORROWING STRATEGY

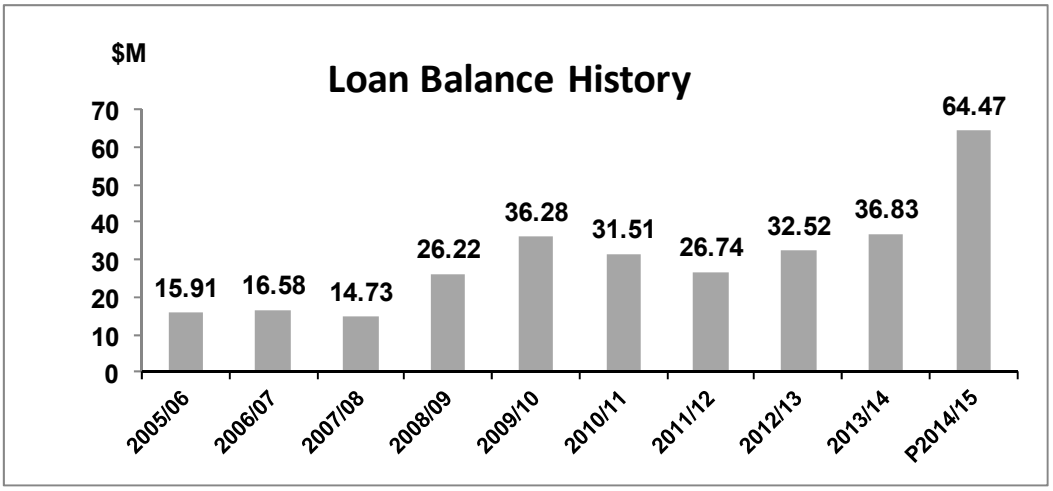
Loan Balance History

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 loan of $10.85M was taken out in May 2013 to fund Community Facilities and commence funding of the new Geelong Library & Heritage Centre. A loan of $11.8M was taken out in October 2013 to fund Unfunded Superannuation payment and Lara Town Centre project. In September 2014 a loan of $16.5M (deferred from 2013-14) was taken out to fund Community Facilities, Geelong Library and Heritage Centre and the Drysdale Landfill Cells. Most recently a loan of $21.1M was taken out in February 2015 to fund Shell Rd Reserve Masterplan, Geelong Library and Heritage Centre and Community Facilities. Further 2014-2015 budgeted loans of $14.9M have been deferred until 2015-2016.

New Loans of $13.01M are included in the 2015-2016 Budget to fund Leopold Community Hub, Rosewall Neighbourhood House, Bellevue Ave Highton Family Hub, Hendy Street Family Hub, Shell Rd Reserve Masterplan, Hendy St Reserve Redevelopment, Armstrong Creek and Central Geelong Action Plan.

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



Capital Funding Gap Analysis 2015-2016

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	54.04
Loan Repayments	(10.89)
Unfunded Superannuation	(1.74)
Recurrent Operating Surplus	0.75
Internal Funding Available for Capital	**42.16**
2015-2016 Net Capital Program	61.75
Property Asset Sales	(4.23)
Developer Contributions	(2.35)
Total Funding Required for Capital	**55.27**
Difference required to be funded by loan in 2015-2016	**13.01**
Deferred Loans from 2014-2015	**14.92**
Total Borrowings for 2015-2016	**27.93**

The 2015-2016 program includes $28.0M of capital works carried over from 2014-2015 and $18.0M of works carried over to 2016-2017.

The following table shows the total borrowings and available cash and investments over the last nine 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.

				Debt Management		
Year	Outstanding Loans $M's	Cash and Investments $M's	Current Ratio	Total Debt Repayments/ Rates %	Debt Servicing Costs / Revenue %	Realisable Assets / Liabilities
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 Actual	32.52	71.40	1.63	4.85	0.65	9.30
2013-2014 Actual	36.63	75.27	1.41	4.5	0.63	8.83
2014-2015 Projection	64.47	55.61	1.14	5.41	0.71	8.04
2015-2016 Budget	81.51	64.76	1.22	5.67	0.94	8.17
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 Central Geelong Action Plan, Armstrong Creek, Community Facilities and Landfill rehabilitation as projects to be funded by loans.

	2015-2016 $'000	2016-2017 $'000	2017-2018 $'000	2018-2019 $'000
Community Facilities	5,750	8,850	6,100	1,000
Central Geelong Action Plan	3,000	0	0	0
Armstrong Creek	2,815	4,080	11,345	14,243
Shell Rd Reserve Masterplan	1,250	0	0	0
Hendy St Reserve Redevelopment	1,200	600	0	0
Corio Landfill Rehabilitation	(1,000)	6,000	0	0
Drysdale Landfill Cells	0	3,600	3,000	0
Geelong Ring Road Employment Precinct	0	1,310	1,310	0
Leisurelink Expansion	0	1,000	2,400	0
Yarra St Pier	0	0	750	1,975
Deferred Loans from 2014-2015	14,917	0	0	0
Total Loans	**27,932**	**25,440**	**24,905**	**17,218**

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 2015. 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
2014-2015	37,600	(9,756)	(2,645)	64,473	(8,660)
2015-2016	27,932	(10,892)	(3,487)	81,513	(16,753)
2016-2017	25,440	(13,196)	(3,984)	93,757	(25,050)
2017-2018	24,905	(15,493)	(4,330)	103,169	(33,897)
2018-2019	17,218	(16,026)	(4,426)	104,362	(33,867)

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.

2015-2016 Budget Initiatives

As part of the 2015-2016 Budget Council has continued to increase spending on infrastructure maintenance and renewal. Federal funding for Roads to Recovery will increase $1.7M in 2015-2016 (one year only). Capital renewal also includes an additional $1.55M of renewal expenditure for priority Road Surfacing $0.50M, Building Renewals $0.50M, Kerb & Channel $0.20M, Road Rehabilitation $0.20M, Renewal of Civil Assets in Parks $0.05M and Footpath Renewal Works $0.10M. Recurrent renewal increases includes an additional $0.90M for Building Maintenance, $0.03M for Road Shoulder maintenance, $0.55M for Civil Infrastructure and Parks Growth maintenance and $0.25M for Water Sensitive Urban Design Asset maintenance.

Other related infrastructure includes allocation for :

	$'000
Manifold Heights Cricket Club Oval Renovation	150
Geelong Botanic Gardens Ladies Kiosk Restoration	110
Fairnie Park Decking Replacement	134

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 2013-2014 $'000	Budget 2014-2015 $'000	Budget 2015-2016 $'000
Parks & Roads Routine Maintenance	**37,150**	**38,563**	**40,272**
Road and Footpath Renewal Works			
Road Rehabilitation Program	4,400	4,400	6,344
Kerb & Channel Program	1,618	1,868	2,106
Footpath Program	3,475	3,475	3,616
Bicycle Path Program	90	90	90
Asphalt Overlay Program	3,009	3,609	4,000
Reseal Program	1,602	1,602	1,642
Bitumous Surfacing Rubber Seal Program			
Drainage	1,051	1,051	1,071
Other Road Infrastructure	2,081	2,231	2,375
	17,326	**18,326**	**21,244**
Building Renewal & Maintenance	**3,946**	**4,635**	**6,042**
Recreation Infrastructure			
Recreation Reserves	159	159	167
Playgrounds	525	525	638
Irrigation Upgrade	258	264	271
Hard Surface Program	227	247	253
Ground Renovation Upgrade	214	214	219
Recreation Facilities Maintenance	1,206	1,238	1,538
	2,589	**2,647**	**3,086**
Community Development	**248**	**249**	**249**
Program Totals	**61,259**	**64,420**	**70,893**

Parks & Roads Routine Maintenance $40.3M - (Increased by $1.7M)

The general routine maintenance of Council's Roads and Parks assets has increased by $1.7M. 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 2015-2016 Budget are:

- Funding of $0.25M for maintenance of Water Sensitive Urban Design Assets.
- An increase of $0.55M in funding will allow Council to accommodate the increased cost of routine maintenance of Civil Infrastructure and Parks assets due to increase in asset growth within the City of Greater Geelong.
- An increase of $0.03M for maintenance of road shoulders.
- Balance of increase due to effect of salary increases and general material cost increases.

Road & Footpath Infrastructure Renewal and Major Maintenance Works $21.2M - (Increased by $2.9M)

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 2015-2016 Budget includes additional funds of $1.05M for renewal programs - in particular Road Surfacing ($0.50M), Kerb & Channel ($0.20M), Road Rehabilitation ($0.20M), Renewal of Civil Assets in Parks $0.05M and Footpath Renewals ($0.10M) in recognition of the continuing need to renew ageing infrastructure.

Federal funding for Roads to Recovery projects will be increased by $1.7M for 2015-2016. This is a one off increase.

Building Renewal & Maintenance $6.0M - (Increased by $1.4M)

Building renewal provisions have been increased from $1.0M to $1.5M.
The Budget for building maintenance includes essential maintenance $0.7M, scheduled maintenance $2.2M (includes $0.1M increase), and unscheduled maintenance $1.6M (includes $0.8M increase) for the 750 individual buildings owned or controlled by 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 $3.1M - (Increased by $0.5M)

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. The 2015-2016 Budget includes additional funds for Aquatic Centres maintenance of $0.28M and Playgrounds $0.12M.

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.

	2013-2014 Budget $'000	2014-2015 Budget $'000	2015-2016 Budget $'000
Capital Renewal Expenditure	20,676	25,956	29,233
Capital Upgrade Expenditure	7,547	12,170	9,960
Assets Used (Depreciation)	48,831	50,147	54,038
Renewal Gap Measure - Renewal Expenditure / Depreciation	42%	52%	54%
Upgrade and Renewal Gap Measure - Upgrade and Renewal Expenditure / Depreciation	58%	76%	73%

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 2015-2016.

Key Services

Landfill Sites / Transfer Stations

Commercial fees for Drysdale landfill and the transfer stations have increased by 2.5% to cover CPI increases plus a further $2.02 per tonne increase in the EPA Levy. Work will continue 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 2015-2016 by $1.55M from $17.04M to $18.59M. This increase includes effect of EPA Levy increase of $2.02 per tonne and increase in collection contracts. 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 $2.62M, Unsealed Roads Maintenance $2.96M, Footpath Kerb & Channel Maintenance $0.82M, Drainage Works $1.66M and City Cleansing $3.78M in 2015-2016.

Aged & Disability Services

Government funding for Aged and Disability services is expected to increase by approximately $0.74M in total for 2015-2016. This includes General Care, Personal Care, Respite Care and Meals. The net cost of Aged Care Services is budgeted to be $4.2M.

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 $9.8M.

Arts & Culture

Council is actively committed to promoting heritage and cultural programs for community benefit including cost of support for the National Wool Museum $1.26M and sponsorship for many community and youth arts programs. In 2015-2016 Council is to provide increased contribution to the Geelong Regional Library $1.43M (additional operating cost for new Geelong Library & Heritage Centre) and Geelong Gallery $0.05M. Overall, net increased cost to Council is $1.44M.

Aquatics

Increased operational costs are anticipated in 2015-2016 from existing aquatic centres and include a decrease in fees and charges of $0.89M, plus $0.58M increase in costs to deliver new service increments.

Family Services

Childcare fees are increasing by $25 per week from July to cover cost increases for the service resulting from staffing ratio and quality standards changes. Overall Childcare income has increased $3.72M as a result of increase from Federal contributions and user charges, mainly due to opening of new Integrated Children's Centres. Offset by $4.30M increase in costs to deliver new service increments to comply with Children's Services Regulations. Net Child Care cost to Council for 2015-2016 is $2.61M. Government support of $0.64M will continue in 2015-2016 for Family Service initiatives - Best Start, Playgroup Support, Family Relationship Services Program, Regional Parenting Service 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 2015-2016 major events include: Cadel Evans Cycling Race, Ironman 70.3, Victorian Open Golf, Geelong Revival Festival, Pako Festa, Carols by the Bay and National Celtic Festival. Total funding is $1.08M.

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 $1.86M.

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 $3.1M.

Service Review

Council completed a Financial Sustainability Review of the organisation and a final report noted priority actions.

Detailed Service reviews have either been completed or are in progress for Geelong Saleyards, Elcho Park Golf Course, Breamlea Caravan Park, Long Day Care, Construction Unit and Customer Service Centres.

Further service reviews will be prioritised and implemented during 2015-2016.

ENVIRONMENTAL MANAGEMENT

The ongoing impact of climate change is placing an array of pressures and threats on our natural environment and our environmental capital. Council's response has been to partner with the community to protect and enhance our natural ecosystems and to encourage sustainable design and reduced resource consumption. The Environment Protection Authority impose standards and specifications in the management of landfill sites, resulting in increased costs of compliance.

Future Proofing Geelong

Program to support and promote new and existing initiatives seeking to improve environmental outcomes for Geelong. Cost of $0.35M has been allocated in 2015-2016.

Reserves and Waterways

- **Environment Reserves Capital Improvement Program** - Cost $0.15M for adopted conservation and environment reserves management plans.
- **Geelong Healthy Waterways Program** - Cost $0.08M ongoing maintenance and upgrading of freshwater waterway assets.
- **Barwon River Infrastructure Project -** Cost $0.06M for implementation of the Mt Brandon Masterplan.
- **Bellarine Catchment Network** - $0.02M to support the Network in providing environmental projects for the Bellarine Peninsula.
- **Friends of Buckley Falls** - $0.03M to Geelong Environment Council - Friends of Buckley Falls.

Energy Efficiency

Programs funded in 2015-2016 are as follows:

- **Corio Library Chiller Upgrade** - Cost $0.12M to replace chiller to more efficiently cool the library.
- **Leisurelink Boiler Upgrade** - Cost $0.08M to replace gas fired boilers used for heating pool to more energy efficient models.
- **Energy Efficiency Audit -** Cost $0.04M to audit top 10 buildings.

Sustainable Water Use Plan

Programs funded in 2015-2016 are as follows:

- **Ground Renovation Program** - Cost $0.22M for improvements to sports fields.
- **Council Recreation Reserves and Parks Water Saving Initiatives** - Upgrade Botanic Gardens irrigation system cost $0.13M.
- **Wastewater / Stormwater reuse** - Ongoing implementation of City's Stormwater Management Plan cost $0.22M.

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 at a total cost of $18.4M. Stage 1 construction will be completed in 2014-2015. Stage 2 is currently being tendered and construction will begin in 2015-2016.

Drysdale

Council has budgeted in 2015-2016 $0.37M for Drysdale Landfill Stormwater PAN Compliance, $0.07M for Drysdale landfill Eastern Dam Dewatering.
An additional $0.50M has been budgeted for Leachate Management at Drysdale Landfill.

Closed Landfill Project

A further $0.15M has been budgeted in 2015-2016 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 $0.07M in 2015-2016 to implement recommended works.

2015-2016 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net $
BUILDINGS						
C16516	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	44,592	19,111	25,480
C16503	Waurn Ponds Library Signage	The Waurn Ponds Library lacks clear visual signage in contrast to Leisurelink. The signage will incorporate design elements raising the library's profile and increasing visitor numbers. Integration of art into major community facilities is a key recommendation of the Public Art Strategy.	Kardinia	20,000		20,000
C16512	Installation of Safety Railing at City Centre Car Park	Installation of safety railing on three levels of the CCCP to comply with Occupational Health and Safety and Building Code requirements.	Brownbill	30,000		30,000
C02622	Building Design - Core Program	Emergency design requirements for safety and emerging priorities, specifications for sports floodlighting.	Municipal	22,500		22,500
C09203	Roof Safety Access Program	Provide safe roof access systems on Council buildings.	Corporate	51,000		51,000
C16302	Breamlea Holiday Park amenity blocks disabled facilities retrofit	The Breamlea Holiday Park amenity blocks have no disabled facilities and a retrofit is required. The existing amenity blocks are not compliant with current standards and pose a risk to disabled park visitors.	Buckley	70,000		70,000
C16311	Corio Library Chiller Upgrade	Replace chiller to more efficiently cool the library building, reduce greenhouse gas emissions and operational costs. 20% reduction in building electricity costs and GHG emissions. Reduce GHG emissions by approximately 50 TCO2 annually. 50% Council contribution to grant.	Corio	121,000	60,500	60,500
C16312	Leisurelink Boiler Upgrade	Replace the gas fired boilers used for heating the pool water at Leisurelink to more energy efficient models. 50% Council contribution to grant.	Kardinia	82,500	41,250	41,250
C16315	Bulk Fuel Facilities Compliance Project	Removal of two 20,000 litre decommissioned underground fuel tanks at the Corio Operations Centre.	Municipal	52,000		52,000
C16501	National Wool Museum OH&S Risk - Cartway doors to Gore Place	The Gore Place cartway doors continue in operation on the original 1872 mechanism. They pose an immediate OH&S manual handling and safety risk. The potentially faulty mechanism has faltered in the past resulting in doors coming off glider system. As these doors need to be opened daily as part of the open Laneway project they pose an immediate physical risk to operators and the public. Needs a design study to determine best heritage sensitive alternative door system, design and installation of new doors.	Brownbill	10,000		10,000

2015-2016 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net $
C16508	Pound Security Upgrade	Upgrade of security at the pound entrance, including electronic swipes to control unauthorised access by the public and improve the safety of staff/volunteers.	Municipal	50,000		50,000
C16509	Pound Upgrade to Sewer Disposal/Pump System	The current sewer disposal/pump system has sub-surface inspection lids, which pose an OHS issue in terms of access (for maintenance purposes) and allows stormwater infiltration that overloads the system. There is also a need to install an interceptor trap to filter non biodegradable solids as per our Barwon Water license.	Municipal	10,000		10,000
C16513	Replacement of Boom Gates for Busport Car Park	Busport car park is dedicated permit parking Monday - Friday. The current boom gate system continually fails, requiring excessive maintenance and after-hours call-outs.	Brownbill	60,000		60,000
C15802	Ceres Temperance Hall	Stage One - works to comply with Structural engineering report such as sub floor ventilation, roof tie down, hot water provision to ensure fit for purpose for community groups.	Deakin	50,000		50,000
C16802	Geelong West Town Hall Kitchen Redevelopment	Redevelop main kitchen space to enable safe community use due to high demand. Current kitchen fit out does not meet commercial kitchen requirements. (ie. canopy too small, floor not to standard, layout impractical, ovens unsafe.	Brownbill	150,000		150,000
C16803	Seniors Kitchens Upgrades	Senior's kitchens are required to be registered because meals are cooked and served for large numbers of the community. Some currently do not meet requirements. Dependant on costings, projects will be chosen from, East Geelong, Grovedale, Highton, Drysdale.	Various	50,000		50,000
C16814	Cunningham Pier Public Toilet Upgrade	Existing toilets are not large enough for current and forecast demand from the Youth Activity Area, playground, events and tourism. Peak periods have experienced significant customer disadvantage and complaints.	Brownbill	385,000		385,000
C16823	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	328,000		328,000
C16824	Children Services Facilities Upgrades	Upgrade of children service facilities including childcare centres, kindergartens and occasional care venues to ensure compliance with Children service regulations and continuation of service delivery.	Various	405,000		405,000

2015-2016 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net $
C16825	Community Halls Upgrade	Upgrades to major halls to maintain a standard of venue delivery.	Various	219,000		219,000
C16841	Ladies Kiosk Restoration - Geelong Botanical Gardens	Project to restore the Ladies Kiosk in Eastern Park. The Kiosk is over 100 years old and in need of complete restoration. It was originally located in Market Square, c.1904, and moved to Eastern Park in 1929. The Friends have invested $16,000 in work required to apply for a Heritage Victoria grant to restore the Kiosk—including historical documentation, soil tests, structural surveys, architects drawings and builders' quotations—and was recently awarded a Heritage Victoria grant of $80,000 to undertake the project. There will be a further requirement to landscape the area, bringing the existing gravel path surrounding the Water Catchment Dam up to the kiosk and across to the public toilet, thus integrating the Kiosk with the City's new path.	Brownbill	110,000	80,000	30,000
C09201	Office Alteration / Improvement Program	Ongoing program of minor office alterations and improvements.	Corporate	20,500		20,500
C10206	Toilet Block Renewal / Replacement Program	Ongoing program of public toilet refurbishment ensuring they meet community needs and expectations.	Municipal	256,000		256,000
C12202	Building Renewals	Annual building renewals funding for Heating & Cooling units and other capital renewal.	Corporate	1,495,000		1,495,000
C16204	Security Improvements for the Old Post Office Reception Area	There have been a number of security incidents in the Reception area putting staff and other users at risk. Security audit was completed and incident reports for each incident. CCTV and a redesign of the Reception desk is required to ensure the safety of Reception staff and the security of the OPO building and workers.	Corporate	40,000		40,000
C16205	Improvements to Old Post Office	Minor refurbishment of offices previously occupied by tenant (headspace). This space is currently being used as a drop in space for programs such as GASP, FLUKE and other times we meet with young people. There is no other space in the Old Post Office suitable for these meetings.	Corporate	25,000		25,000
C16206	Osborne House Building Alterations	Building alterations at Osborne House	Corporate	30,000		30,000
	Community Facilities Upgrades Include:			**17,690,000**	**10,440,000**	**7,250,000**

2015-2016 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net $
C68151	Armstrong Creek West - NAC Community Complex Year 2	The Neighbourhood Activity Centre community complex is identified as a key Developer Contribution Plan infrastructure item to be delivered to service the community of the Armstrong Creek West precinct.	Buckley			
C12856	Geelong Library & Heritage Centre	Final year of construction funding for the $45.5M Geelong Library & Heritage Centre.	Brownbill			
C14802	Geelong Library & Heritage Centre Car Park	Funding for the final year of construction for the Geelong Library & Heritage Centre Car Park.	Brownbill			
C14870	Armstrong Creek Neighbourhood Health & Community Centre	Remaining funds to represent indexing of grant. Total Project revised from $6.8M to $7.24M. All grant funded.	Buckley			
C15801	Bellevue Highton Family Hub	Project funds for year 2 of the Bellevue Highton Family Hub Project.	Deakin			
C15827	Fyans Park Kindergarten Extension	Funding for second year implementation of project.	Kildare			
C15837	Bellarine Living & Learning Centre Upgrade	Expansion and upgrade to Bellarine Living and Learning Centre.	Austin			
C15841	Leopold Community Hub - Stage 2 Library	Project funding for year 2 of multi year project.	Cheetham			
C15851	Hendy Street Children's Hub	Project implementation funding for year 2 of project.	Windermere			
C16804	Rosewall Neighbourhood Centre - Detailed Design	Detailed design for the re-development of the Rosewall Neighbourhood Centre. The project is listed in Council's 4 year strategic resource plan and supported by recommendations in Corio Norlane Structure Plan and Corio North Community Infrastructure Plan.	Windermere			
C16805	Drysdale Integrated Children and Family Centre	Detailed design for a new integrated children and family centre in Drysdale to expand and replace existing service facilities in order to meet current and future population requirements. Proposed centre would provide long day and occasional child care, kindergarten, MCH, family support, playgroup/multi-purpose facility, toy library.	Cheetham			
C16850	Public/Disabled Access Toilet - Hughes Street - Bell Park	The Hughes Street shopping strip and precinct is in desperate need of a Public / Disabled Access Toilet for the large community that use this shopping and retail area in the Northern Suburbs.	Cowie			
TOTAL BUILDINGS				**21,877,092**	**10,640,861**	**11,236,230**

2015-2016 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net $
CORPORATE SERVICES						
C16316	Water Standpipe Infrastructure Replacement	Replacement of stand pipe electronic assemblies and IT system upgrade on 9 CoGG managed water stand pipes.	Various	50,000		50,000
C15510	Light & Decorate Geelong - Projections	Success of the projection project has confirmed need for purchase and installation of sound equipment in Johnston Park to wrap the building as a vital aspect in delivering safe and dynamic audio visual events at City Hall. Enhancing projection programming with audio treatments was raised consistently by community.	Municipal	60,000		60,000
C16514	Cadel Evans Bronze Statue	Life size bronze statue with funding contributions expected.	Municipal	100,000	50,000	50,000
C16515	Glass display case for Cadel Evan's Bike	Custom glass case to fit a bicycle with raised plinth and LED lighting.	Brownbill	14,500		14,500
C16504	IT Upgrade - fOrT Youth Centre	The fOrT Youth Centre requires an upgrade to the IT system to allow operations at full capacity and have the same access and operational conditions as all other departments.	Corio	11,500		11,500
C16505	Lara Land Purchase - Manzeene Village, Cameron Crescent	Council resolution on Amendment C285 to “explore options for providing a public physical connection between the Manzeene Village land and Cameron Crescent, Lara”.	Windermere	400,000		400,000
C16601	Marshall Precinct – Downstream Drainage Land Acquisition	The purpose of this project is to facilitate the efficient delivery of drainage and water quality infrastructure to service the future Armstrong Creek – Marshall Precinct. The acquisition relates to 31-19 Tannery Road, Charlemont. Budget reflects 10% Deposit with settlement in 12-24 months.	Buckley	80,000		80,000
C16603	Armstrong Creek East Precinct - Open Space Land Acquisition	Acquisition of 61-83 Stewarts Road for OPEN SPACE purposes. This land is a flood prone property along Armstrong Creek next to Stewarts Reserve. The development of Armstrong Creek East Precinct has resulted in this property becoming land locked and zoned open space with no development potential. Budget reflects 10% Deposit with settlement in 12-24 months.	Buckley	80,000		80,000

2015-2016 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net $
C68153	Armstrong Creek West Precinct - Acquisition of Drainage Reserve (Baanip Bld)	The purpose of this project is to facilitate the efficient delivery of drainage and water quality infrastructure to service the future Armstrong Creek West Precinct. The acquisition relates to approximately 8,000m2 forming part of 333-351 Torquay Road Mt Duneed (southern portion south of Baanip Boulevard), currently owned by VicRoads.	Buckley	770,000		770,000
C68201	Horseshoe Bend Precinct - Sparrovale Wetlands Land Acquisition DI_LA_22	Acquisition of 1-87 Grove Rd for environmental and drainage works as detailed in the Horseshoe Bend Stormwater Management plan by Neil Craigie October 2013. Budget reflects 10% Deposit with settlement in 12-24 months.	Buckley	80,000		80,000
C68202	Horseshoe Bend Precinct - Sparrovale Wetlands Land Acquisition DI_LA_23	The acquisition of 109-215 Sparrovale Rd for environmental and drainage works as detailed in the Horseshoe Bend Stormwater Management plan by Neil Craigie October 2013. Total area to be acquired - 419.80 ha. Budget reflects 10% Deposit with settlement in 12-24 months.	Buckley	180,000		180,000
C68351	Armstrong Creek Town Centre - Community Facilities Site	This project is the purchase of the site identified in the Armstrong Creek Town Centre Precinct Structure Plan as the area to accommodate future Civic and Community facilities to service the broader Armstrong Creek growth area, along with the transit corridor land. These regional civic / community facilities include the longer-term aquatics and sports facility, a major stadium / multipurpose centre, integrated arts and cultural facilities and town common. Budget reflects 10% Deposit with settlement in 12-24 months.	Buckley	450,000		450,000
C68851	Lara West Intersection Land Acquisition	The project involves the acquisition of land covered by Public Acquisition Overlay on the corner of Patullos Rd, Elcho Rd and O'Hallorans Rd. The area to be acquired for 3 properties is 5,600m2, 100m2 and 100m2.	Windermere	250,000		250,000
C15829	Central Geelong Action Plan	Funding of Central Geelong Action Plan capital works projects for 2015-2016 to upgrade the public realm. Specific projects to be determined by the Central Geelong Task Force.	Brownbill	1,520,000		1,520,000
C15862	Central Geelong Priority Works	Funding of Central Geelong Priority Works. Specific projects to be determined by the Central Geelong Task Force.	Brownbill	1,480,000		1,480,000
C16847	Improve pedestrian connections to Deakin and Gordon	Construction of a bridge and associated road works to provide improved connections from Geelong West to the CBD via Villamanta Street pedestrian lights.	Brownbill	300,000		300,000

2015-2016 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net $
C16813	Digital Strategy Implementation	The Geelong Digital Strategy and Implementation Plan has been adopted by Council. This budget allocation will allow Enterprise Geelong to deliver the outcomes, actions and recommendations in relation to economic stimulation and improved local adoption and connection of digital platforms and methods.	Corporate	50,000		50,000
C05508	Open Space Networks Study and Acquisitions Plan Implementation	Land acquisition projects in recognition of income received from developer contributions and recorded in the Open Space Reserve Fund.	Municipal	1,103,000		1,103,000
C16849	Town Centre Tree Lighting	Street tree lighting in town centres as a continuation of the lighting and decoration program carried out in 2014-2015.	Municipal	300,000		300,000
C16201	Electronic Records and Document Management System	Council is going to the market for a potential new EDRMS system to replace DataWorks. We are seeking tenders for outright purchase or a subscription service. Given constraints in the budget the subscription model is the only viable option. The first year presents some one-off costs related to migration and training.	Corporate	347,750		347,750
C09202	Furniture Replacement	Annual capital allocation for furniture and equipment replacement.	Corporate	10,250		10,250
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	57,400		57,400
C16203	Land Acquisition PAO New Station Estate, Corio	Public acquisition overlay - for land required for drainage basin Broderick Rd Corio.	Windermere	750,000		750,000
C06210	Capital Program Project Management - Capitalised Salaries	Annual allowance for salaries associated with delivering the Capital Projects Program - based on current approved headcount.	Corporate	2,806,575	21,900	2,784,675
C05207	Minor Acquisitions Program - Core Program	Funding of minor items below $20K via IT Steering Committee for hardware, software and minor infrastructure items.	Corporate	219,000		219,000
C05208	IT Asset Replacement Program - Core Program	Based on cycle replacement.	Corporate	893,300		893,300
C15205	PABX / Telephony System Replacement - Year 2	Replacement of the Ericsson MD110 PAX with a Unified Communication platform that address CoGG departments current and future business needs.	Corporate	225,000		225,000
C16202	Microsoft Office Upgrade	Current version of Microsoft Office software is 8 years old and causing some compatibility issues. Further the current model of 800 licences is device based and does not cover the increasing mobile fleet of devices. This concept sees a mixed licensing regime that support future mobile workers.	Corporate	137,000		137,000
TOTAL CORPORATE SERVICES				**12,725,275**	**71,900**	**12,653,375**

2015-2016 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net $
PARKS & LEISURE						
C09811	Concrete Core Replacement Project	Ongoing core replacement project for Leisure and aquatic centre concrete and concourse replacement in aquatic areas. This is the 8th year of replacement into a 10 year program. An updated replacement plan will be developed this year to identify areas of replacement into the next 10 years.	Various	100,000		100,000
C10850	Gymnasium Equipment Replacement Program	Annual replacement of gymnasium equipment in line with the updated 10 year gymnasium equipment replacement plan. The objective of the core replacement plan is to reduce the impact on customer satisfaction with equipment breakdowns, minimise repair costs and meet financial leasing commitments. Also to maintain customer recruitment and retention levels through keeping up with industry technology advancements with equipment.	Various	450,000		450,000
C15814	Leisurelink Aquatic Area Air Handling - Stage 2	The air handling within the Leisurelink Aquatic area needs to be upgraded to reduce the level of damage caused to equipment and building structure due to current corrosive atmosphere. Better pool ventilation will resolve current operational short falls with high humidity and condensation and also reduce energy costs and facility maintenance costs. This is the second stage of the project that follows the research and planning stage last year.	Kardinia	150,000		150,000
C15848	Splashdown Aquatic Play Park Development Stage 2 - Construction	The development of an Aquatic Play Park at the Splashdown Centre. This is the construction stage of the project with area layout design, plantroom design and tender specification completed in stage 1. The tendered works will call for design and construct of an Aquatic Play Park and provide state of the arts facilities to families in the Whittington/Newcomb area.	Austin	350,000		350,000
C16821	Leisurelink 50m Pool Liner - Further Planning and Inspection Works	The pool liner in the 50m prefabricated pool at Leisurelink is in poor condition and is need of replacement. A planned replacement plan needs to be developed that considers method of replacement and effect on operation. The surrounding conditions of the pool steel structure also needs to be inspected in more detail. Early engineering reports identified concerns. Inspection hatches need to be installed for further investigations.	Kardinia	50,000		50,000

2015-2016 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net $
C16822	Leisurelink Upgrade to Ultra Violet Light Sanitiser System	The Ultra Violet Light (UV) Sanitiser System is only operating at a fraction of its overall capacity and not providing the level of sterilisation that is required for the size of operation at Leisurelink. The plan is to upgrade the system to meet operational sanitiser requirements and provide a better level of public health and water clarity.	Kardinia	200,000		200,000
C16848	Bellarine Aquatics & Sports Centre Internal Gymnasium Expansion	Modify the delivery of program services at the Bellarine Aquatic & Sports Centre (BASC) in line with current community needs. This requires expansion of the small gymnasium into the group exercise room. The gymnastics program is currently at capacity and this program will be moved from the group exercise room to the multi purpose stadium area.	Beangala	350,000		350,000
Total Aquatics				**1,650,000**	**0**	**1,650,000**
C16815	Eastern Beach Heritage Fence Replacement	Ongoing project to replace sections of heritage post and rail fence that has failed. 95m section of embankment fencing that presents high risk area to public has been prioritised for replacement.	Brownbill	40,375		40,375
C16816	Eastern Beach Seawall Contract Defects	Complete sealing of wall joints to prevent corrosion of seawall steel reinforcement. Works were to be completed under contract defect period but let go in contract settlement dispute.	Brownbill	19,000		19,000
C16817	Fairnie Park Decking Replacement	Timber decking has failed and at end of useful life. Substructure of deck is damaged and cannot be repaired.	Brownbill	133,825		133,825
C16818	Fisherman's Basin Marine Asset Failure Renewal	Marine assets are at end of useful life and have failed in adverse weather conditions. Assets to be renewed include jetty piles, safety railing, light poles, rock walls, timber cappings etc.	Brownbill	50,000		50,000
C16819	Fisherman's Basin Water Main	Water main has burst and requires replacement under Eastern Beach Rd. Temporary repairs have been undertaken but are not expected to last.	Brownbill	12,000		12,000
C16820	Waterfront Playground Pyramid Net Replacement	Pyramid net has failed and needs replacement. Temporary repairs to cables have been undertaken to provide short term solution for this summer.	Brownbill	32,900		32,900
Total Foreshores				**288,100**	**0**	**288,100**

2015-2016 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net $
C08308	Environment Reserves Capital Improvement Program	A program of priority capital works as indentified in adopted conservation and environment reserves management plans.	Municipal	153,000		153,000
C14506	Central Geelong Public Art	Project was funded in 2013-2014 but requires additional resources due to major works proposed to the site. Council has committed to purchase the sculpture and a deposit has been paid. Design and installation of work will have to change accordingly. The Geelong Advancement Fund project represents a significant opportunity to dramatically enhance the visual aesthetic of the Green Spine through this iconic Public Art acquisition and installation.	Brownbill	30,000		30,000
Total Other				**183,000**	**0**	**183,000**
C06405	Geelong Healthy Waterways Program	The ongoing maintenance and upgrading of the City's numerous freshwater waterway assets.	Various	82,000		82,000
C13304	Barwon River Infrastructure Project	The implementation of the Mt Brandon Master Plan along the recently acquired Barwon River Reserve, to provide vital infrastructure for recreation and conservation, catering to the growing housing areas to the east of the Geelong Ring Road.	Deakin	60,000		60,000
C16507	Local Law Signage	Signage for various locations, reflecting the requirements of the new Local Law, the Domestic Animal Management Plan and tobacco control legislation.	Various	40,000		40,000
C12861	Geelong Botanic Gardens Irrigation	Final year of funding to complete 4 stage upgrade project at Geelong Botanic Gardens. Additional year required to meet latent conditions.	Brownbill	125,000		125,000
Total Parks				**307,000**	**0**	**307,000**
C16801	Renewal and Upgrade of Supervised Centre Based Playgrounds	Fixed play equipment and entire playgrounds at Early Year's sites to be upgraded and redeveloped based on priorities identified in the annual playground audits and inventories.	Various	100,000		100,000
C16809	Jetty Rd Sub-Regional Playground	Upgrade of the playground at Clifton Springs on Jetty Rd. This was identified as a sub-regional playground in the Geelong Play Strategy.	Cheetham	250,000	100,000	150,000
C16826	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	538,000		538,000
Total Playgrounds				**888,000**	**100,000**	**788,000**

2015-2016 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net $
	Recreation Reserves and Facilities Upgrades Include:					
C16320	Irrigation System Upgrades 2015-2016	Upgrade twelve (12) irrigation systems to meet Council operational standards to conserve water, and to preserve and maintain green assets in fit for use condition.	Various			
C11827	Shell Road Pavilion	Year 2 funding to complete multi year construction project.	Beangala			
C13847	Lara Recreation Reserve - Infrastructure Upgrades	A project for the construction of a soccer pavilion has been developed and tendered in 2014-2015, however a budget shortfall of approximately $200,000 has meant that this project could not proceed without further funding.	Windermere			
C15839	Landy Field Storage Facility	Year 2 funding to complete multi year project. Slight budget increase associated with footing depth and alternate storage.	Brownbill			
C15842	Geelong Amateurs - Changeroom Refurbishment and Upgrade	Changeroom Refurbishment and Upgrade.	Deakin			
C15843	Upgrade of the Melaluka Road Leopold Football, Cricket and Netball Clubrooms	A full renovation and upgrade of the existing clubrooms situated on Melaluka Road Leopold. The upgrade will improve the toilet, showers and social amenities of the existing rooms.	Cheetham			
C16806	Beginner Mountain Bike Course	This project involves the redevelopment of the Marnock Rd, Newtown site into a beginner mountain bike course, incorporating an urban forest. The concept design incorporates three major elements; cross country trails, a pump track and a skills track.	Kildare			
C16807	Hendy St Reserve Redevelopment	In line with the 8 July 2014 Council resolution, officers are starting the planning of a new multi-use turf field on the Council owned reserve to the immediate south of the ECA Centre. The multi-use field would accommodate two rectangular fields (suitable for rugby union, rugby league and gridiron), a central cricket wicket and sports lighting. Included in this concept, is the construction of prefabricated change facilities at the site, addressing the basic provision of change facilities on Council owned land.	Windermere			
C16808	Hume Reserve Pitch #1 - Lighting	Installation of sports lights to pitch one at Hume Reserve. This project will allow increased use of the playing field for soccer. Installation of sports lighting will allow for multi-use of this facility and align with the strategic direction intended in the G21 Regional Football (Soccer) Strategy.	Cowie			

2015-2016 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net $
C16810	Estuary Estate Reserve - Toilets	Basic provision of toilet facilities out at Estuary Estate Reserve, currently CoGG is funding the monthly hire of two portable toilets at this recreation facility. The reserve is currently used for football, cricket and soccer and with an expanding community this need will increase in demand.	Cheetham			
C16811	Barwon Valley Activity Centre Court Two - LED Lights Installed	Replace old stadium lights on court two at BVAC with LED lights which give much higher luxx levels and also much more energy efficient. Increase to player safety and customer experience in programs and competitions such as Futsal Geelong as well as the popular weekly Belmont Market.	Kardinia			
C16812	Winter Reserve Netball Courts - Drainage Works	There are drainage issues at Winter Reserve with the water run off from Netball courts pooling and swelling around the playground space rendering the playground area unusable for large parts of the winter. The surrounding surface area is boggy, has an odour and is difficult to maintain for CoGG's staff.	Kardinia			
C16827	Ground Renovation Program - Core Program	Improvements to sports fields in response to drought conditions.	Various			
C16828	Capital Projects Design Program	Funds for design work on Capital projects.	Corporate			
C16829	Cricket Oval Renovation at Manifold Heights Cricket Club	The oval requires a full automatic irrigation system in order to decrease the large cracks currently appearing (some 3cm - 4cm plus).	Kildare			
C16830	Grovedale Tennis Club Facilities Upgrade	Upgrade to toilet and kitchen facilities, expand club room floor space, provide heating & cooling to rooms. Install lighting on courts 1 & 2.	Buckley			
C16831	Half Court Basketball	Construction of Half Court basketball in Waurn Ponds.	Buckley			
C16832	Portarlington Recreation Reserve Drainage Upgrade	Drainage at Portarlington Reserve does not have a connection or discharge point. This results in large amounts of pooling water around the oval boundary. Water is needing to be pumped out before football games.	Coryule			
C16833	Highton Reserve Kitchen Renovation	Refit of kitchen at Highton Reserve.	Deakin			
C16834	North Shore Recreation Club - Windsor Park Ground Upgrade	Irrigation, drought tolerant grass and lighting to have an all year round playable surface.	Corio			
C16835	Portarlington Tennis Club Lighting	Lighting of tennis courts (previously removed by Council for safety reasons).	Coryule			

2015-2016 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net $
C16836	Norlane Bowling Club	Replace worn bowling surface.	Corio			
C16837	Northern Skate Park	Funding required for design, discussion regarding replacing Rosewall and Windsor Park skate parks with one at Stead Park.	Corio			
C16838	Bakers Oval Lighting Upgrade	The lights for the sporting field require an upgrade, as they currently only work on one half of the oval.	Brownbill			
C16839	Breakwater Tennis Court Construction	Construction of a new tennis court for Geelong East Uniting Church Tennis Club.	Austin			
C16840	Geelong Soccer Club Facilities Upgrade	Develop, expand and upgrade club room and change room facilities.	Corio			
C16842	New Safety Fence - Stead Park	Replace the existing Junior fencing with a Senior Standard Fencing on Diamond 2 similar to that of the existing Diamond 1. This is required for safety and compliance to Softball Australia Standards.	Corio			
C16843	Geelong Little Athletics Club - New Electronic Timing Display Screen	Install and erect display screen for live results at Landy Field for the Geelong Little Athletics Club.	Brownbill			
C16844	North Geelong Football and Netball Club - Club Rooms Upgrade	Extend the social rooms and increase toilet amenities. Upgrade the player change rooms to cater for both male and female participants.	Cowie			
C16846	Upgrade Club Facilities at Anakie Reserve	Upgrade of Anakie Football & Netball Club facilities at Anakie Reserve. Design only.	Windermere			
Total Recreation Reserves and Facilities				**10,454,500**	**4,257,500**	**6,197,000**
TOTAL PARKS & LEISURE				**13,770,600**	**4,357,500**	**9,413,100**

2015-2016 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net $
PLANT & EQUIPMENT						
C02313	Light Fleet Program	Light Fleet Replacement Program.	Corporate	2,099,122	846,275	1,252,847
C02314	Heavy and Dedicated Plant Replacement - Core Program	Heavy and dedicated plant replacement program.	Corporate	3,872,750	833,825	3,038,925
C02320	Minor Plant & Equipment - Replacements - Core Program	Fund from which minor plant and equipment replacement can be purchased.	Corporate	66,000		66,000
C16308	Purchase of Excavator - Drysdale Landfill	Addition of an excavator to the plant fleet at Drysdale will provide a number of benefits. The most significant benefit is the ability to strip landfill daily cover material. This will	Corporate	220,000		220,000
C16313	Purchase of Inspectors Vehicle	Road maintenance services require additional resource to sustain a level of service that we are committed to supply.	Corporate	17,000		17,000
C16314	Purchase of Pool Vehicle - Anakie Rd	A pool car is required at Anakie Rd operations to be used by the OH&S Advisers, Project Officer, Technical Support Officer, Water Officer and Fleet Supervisor to travel from site to site. These officers have been using their private vehicles.	Corporate	24,000		24,000
C16506	Purchase of additional van for Hall Attendant	Purchase of additional van for Hall Attendant - currently sharing 2 vans between 3 Hall Attendants across the municipality, including 10 venues and 9 bus locations. Other fleet vehicles not available at time of shifts.	Corporate	25,000		25,000
C16510	Utility Vehicle for Statutory Compliance	Procurement of a side-by-side utility vehicle for community safety purposes.	Corporate	20,000		20,000
C16511	OHS - Body Cameras	To provide body cameras to Parking and Information Services Officers to improve their health and safety, and to provide factual information in the investigation of complaints against officers.	Corporate	7,000		7,000
C16602	Armstrong Creek Flow & Weather Gauge	The installation of a water flow and weather gauge at the entrance of Armstrong Creek into Hospital swamp will enable monitoring of water levels within the Armstrong Creek waterway, ensuring the optimum performance of this system.	Buckley	5,000		5,000
TOTAL PLANT & EQUIPMENT				**6,355,872**	**1,680,100**	**4,675,772**

2015-2016 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net $
ROADS, FOOTPATHS, DRAINAGE & WASTE						
Drainage	Various Drainage Projects	Ongoing program of drainage improvements.	Various	4,399,000		4,399,000
Footpaths	Various Footpath and Bikepath Projects	Ongoing program of footpath and bikepath improvements.	Various	3,046,500		3,046,500
Roads, Kerb & Channel	Various Road Projects	Includes Road Pavement, Road seals, Other road associated assets, Special rates & Charges and Kerb & Channel.	Various	19,914,446	4,874,446	15,040,000
C04308	New Property Mobile Bins - Core Program	Supply of mobile bins to new and additional occupancy residential properties and for new commercial customers.	Municipal	569,000		569,000
C15304	Drysdale Landfill - Leachate Management	With the future development of Cells 5 and 6, additional leachate will be generated that will require additional management measures to be implemented. The project is required to be completed prior to the commissioning of Cell 6.	Municipal	500,000		500,000
C16303	Composting Site Setup Works	The cost of setting up a CoGG Green Organics Site has been estimated at $750K by CT Management. Sustainability Victoria has provided $500K funding for this purpose under the BVOR grants scheme.	Municipal	750,000	500,000	250,000
C16304	Drysdale Landfill - Boundary Fence Replacement	460m of site boundary fencing is in disrepair and must be replaced to comply with site security and OH&S requirements.	Municipal	32,000		32,000
C16305	Drysdale Landfill - Eastern Dam Dewatering	As part of it's licence compliance obligation the Drysdale Landfill is not able to discharge stormwater into the waterway below it. In order to prevent this (prior to the more permanent works contained within the stormwater PAN concept being implemented, water will have to be treated to a standard suitable for release into the waterway as it builds up in the dam). This allows sufficient freeboard to be maintained on the dam so that large rain events don't result in it overflowing into the water below it.	Municipal	70,000		70,000

2015-2016 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net $
C16306	Drysdale Landfill - Cells 4A and 6 Stormwater Pump	Drysdale Landfill Cell 4A is operational and ongoing stormwater management is required for a large catchment area. This water must be separated from the active cell in order to enable the current leachate management system to function. Once Cell 6 is commissioned, the stormwater generated from this will also be required to be managed as well. Whilst the cell is being constructed this is the construction contractors responsibility, however once it is complete it transfers to operations.	Municipal	40,000		40,000
C16307	Drysdale Landfill - Stormwater PAN Compliance	Earlier this year the EPA issued a PAN for the Drysdale landfill regarding the management of stormwater on the site. In response to this PAN, immediate works were undertaken to raise the height of the dambank (by 2 metres) and to dewater the dam. In addition to these immediate works communication with the EPA discussed the process of desilting the accumulated silt within the dam to provide further capacity to comply with the terms of the PAN.	Municipal	370,000		370,000
C16309	Drysdale Landfill Pavement Rectification Works (Landfill and Transfer Station)	Maintenance of the paved internal roads within the weighbridge and transfer station areas is required so that safe conditions are provided for site traffic.	Municipal	65,000		65,000
C16310	Hede Street Landfill Investigative Works	Following on from the discovery of landfill gas in an industrial development site off Hede Street South Geelong, significant works are anticipated to be required in order to determine the extent of this landfill gas issue. EPA have indicated that these works will be encompassed within a PAN to be issued to Council.	Municipal	300,000		300,000
C13857	Corio Landfill Rehabilitation	Project funds to allow the completion of the Stage 2 Capping of Corio Landfill.	Municipal	0	1,000,000	-1,000,000
TOTAL ROADS, FOOTPATHS, DRAINAGE & WASTE				**30,055,946**	**6,374,446**	**23,681,500**
TOTAL EXPENDITURE - CAPITAL PROJECTS				**84,784,785**	**23,124,807**	**61,659,978**

2015-2016 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net Expenditure $
CITY SERVICES					
Environment and Waste Services	Hardwaste Initiatives	Continue implementation of alternative options in lieu of full kerbside hardwaste collection. Target specific items and materials that cause greatest disposal issues for the community.	150,000		150,000
Environment and Waste Services	HACC Hardwaste Support Program	Support program of HACC Clients in regard to Hardwaste.	20,000		20,000
Environment and Waste Services	Section 53V Environmental Audit Compliance	Mandatory EPA Section 53V Environmental Audits are conducted annually. In circumstances where landfills do not comply with EPA best practice guidelines, Council is required to take steps to meet the guidelines.	74,000		74,000
Environment and Waste Services	Corio Landfill - Post Closure PAN Compliance	After site closure, the EPA issued CoGG with a post closure (PC) pollution abatement notice (PAN) requiring a number of plans and documents to be provided to cover the management of the site so that there are no unacceptable risks to the environment. Of these, an Aftercare Management Plan and Hydrogeological Assessment remain outstanding and are due for completion in FY 15/16.	40,000		40,000
Environment and Waste Services	Drysdale Landfill - Rehabilitation	EPA site licence conditions require CoGG to progressively rehabilitate landfill as disposal cells are filled. Approval of the design of Cell 6 stated that a rehabilitation plan for the completed Cells will be required to be submitted for approval by EPA prior to Cell 6 being able to be filled. A feasibility study into the possibility of constructing a phyto-cap is currently being undertaken and will continue to be worked through in the remainder of 2014-2015.	100,000		100,000
Environment and Waste Services	Energy efficiency audit top ten buildings	Audit energy use of top ten of Council's most energy intensive buildings. Including: - Completion of ten Level 2 energy audits including recommendations for plant upgrades and thermal efficiency measures. -Analysis of the potential to deliver energy reductions by installing solar PV on each of the ten buildings.	40,000		40,000

2015-2016 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net Expenditure $
Environment and Waste Services	Foreshore Management Plans	Clifton Springs Foreshore Management Plan Review – Due to the existing plan approved in 2008 being out of date, extensive works have been completed over the past 4-5 years and additional works proposed along the foreshore. Most of these works are not consistent with the existing plan. A detailed Clifton Springs boat harbour landscape plan is also required in order to prepare for further funding bids to address increased demand and potential reclassification of the boating facility, this can be incorporated into the review of the Management Plan.	40,000		40,000
Infrastructure Operations	Roadside Vegetation Management	This is an ongoing project submitted in partnership with the Env Dpt. Mapping of existing vegetation has commenced and is required to inform the decision making regarding maintenance. Planning permits are now required for regular maintenance works. This is a requirement set down by the State and Federal Government in line with the Department of Environment & Primary Industries.	45,000		45,000
Infrastructure Operations	Dam Safety Emergency Management Plan - St Augustine Basin	Under the Water Act 1989 dam owners are responsible for dam safety and are accountable for the damage they may cause if they fail (s18). All dam owners in the State of Victoria are obliged to have a Dam Safety Emergency Plan that can be used by Police & Emergency Services in the case of a major incident occurring at the dam. These plans must be written by a suitably qualified engineer experienced in dam design, management and maintenance.	30,000		30,000
Infrastructure Operations	Permit to Burn signs - Replacement	This projects consists of replacing, over a 3-year timeframe, the 27 'Permit to Burn' (PTB) signs that are displayed during the Fire Danger Period. These 20+ year old signs need replacing and the locations need to be re-assessed given the urban growth that has taken place since amalgamation. This project will be overseen by Council's Municipal Fire Management Planning Committee.	10,000		10,000
City Services Total			**549,000**	**0**	**549,000**

2015-2016 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net Expenditure $
COMMUNITY SERVICES					
Arts and Culture	COGG instalment for Geelong Regional Library Corporation Superannuation Liability	The third and final agreed COGG instalment for the Geelong Regional Library Corporation Superannuation Liability.	182,085		182,085
Arts and Culture	ANZAC Centenary Anniversary Projects	To mark the centenary anniversary of the outbreak of WW1 and the ANZAC legacy, several community based ANZAC projects have been developed requiring funding to proceed. External funding applications from Federal and State level programs have been submitted with Council contributions in the project budgets. The commemorative projects will have significant profile and relevance in 2015-2016 and beyond. The projects involve key collaborations with Geelong RSL, Geelong Scout Association and Girl Guides Geelong Association.	150,000		150,000
Community Development	Digital Inclusion	Implement key recommendations of the Digital Strategy regarding digital inclusion in key areas of Geelong, this builds on the work undertaken in Whittington with the current short term project (18 months). Project includes resources for supporting community organisations to build their digital capacity, supporting community to improve access to technology and new wi-fi access areas.	20,000		20,000
Community Development	Rosewall Skate Park Removal	Responding to Council's Working Group to address neighbourhood anti-social behaviour in and around the skate park. Recently, a report has been adopted by Council to explore use of adjoining land.	20,000		20,000
Family Services	Municipal Early Years Plan 2013-17 Implementation and Evaluation	Evaluation of the impact and implementation of the existing Municipal Early Years Plan 2013-2017 - annual outcomes and achievements. Engagement with external agencies and internal Council departments to develop appropriate reporting processes and provide an outcomes assessment against MEYP strategies. Production of a 'State of Geelong's Children' report to coincide with release of the next round of AEDC data in 2015.	25,000	0	25,000
Family Services	Universal Capacity Assessment in Early Childhood Education Services	Assess the potential impact of staff to child ratio changes scheduled for introduction from the commencement of 2016 across all early childhood education and care services. The project will identify the preparedness of local services and identify where there may be adverse implications on the physical capacity and operation of local services through smaller group sizes and loss of available places.	25,000		25,000
Family Services	Stronger Families	Delivery of fully funded DHS program Strong Families - infant intensive support in home .	105,550	105,550	0

2015-2016 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net Expenditure $
Family Services	Staff immunisation	Early Childhood Educators and MCH staff require ongoing review of their immunisation status. The vaccine to protect them from pertussis is required every 10 years. Staff were last offered immunisation in 2005.	9,625		9,625
Family Services	Linking Learning 0-12 years Eastern Suburbs	Funding required to match DEECD project funding for Whittington Linking Learning birth to 12 year of $360,000 over three years. This is a family services community outreach program aimed at engaging vulnerable children and families in the 3219 postcode area in education and learning experiences and will work with families, early childhood, family support services and schools to change practices that lead to sustained better practice.	160,000	80,000	80,000
Health and Local Laws	Safe-T-Cards	Procurement of discrete, GIS enabled duress/emergency devices for use by staff when working alone in remote areas or after-hours in accordance with the Working Alone Policy.	10,000		10,000
Community Services Total			**707,260**	**185,550**	**521,710**

2015-2016 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net Expenditure $
STRATEGY & PERFORMANCE					
Communications and Marketing	Brand Audit and Review	Prepare an Audit of all existing City of Greater Geelong Brands/Logos and compile a report analysing the current situation in regards to number and compliance to existing guidelines and recommendations.	100,000		100,000
Communications and Marketing	News media monitoring	An automated news monitoring service will enable the timely capture of relevant news items, and assist in responding to emerging issues. The current in-house service does not capture electronic media in a formal way.	80,000		80,000
Communications and Marketing	Social Media Monitoring	An automated social media monitoring service will enable the City to monitor social media mentions and trends at a global level. Currently there is no formal system in place for social media monitoring outside of official City accounts.	18,000		18,000
Strategy & Performance Total			**198,000**	**0**	**198,000**

2015-2016 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net Expenditure $
PLANNING & TOURISM					
Planning Strategy and Urban Growth	Armstrong Creek Urban Growth Area - Implementation	This is the eighth year of a commitment to implementation of the Armstrong Creek Urban Growth Plan. The plan is obviously well progressed with the approval of the East precinct and West residential precinct which are now under development. The North-East industrial employment precinct has also been approved and is pending physical development, with Horseshoe Bend and town centre precincts having completed exhibition phases.	300,000		300,000
Planning Strategy and Urban Growth	Future Proofing Geelong	Future Proofing Geelong (FPG) is in its fourth year, significantly reducing Geelong's carbon emissions and securing over $2 million funding for companies to improve the productivity, liveability and sustainability of Geelong. Key collaborations with project partners are demonstrated through the work of Cleantech Innovations Geelong, which will establish Geelong as a centre of excellence for cleantech in Australia; attracting investment, creating jobs and building skills. Securing FPG ongoing will ensure Council continues to implement the Low Carbon Growth Plan.	350,000		350,000
Planning Strategy and Urban Growth	Ocean Grove Town Centre Masterplan - Implementation	The sale of a number of development sites within the Town Centre was a key recommendation of the Ocean Grove Town Centre UDF to stimulate development. The project will prepare a Development Agreement with the private sector to deliver a mixed-use redevelopment and the 'squaring up' of the intersection of The Parade and Hodgson Street.	160,000		160,000
Planning Strategy and Urban Growth	Bellarine Structure Plans	All Structure Plans developed in the last five years include a commitment to review every five years. Structure Plans are a key vehicle to drive investment into appropriate locations and can have positive impacts on employment. In 2015-2016 reviews of the structure plans for Barwon Heads, Indented Head and Portarlington need to be undertaken.	150,000		150,000
Planning Strategy and Urban Growth	Managing Future Growth-Batesford South	This project will analyse the land capability of the Batesford South Further Investigation Area (FIA) to examine the development potential of the area and define boundaries for future development.	100,000		100,000
Planning Strategy and Urban Growth	Managing Future Growth-Lovely Banks Framework Plan	This project will develop a Framework Plan for the Lovely Banks area. This work must be undertaken now as the Minister for Planning rezoned the area to Urban Growth Zone, contrary to the planning scheme which defines it as a long term investigation area. This has raised expectations of land owners in the area who seek to develop their land for urban development.	100,000		100,000

2015-2016 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net Expenditure $
Planning Strategy and Urban Growth	Armstrong Creek Town Centre - Sustainability Management Plan Assessment	Project budget for the engagement of a sustainability consultant to undertake 3rd party review of submitted Sustainability Management Plans (a mandatory requirement within the Armstrong Creek Town Centre - Precinct Structure Plan).	10,000		10,000
Planning Strategy and Urban Growth	Transition from Victorian Planning Provisions to Planning Policy Framework	The State Government has decided to review the Victorian Planning Provisions. They released templates mandating how all planning schemes will have to be structured in the future. Council must respond to these changes by translating the MSS and LPPF into the new state wide standard provisions known as the Planning Policy Framework.	100,000		100,000
Planning Strategy and Urban Growth	Newtown West Heritage Review	The project will review the architectural, historical and cultural significance of the area of Newtown west of Shannon Avenue for inclusion in the Planning Scheme through a Heritage Overlay.	60,000		60,000
Planning Strategy and Urban Growth	Ocean Grove Principal Pedestrian Network	This project will develop a principal pedestrian network for Ocean Grove. The project will include the development of an implementation strategy including design detail.	75,000		75,000
Planning Strategy and Urban Growth	Geelong Land Review Projects	Includes the following projects : 1.Geelong Werribee Corridor Project - The project will define future land use directions for the Geelong-Werribee corridor to guide investment in the area. 2. Geelong Port and Land Infrastructure Plan - The City with industry partners developed the Geelong Port and Land Freight Infrastructure Plan in 2013. The plan identifies future infrastructure requirements to further grow the port and the economic impacts it brings, particularly employment. Funding is required from all levels of government and the private sector to implement the plan. 3. Industrial Land Review - This project will examine the supply of land for job creation and analyse existing industrial areas to identify any barriers to development.	125,000		125,000
Planning & Tourism Total			**1,530,000**	**0**	**1,530,000**

2015-2016 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net Expenditure $
PROJECTS, RECREATION & CENTRAL GEELONG					
Capital Projects	Catenary Maintenance - Moorabool & Malop Streets	Funding for the twice annual inspection of the catenary structure and installation of decorations.	30,000		30,000
Capital Projects	Iconic Christmas Tree Annual Installation	Funding for the annual installation and maintenance of the Iconic Christmas Tree.	135,000		135,000
Capital Projects	Project Management Framework	To obtain industry expertise to support the development of the CoGG Project Management Framework.	50,000		50,000
Central Geelong Action Plan	Central Geelong Major Heritage Fund	Second round of ongoing program for the upgrade of heritage properties to improve their presentation to the street.	150,000		150,000
Central Geelong Action Plan	City Loop Bus - Park & Ride service	Operating costs to run two buses as City loop service.	160,000		160,000
Central Geelong Action Plan	Design Assessment Panel	Panel of experts to inform Council on planning decisions in relation to architecture, urban design and landscaping of significant developments in Central Geelong.	50,000		50,000
Central Geelong Action Plan	Transport Network Operating Plan	Modelling to test outcomes of draft Network Operating Plan, enabling completion of project. Partially complete in 2014-2015 (split over future years).	100,000		100,000
Central Geelong Action Plan	Central Geelong Drainage Strategy	Completion of CBD wide drainage strategy preparation.	50,000		50,000
Central Geelong Action Plan	City Heart - Stage 2	Design process for City Heart, including development of detailed designs and preparation of construction drawings for tendering works. Includes community consultation.	200,000		200,000
Central Geelong Action Plan	Business Facilitation grants	Second round of ongoing program for activation and improvement of the street environment through partnering with business to deliver alfrescos etc.	100,000		100,000
Central Geelong Action Plan	Car Parking Strategy	Completion of CBD car parking strategy. First stage commissioned in 2014-2015.	60,000		60,000
Central Geelong Action Plan	Utility services upgrade investigations	Powerline undergrounding strategy.	40,000		40,000

2015-2016 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net Expenditure $
Enterprise Geelong	Bio Geelong Cluster Development	Completion of value proposition.	50,000		50,000
Enterprise Geelong	Geelong Small Business Festival	For the past four years Enterprise Geelong has delivered the Geelong Small Business Festival. The festival which runs throughout August is a key feature in Geelong's annual business calendar and a major offer of support for the City's 16,000 business enterprises. The Geelong Festival is part of the Victorian Government's Small Business Festival Victoria. The Victorian Government provides funding support of $15,000 to deliver the Geelong festival which has grown to become the largest in regional Victoria and is viewed as a model of best practice in the State. An allocation of $15,000 is required to ensure continuity of the Festival program for 2015.	15,000		15,000
Enterprise Geelong	GREP Design 2015-2016	Budget to cover design and related costs involved in developing the Geelong regional employment precinct land.	250,000		250,000
Enterprise Geelong	Geelong Defence Office	Resourcing is required to continue to have industry expert knowledge available to Enterprise Geelong to facilitate lead generation and direct industry and government engagement in job creation opportunities in defence.	100,000		100,000
Events Central Geelong and Waterfront	2015 Christmas Light & Decorate Geelong program - launches and public events	Christmas Light & Decorate Geelong program launches and events. This includes launches of the Floating Xmas Tree, Projections Program, Myer Windows along with fireworks at key events throughout the program, concluding with New Years Eve.	105,000		105,000
Events Central Geelong and Waterfront	Eastern Beach Dive Tower Safety Dredging	Water depths under dive tower no longer meets standards. Strong winds and tides over winter has reduced depths by the movement of sand and silt. Last safety dredging occurred in 2003.	85,000		85,000

2015-2016 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2015-2016 Expenditure $	2015-2016 Income $	2015-2016 Net Expenditure $
Leisure Services	Northern ARC Feasibility Study and Business Case	Provide the next stage of development planning for the Northern ARC Masterplan. The Northern ARC project is the development of the precinct which includes the Waterworld Leisure Centre, Corio Library and Centenary Hall. The precinct may also include the new Barwon Health North Medical Centre. The critical components of this joint CoGG and State Government initiative is the integration of these services in a high profiled easily accessed location in the North of Geelong.	250,000		250,000
Sport and Recreation	Geelong Arena Cyclical and Programmed maintenance - 8th year	Ensure the Geelong Arena complies with current codes and regulations.	126,690		126,690
Sport and Recreation	Recreation & Leisure Strategy	A strategy to review the delivery of recreation and leisure services and facilities across the municipality. The strategy will involve the development of a vision underpinned by principles to improve access to and participation in, recreation and leisure activities.	80,000	30,000	50,000
Sport and Recreation	Indoor Stadium Feasibility and Business Plan - Brearley Reserve	A feasibility and business plan for the development of a major new indoor sports facility at Brearley Reserve in Marshall, as identified in the Geelong Indoor Recreation Facilities Strategy. The project outcomes would include a recommended management/operational structure, potential sporting association tenants, a business plan, demand modelling and an investigation of facility components.	100,000		100,000
Sport and Recreation	Leopold Memorial Recreation Reserve - Ball Protection Net	Ball-protection netting (30m x 9m) at the north end of the second oval. A new road has been built immediately adjacent to the northern boundary of the reserve as part of a new residential development and there is now an insufficient buffer of approximately 11m between the football goals and the public road reserve.	30,000		30,000
Urban Design and Strategic Projects	Geelong Art Gallery Redevelopment	Concept design funding to progress the Gallery redevelopment project	100,000		100,000
Urban Design and Strategic Projects	Geelong Mineral Spa Complex EOI	This project is to run an Expression of Interest process for the construction of a Mineral Spa Complex at Eastern Park foreshore.	250,000	250,000	0
Projects, Recreation & Central Geelong Total			**2,666,690**	**280,000**	**2,386,690**
NON CAPITAL PROJECTS TOTAL			**5,650,950**	**465,550**	**5,185,400**

DISBURSEMENTS DETAIL

Division	Cost Centre Description	Job Description	2015-2016 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. Milestone payments exceeding $20,000 require Executive Leadership Team approval. Exempt groups that have their own agreement are: 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	76,674	Contribution from Department of Justice in 2014-2015 was $55,174. This disbursement was split between Grants to (4) SES units around Geelong to the value of $76,674 (no increase in Council contribution of $21,500).
Community Services	Arts & Culture	Community Arts Sponsorship	120,000	Advertised seeding grants for groups or programs related to Arts.
Community Services	Arts & Culture	Festival & Community Arts	100,000	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	169,000	Neighbourhood Houses grants (13 @ $12,500 plus 1 @ 6,500).
Community Services	Development Officer Aged & Disability Services	Senior Citizens Week	20,000	Seeding grants for community organisations who wish to run programs for Senior Citizens Week.
Enterprise Geelong	Enterprise Geelong	Economic Development (Industrial Invest Support)	25,000	Incentive grants to support investment attraction.
Grants Sub Total			**750,674**	
Donations				
Community Services	Community Development	Life Education Van	8,000	Contribution to operating costs.
Community Services	Community Development	Give Where We Live	20,000	Contribution to operating costs.
Donations Sub Total			**28,000**	

DISBURSEMENTS DETAIL

Division	Cost Centre Description	Job Description	2015-2016 Budget $	Comments
Contributions				
City Services	Environment & Natural Resources	Community Stewardship Fund	65,000	Assist community groups working on Council Parks.
City Services	Environment & Natural Resources	Friends of Buckley Falls	30,000	To provide funding for the Geelong Environment Council - Friends of Buckley Falls.
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	Operations	Emergency Management	1,800	Contribution to CREST (Citizens Radio Volunteers).
Community Services	Arts & Culture	Barwon Heads Arts Council Inc.	15,000	Contribution (year 2) for feasibility study for a community arts hub in Barwon Heads.
Community Services	Arts & Culture	Open4 Inc.	10,000	Contribution to Geelong Civic Centre Car Park Summer Season Rooftop Cinema Project
Community Services	Arts & Culture	Courthouse Youth Arts	243,868	Continuation of funding ($5,948 increase).
Community Services	Arts & Culture	Courthouse Back to Back	8,027	Continuation of funding ($196 increase).
Community Services	Arts & Culture	Geelong Art Gallery	1,115,000	Triennial agreement adopted in 2013-2014.
Community Services	Arts & Culture	Geelong Maritime Museum	8,000	Continuation of funding.
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 - Northern Suburbs	10,000	Funding for Christmas Carols.
Community Services	Community Development	Neighbourhood Watch	3,000	Council contribution.
Community Services	Community Development	Peninsula Park & Ride	12,000	Contribution to the Ocean Grove/Barwon Heads shuttle bus that is managed by Barwon Coast for 6 weeks over the summer period.
Corporate Services	GM Corporate Services Admin	G21 Contribution	453,000	Contribution to G21 Regional Organisation (as per Memorandum of Understanding).
Projects, Recreation and Central Geelong	Geelong Major Events	Geelong Regional Christmas Carols event	40,000	Sponsorship.
Projects, Recreation and Central Geelong	Geelong Major Events	Carols by Candlelight	19,000	Contribution to Carols by Candlelight.
Projects, Recreation and Central Geelong	Geelong Major Events	Geelong Show	10,000	Contribution to the Geelong Show.

DISBURSEMENTS DETAIL

Division	Cost Centre Description	Job Description	2015-2016 Budget $	Comments
Projects, Recreation and Central Geelong	Geelong Major Events	Geelong Gala Day	15,000	Contribution to Geelong Gala Day.
Projects, Recreation and Central Geelong	Geelong Major Events	Geelong (Thoroughbred) Racing Club	16,000	Sponsorship.
Projects, Recreation and Central Geelong	Geelong Major Events	Cadel Evans Cycling	150,000	Sponsorship of Cadel Evans Great Ocean Road Race.
Projects, Recreation and Central Geelong	Geelong Major Events	Australia Day Committee	35,000	Contribution for Australia Day Committee.
Projects, Recreation and Central Geelong	Geelong Major Events	Events Funding	930,000	Funding for the attraction of major events to Geelong.
Projects, Recreation and Central Geelong	Sport & Recreation	GCA Agreement	242,532	As per Council report 28/6/11 - allocation will be $216,125 p.a. plus CPI for a five year term (2015-2016 will be $236,617 plus $5,915).
Projects, Recreation and Central Geelong	Sport & Recreation	Park Stewardship Funds	10,000	Council commitment to groups to develop parks (including Hoffman Walk).
Projects, Recreation and Central Geelong	Sport & Recreation	Surf Life Saving Grants	41,386	Commitment to professional life guards at Ocean Grove, Barwon Heads and Bancoora ($1,009 increase) .
Projects, Recreation and Central Geelong	Sport & Recreation	Barwon Sports Academy	55,000	Council contribution - $45K cash and $10K in kind (office accommodation etc.).
Projects, Recreation and Central Geelong	Sport & Recreation	St Albans Breakwater Cricket Club	35,000	Contribution for equipment upgrade.
Projects, Recreation and Central Geelong	Sport & Recreation	North Geelong Warriors Football Club	133,000	Contribution to upgrade of facilities.
Contributions Sub Total			**3,736,613**	

DISBURSEMENTS DETAIL

Division	Cost Centre Description	Job Description	2015-2016 Budget $	Comments
Sponsorship				
Enterprise Geelong	Enterprise Geelong	Economic Development GBE Sponsorship	10,000	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			**21,000**	
Grand Total			**4,536,287**	

2015-2016 FEES & CHARGES MAJOR PRICE CHANGES

Description	Charge 2014-2015 $ per unit	Charge 2015-2016 $ per unit	Movement in price per unit Inc/(Dec) $	Comment
City Services				
Geelong Saleyards				
Sheep/Lamb Sale	0.90	0.95	0.05	
S/Yards Beef/Stores/Dairy Cattle	9.65	9.90	0.25	
Saleyards Market Fees (For Yards)	115.00	118.00	3.00	
Saleyards Poultry	75.00	75.00	0.00	Change in price structure - lease arrangement of $75 per week for 48 weeks.
Subdivisions				
Subdivision Building Site Access Permit	120.00	125.00	5.00	
Subdivision Property Information Fees	75.00	80.00	5.00	
Subdivision Road Opening Permit	120.00	125.00	5.00	
Subdivision Vehicle Crossing Permits	180.00	185.00	5.00	
Transfer Stations				
Car Boot	20.00	20.50	0.50	Increase of 2.5% due to increase in EPA Levy plus CPI increase.
Utilities, Vans, Single Axle trailers	40.00	41.00	1.00	Increase of 2.5% due to increase in EPA Levy plus CPI increase.
Single axle trailers (heaped) min	51.50	53.00	1.50	Increase of 2.91% which includes an increase in EPA Levy and CPI increase.
Tandem Trailers (waterline)	51.50	53.00	1.50	Increase of 2.91% which includes an increase in EPA Levy and CPI increase.
Tandem Trailers (heaped) min	103.00	106.00	3.00	Increase of 2.91% which includes an increase in EPA Levy and CPI increase.
Tandem Caged Trailer	154.50	170.00	15.50	Increase of 10.03% which includes an increase in EPA Levy and CPI Increase.
Waste Disposal				
Poultry	178.60	179.40	0.80	Increase of 0.45%.
Animal Carcass (single)	45.00	45.80	0.80	Increase of 1.78%.
Industrial Waste	132.50	134.90	2.40	Increase of 1.81%.
Seaweed	112.00	114.30	2.30	Increase of 2.05%.
Mattresses	21.50	22.00	0.50	Increase of 2.33%.
Fish Waste	178.60	179.40	0.80	Increase of 0.45%.
Green Waste (clean)	120.50	122.30	1.80	Increase of 1.49%.
Tyres	9.50	10.00	0.50	Increase of 5.26% - Recycled - No EPA levy applicable.

Description	Charge 2014-2015 $ per unit	Charge 2015-2016 $ per unit	Movement in price per unit Inc/(Dec) $	Comment
Strategy and Performance				
Revenue				
Debt Collection - Field Call	55.00	55.00	0.00	No change in fee.
Debt Collection - Listing Fee	11.00	11.00	0.00	No change in fee.
Renumbering Charge to Subdividers	65.00	70.00	5.00	Increase of 7.69%.
Community Services				
National Wool Museum				
NWM General Admission	8.25	8.25	0.00	Biennial rate - due to increase in 2016-2017.
NWM General Admission Child	4.50	4.50	0.00	Biennial rate - due to increase in 2016-2017.
NWM General Admission Family	25.00	25.00	0.00	Biennial rate - due to increase in 2016-2017.
NWM Membership Adult	30.00	30.00	0.00	Biennial rate - due to increase in 2016-2017.
NWM Membership Family	50.00	50.00	0.00	Biennial rate - due to increase in 2016-2017.
Commercial Kitchen rental - day rate	400.00	400.00	0.00	Biennial rate - due to increase in 2016-2017.
Security & Out of Hours Costs - Museum Staff 5pm-9am Hourly Rate	75.00	75.00	0.00	Biennial rate - due to increase in 2016-2017.
Integrated Children Centres				
Kinder - 4 Year Old Parent Fees (July to Dec)	322.00	322.00	0.00	
Kinder - 4 Year Old Parent Fees (Jan to Jun)	322.00	329.00	7.00	Price increase is effective from 1 January 2016.
Kinder - 3 Year Old Parent Fees (Ocean Grove, Leopold, Barwon Heads)	460.00	479.00	19.00	
Kinder - 3 Year Old Parent Fees (Grovedale)	460.00	370.00	-90.00	Fewer hours of service delivery compared to other centres, therefore reduced fee.
Occasional Care Fee - 4 hours	46.00	46.00	0.00	
Occasional Care Fee - 5 hours	53.00	53.00	0.00	
School Holiday Program	52.00	53.50	1.50	

Description	Charge 2014-2015 $ per unit	Charge 2015-2016 $ per unit	Movement in price per unit Inc/(Dec) $	Comment
Child Care				
Ariston Child Care	Weekly $418 Daily $89 Sessions $62	Weekly $443 Daily $94.50 Sessions $66	Weekly $25 Daily $5.50 Sessions $4	
City Learning & Care Belmont, Drysdale	Weekly $413 Daily $86 Sessions $56	Weekly $438 Daily $91 Sessions	Weekly $25 Daily $5 Sessions $3.50	
City Learning & Care Corio, Trudy Moritz, The Link	Weekly $408 Daily $86 Sessions $56	Weekly $432.50 Daily $91 Sessions $59.50	Weekly $24.50 Daily $5 Sessions $3.50	
F.D.C. Child Care Assistance Service Levy	0.75	0.00	(0.75)	Change to fee structure - levy no longer charged.
Kindergarten Development Services				
4 Yr Old Kindergarten Fees	321.25	329.25	8.00	Fees set to match State Government Fee Subsidy.
Community Child Health				
Community Child Health MGP	26.30	29.53	3.23	
Aged Care				
Personal Care	5.20	5.30	0.10	
Personal Care - Hardship Fee	2.60	2.60	0.00	Required by DH for clients experiencing financial hardship.
General Care	5.80	5.90	0.10	
General Care - Hardship Fee	2.60	2.60	0.00	Required by DH for clients experiencing financial hardship.
Respite Care	3.50	3.55	0.05	
Meal Charges to Clients	8.70	9.00	0.30	
Meal Charges to Agencies	18.67	18.67	0.00	No increase - increase in price would decrease the volume of meals, price needs to remain competitive.
Food Services - Hardship Fee	3.60	3.60	0.00	Required by DH for clients experiencing financial hardship.
Food Services - National Disability Insurance Fee	13.00	13.00	0.00	
Home Maintenance	11.60	12.00	0.40	
Community Aged Care Packages	36.00	37.50	1.50	
Income Tested Fee for Home Care Packages Program	0.00	27.32	27.32	New Fee.
NDIS Personal Support - out of hours	52.56	53.81	1.25	

Description	Charge 2014-2015 $ per unit	Charge 2015-2016 $ per unit	Movement in price per unit Inc/(Dec) $	Comment
Community Development				
Mt. Duneed Hire Charge - Casual Hire	0.00	115.00	115.00	New Fee.
Mt. Duneed VIP Hourly Rate	0.00	14.50	14.50	New Fee.
Cobbin Farm Chapel Weekend 4 hrs	480.00	328.00	(152.00)	Reduced to correct an error in the 2014-2015 charges and to realign with the rest of the community facilities fees and charges.
Cobbin Farm Whole Venue Weekend Casual Hire 4 hrs	270.00	492.00	222.00	Increased to correct an error in the 2014-2015 charges and to realign with the rest of the community facilities fees and charges.
Cobradah Weekend & Weekday Casual Hire 4 hrs	116.00	118.00	2.00	
Wandana Hall Weekend & Weekday Casual Hire 4 hrs	116.00	118.00	2.00	
St Leonards Reserve Hall Weekend & Weekday Casual Hire 4 hrs	116.00	118.00	2.00	
12 Seater Community Bus Hire - per 4 hours	33.00	34.00	1.00	
12 Seater Community Bus Hire - per 8 hours	66.00	68.00	2.00	
12 Seater Community Bus Hire - per 12 hours	99.00	102.00	3.00	
km rate over 400 kms	0.60	0.65	0.05	
Youth Services				
Ramp Delivery	10.00	10.00	0.00	
Ramp Hire	160.00	165.00	5.00	
Instructors	32.00	33.00	1.00	
Potato Shed				
Facility Hire - Community Rate - All areas daily	850.00	860.00	10.00	Biennial rate - increase for 2015-2016.
Facility Hire - Community Rate - All areas weekly	3,900.00	3,950.00	50.00	Biennial rate - increase for 2015-2016.
Facility Hire - Community Rate - All areas weekend	1,700.00	1,750.00	50.00	Biennial rate - increase for 2015-2016.
Facility Hire - Community Rate - Auditorium	360.00	370.00	10.00	Biennial rate - increase for 2015-2016.
Facility Hire - Corporate Rate - All areas daily	2,000.00	2,100.00	100.00	Biennial rate - increase for 2015-2016.
Facility Hire - Corporate Rate - All areas weekly	7,500.00	7,750.00	250.00	Biennial rate - increase for 2015-2016.
Facility Hire - Corporate Rate - Foyer	60.00	70.00	10.00	Biennial rate - increase for 2015-2016.
Facility Hire - Corporate Rate - Studio	50.00	60.00	10.00	Biennial rate - increase for 2015-2016.
Facility Hire - Corporate Rate - Multipurpose	50.00	60.00	10.00	Biennial rate - increase for 2015-2016.

Description	Charge 2014-2015 $ per unit	Charge 2015-2016 $ per unit	Movement in price per unit Inc/(Dec) $	Comment
Local Laws & Traffic				
Street Parking Fees per hour	2.50	2.60	0.10	
Reserve Car Park Space - metered	39.70	40.70	1.00	
Reserve Car Park Space - unmetered	21.30	21.85	0.55	
Busport reserved space	2,143.80	2,189.40	45.60	
Busport unreserved permit	1,580.00	1,623.60	43.60	
Civic centre car park reserved space	2,143.80	2,189.40	45.60	
Civic centre car park unreserved permit	1,580.40	1,623.60	43.20	
Civic centre casual parking	2.50	2.60	0.10	
Wesley car parking permits	1,317.00	1,349.90	32.90	
Wesley casual Parking	2.00	2.50	0.50	
Haymarket month permit	1,299.00	1,331.50	32.50	
Haymarket day parking	9.00	9.20	0.20	
Local Law Permit Application	0.00	25.00	25.00	New Fee.
Local Law Inspection	0.00	96.00	96.00	New Fee.
Animal Registrations				
Dog Registration - Full	155.00	170.70	15.70	
Dog over 10 years old	55.50	56.90	1.40	
Dangerous Dog (Guard Dog)	232.00	170.70	(61.30)	As per the Domestic Animals Act - this fee must align with the fee for a Full Dog.
Dog Breeder	55.50	56.90	1.40	
Dog Working Dog	55.50	56.90	1.40	
Dog Member Canine Association	55.50	56.90	1.40	
Dog Obedience Trained	55.50	56.90	1.40	
Dog Microchipped (registrations after 2014)	58.50	170.70	112.20	Laws changed in 2014 - the only registrations to attract a discounted fee are desexed animals - applicable for new registrations only.
Dog Desexed	49.50	50.75	1.25	
Dog Desexed and Microchipped	38.00	39.00	1.00	
Dog Pensioner Desexed	24.75	25.35	0.60	
Dog Pensioner Microchipped (registrations after 2014)	29.25	85.35	56.10	Laws changed in 2014 - the only registrations to attract a discounted fee are desexed animals - applicable for new registrations only.

Description	Charge 2014-2015 $ per unit	Charge 2015-2016 $ per unit	Movement in price per unit Inc/(Dec) $	Comment
Dog Pensioner Microchipped and Desexed	19.00	19.50	0.50	
Dog Pensioner Fee - Full	77.50	85.35	7.85	
Cat Registration - Full	117.00	130.70	13.70	
Cat Desexed	35.00	43.60	8.60	
Cat Pensioner Desexed	17.50	21.80	4.30	
Cat Desexed and Microchipped	27.00	27.70	0.70	
Cat Pensioner Microchipped and Desexed	13.50	13.85	0.35	
Cat Microchipped	48.50	49.70	1.20	
Microchip Sales	17.00	17.40	0.40	
Impounded Dogs Initial Health Check	0.00	16.80	16.80	New Fee.
Impounded Dogs Day1-4 Sustenance Charge	0.00	15.80	15.80	New Fee.
Impounded Dogs Day 5-8 Sustenance Charge	0.00	15.80	15.80	New Fee.
Impounded Dogs Treatment (fleas)	0.00	9.30	9.30	New Fee.
Impounded Dogs Treatment (worming)	0.00	6.85	6.85	New Fee.
Impounded Dogs Treatment (vaccinations)	0.00	16.80	16.80	New Fee.
Registration Fees (dogs and cats)	0.00	2.30	2.30	New Fee.
Impounded collection fee (dogs and cats)	0.00	30.00	30.00	New Fee.
Returned Animal to Owner(dogs and cats)	0.00	30.00	30.00	New Fee.
Impounded Cats Day 1-4 Sustenance Charge	0.00	13.70	13.70	New Fee.
Impounded Cats Day 5-8 Sustenance Charge	0.00	13.70	13.70	New Fee.
Viewing of CoGG animal registration database	0.00	25.00	25.00	New Fee.
Public printing of Animal registration record cost per record	0.00	10.00	10.00	New Fee.
Hire of cat/ possum cage	0.00	20.00	20.00	New Fee.
Food and Health Act				
Food Vending Machines	11.50	12.00	0.50	
Food Act - Fast Track Inspection Fee	83.00	87.00	4.00	
Additional Registration fee - off site trading	45.00	58.00	13.00	
Busking (month)	17.00	17.50	0.50	
Health Licence Premises - Performance Fee - DEF	0.00	62.00	62.00	New Fee.
Additional registration fee-offsite trading	45.00	58.00	13.00	

Description	Charge 2014-2015 $ per unit	Charge 2015-2016 $ per unit	Movement in price per unit Inc/(Dec) $	Comment
Projects Recreation and Central Geelong				
Swim, Sport & Leisure				
Waterworld, Splashdown, Leisurelink, BASC				
Monthly membership	82.00	85.00	3.00	
3 months membership	445.00	445.00	0.00	
12 months membership	984.00	1,020.00	36.00	12 x direct debit monthly fee - no joining fee incentive for upfront payment.
Family monthly debit	115.00	120.00	5.00	
Family 3 months	745.00	775.00	30.00	
Family 12 months	1,380.00	1,440.00	60.00	12 x direct debit monthly fee - no joining fee incentive for upfront payment.
Corporate Adult Monthly Membership	74.00	76.00	2.00	
Corporate Adult 12 mths	888.00	912.00	24.00	12 x direct debit monthly fee - no joining fee incentive for upfront payment.
Corporate Adult Renew 12 mths	800.00	800.00	0.00	
Corporate Family 12 month	1,344.00	1,344.00	0.00	Hold for 2015-2016 - Working towards 10% discount on standard adult fee - 2016-2017 catch up.
Corporate Family 12 month renew	1,130.00	1,130.00	0.00	
Gym Adult	17.50	16.00	(1.50)	Decrease to remain competitive.
Gym Adult x 10 visits	140.00	144.00	4.00	Buy 9, get 1 free.
Swimming Adult	6.00	6.00	0.00	
Swimming Concession	4.10	4.20	0.10	
School Swimming	3.40	3.50	0.10	
Learn to Swim	12.70	13.20	0.50	
Casual 25m Lane Hire	33.00	34.00	1.00	
Club 25m Lane Hire	10.40	11.00	0.60	
Arena				
Function Room - community Rate	245.00	260.00	15.00	
Basketball Casual User Shoot Around	3.50	4.00	0.50	
Arena Meeting Room 2	100.00	130.00	30.00	
Main Stadium Hire - Commercial (per day)	4,200.00	5,700.00	1,500.00	
Auditorium Showcourt Hire	65.00	77.50	12.50	
Corio Leisure Time Centre				
Futsal Stars Development & Transition (per player)	7.00	7.50	0.50	
Meeting Room - Seasonal users before 5pm	15.00	20.00	5.00	
Basketball Casual User Shoot Around	3.50	4.00	0.50	

Description	Charge 2014-2015 $ per unit	Charge 2015-2016 $ per unit	Movement in price per unit Inc/(Dec) $	Comment
BVAC				
Basketball Casual User Shoot Around	3.50	4.00	0.50	
Badminton Casual User	7.00	7.50	0.50	
Sunday Market Storage	6.00	10.00	4.00	
Kardinia / Lara Pool				
Kardinia Pool 50m Lane Hire (per hr) + entry fee	33.00	35.00	2.00	
Season ticket (adult)	275.00	286.00	11.00	
Golf				
Queens Park Adult Green Fee	21.00	22.00	1.00	
Queens Park Memberships Adult 12mths	486.00	505.00	19.00	
Queens Park Memberships Pensioner 12mths	383.00	398.00	15.00	
Queens Park Student Green Fee	13.50	14.00	0.50	
Elcho Adult Green Fee	20.00	21.00	1.00	
Elcho Park Memberships Adult 12mths	424.00	445.00	21.00	
Elcho Park Memberships Pensioner 12mths	336.00	353.00	17.00	
Elcho Park Student Green Fees	12.00	13.00	1.00	
Balyang Adult Membership	310.00	322.00	12.00	
Balyang Adult Green Fee	11.50	12.00	0.50	
Balyang Concession Adult Green Fee	10.20	10.60	0.40	
Carousel				
Wedding - Ceremony 1 hour	380.00	400.00	20.00	
Private Booking 2-4 hours	1,080.00	1,130.00	50.00	
Admission - Child	4.00	4.20	0.20	
Admission - Adult	4.50	4.70	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 2015-2016 Budget.

1. COMMUNITY WELLBEING

Annual City Plan Actions 2015-2016	2015-2016 Gross Expenditure $
Priority: Healthy lifestyles	
Learn to Swim program	2,125,111
Healthy Together Geelong - Workplaces	347,572
Healthy Together Geelong - Early Years	149,432
Healthy Together Geelong - Healthy Living Programs	123,750
Stronger Families / Family Coaching program	105,550
Corio-Norlane Best Start project	105,203
Recreation and Leisure Strategy development	80,000
Municipal Early Years Plan 2013-17 - implementation and evaluation	25,000
Coordination of the City of Greater Geelong Municipal Public Health and Wellbeing Plan implementation	Funded as part of recurrent budget
Implementation of the Physical Activity Strategy	Funded as part of recurrent budget
Promote breastfeeding through additional consultations and referrals to other agencies.	Funded as part of
Promote kindergarten enrolments through public media releases.	Funded as part of recurrent budget
Provide Maternal Child Health nurses with professional development opportunities on lactation.	Funded as part of recurrent budget
Priority: Healthy environments	
Recreation Reserves Upgrades	5,898,500
Bakers Oval lighting upgrade	
Capital renewal of civil assets in parks across the municipality	
Hendy Street Reserve (Flinders Peak) sports field and change room redevelopment	
Hume Reserve pitch one lighting installation	
Jetty Road, Clifton Springs playground upgrade	
Lara Recreation Reserve infrastructure upgrades	
Leopold Memorial Recreation Reserve - ball protection net	
Manifold Heights Cricket Club oval renovation	
Portarlington Recreation Reserve drainage upgrade	
Portarlington Tennis Club lighting installation	
Shell Road Reserve Master Plan implementation	
Stead Park safety fence replacement	
Windsor Park oval and lighting upgrade	
Winter Reserve netball court drainage works	
Recreation Facility Upgrades	5,100,000
Anakie Reserve facilities upgrade - design	
Barwon Valley Activity Centre LED light installation	
Breakwater Tennis Court construction	
Eastern Beach Dive Tower safety dredging	
Estuary Estate Reserve toilet facility construction	
Geelong Amateur Football Netball Club and Newtown Chilwell Cricket Club change room	
Geelong Little Athletics Club (Landy Field) - new electronic timing display screen	
Geelong Soccer Club social and change room upgrade	
Grovedale Tennis Club facilities upgrade	
Highton Reserve kitchen renovation	

Indoor stadium feasibility and business plan - Brearley Reserve, Marshall	
Landy Field storage facility	
Leopold Football and Netball Club clubroom upgrade	
Mountain bike track for beginners development	
Norlane Bowling Club worn surface replacement	
North Geelong Football and Netball Club - social and change room upgrade	
North Geelong Warriors Football Club facilities upgrade	
Northern Skate Park design and engagement	
St Albans Breakwater Cricket Club equipment upgrade	
Waurn Ponds half court basketball construction	
Swim Sport and Leisure Centre Upgrades	1,859,190
Bellarine Aquatic and Sports Centre gymnasium expansion	
Concrete core replacement program	
Geelong Arena cyclical and programmed maintenance	
Gymnasium Equipment Replacement Program	
Leisurelink Aquatic and Recreation Centre aquatic area air handling upgrade	
Leisurelink Aquatic and Recreation Centre 50m pool liner planning and inspection works	
Leisurelink Aquatic and Recreation Centre boiler upgrade	
Leisurelink Aquatic and Recreation Centre ultra violet light sanitiser system upgrade	
Splashdown aquatic play park construction	
Toilet blocks and amenities	811,000
Breamlea Holiday Park amenity blocks disabled facilities retrofit	
Cunningham Pier public toilet upgrade	
Hughes Street, Bell Park public toilet construction	
Toilet block renewal and replacement program	
Bike paths and facilities	192,500
Bicycle infrastructure program	
Greater Geelong Cycle Strategy implementation	
Parks and reserves maintenance	7,912,980
Footpath renewal program	3,594,000
Renewal work on Council owned buildings	1,525,000
Playground development program	538,000
Fairnie Park decking replacement	133,825
Fisherman's Basin marine assets renewal	50,000
Eastern Beach heritage fence replacement	40,375
Local law signage updates	40,000
Waterfront Playground pyramid net replacement	32,900
Civic Centre Car Park safety rail installation	30,000
Annual update and Implementation of Municipal Emergency Management Plan	Funded as part of recurrent budget
Annual update and Implementation of Municipal Fire Prevention Plan implementation	Funded as part of recurrent budget
Implement activities and facilitate partnerships to promote responsible pet ownership and community safety	Funded as part of recurrent budget
Facilitate neighbourhood amenity by responding to and investigating nuisance notifications and requests	Funded as part of recurrent budget
implement measures and actions to ensure food safety to the community	Funded as part of recurrent budget
Conduct mosquito management activities to maximise public amenity and minimise public health outcomes	Funded as part of recurrent budget
Three year review of Community Emergency Risk Assessment (CERA)	Funded as part of recurrent budget

Priority: Connected, creative and strong communities	
Community Hubs	8,500,000
Bellevue Highton Family Hub construction	
Drysdale Integrated Children and Family Centre detailed design	
Hendy Street Children's Hub construction	
Leopold Community Hub - Stage 2 library construction	
Youth activities, programs and events	1,255,808
including Skaart Festival, Lara Youth Festival, skate program, Spud Fest, National Youth Week, Courthouse Youth Arts, SSAGQ youth suicide prevention initiative, Geelong Adolescent Sexuality Project (GASP), L2P Learner Driver program, Engage it up , Youth activity services and centres, Youth action teams, Switch quarterly magazine, multicultural youth development, YAMS, Youthcan Van	
Children's Services Upgrades	1,218,000
Children services facility upgrades	
Fyans Park Kindergarten extension	
Community Facility Upgrades	1,134,000
Bellarine Living and Learning Centre upgrade	
Ceres Temperance Hall remedial and renewal works	
Community halls upgrades	
Disability access program	
Early years sites playground renewal and upgrade program	
Geelong West Town Hall kitchen redevelopment	
Senior Citizen Centres kitchen upgrades	
Armstrong Creek	690,000
Armstrong Creek Neighbourhood Health and Community Centre construction	
Armstrong Creek West - Neighbourhood Activity Centre detailed design	
Neighbourhood Houses	309,193
Grovedale Neighbourhood House	
Neighbourhood Houses support	
Arts, Culture and Heritage	220,000
Community arts sponsorship	
Festival and Community Arts program	
Geelong Regional Library contribution	10,140,439
School Holiday Program	548,365
Rosewall Neighbourhood Centre detailed design	350,000
Northern ARC feasibility study and business case	250,000
Councillor Community Grants Program	240,000
Link Learning Program 0-12 years - Eastern suburbs	160,000
Supported playgroups and parent groups initiative	113,133
Ocean Grove principal pedestrian network implementation strategy and design	75,000
Children's Week activity program	71,309
Newtown West heritage review	60,000
Whittington community building and engagement	49,500
Early childhood education services capacity assessment	25,000
Geelong Seniors Festival	20,000
Waurn Ponds Library signage implementation	20,000
Women in Community Life project implementation	4,104

2. GROWING OUR ECONOMY

Support existing businesses and encourage new and emerging growth sectors	
Mineral Springs Spa Complex expression of interest process	250,000
Geelong Defence Office	100,000
Economic Development Industrial Investment Support	25,000
Geelong Small Business Festival	15,000
Facilitate major infrastructure and investment to enable economic growth	
Geelong Ring Road Employment Precinct (GREP)	650,000
Geelong Ring Road Employment Precinct (GREP) - Design and implementation	
Geelong Ring Road Employment Precinct (GREP) - Production Way stage 3 construction	
Armstrong Creek Urban Growth Plan continued implementation	300,000
Ocean Grove Town Centre Master Plan implementation	160,000
Bellarine Structure Plans review - Barwon Heads, Indented Head and Portarlington	150,000
Geelong land review projects: Geelong Werribee Corridor; Geelong Port and Land Infrastructure Plan; and Industrial Land Review	125,000
Managing Future Growth - Batesford South investigation	100,000
Managing Future Growth - Lovely Banks framework plan	100,000
Transition from Victorian Planning Provisions to Planning Policy Framework	100,000
A prosperous and innovative Geelong	
BioGeelong cluster development	50,000
Digital Strategy implementation	50,000
Digital inclusion implementation in Whittington	20,000
A successful and vibrant city centre	
Central Geelong Action Plan (CGAP)	3,910,000
Central Geelong Advancement Fund - matching fund	
Central Geelong car parking strategy implementation	
Central Geelong Design Assessment Panel	
Central Geelong Drainage Strategy	
Central Geelong Major Heritage Fund	
Central Geelong priority works projects	
CGAP - Business facilitation grants	
City Heart - Stage 2	
City Loop Bus - Park and Ride service	
Transport Network Operating Plan	
Utility services upgrade investigations	
Geelong Library and Heritage Centre	7,000,000
Geelong Library and Heritage Centre car park construction	
Geelong Library and Heritage Centre construction	
Central Geelong Marketing programs and activities	834,130
Deakin University / The Gordon pedestrian connections improvements	300,000
Central Geelong Park and Ride shuttle service	192,423

Greater Geelong is a leading city for tourism, arts, culture and events	
Geelong Art Gallery contribution	1,115,000
Geelong Major Events funding	930,000
Conference Marketing and Delegate Boosting programs	410,894
Provide for tourist information and administrative support centres within the Geelong region	375,007
Town Centre tree lighting	300,000
ANZAC Centenary Anniversary Projects	150,000
Cadel Evans Great Ocean Road Race sponsorship	150,000
Wildlife Photographer of the Year exhibition.	120,000
Geelong Botanical Gardens ladies kiosk restoration	110,000
2015 Christmas Light and Decorate Geelong program - launches and public events	105,000
Cadel Evans Bronze Statue	100,000
M~M 24hr Extreme Arts Walk	100,000
Geelong After Dark	85,000
Light and decorate Geelong projections	60,000
New Years Eve fireworks on the Waterfront.	50,000
Central Geelong public art project	30,000
Barwon Heads community arts hub feasibility study	15,000
Peninsula Park and Ride service	12,000
Implementation of the Public Arts Strategy	Funded as part of the recurrent budget

3. SUSTAINABLE BUILT AND NATURAL ENVIRONMENT

Enhance and protect natural areas and ecosystem health	
Water programs	468,000
Stormwater Quality Management Plan implementation Water quality programs Geelong Healthy Waterways program	
Council environmental reserves maintenance and improvement works	950,973
Coastal and conservation reserves and infrastructure maintenance	178,000
Clifton Springs Dell maintenance	113,329
Barwon River infrastructure project implementation (Mt Brandon Landscape Plan)	60,000
Roadside vegetation management	45,000
Foreshore Management Plan review - Clifton Springs	40,000
Friends of Buckley Falls contribution	30,000
Support our community to live sustainably	
Waste initiatives	300,000
Community waste education projects Hard waste pick up service for eligible Home and Community Care (HACC) clients Hardwaste initiatives - 2015-2016 Waste hardship support	
Future Proofing Geelong	350,000
Dam Safety Emergency Management Plan development - St Augustine Basin	30,000
Advocate for and promote sustainable design and development	
Implement and promote actions within Councils Sustainable Buildings Policy	Funded as part of recurrent budget
Promotion and assistance with National Sustainable House Day	Funded as part of recurrent budget
Minimise our environmental footprint	
Landfill works	2,417,000
Composting site set up works Closed landfills monitoring project Corio Landfill post closure pollution abatement notice compliance Drysdale Landfill boundary fence replacement Drysdale Landfill Cells 4A and 6 stormwater pumps Drysdale Landfill eastern dam dewatering Drysdale Landfill leachate management Drysdale Landfill pavement rectification works Drysdale landfill rehabilitation Drysdale landfill stormwater pollution abatement notice compliance Hede Street landfill investigative works	
Geelong Botanic Gardens irrigation upgrade	125,000
Irrigation system upgrades 2015-2016	81,000
Energy efficiency audit top ten buildings	40,000
Development of an integrated water cycle management plan	Funded as part of recurrent budget

4. HOW WE DO BUSINESS

Lead by advocating and collaborating on issues important to the Greater Geelong community	
G21 contribution	453,000
Efficient and customer focused organisation	
Roads - construction and design including local roads, Federal Roads Program and Vic Roads Funded works	14,117,446
Drainage design and construction program	4,030,000
Special rates and charges to carry out roads, footpaths, kerb and channel and drainage works	2,588,000
Kerb and channel renewal program	2,106,000
Traffic management - investigation, design and construction	752,000
Bridge upgrades including major renewal works and Lee's Road bridge replacement	425,000
Electronic Document and Records Management System replacement	347,750
PABX / Telephone System replacement - Year 2	225,000
Brand and logo audit and review	200,000
Microsoft Office upgrade	137,000
News media monitoring automated service	80,000
Social media monitoring automated service	18,000
Implement change control and business transformations around new integration communications system	Funded as part of recurrent budget
Implement the Local Government Performance Reporting framework indicator collection and reporting	Funded as part of recurrent budget
Implement the new Information Services Strategy	Funded as part of recurrent budget
Responsible and sustainable financial management	
2016 General Revaluation and Supplementary Valuations	384,500
Completion of the Buildings Asset Management Plan inclusive of community service levels	Funded as part of recurrent budget
Financial Sustainability Review project actions implementation	Funded as part of recurrent budget
Informed and engaged community	
Corporate banner and billboard program	Funded as part of recurrent budget
Distribution of Community Update via electronic media six times per year	Funded as part of recurrent budget
Expand the use and increase the promotion of the MyGeelong personal web space to residents and ratepayers	Funded as part of recurrent budget
Publication and distribution of annual calendar	Funded as part of recurrent budget
Publication of City News advertising weekly	Funded as part of recurrent budget
Social media development of channels and content	Funded as part of recurrent budget
Undertake internal Plain English campaign	Funded as part of recurrent budget
Motivated and skilled staff in a safe work environment	
Geelong Animal Welfare Shelter security upgrade	50,000
Security improvements for the Old Post Office reception area	40,000
Procurement of Safe-T-Cards for staff working alone in remote areas	10,000
Actively seek feedback to continuously improve training and development opportunities for staff within Council	Funded as part of recurrent budget
Deliver best practice and innovative HR functional delivery through Centres of Excellence	Funded as part of recurrent budget
Improve HR access and service to all employees through HR ASSIST Service Desk	Funded as part of recurrent budget
Improve strategic HR support to the organisation through HR Business Partnering Model	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.
Adjusted underlying revenue	The adjusted underlying revenue means total income other than non-recurrent grants used to fund the capital expenditure, non-monetary asset contributions and contributions to fund capital expenditure from sources other than grants and non-monetary contributions.
Adjusted underlying surplus (or deficit)	The adjusted underlying surplus (or Deficit) means adjusted underlying revenue less total expenditure. It is a measure of financial sustainability of the Council which can be masked in the net surplus (or deficit) by capital-related items.
Annual budget	Plan under section 127 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other sources required.
Annual report	The annual report prepared by Council under sections 131, 132 and 133 of the Act . The annual report to the community contains a report of operations and audited financial and performance statements.
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 discretional 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 discretional 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.
Balance sheet	The 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 balance sheet should be prepared in accordance with the requirements of AASB 101 - Presentation of Financial Statements and the Local Government Model Financial Report.
Comprehensive income statement	The comprehensive income statement shows the expected operating result in the forthcoming year compared to the forecast actual result in the current year. The income statement should be prepared in accordance with the requirements of AASB 101 Presentation of Financial Statements and the Local Government Model Financial Report.
Financial Statements	Prepared under section(s) 126(2)(a), 127(2)(a) ad / or 131(1)(b) of the Act, financial statements are required in the : - Strategic Resource Plan. - Budget. - Annual Report. The financial statements are the: - Comprehensive Income Statement. - Balance Sheet. - Statement of Changes in Equity.

	- Statement of Cash Flows. - Statement of Capital Works. The financial statements must be in the form set out in the Local Government Model Financial Report.
Statement of capital works	The statement of capital works shows the expected internal and external funding for capital works expenditure and the total proposed capital works expenditure for the forthcoming year with a comparison with forecast actual for the current year. The statement of capital works should be prepared in accordance with Regulation 9.
Statement of cash flows	The statement of cash flows 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 and investments for the year. Comparison is made to the current year's expected inflows and outflows. The cash flow statement should be prepared in accordance with the requirements of AASB 107 Cash Flow Statements. The cash flows statement should be prepared in accordance with the requirements of AASB 107 Statement of Cash Flows and the Local Government Model Financial Report.
Statement of changes in equity	The statement of changes in equity shows the expected movement in Accumulated Surplus and reserves for the year. The statement of changes in equity should be prepared in accordance with the requirements of AASB 101 - Presentation of Financial Statements and the Local Government Model Financial Report.
Budget preparation requirement	Under the Act, a Council is required to prepare and adopt an annual budget by 30 June each year.
Capital expenditure	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 program	A detailed list of capital works expenditure that will be undertaken during the 2015-2016 financial year. Regulation 10 requires that the budget contains a detailed list of capital works expenditure and sets out how that information is to be disclosed by reference to asset categories, asset expenditure type and funding sources.
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.
Council plan	Means a Council Plan prepared by the Council under Section 125 of the Local Government Act 1989. This document sets out the strategic objectives of the Council and strategies for achieving the objectives as part of the overall strategic planning framework required by the Act.
Current year rate increase *(Rating information)*	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 (e.g. 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.
External influences in the preparation of a budget	Matters arising from third party actions over which Council has little or no control e.g. 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.

Four way budgeting methodology (Strategic Resource Plan)	The linking of the income statement, balance sheet, cash flow statement and capital works statement to produce forecast financial statements based on assumptions about future movements in key revenues, expenses, assets and liabilities.
Infrastructure	Non-current property, plant and equipment excluding land.
Infrastructure strategy	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. 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.
Internal influences in the preparation of a budget	Matters arising from Council actions over which there is some element of control e.g. 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.
Legislative framework	The Act, Regulations and other laws and statutes which set a Council's governance and reporting requirements.
Local Government Model Financial Report	Local Government Model Financial Report published by the Department from time to time including on the Department's Internet website.
Local Government (Planning And Reporting) Regulations 2014	Regulations, made under Section 243 of the Act prescribe: (a) the content and preparation of the financial statements of a Council. (b) the performance indicators and measures to be included in a budget, revised budget and annual report of a Council. (c) the information to be included in a Council Plan, Strategic Resource Plan, budget, revised budget and annual report. (d) Other matters required to be prescribed under Parts 6 and 7 of the Act.
New asset expenditure	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.
Non-recurrent grant	A grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by the Council's Strategic Resource Plan.
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 *(impact of current year on 2014-2015 budget)*	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.
Own-source revenue	Adjusted underlying revenue other than revenue that is not under the control of Council (including government grants).
Performance statement	A performance statement must be included in the annual report of a Council and include the results of the prescribed service outcome indicators, financial performance indicators and sustainable capacity indicators for the financial year and included in the annual report.
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.
Recurrent grant	A grant other than a non-recurrent grant.
Regulations	Local Government (Planning and Reporting) Regulations 2014.
Restricted cash	Cash and cash equivalents, within the meaning of AAS, that are not available for use other than a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure form the previous financial year.
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.
Services, Initiatives and Major Initiatives	Section 127 of the Act requires a budget to contain a description of the services 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 budget must also include major initiatives, being initiatives identified by the Council as priorities to be undertaken during the financial year. The services delivered by Council means assistance, support, advice and other actions undertaken by a council for the benefit of the local community. Initiatives means actions that are once-off in nature and/or lead to improvements in service. Major initiatives means significant initiatives that will directly contribute to the achievement of the Council plan during the current year and have a major focus in the budget.
Statement of Capital Works	Means a statement which shows all capital expenditure of a council in relation to non-current assets and asset expenditure type prepared in accordance with the model statement of capital works in the Local Government Model Financial Report.
Statement of Human Resources	Means a statement which shows all Council staff expenditure and the number of full time equivalent Council staff.
Strategic Resource Plan	Means the Strategic Resource Plan prepared by a Council under Section 126 of the Act.
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)	Section 125(2)(d) of the Act requires that a Council must prepare and approve a Council Plan that must include a strategic resource plan containing the matters specified in Section 126. Section 126 of the act states that: - the strategic resource plan is a plan of the resources required to achieve the council plan strategic objectives. - the strategic resource plan must include the financial statements describing the financial resources in respect of at least the next four financial years. - the strategic resource plan must include statements describing the non-financial resources including human resources in respect of at least the next four financial years. - the strategic resource plan must take into account services and initiatives contained in any plan adopted by council and if the council proposes to adopt a plan to provide services or take initiatives, the resources required must be consistent with the strategic resource plan. - council must review their strategic resource plan during the preparation of the council plan. - council must adopt the strategic resource plan not later than 30 June each year and a copy must be available for public inspection at the council office and internet website. In preparing the strategic resource plan, councils should comply with the principles of sound financial management as prescribed n the Act being to: - prudently manage financial risks relating to debt, assets and liabilities. - provide reasonable stability in the level of rate burden. - consider the financial effects of council decisions on future generations. - provide full, accurate and timely disclosure of financial information. In addition to section 126 of the Act, parts 2 and 3 of the Regulations also prescribe further details in relation to the preparation of a strategic resource plan.
Unrestricted cash	Unrestricted cash represents all cash and cash equivalents other than restricted cash.
Valuations of Land Act 1960	The Valuations of Land Act 1960 requires a Council to revalue all rateable properties every two years.