

CITY OF GREATER GEELONG
BUDGET REPORT: 2016-2017
ADOPTED 28 JUNE 2016



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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 2016-2017 Budget has again been developed with four key fiscal objectives:

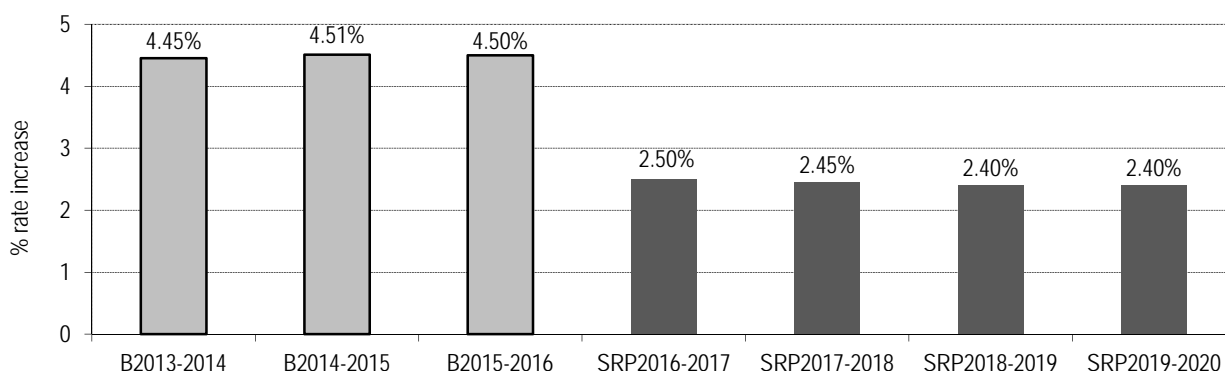
1. Maintain an operating surplus to contribute internal funding for capital works program.
2. Maintain core infrastructure renewal expenditure, whilst increasing expenditure on new community infrastructure.
3. Maintain net financial liabilities at a sustainable level.
4. Provide minimum rate increases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

The Victorian Government has specified a rates cap of 2.5% for 2016-2017. The cap applies to the average annual increase of rates and charges. Council has made an application to the Essential Services Commission for a higher rates cap of 3.5% in order to reduce debt levels. A decision was made on 3 May 2016 to withdraw this application following review of revenue and expenditure assumptions.

The Gross Capital expenditure of \$103.6M includes for major asset categories, \$24.7M on buildings, \$10.7M Recreation assets, \$28.4M on Roads, Footpaths, Kerb & Channel and Drains, and \$5.7M on Fleet (see Capital Program p 2-22).

Council plans to borrow \$50.6M in 2016-2017 (including \$27.9M deferred borrowings from 2015-2016), 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, Geelong Ring Rd Employment Precinct, Drysdale/Clifton Springs Sports Precinct and Shell Rd Reserve Masterplan (see Borrowing Strategy p 3-25).

1(a). Residential Rates



Rate revenue is 63% of total revenue and reflects a 2.5% rate increase for residential ratepayers (including Municipal Charge).

The Essential Services Commission measure rate increases as the movement in rates and municipal charge for all rateable property. The 2015-2016 base average rate is calculated as \$1,435.43 and the 2016-2017 Budget proposes this will increase by 2.44% to \$1,470.55.

Future year rate increases are assumed at CPI of 2.5% adjusted for an efficiency factor of 0.05% (2017-2018) and 0.10% (2018-2019 ongoing). This assumption will be subject to future announcement on an annual basis by the Minister for Local Government.

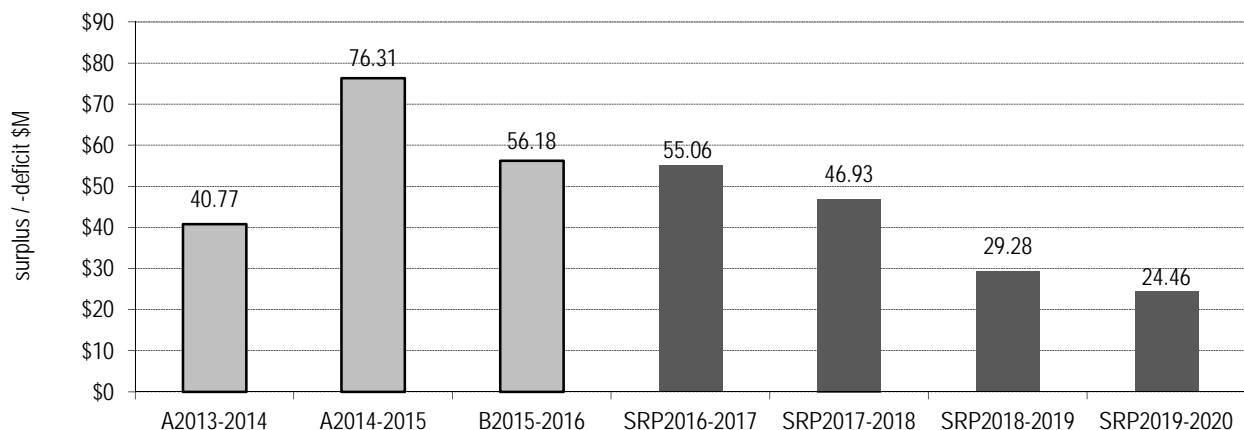
1(b). Average Residential Rates

	2015-2016 Rates on Avg. CIV \$	2016-2017 Budget Rates on Avg. CIV \$
Residential Movement		
Residential Capital Improved Value		400,322
Rates (CIV x Rate in \$)	1,069.65	1,096.41
Municipal Charge	94.30	96.65
Total Rates (Include. Municipal Charge)	1,163.95	1,193.06
Waste Collection Service	258.25	270.50

The average Residential Capital Improved Value has increased from \$377,721 to \$400,322. The average movements in Rates and Municipal Charge totals \$29.06 or a 2.5% increase for the 2016-2017 year. 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 Landfill EPA levy increases to \$62.00/tonne equivalent to \$30.75 per Waste Collection Service Charge (previously \$28.75).

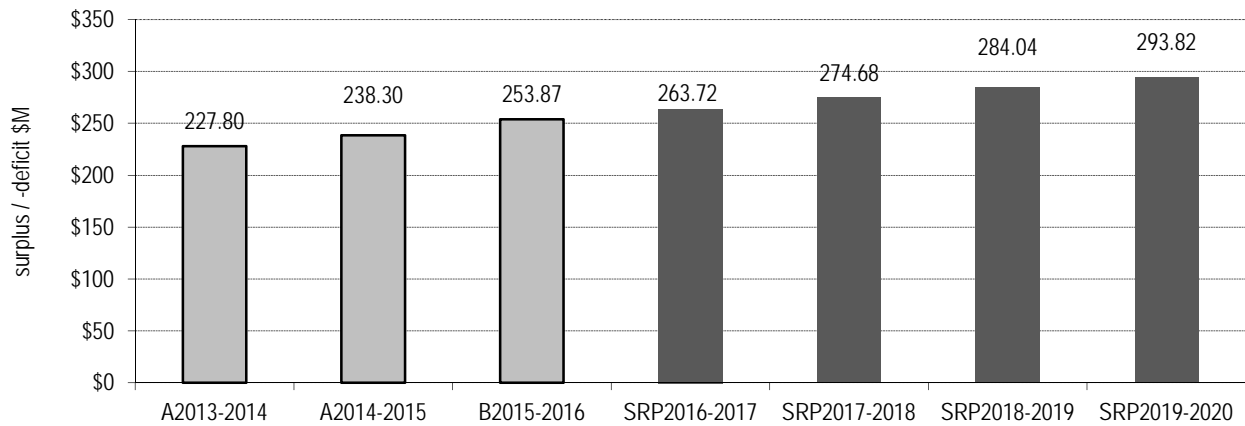
The rates and charges for individual residential properties may have increased or decreased by different percentage amounts since the valuation of the property may be higher or lower relative to the average valuation of other residential properties in the municipal district.

2. Overall Operating Result



The expected overall result for the 2016-2017 year is a surplus of \$55.06M, which is a decrease of \$1.12M over 2015-2016 primarily due to a non recurrent contribution to Simonds Stadium of \$6.0M, offset by an increase in Developer Contributions \$3.0M. The overall result includes recurrent increases in depreciation expenses and salaries growth, together with non operating items such as capital grants \$22.3M and recognition of infrastructure \$34.5M. The recurrent operating result is a surplus of \$1.8M, which is an increase of \$1.1M over 2015-2016. The projected recurrent result for the current 2015-2016 year is a deficit of (\$14.6M) after accounting for non capital projects carried over from 2014-2015 and the receipt of 50% of Grants Commission funding in June 2015. These changes were reflected in amendments to the 2015-2016 Budget. The 2015-2016 projection highlights a \$2.4M favourable recurrent variance to the amended budget (refer page 2-31).

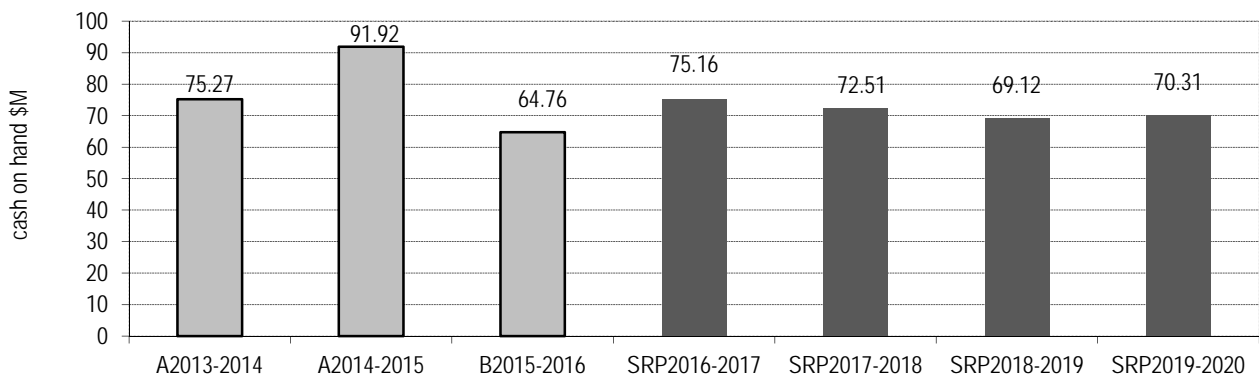
3. Services



*Total Service Cost (Recurrent expenditure less depreciation).

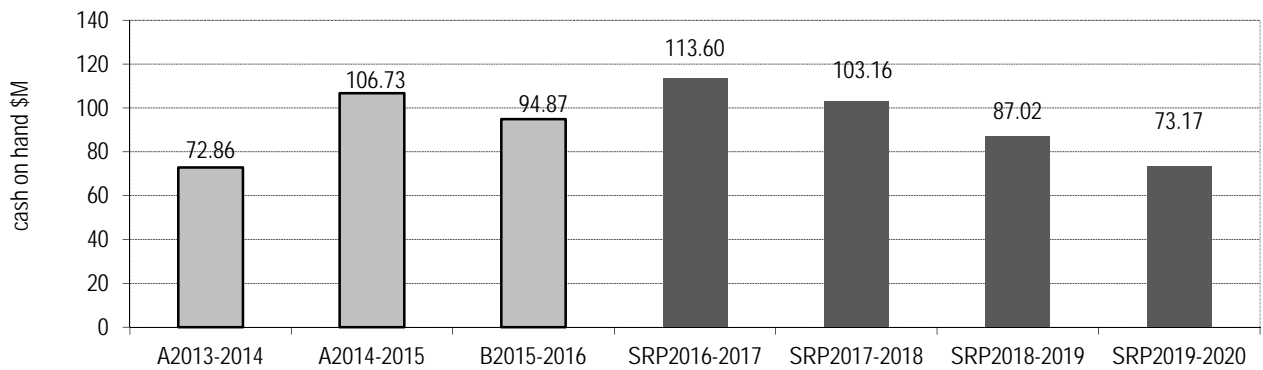
The cost of services delivered to the community for the 2016-2017 year is expected to be \$263.72M which is an increase of \$9.85M over 2015-2016. A key influencing factor in the development of the 2016-2017 Budget has been the maintenance of existing service funding levels and the inclusion of mandatory and other community funding increases only.

4. Cash and Investments



New borrowings of \$22.70M are proposed in 2016-2017, plus deferred borrowings from 2015-2016 of \$27.92M. These borrowings will fund Community Services Infrastructure, Central Geelong Action Plan, Corio Landfill Rehabilitation, Drysdale Landfill Cells, Armstrong Creek Projects, Hendy St Reserve Redevelopment, Central Geelong Ring Road Employment Precinct, Drysdale/Clifton Springs Sports Precinct and Shell Road Reserve Masterplan. The proposed June 2017 cash balance is adequate to meet required balances. The capital program assumes \$28.0M of capital funds will not be expended until 2017-2018 year.

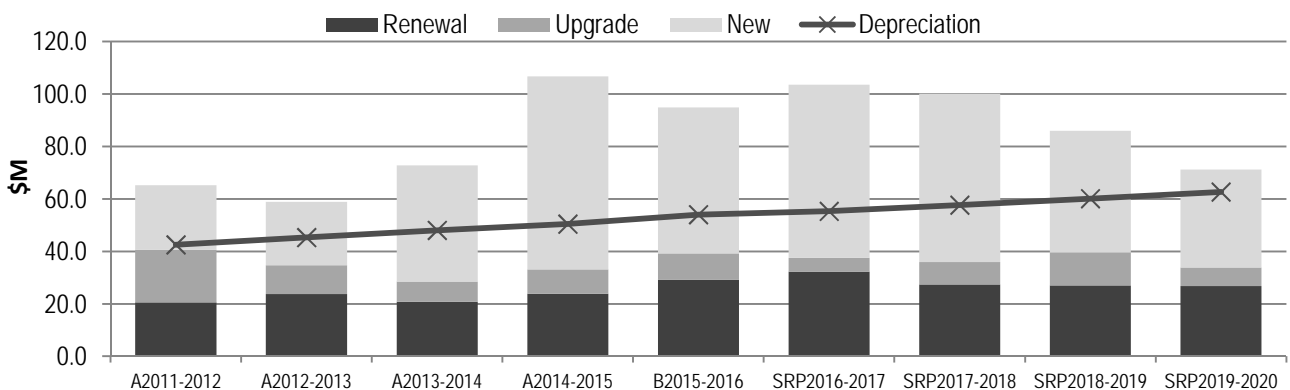
5. Capital Works



The capital works program for the 2016-2017 year is proposed at \$113.6M and in addition to major asset categories, \$6.7M is proposed for waste collection and landfill projects with \$3.84M for Central Geelong Task Force initiatives. A total of \$38.0M is estimated for projects which will be carried forward from the 2015-2016 year and \$28.0M carried forward into 2017-2018. The capital expenditure program includes key funding for Core Programs, Ageing Infrastructure, a range of Recreation and Leisure projects, Community Facilities and completion of 2015-2016 projects (refer p 2-23 "Analysis of Capital Budget").

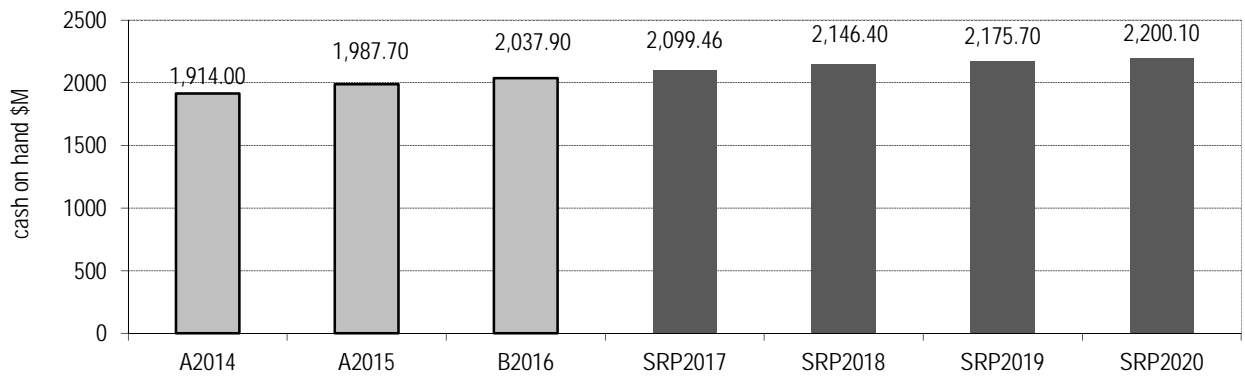
The Capital Works Program is summarised by Project Category and by classification as Renewal, Upgrade or New Project.

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



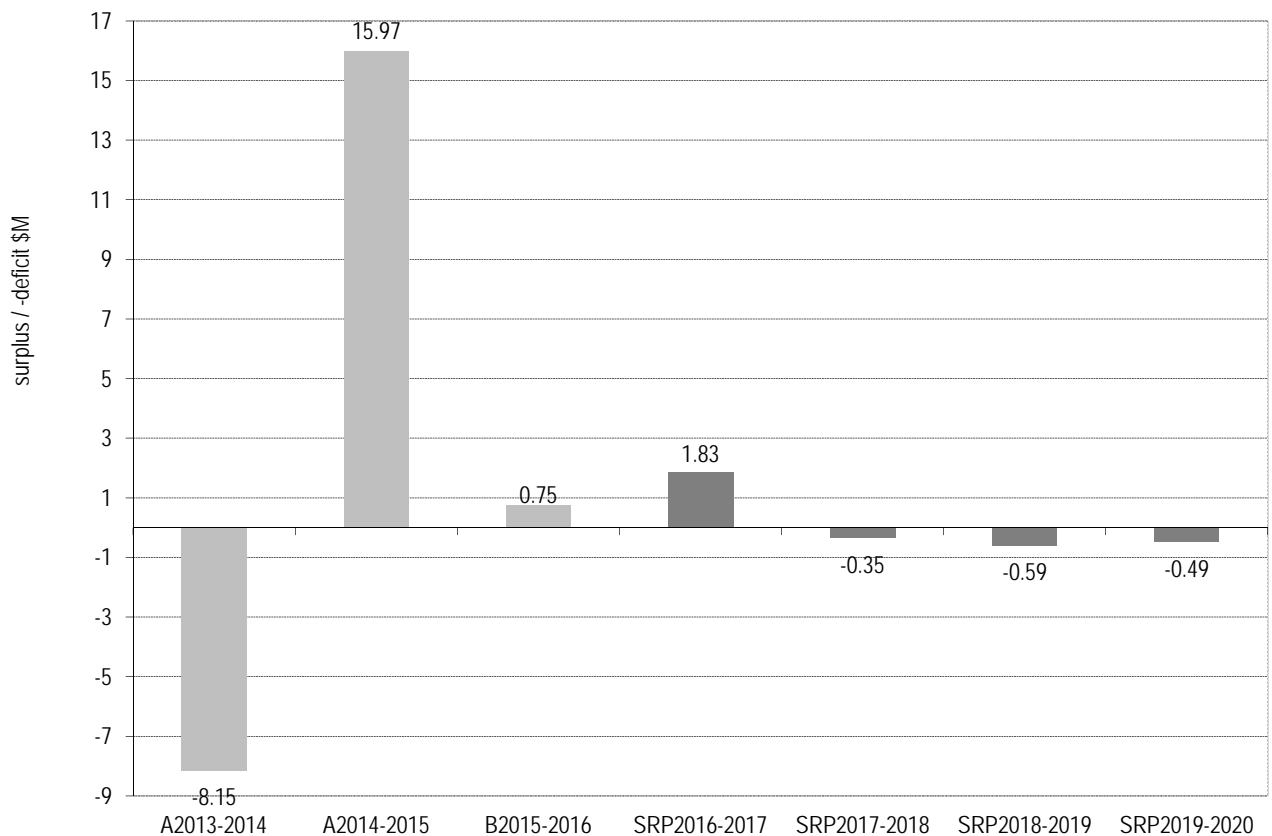
The percentage of renewal / upgrade capital expenditure is a long term indicator. The trend indicates that Council is allocating insufficient resources to renewal / upgrade capital expenditure relative to new.

6. Financial Position



Net assets (net worth) will increase by \$61.6M to \$2,099.5M with Property Plant & Equipment increasing by \$60.0M and other increases net \$1.6M (refer p 2-29 Analysis of Budgeted Financial Position).

7. Financial Sustainability



A high level Strategic Resource Plan for the years 2016-2017 to 2019-2020 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 indicates the challenges to achieving recurrent surpluses under the rate capping assumptions. Council will need to undertake a review of services that are provided to the community, with the aim of reducing the level of ratepayer subsidy for services. The 2016-2017 result however provides a recurrent result where depreciation, growth in interest costs associated with loan borrowing program and growth in operating costs for service delivery is fully funded.

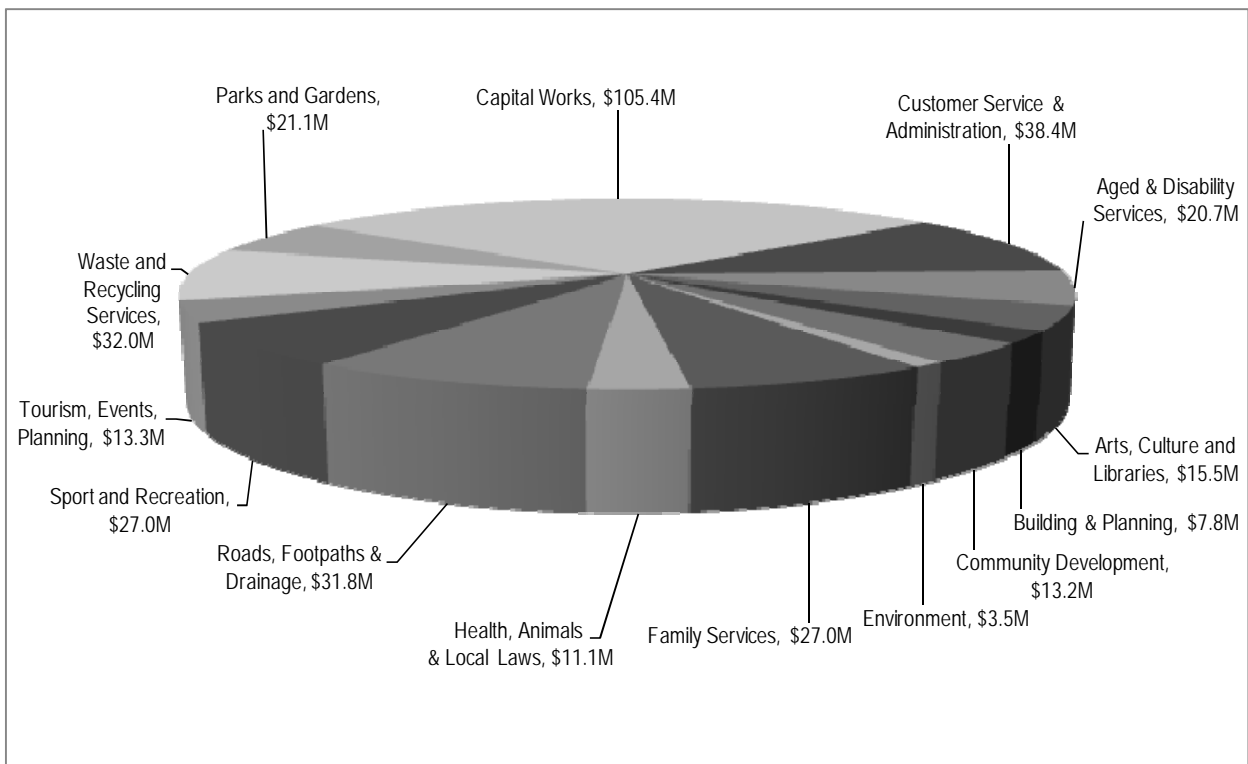
8. Strategic Objectives

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 2016-2017 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	2016-2017 Expenditure \$M
Community Wellbeing	47.40
Growing the Economy	14.50
Sustainable Built and Natural	8.44
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.

Kelvin Spiller
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

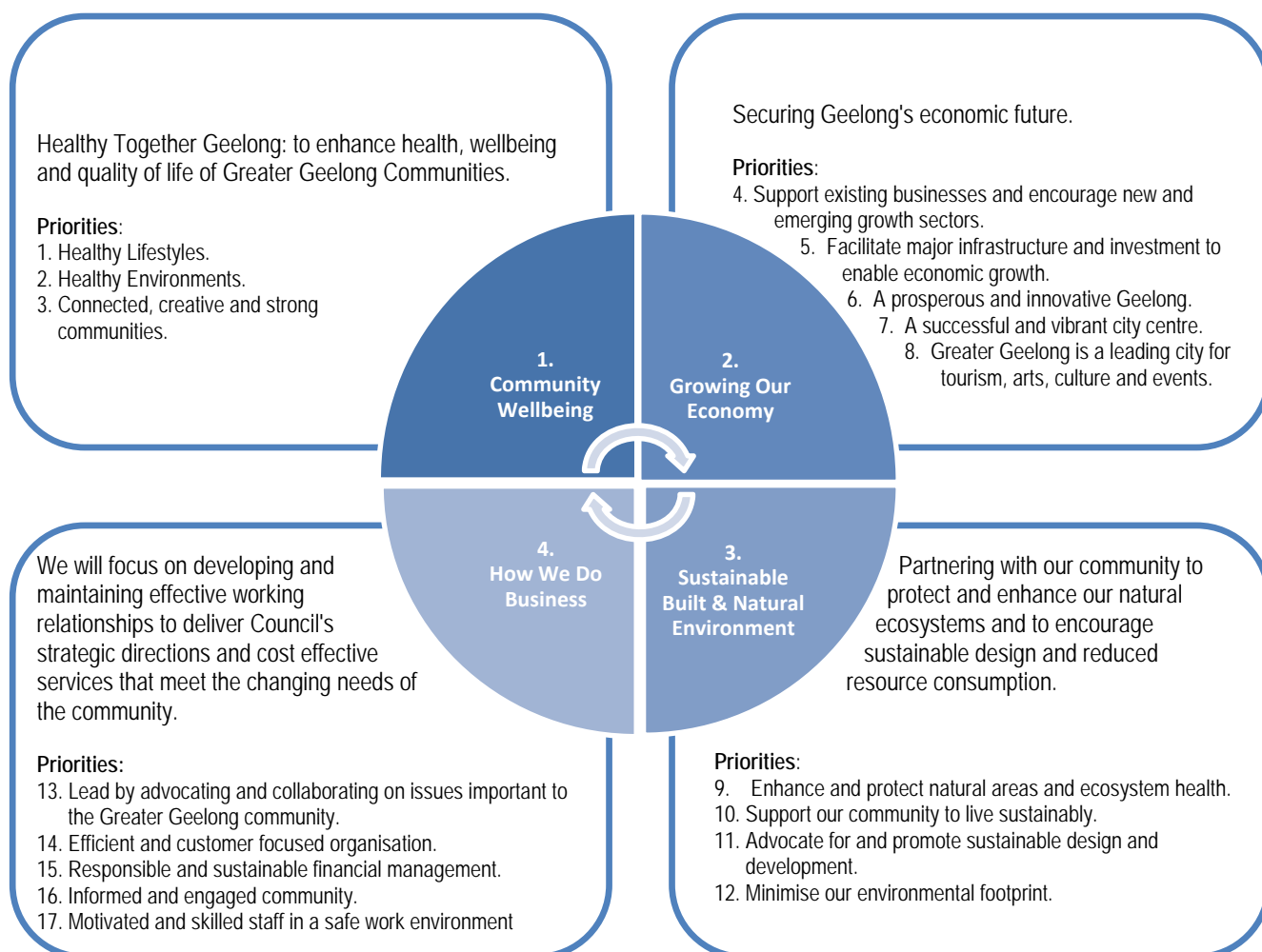
We will:

- 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 2016-2017 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 (2016-2017 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 \$2.6M	<p>We will encourage healthy lifestyle choices by:</p> <ul style="list-style-type: none">• 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. <p>Initiatives</p> <ul style="list-style-type: none">• Learn to Swim program.• Stronger Families.• Gender Equality and the Prevention of Violence Against Women and Children.• 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 kindergarten enrolments through public media releases.• Provide Maternal Child Health nurses with professional development opportunities on lactation. <p>Major Initiatives</p> <ul style="list-style-type: none">• Coordination of the City of Greater Geelong Municipal Public Health and Wellbeing Plan implementation.
2. Healthy environments. Total Gross Cost \$21.8M	<p>We will provide safe and vibrant physical environments and infrastructure to support healthy living and connected communities. This includes:</p> <ul style="list-style-type: none">• 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. <p>Initiatives</p> <ul style="list-style-type: none">• 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.• 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.

Priority	Description
	<ul style="list-style-type: none"> • 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. <p>Major Initiatives</p> <p>Commencement of the Drysdale Sports Precinct development.</p>
<p>3. Connected, creative and strong communities.</p> <p>Total Gross Cost \$23.0M</p>	<p>We will facilitate programs and events that encourage increased participation in community life by:</p> <ul style="list-style-type: none"> • 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. <p>Initiatives</p> <ul style="list-style-type: none"> • Community Hubs. • Youth activities, programs and events. • Children's Services Upgrades. • Community Facility Upgrades. • Armstrong Creek. • Neighbourhood Houses. • Arts, Culture and Heritage. • Community Grants Program. • Link Learning Program 0-12 years - Eastern suburbs. • Community Arts and Festivals Grant Program. • Fyansford Land Acquisition for Community Infrastructure. • Geelong Seniors Festival. • Multicultural Action Plan Implementation. • Digital Implementation Plan Community 'National Year Digital Inclusion 2016'. • Aboriginal Traineeships. • Women in Community Life Committee Support. <p>Major Initiatives</p> <p>Construction of the Hendy Street and Highton Family Hubs and Rosewall Neighbourhood House.</p>

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 least 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.

Priority	Description
<p>4. Support existing businesses and encourage new and emerging growth sectors.</p> <p>Total Gross Cost \$0.3M</p>	<p>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.</p> <p>We will:</p> <ul style="list-style-type: none"> • 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. <p>Link local businesses with growth opportunities and government funding.</p> <p>Initiatives</p> <ul style="list-style-type: none"> • McLeod Street Improved Access to Port of Geelong. • Geelong Small Business Festival. • Digital Implementation Plan – Business. <p>Major Initiatives Implementation of the Digital Plan.</p>
<p>5. Facilitate major infrastructure and investment to enable economic growth.</p> <p>Total Gross Cost \$6.4M</p>	<p>We will facilitate the provision of appropriate infrastructure to enable economic growth and capitalise on competitive advantages by:</p> <ul style="list-style-type: none"> • 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. <p>Initiatives</p> <ul style="list-style-type: none"> • Western Beach Boat Yard Environment Reclamation. • Elcho Channel SRC Scheme. • Armstrong Creek Town Centre – Community Facility Site. • 2016-2021 Economic Development Strategy Implementation. • Armstrong Creek Urban Growth Area – Implementation (9th Year). • Managing Future Growth. • Land Supply Monitoring Program. • Activity Centres Urban Design Frameworks Program. • Structure Planning. <p>Major Initiatives Implementation of the Elcho Channel Drainage Scheme in the Geelong Regional Employment Precinct and Armstrong Creek Town Centre – Community Facility Site.</p>

Priority	Description
<p>6. A prosperous and innovative Geelong.</p> <p>Total Gross Cost \$0.5M</p>	<p>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.</p> <p>We will:</p> <ul style="list-style-type: none"> • 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. <p>Advocate for Geelong to be the centre of excellence for research projects, new technologies and emerging industry sectors.</p> <p>Initiatives</p> <ul style="list-style-type: none"> • Smart City Pilot Program. • GovHack 2016. • Digital Geelong. <p>Major Initiatives</p> <p>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.</p>
<p>7. A successful and vibrant city centre.</p> <p>Total Gross Cost \$4.1M</p>	<p>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.</p> <p>We will:</p> <ul style="list-style-type: none"> • 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. <p>Initiatives</p> <ul style="list-style-type: none"> • Central Geelong Action Plan (CGAP). • Central Geelong Public Space Activation. <p>Major Initiatives</p> <p>Implement Central Geelong Action Plan (CGAP) initiatives for 2016-2017.</p>

Priority	Description
<p>8. Greater Geelong is a leading city for tourism, arts, culture and events.</p> <p>Total Gross Cost \$3.2M</p>	<p>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.</p> <p>We will:</p> <ul style="list-style-type: none"> • 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. <p>Initiatives</p> <ul style="list-style-type: none"> • Geelong Art Gallery. • Geelong Major Events funding. • Cadel Evans Great Ocean Road Race sponsorship. • Peninsula Park and Ride service. • Potato Shed Facility Renewal. • Catenary Star. • Australian International Airshow. • Christmas Projection Programming. <p>Major Initiatives</p> <p>Funding for Geelong Major events.</p>

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 \$0.9M	<p>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.</p> <p>We will continue to enhance our natural areas by:</p> <ul style="list-style-type: none">• 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. <p>Initiatives</p> <ul style="list-style-type: none">• Ramblers Road Foreshore Shellfish Reef.• Ecological Sustainable Design (ESD) Policy.• Foreshore Management Plan review - Clifton Springs.• Friends of Buckley Falls contribution.• Tree planting and establishment. <p>Major Initiatives</p> <p>Ecological Sustainable Design (ESD) Policy.</p>
10. Support our community to live sustainably. Total Gross Cost \$0.7M	<p>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:</p> <ul style="list-style-type: none">• 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. <p>Initiatives</p> <ul style="list-style-type: none">• Waste initiatives.• Future Proofing Geelong.• Resource Recovery Centre Strategic Study.• Sustainable Visitor Facilities Geelong Botanic Garden. <p>Major Initiatives</p> <p>Continue the implementation of the Future Proofing Geelong.</p>

Priority	Description
11. Advocate for and promote sustainable design and development. Total Gross Cost \$0.04M	<p>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:</p> <ul style="list-style-type: none"> • 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. <p>Initiatives</p> <ul style="list-style-type: none"> • Waste Management Strategy. • Implement and promote actions within Council's Sustainable Buildings Policy. • Promotion and assistance with National Sustainable House Day. <p>Major Initiatives</p> <p>Development of a 5 Year Waste Management Strategy.</p>

12. Minimise our environmental footprint. Total Gross Cost \$6.8M	<p>We want to make sure that all decisions made by staff and Council have a positive impact on our natural environment. We will:</p> <ul style="list-style-type: none"> • 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. <p>Initiatives</p> <ul style="list-style-type: none"> • Landfill works. • CAA Flood Mitigation. • Irrigation Water Asset Growth. • Development of an integrated water cycle management plan. <p>Major Initiatives</p> <p>Development of Cell 5 at Drysdale Landfill site.</p>
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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
<p>13. Lead by advocating and collaborating on issues important to the greater Geelong community.</p> <p>Total Gross Cost \$0.5M</p>	<p>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:</p> <ul style="list-style-type: none"> • 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. <p>Initiatives</p> <ul style="list-style-type: none"> • G21 contribution. • Gender Equity Framework. <p>Major Initiatives</p> <ul style="list-style-type: none"> • Disburse G21 Geelong Region Alliance contribution.
<p>14. Efficient and customer focused organisation.</p> <p>Total Gross Cost \$24.5M</p>	<p>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:</p> <ul style="list-style-type: none"> • 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. <p>Initiatives</p> <ul style="list-style-type: none"> • City Plan Community Engagement. • 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 - major renewal works. • City Services Site to Site Video Conferencing Installation. • Media Monitoring. • News Media Analyst and Reporting. • Digital Information and Technology – annual software maintenance uplift. <p>Major Initiatives</p> <p>Community engagement in development of City Plan 2017-2021.</p>

Priority	Description
<p>15. Responsible and sustainable financial management.</p> <p>Total Gross Cost \$0.5M</p>	<p>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:</p> <ul style="list-style-type: none"> 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. <p>Initiatives</p> <ul style="list-style-type: none"> Oracle Financials Upgrade. Project Management Framework. Valuations Module for 2018 Revaluation and Beyond. <p>Major Initiatives</p> <p>Undertake an upgrade of Oracle Financials and implementation of a Project Management Framework.</p>
<p>16. Informed and engaged community.</p> <p>Total Gross Cost \$Nil</p>	<p>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.</p> <p>We will do this by:</p> <ul style="list-style-type: none"> 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. <p>Initiatives</p> <ul style="list-style-type: none"> 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. <p>Major Initiatives</p> <p>City News communication.</p>
<p>17. Motivated and skilled staff in a safe work environment.</p> <p>Total Gross Cost \$0.5M</p>	<p>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:</p> <ul style="list-style-type: none"> 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. 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.

Priority	Description
	<p>Initiatives</p> <ul style="list-style-type: none"> • Performance Review and Recruitment Project. • People Matter Employment Survey. • Ongoing review and communication of City Safe Procedures. • Mental Health in the Work Place – Beyond Blue National Workplace Program. • Implementation of the Organisation Action Plan to improve Workplace Culture, with the foundation of Positive Duty. • Creation of Employment Diversity Action Group to increase awareness and equity of diversity in the City's workforce. • Monitor employee engagement through the introduction of an annual Employee Opinion Survey. • Development of Leadership Capability Framework, assessment and development for all People Leaders in the organisation. • Ongoing compliance training for the entire workforce in the Prevention of Bullying & Harassment, Fraud Awareness, Equal Employment Opportunity, Positive Duty and Occupational Health & Safety. • Gender Equity Review. • Improved Performance Review and Management through the development of HR systems. • Improved Recruitment and Workforce Management through development of HR systems. • Increased Traineeships across the organisation for disadvantaged and diverse job seekers in the Geelong community. • Introduction of Lost Time Injury reviews to improve workplace safety culture. • Introduction of 'People First' agenda for Executive Team Meeting to review Workplace Culture, Safety and all People related matters in the organisation. <p>Major Initiatives</p> <p>Continue to rollout initiatives of the Workplace Culture Program to ensure a positive and engaged workforce.</p>

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.
	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 1 st percentile (most disadvantaged) to 10 th 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 2017 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 January to March. A draft consolidated Budget is then prepared and various iterations are considered by Council at informal briefings during March. A 'Proposed' Budget is prepared in accordance with the Act and submitted to Council in April 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.

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 2016. The interim administrator has requested a 30 day extension of time relative to requirements under Sec 130 (LGA) for adoption of the final budget. 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.	January to March
3. Council considers draft budgets at informal briefings.	March
4. Proposed Budget submitted to Council for approval.	10 May 2016
5. Public Notice advising intention to adopt Proposed Budget.	11 May 2016
6. Budget available for public inspection and comment (28 days).	11 May 2016
7. Submission period closes.	7 June 2016
8. Submissions considered by Panel / Committee (TBC)	To be determined
9. Budget and submissions presented to Council for adoption.	To be determined
10. Copy of Adopted Budget and City Plan submitted to the Minister.	*31 July 2016

* Extension of time (30 days) relative to requirements under Sec 130 (LGA)

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 2016-2017 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 2015 (ABS release 28 January 2016). CPI is forecast to be 2.5% for the 2016-2017 year (State Government Department of Treasury & Finance forecast).
- The Victorian State Government has announced that Local Government rates will be capped at 2.5% for 2016-2017. The cap applies to the average annual increase of rates and charges. Council has made an application to the Essential Services Commission for a higher rate cap of 3.5% in order to reduce debt levels. A decision was made on 3 May 2016 to withdraw this application based on review of revenue and expenditure assumptions in 2016-2017.
- Reduction of \$0.159M in Victorian Grants Commission funding compared to the prior year. Council assumes that beyond 2016-2017 full indexation of Grants Commission funding will resume.
- 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 \$62.00/tonne in 2016-2017. The annual cost is forecast at \$5.7M in 2016-2017.
- Additional Federal Government Roads to Recovery funding providing short term increases to \$4.98M for 2016-2017 (previously \$3.02M in 2015-2016 and \$1.5M base funding).
- The carbon price repeal legislation received Royal Assent on 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. The City of Wyndham has refunded \$0.42M to council collected carbon tax charges. No provision has been made for clearing these funds in the 2016-2017 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 (Fire Services Property Levy Act 2012) Council will be reimbursed \$0.12M for some expenses associated with this legislative imposition on Local Government.
- The Reserve Bank decision of 5 April 2016 to retain the cash rate at 2.0% providing ongoing low interest rate environment. This impacts on Council's available borrowing interest rates and also deposit rates on sums invested.
- Wages growth in Victoria is projected to be 3.25% in 2016-2017. Forecast wage increases for 2016-2017 are in line with the Enterprise Agreement (third and final year).
- State Government funding available for community facilities in 2016-2017 is forecast at \$8.45M and includes \$3.0M for Central Geelong Advancement Fund, Armstrong Creek Community Complex \$3.5M, Drysdale Clifton Springs Sports Precinct \$0.7M, Highton Enhanced Children's Centre \$0.3M, Leopold Community Hub stage 2 \$0.75M, and Armstrong Creek East Precinct community pavilion \$0.2M.
- The Kardinia Park Stadium Bill 2015 to establish the Kardinia Park Stadium Trust was enacted in November 2015. The Trust will administer the Kardinia Park Trust land and other land and facilities for the purposes of sports, recreation, entertainment and related social and other activities. Council's responsibility for operating costs and revenues as Stadium Manager will cease, to be effective from 30 June 2016.

2. Internal Influences

As well as external influences, there were a number of internal influences arising from the 2015-2016 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 3 of the Enterprise Agreement, resulting in additional ongoing employee cost per annum.
- Budgeted Property sales from 2015-2016 not achieved with \$1.7M sales pending.
- Responding to growth in assets and maintenance obligations by asset category.
- New Green Waste processes (new 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 2015-2016 estimated at \$38M.
- Council has identified a number of projects to be considered through community engagement as part of the budget process.

Additionally, a number of Council decisions during 2015-2016 related to funding implications for the 2016-2017 Budget. Some of these include:

- Elcho Special Rate and Charge Drainage scheme with Council contribution \$2.4M (2016-2017 \$1.4M & 2017-2018 \$1.0M).
- GREP Land Development project requiring \$2.2M infrastructure funding in 2015-2016 to enable land sales in O'Briens Road.
- 2015-2016 Sport & Recreation Victoria Funding program submissions including Gateway Sanctuary playground \$0.1M (2016-2017 project), and 2015-2016 ongoing projects North Geelong Football & Netball changerooms upgrade \$0.1M, Geelong Soccer Club changerooms upgrade \$0.1M.
- Projects commenced in 2015-2016 requiring additional funding in 2016-2017 including Drysdale/Clifton Springs Sports precinct \$3.9M, Hendy Street Reserve Redevelopment \$0.6M, Rosewall Neighbourhood House \$1.15M, Highton Enhanced Children's Centre \$2.5M, Leopold Community Hub stage 2 \$3.7M, Hendy Street Children's Hub \$2.3M and Leopold FC&N Clubroom Upgrade \$0.5M.

3. Community Engagement

Council engaged with the community via community submissions and these were considered as part of the 2016-2017 Annual Budget Process. Council received 52 community submissions which were reviewed by officers and 24 approved to be developed as a project concept. The Annual Budget includes nine of these requests for a total of Gross \$0.51M or Net \$0.47M:

	Net Expenditure \$
East Geelong Mens Shed – shared resource facility (Grinter Reserve) Gross \$76K	61,000
Spring Water dispensing landscape feature on historic mineral springs site Clifton Springs	25,000
St Helens emergency and recreational facilities upgrade – Gross \$150K	125,000
Osborne House Kitchen renovation	40,000
East Geelong Golf Club – change room upgrades	69,000
Wathaurong Aboriginal co-operative feasibility and business case (Non Capital Project)	70,000
WG Little Reserve Masterplan (Non Capital Project)	10,000
St Josephs Football & Netball Club Wedge Project – Drew Reserve Masterplan (Non Capital)	35,000
Buckleys Way touring route - tourism (Non Capital Project)	30,000
Total	\$465,000

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 2015-2016 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 2016-2017 through to 2019-2020, Rating Strategy and Other Long Term Strategies including borrowings, infrastructure and service delivery.

BUDGETED INCOME STATEMENT

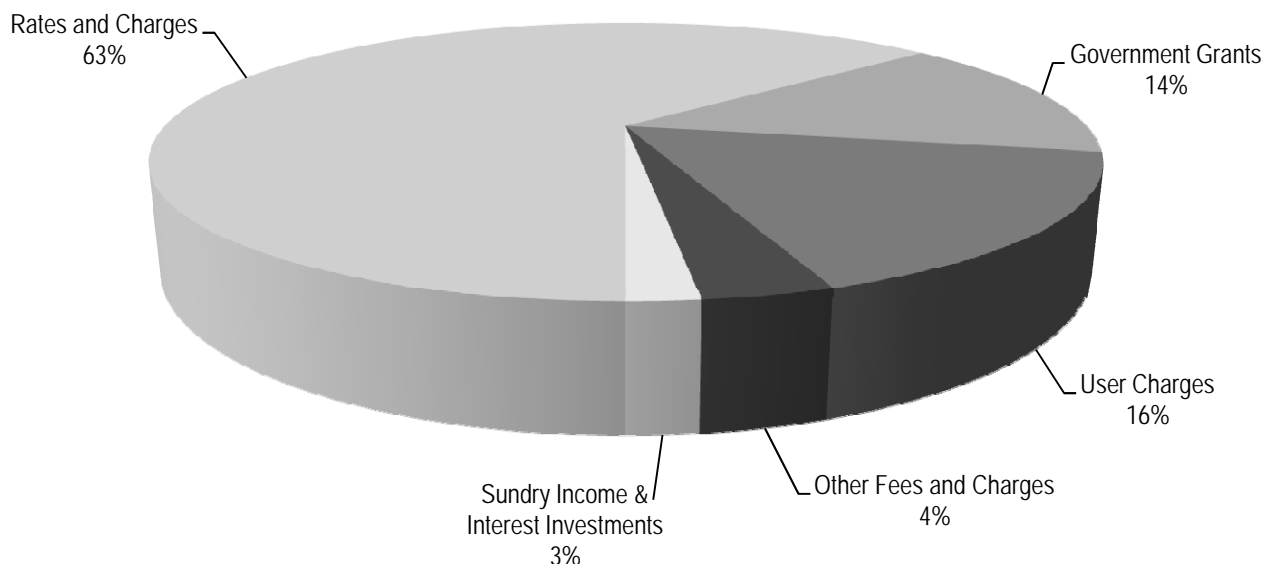
	Budget 2015-2016 \$'000	Projection 2015-2016 \$'000	Budget 2016-2017 \$'000	Budget Change Fav / (Unfav) \$'000
RECURRENT INCOME				
Rates and Charges	192,223	193,384	202,724	10,501
Government Grants	47,090	37,094	46,046	(1,044)
User Charges	50,562	48,891	52,544	1,982
Other Fees and Charges	10,939	11,481	11,398	459
Sundry Income	6,246	6,595	6,246	0
Interest Investments	1,601	1,966	1,901	300
Total Recurrent Income	308,661	299,411	320,859	12,198
RECURRENT EXPENDITURE				
Employee Related				
Salaries / Superannuation	130,543	129,049	137,766	(7,223)
Workcover	2,288	1,998	2,283	5
	132,831	131,047	140,049	(7,218)
Goods and Services				
General Works - Materials	8,209	8,375	7,922	287
General Works - Plant, Vehicle Costs	7,628	7,191	7,238	390
General Works - External Services	78,836	85,273	83,200	(4,364)
Administration	11,597	11,287	11,788	(191)
Professional Services	5,951	7,953	4,253	1,698
Utilities	9,222	9,642	9,552	(330)
	121,443	129,721	123,953	(2,510)
Depreciation	53,035	52,632	55,311	(2,276)
Landfill Provision	1,003	1,003	0	1,003
(Gain)/Loss on Sale of Plant & Equipment	(400)	(385)	(284)	(116)
Total Recurrent Expenditure	307,912	314,018	319,029	(11,117)
Recurrent Surplus / (Deficit)	749	(14,607)	1,830	1,081
NON-RECURRENT INCOME				
Capital Grants and Income	21,533	31,555	22,293	760
Developer Cash Contributions	3,010	3,010	5,980	2,970
Gain / (Loss) on Sale of Property	1,679	7,535	1,742	63
Recognition of Infrastructure	34,500	34,500	34,500	0
Total Non-Recurrent Income	60,722	76,600	64,515	3,793
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	5,290	5,290	5,290	0
Disbursements	0	0	6,000	(6,000)
Total Non-Recurrent Expenditure	5,290	5,290	11,290	(6,000)
Non-Recurrent Surplus / (Deficit)	55,432	71,310	53,225	(2,207)
NET SURPLUS / (DEFICIT)	56,181	56,703	55,055	(1,126)

ANALYSIS OF OPERATING BUDGET

This section of the report analyses the expected revenues and expenses of the Council for the 2016-2017 year.

1. Operating Revenue

Revenue Types	Adopted Budget 2015-2016 \$'000	Budget 2016-2017 \$'000	Fav/(Unfav) Variance \$'000
Rates and Charges	192,223	202,724	10,501
Government Grants	47,090	46,046	(1,044)
User Charges	50,562	52,544	1,982
Other Fees and Charges	10,939	11,398	459
Sundry Income	6,246	6,246	-
Interest Investments	1,601	1,901	300
Total Operating Revenue	308,661	320,859	12,198



1.1 Rates and Charges (\$10.5M increase)

Movements in all differential rates will generate \$161.21M general rates income (including growth in the rate base). The charges income includes a \$97.60 Municipal Charge (\$11.45M income) and a Waste Collection Service Charge of \$270.50 per tenement (\$28.44M income). There has been an increase to the Municipal Charge of \$3.30 per tenement and the Waste Collection Service Charge has increased by \$12.25 per tenement.

Provision for Supplementary Rates (\$1.3M), Interest Charges (\$0.4M) and rates waivers (-\$0.05) make up the balance of the \$202.72M Rate Budget. Rating Strategy (p 3-13) includes a more detailed analysis of the rates and charges to be levied for 2016-2017.

1.2 Government Grants (\$1.0M decrease)

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 decreased by \$1.0M compared to 2015-2016. Significant movements in grant funding are summarised below:

Grant Funding Types	Adopted Budget	Budget	Fav / (Unfav)
	2015-2016	2016-2017	Variance
	\$'000	\$'000	\$'000
Aged Care	14,317	12,261	(2,056)
Family Services	11,626	12,976	1,350
Grants Commission	19,335	19,176	(159)
Sub Total	45,278	44,413	(865)
Other	1,812	1,633	(179)
Total Government Grants	47,090	46,046	(1,044)

Funding towards Care Services has decreased by \$1,241,948 due to the transition to NDIA. NDIA will no longer be funded via HACC grant funding in 2016-2017, but will be offset by increase in User Charges. Funding for Preventative Health project has decreased \$888,040 due to cessation of funding. There is increased funding for Centre Based Long Day Care \$474,021, plus additional funding for new Integrated Children's Centres of \$1,088,047. Actual Grants Commission funding received in 2015-2016 was \$19,176,000 against Budget of \$19,335,000. Budget for 2016-2017 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 (\$2.0M increase)

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

User charges have increased by \$1.98M compared to 2015-2016 and includes the increase in income for Parking Fees \$0.33M, Centre Based Long Day Care and Integrated Children's Centres \$0.57M, Commercial Waste \$1.14M, Care Services (Disability Care Australia) \$0.94M, offset by reduction in Family Day Care (\$0.22M) and Property Management (\$0.88M) (Simonds Stadium Lease).

Fees & Charges (p 2-7) includes a more detailed analysis of the User Charges to be levied for 2016-2017.

1.4 Other Fees and Charges (\$0.5M 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 \$0.56M compared to 2015-2016 mainly due to increase in planning and building permits \$0.30M, Health licences \$0.06M and Infringements \$0.06M.

Fees & Charges (p 2-7) includes a more detailed analysis of the Other Fees & Charges to be levied for 2016-2017.

1.5 Sundry Income

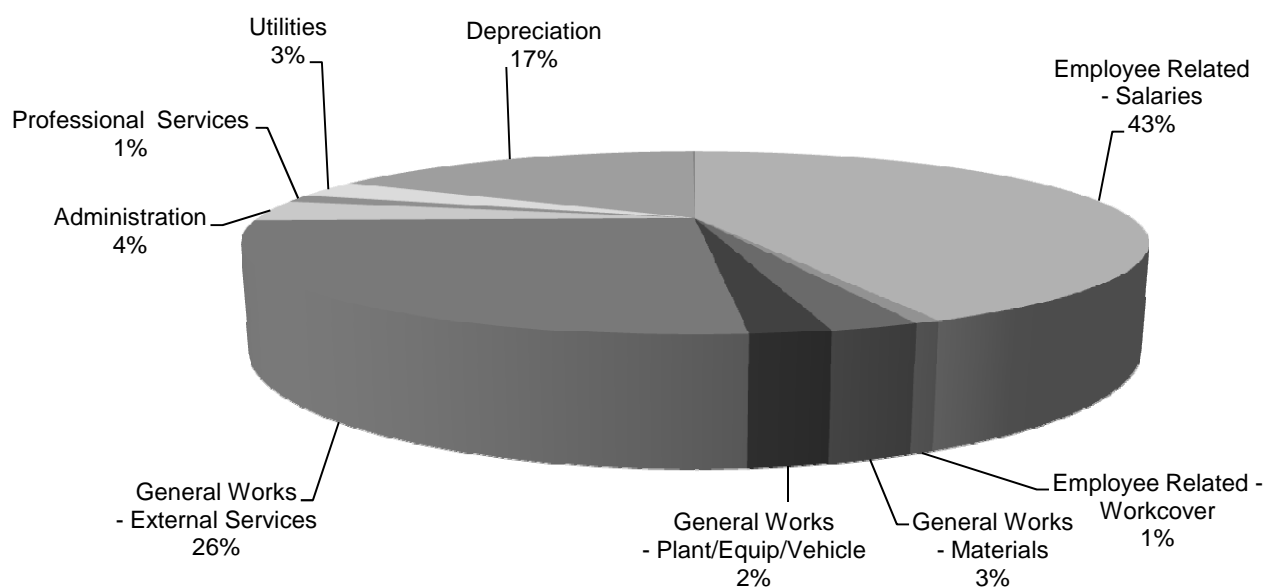
The 2016-2017 budgeted sundry income assumes no change from the 2015-2016 Budget.

1.6 Interest Investments (\$0.3M increase)

The 2016-2017 budgeted interest income of \$1.9M is \$0.30M higher than 2015-2016 Budget with higher cash balances forecast.

2. Operating Expenditure

Expenditure Types	Adopted Budget	Budget	Fav / (Unfav)
	2015-2016	2016-2017	Variance
	\$'000	\$'000	\$'000
Employee Related - Salaries	130,543	137,766	(7,223)
Employee Related - Workcover	2,288	2,283	5
General Works - Materials	8,209	7,922	287
General Works - Plant/Equip/Vehicle	7,628	7,238	390
General Works - External Services	78,836	83,200	(4,364)
Administration	11,597	11,788	(191)
Professional Services	5,951	4,253	1,698
Utilities	9,222	9,552	(330)
Depreciation	54,038	55,311	(1,273)
(Gain) Loss on Sale of Plant/Equip	(400)	(284)	(116)
Total operating expenditure	307,912	319,029	(11,117)



2.1 Employee Related - Salaries (\$7.2M 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 (\$7.22M) compared to 2015-2016.

- Provision for EA increase equates to an estimated (\$4.57M) in 2016-2017.
- Other movements (provisions, allowances, overtime and on-costs) of (\$0.93M).
- Superannuation (\$0.58M) in line with salary increases.
- EFT increases 20.88 (\$1.14 M) funded as follows:

Funding Source for EFT Increases	Rates	Govt Grants	Fees & Charges	Total
Increases/(Decreases) 2015-2016	9.39	2.60	7.29	19.28
Proposals 2016-2017	1.60	-	-	1.60
Full Time position increases	10.99	2.60	7.29	20.88

Government Grants (2.6 EFT's): Environment and Natural Resources has an additional 1.6 EFT and Engineering Services 1.0 EFT.

Fees & Charges (7.29 EFT's): Aged Services (8.0) EFT reduction; Leisure Services 1.0 EFT increase (Simonds Stadium 4.9 EFT decrease offset by increase in Bellarine 4.5 EFT and Splashdown 1.0 EFT). Family Services increase in EFT, City Learning and Care 3.8 EFT with the introduction of Whittington Child and Family Services and 20.9 EFT increase in Integrated Children's Centres, offset by a reduction in EFT for Family Day Care and Community Child Health (2.0) EFT and Healthy Together Geelong (5.7) EFT.

Rates (10.99 EFT's): The majority of EFT increases are in Digital Technology 4.9 EFT with other increases in CEO's Office 1.0 EFT, Communication & Marketing 0.42 EFT, Organisation Development 1.0 EFT, Strategy and Program Delivery 1.0 EFT, Engineering Services 1.0 EFT, Infrastructure Operations 1.0 EFT and Central Geelong Action Plan 1.0 EFT.

2.2 Employee Related - Workcover (no change)

Budget for Workcover premium for 2016-2017 has included an increase due to wage growth offset by favourable rate changes.

2.3 General Works - Materials (\$0.29M decrease)

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

The main factors for the decrease are Cleaning \$176,302 (Simonds Stadium), Stores Issues \$57,868 and Consumable Materials \$44,660.

2.4 General Works - Plant/Equip/Vehicle cost (\$0.39M decrease)

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 decrease are in Fuels, Oils & Greases \$473,580 (lower fuel prices), External Plant & Equipment Hire \$135,971 mainly in Infrastructure Operations, partly offset by Minor Plant, Furniture & Equipment (\$277,889) mainly in Waste Collection (bin repairs and replacements).

2.5 General Works - External Services (\$4.36M increase)

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

Increase in Contractor Costs (\$2,434,536) including Waste Collection and Disposal (\$295,289), Organisational Development (\$357,480), Engineering Services (\$258,123), Health & Local Laws (\$261,600), Community Development (\$356,337), Development Contribution Plans (\$500,000) and Central Geelong & Waterfront (\$240,681).

Increase in Waste Disposal & Recycling (\$676,444) mainly due to increase in Green Waste Service (\$435,360) and Infrastructure Operations (\$199,500) (City cleansing).

Increase in Levies and Contributions (\$734,898) with Waste Services (\$381,123) due to EPA Levy increase and contribution to Geelong Library (\$448,915) (including additional operating costs \$314,000 for new Geelong Library & Heritage Centre, offset by completion in 2015-2016 for payment of their unfunded superannuation contribution \$182,085).

Increase in Contributions (\$716,866) mainly in Events Services (\$606,380) (Including Australian International Airshow \$400,000), Arts & Culture (\$82,000) and Waste Services (\$100,000).

Also increase in Rental Expenses (\$335,271) and decrease in Carer Payments \$281,850.

2.6 Administration (\$0.19M increase)

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

Increases in Interest Expense (\$165,123) and Corporate Training (\$151,798), offset by decrease in Doubtful Debts \$100,000.

2.7 Professional Services (\$1.70M decrease)

Professional Services include consultants, legal fees, etc.

Decreases in Professional Services of \$1,698,247 mainly due to movement in Consultants \$1,355,142 (mainly Planning Strategy projects \$487,000, Central Geelong Task Force \$524,500, Enterprise Geelong \$260,000 and Strategic Projects \$250,000) and Valuation Services \$322,925 (non valuation year).

2.8 Utilities (\$0.33M increase)

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

Electricity costs are estimated to increase (\$86,276) and water costs increasing by (\$195,385).

2.9 Depreciation (\$1.27M increase)

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

The (\$1.27M) increase in depreciation includes an increase of (\$0.18M) for Land & Buildings, (\$0.26M) for Computer Equipment and for Infrastructure Assets (\$2.00M). Partly offset by reduction in Rehabilitation Provision \$1.00M.

2.10 Gain on Sale of Plant / Equipment (\$0.12M decrease)

Gain from the sale of Council's assets is forecast to be \$0.28M for the 2016-2017 year and represents a decrease of (\$0.12M). The profit on sale is subject to the mix of assets made available for sale each year.

FEES & CHARGES SUMMARY

	2015-2016 Budget \$	2016-2017 Budget \$	Movement Fav/(Unfav) \$
Strategy and Performance			
1560 - Property Management	3,655,148	2,770,673	(884,475)
2130 - Property & Revenue	658,975	558,407	(100,568)
	4,314,123	3,329,080	(985,043)
City Services			
3640 - Project Implementation	164,739	188,693	23,954
3660 - Infrastructure Management	2,363,500	2,393,000	29,500
3720 - Emergency Management	125,140	94,600	(30,540)
3725 - North Zone	10,000	10,000	0
3730 - South Zone	1,219,000	1,219,000	0
3735 - East Zone	12,000	12,000	0
3810 - Waste Collection Services	2,503,558	2,600,028	96,470
3820 - Waste Disposal Services	4,410,220	5,554,422	1,144,202
6110 - Environment & Natural Resources Admin	414,789	431,052	16,263
6310 - Parks & Gardens	68,460	68,330	(130)
	11,291,406	12,571,125	1,279,718
Planning and Tourism			
4130 - Strategic Implementation	15,000	15,000	0
4420 - Statutory Planning	1,170,220	1,273,460	103,240
4440 - Local Laws & Traffic	15,502,235	15,930,701	428,466
4450 - Building Services	1,483,295	1,696,545	213,250
4460 - Environmental Health	1,224,882	1,284,138	59,256
	19,395,632	20,199,844	804,212
Community Life			
5280 - Community Development Activities	92,782	101,250	8,468
5410 - Family Services Admin.	4,873	5,000	127
5420 - School Holiday Program	115,025	141,350	26,325
5430 - Centre Based Long Day Care	3,561,238	3,489,200	(72,038)
5436 - Kindergarten Development Services	23,706	31,878	8,172
5438 - Whittington Child and Family Centre	0	157,915	157,915
5440 - Community Child Health	2,793	1,130	(1,663)
5450 - Family Day Care	1,088,574	868,654	(219,920)
5490 - Integrated Children Centres	2,876,531	3,328,689	452,158
5520 - HACC Care Services	1,045,300	837,400	(207,900)
5530 - HACC Ancillaries	1,006,480	796,424	(210,056)
5550 - Commonwealth Programs	201,609	244,080	42,471
5580 - Agencies	707,669	2,025,988	1,318,319
5725 - Community Facilities	228,955	231,665	2,710
5740 - Youth Services	4,205	3,755	(450)
6410 - Leisure Services Admin	1,250,233	1,269,119	18,886
6420 - Simonds Stadium	101,096	0	(101,096)
6430 - Leisurelink	6,401,407	6,445,000	43,593
6440 - Splashdown	1,743,933	1,709,500	(34,433)
6450 - Waterworld	1,798,678	1,840,553	41,875
6460 - Arena	838,570	788,929	(49,641)
6470 - Bellarine Aquatics Sports Centre	2,397,679	2,503,995	106,316
6610 - Sport & Recreation	9,364	9,364	0
6620 - Indoor Activity Centres	332,617	343,546	10,929
	25,833,317	27,174,384	1,341,068
Investments & Attractions			
5350 - National Wool Museum	219,500	219,500	0
5780 - Potato Shed	172,234	177,876	5,642
6025 - Enterprise Geelong	0	2,500	2,500
7330 - Central Geelong & Waterfront Place Management	275,291	267,662	(7,629)
	667,025	667,538	513
Total	61,501,503	63,941,971	2,440,468

Major Movements

Commentary has been provided for the major movements in the fees and charges which are greater than 10% or \$100,000.

1560 - Property Management	Decrease in lease income due to the transfer of the lease for the Geelong Football Club to the Kardinia Park Trust.
2130 - Property & Revenue	Decrease in valuation income from State Revenue Office due to 2017 not being a revaluation year.
3640 - Project Implementation	Increase in utilisation of the saleyards truckwash and the sale of beef, stores and dairy cattle.
3720 - Emergency Management	Decrease in the number of fire prevention penalty notices issued.
3820 - Waste Disposal Services	Increase in income for the Drysdale landfill to reflect trend in 2015-2016 income.
4420 - Statutory Planning	Increase in income for developer contribution town planning permits and information requests.
4440 - Local Laws & Traffic	Increase in income for street parking, parking fines, animal infringements, animal registrations and animal pound services.
4450 - Building Services	Additional income anticipated in 2016-2017 for permits and inspections and road occupation income. Increase in caravan park registration income for triennial registrations due in 2016-2017.
5420 - School Holiday Program	Increase in participation for the school holiday programs at Barwon Valley and Newtown.
5436 - Kindergarten Development Services	Additional enrolments at Thomson Kindergarten.
5438 - Whittington Child and Family Centre	The Link Childcare Centre has been removed from 5430 - centre based long day care and now forms part of the new Whittington Child and Family Centre. The increase in income is partially offset by the decrease in income in the 5430 cost centre.
5440 - Community Child Health	Decrease in the utilisation of the service.
5450 - Family Day Care	Decrease in the parent contribution paid to COGG.
5490 - Integrated Children Centres	Includes a price increase and utilisation for long day care at Boorai \$104K and Leopold \$197K, an increase in facility hire income \$49K, occasional care \$27K and kinder income \$73K.
5520 - HACC Care Services	Reduction in the utilisation of services for personal care, respite care and general care as these services will no longer be provided under the HACC grant funding program, offset with increased income in 5580 - Agencies.
5530 - HACC Ancillaries	Reduction due to an anticipated decrease in the volume of meals on wheels by 20,000. Also a reduction of meals for the National Disability Insurance Scheme.
5550 - Commonwealth Programs	Increase in the quantity of community aged care packages and a \$5.50 increase in the price of the packages - set by the Home Care Packages Barwon Alliance.
5580 - Agencies	Increase in income due to the transition to NDIA, offset by a reduction in grant income. NDIA will no longer be funded via HACC grant funding in 2016-2017.

5740 - Youth Services	Decrease in the utilisation of the instructors for the skate program.
6420 - Simonds Stadium	Removal of Simonds Stadium fees and charges due to the implementation of the Kardinia Park Trust.
6470 - Bellarine Aquatic Sports Centre	Increase in the volumes for learn to swim, school swim and gym income. Also increase in the prices for memberships, learn to swim, and other casual entry products. BASC only memberships have been removed, members have reciprocal rights to the other Council owned leisure centres.

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 \$20.50 to \$21 for a car boot. Single Axle trailers have increased by 0.50¢ to \$41.50 and heaped single axle trailers have increased by \$1.00 to \$54.00.

Planning and Development

- Desexed and microchipped dogs have increased from \$39.00 to \$40.00. The pensioner desexed and microchipped dog fees have increased from \$19.50 to \$20.00. Desexed dog fees have increased from \$50.75 to \$52.10. Full fees for the registration of a dog have increased by \$4.70 from \$170.70 to \$175.40. The pensioner full fee for the registration of a dog has increased by \$2.35 to \$87.70.
- Cat fees for a desexed and microchipped cat have increased by 0.70¢ to \$28.40. Desexed cat fees have increased by \$1.20 to \$44.80. The pensioner fee for a desexed cat has increased by 0.60¢ from \$21.80 to \$22.40. Full cat registrations have increased by \$3.60 to \$134.30. The pensioner fee for a full cat registration has increased by \$1.80 to \$67.15.
- Food Premises Rating (D) performance fees have increased from \$245 to \$270 to cover costs associated with follow up visits.
- The health personal treatment establishment registration fee has been increased from \$205 to \$297 to recover the true cost associated with the service and to bring the fee in line with Councils other beauty premise fees.
- Street parking fees for 2015-2016 will increase from \$2.60 to \$2.70 per hour.
- The annual fee for a car parking permit at Haymarket car park has increased by \$35.90 to \$1,367.40. Busport and Civic Centre parking reserved permits have increased by \$59.40 to \$2,248.80. Busport and Civic Centre parking unreserved permits have increased by \$44.40 to \$1,668. Wesley car parking permits have increased \$36.70 to \$1,386.60.

Community Life

- Community bus hire fees have changed for 2016-2017 - minimum 4 hour hire fee \$36 plus an additional hourly hire fee of \$9 per hour.
- Meals on Wheels to Council clients will remain the same at \$9.00 per meal. Full cost meals to agencies will increase by \$1.87 to \$20.54.
- The weekly rates for childcare fees will increase by 6%. Ariston Child Care will increase from \$443 to \$470 per week. City Learning and Care at Belmont and Drysdale will increase from \$438 to \$465. City Learning and Care at Corio, Trudy Moritz and The Whittington Child Care Centre will increase from \$432.50 to \$459.

- Leopold Integrated Children's Centres 3 year old parent fees have decreased by \$54 from \$479 per term to \$425 per term due to a reduced program being offered compared to Barwon Heads and Ocean Grove. The school holiday program fees have increased by \$1.50 to \$55. Daily rates for long day care at Ocean Grove and Leopold have increased from \$94.50 to \$100. The 4 year old parent fees will remain the same at \$329 at all other centres.
- Hire of the Arena auditorium hire for community groups has increased by 3.4% from \$2,640 to \$2,730. The commercial rate hire per day for the auditorium has increased from \$4,400 to \$4,550.
- A leisure centre twelve month membership has increased by \$36 to \$1,056 and family memberships by \$60 to \$1,500. Casual swims have remained the same price at \$6.00. Active adult 3 month memberships have increased by \$9 to \$141. Learn to swim fees have increased by 80¢ to \$14. Webstar swim school fortnightly fees have increased from \$23.10 to \$24.50. Casual adult gym visits have remained the same price at \$16.00.
- Corio Leisuretime casual squash fees (before 5pm) have decreased from \$16 to \$10 to encourage more participation and utilisation of the courts. Casual squash (after 5pm) has also decreased by \$2 to \$17.
- 12 month membership for the Queens Park Golf Course has increased from \$505 to \$525. Elcho Park has increased from \$445 to \$463. Balyang Par 3 has increased from \$322 to \$355.
- Green fees for the Queens Park Golf Course have increased from \$22 to \$28. Elcho Park has increased from \$21 to \$28. Balyang Par 3 has increased from \$12 to \$15.

Investments and Attractions

- Carousel rides are increasing by 20¢ a ride to \$4.40 for children and \$4.90 for adults. Private bookings for 2-4 hours at the Carousel have increased by \$50 to \$1,180.
- General Admission for an adult to the National Wool Museum has increased by 75¢ to \$9. Child admission has increased by 50¢ to \$5. Admission for a family has increased by \$5 to \$30.
- The weekly corporate rate for the hire of the Potato Shed has increased by \$250 from \$7,750 to \$8,000. The daily corporate rate has increase by \$150 to \$2,250.

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 \$100 to \$1,577.

Discretionary Volume Changes

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

City Services

- Increase in the saleyards truckwash usage with quantities increasing by 10,000 to reflect the trend in 2015-2016.
- Decrease in the saleyards sheep/lamb sales quantities by 10,000 offset by an increase in quantities of 1,500 for beef, stores and dairy cattle to reflect the trend in 2015-2016.

Community Life

- Income for the leisure centres has been increased from the 2015-2016 Budget by \$158K, mainly in learn to swim income as a result of the new webstar swim school program \$292K, school swimming \$86K, and aquatics \$52K, offset by a decrease in memberships to reflect 2015-2016 actual trends (\$267K).
- Decrease in income for Home and Community Care services due HACC funding concluding in 2015-2016. Services such as personal care, respite care and general care have decreased by (\$189K) although this is offset with an increase in income for Disability Care Australia under the Agencies program of \$106K as well as additional grant income.
- Decrease in income for food services with a reduction in the number of meals provided to clients by 20,000 (\$164K) and meals provided to agencies by 700 (\$12K). Also a reduction in the number of meals provided under the National Disability Insurance Scheme of 9,500 (\$75K).
- Increase in participation of the school holiday programs at Barwon Valley (\$10K) and Newtown (12K).
- Removal of Simonds Stadium fees and charges due to the implementation of the Kardinia Park Trust (\$101K).

- Increase in the utilisation of the integrated children's centres long day care programs at Ocean Grove and Leopold \$308K. Increase in income for the kinder programs at Leopold, Grovedale and Barwon Heads \$73K. Increase in rental facility income at the integrated children's centres of \$49K.

Planning and Development

- Decrease in the volume of parking fines issued at the higher fee to reflect the 2015-2016 actual trend, reducing income by (\$148K).
- Decrease in the volume of dog registrations to reflect the 2015-2016 actual trend, reducing income by (\$42K), slightly offset by an increase in cat registrations \$4K.
- Increase in the volume of permits for developer contribution town planning permits \$65K.

Investments and Attractions

- Decrease in utilisation of the Central Geelong park and ride service from 16,000 to 9,300 (\$18K).

Statutory Volume Changes

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

- Decrease in the number of fire prevention penalty notices issued by 20 notices (\$30K).
- Increase in the volume of caravan park registration fees due to the fees only being payable every 3 years \$51K.
- Increase in the volume of developer contribution information requests \$28K.

(One-off income items included / excluded between budgets years 2015-2016 and 2016-2017).

Cost Centre	Comments	Movement Fav/(Unfav) \$M
2130 - Property & Revenue	Reimbursement Contract 2016 Revaluation income received from State Revenue Office in 2015-2016.	(0.16)
4450 - Building Services	Increase in caravan park registration income for 2016-2017 - fees are only due on a triennial basis.	0.05
Total		(0.11)

DIVISIONAL OPERATING STATEMENTS 2016-2017

CHIEF EXECUTIVE

	2015-2016 Adopted Bgt \$'000	2016-2017 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	67	34	(33)	Reduction in Employee Vehicle Contributions.
Interest Investments	0	0	0	
TOTAL RECURRENT INCOME	67	34	(33)	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	4,181	4,773	(592)	EA increase, EFT increase contingency plus New position - Learning and Development Coordinator \$140K.
Workcover	58	61	(3)	
<i>Goods & Services</i>				
General Works - Materials	11	15	(4)	
General Works - Plant/Equip/Vehicle costs	1	1	0	
General Works - External Services	1,833	2,154	(321)	Contractors (\$357K) - People & Organisation Development discretionary projects.
Administration	605	766	(162)	Corporate Training (\$162K) - People & Organisation Development.
Professional Services	617	852	(235)	Consultants (\$205K) - Cultural Change Management Project. Legal Expenses (\$30K) - People & Organisation Development.
Utilities	14	14	0	
	7,320	8,636	(1,316)	
Depreciation	0	0	0	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	7,320	8,636	(1,316)	
RECURRENT SURPLUS/(DEFICIT)	(7,253)	(8,602)	(1,349)	
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)	(7,253)	(8,602)	(1,349)	

DIVISIONAL OPERATING STATEMENTS 2016-2017

STRATEGY & PERFORMANCE

	2015-2016 Adopted Bgt \$'000	2016-2017 Draft Bgt \$'000	Variance Bgt to Bgt \$'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	192,223	202,724	10,501	
Government Grants	19,335	19,176	(159)	Grants Commission (\$159K).
User Charges	4,134	3,081	(1,053)	Commercial Rental Income (\$885K) - Simonds Stadium Lease. Valuation Income (\$169K) - (Non Valuation year).
Other Fees & Charges	180	248	68	Licence Registrations \$68K - Financial Services.
Sundry Income	832	852	20	
Interest Investments	1,600	1,900	300	
TOTAL RECURRENT INCOME	218,304	227,981	9,677	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	13,466	14,637	(1,171)	EA increase plus additional EFT's in Digital Information & Technology.
Workcover	176	193	(17)	
<i>Goods & Services</i>				
General Works - Materials	292	292	(1)	
General Works - Plant/Equip/Vehicle costs	60	65	(5)	
General Works - External Services	14,785	14,808	(23)	Contractors (\$489K) - Christmas Tree Installation \$265K, City Plan Community Engagement \$140K Rental Expense (\$362K). Rates Internal (\$90K). Internal Charges \$974K - Simonds Stadium Lease.
Administration	7,250	7,534	(283)	Computer Software & Hardware (\$110K) Interest Paid (\$165K) - New loans.
Professional Services	1,148	929	219	Valuation Services \$323K - non valuation year. Consultants (\$99K) - Digital Information & Technology.
Utilities	695	711	(17)	
	37,872	39,170	(1,298)	
Depreciation	3,533	3,844	(311)	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	41,404	43,014	(1,610)	
RECURRENT SURPLUS/(DEFICIT)	176,900	184,967	8,067	
NON-RECURRENT INCOME				
Capital Grants & Income	14,899	2,249	(12,651)	
Developer Cash Contributions	0	0	0	
Gain/(Loss) on Sale of Property	(49)	437	486	
Recognition of Infrastructure	0	0	0	
TOTAL NON-RECURRENT INCOME	14,851	2,686	(12,165)	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	0	0	0	
TOTAL NON-RECURRENT EXPENDITURE	0	0	0	
NON-RECURRENT SURPLUS/(DEFICIT)	14,851	2,686	(12,165)	
NET SURPLUS/(DEFICIT)	191,750	187,653	(4,098)	

DIVISIONAL OPERATING STATEMENTS 2016-2017

CITY SERVICES

	2015-2016 Adopted Bgt \$'000	2016-2017 Draft Bgt \$'000	Variance Bgt to Bgt \$'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	415	420	5	
User Charges	10,447	11,728	1,281	Waste Disposal Commercial \$1,138K - Drysdale Landfill. Waste Disposal Non Residential \$102K - Green Waste Service.
Other Fees & Charges	845	843	(1)	
Sundry Income	1,261	1,281	20	
Interest Investments	0	0	0	
TOTAL RECURRENT INCOME	12,968	14,273	1,305	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	31,689	33,073	(1,384)	EA increase.
Workcover	856	832	24	
<i>Goods & Services</i>				
General Works - Materials	4,052	3,992	59	Stores Issues \$67K - Waste Collection \$54K.
General Works - Plant/Equip/Vehicle costs	6,206	5,833	373	Fuels, Oils & Greases \$473K - Fleet. Minor Plant, Furniture & Equipment (\$290K) - Waste Collection. Repairs & Maintenance \$87K - Operations. External Plant & Equipment Hire \$92K - Waste Collection.
General Works - External Services	33,979	35,827	(1,847)	Contractors (\$527K) - Waste Collection (\$313K) (Kerbside collection contract \$153K, North Geelong Transfer Station \$182K), Engineering Services (\$258K) (asset growth). Waste Disposal & Recycling (\$740K) - Garbage Services (\$60K), Green Waste (\$435K) and City Cleansing (\$200K). Levies & Contributions (\$381K) - EPA Levy - Landfill Site.
Administration	736	723	12	
Professional Services	1,002	900	101	Consultants \$97K - Environment & Waste Services \$88K (Decrease in Recurrent projects \$14K and Discretionary projects \$74K).
Utilities	4,925	5,107	(182)	Water (\$172K) - Parks (\$179K).
	83,445	86,288	(2,843)	
Depreciation	35,796	36,712	(916)	
(Gain)/Loss on Sale of Plant & Equipment	(400)	(284)	(116)	
TOTAL RECURRENT EXPENDITURE	118,841	122,716	(3,875)	
RECURRENT SURPLUS/(DEFICIT)	(105,873)	(108,444)	(2,571)	
NON-RECURRENT INCOME				
Capital Grants & Income	6,565	13,295	6,730	
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	36,565	43,295	6,730	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	5,230	5,230	0	
TOTAL NON-RECURRENT EXPENDITURE	5,230	5,230	0	
NON-RECURRENT SURPLUS/(DEFICIT)	31,335	38,065	6,730	
NET SURPLUS/(DEFICIT)	(74,539)	(70,379)	4,160	

DIVISIONAL OPERATING STATEMENTS 2016-2017

COMMUNITY LIFE

	2015-2016 Adopted Bgt \$'000	2016-2017 Draft Bgt \$'000	Variance Bgt to Bgt \$'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	26,463	25,708	(756)	State Grants (\$1,805K) - Aged & Disability Services (\$2,103K) - Care Services (\$1,242K), Preventative Health (\$888K), Family Services \$347K - New Integrated Children's Centres \$381K. Federal Grants \$1,049K - Family Services \$1,002K - Centre Based Long Day Care \$449K, New Integrated Children's Centres \$707K, Family Day Care (\$153K).
User Charges	25,833	27,174	1,341	Family Services \$351K - New Integrated Children's Centres \$452K, Centre Based Long Day Care \$94K, Family Day Care (\$220K). A&DS \$943K - Disability Care Australia \$1,313K, Food Services (\$216K), Care Services (\$208K).
Other Fees & Charges	0	0	0	
Sundry Income	1,438	1,088	(350)	Sport & Recreation \$322K - Simonds Stadium \$356K.
Interest Investments	0	0	0	
TOTAL RECURRENT INCOME	53,735	53,970	235	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	57,621	60,757	(3,137)	EA increase plus additional cost in Integrated Children's Centres (offset by User Charges and Government Grants) and Leisure Services.
Workcover	951	945	5	
<i>Goods & Services</i>				
General Works - Materials	3,062	2,822	240	Contract Cleaning \$254K - Simonds Stadium \$258K.
General Works - Plant/Equip/Vehicle costs	819	675	144	Repairs & Maintenance \$58K - Simonds Stadium \$63K External Plant & Equipment Hire \$44K - Simonds Stadium \$33K.
General Works - External Services	10,020	9,598	422	Carer Payments \$282K - Family Day Care (offset by decreased User Charges). Contractors \$518K - Food Servicers \$226K, Simonds Stadium \$263K. Building Maintenance \$271K - Simonds Stadium. Contributions \$151K - Sport & Recreation Internal Lease Income (\$904K) - Simonds Stadium.
Administration	1,400	1,238	162	Training & Development \$94K - LDC & ICC Professional Development (not funded in 2016-2017).
Professional Services	98	69	29	
Utilities	2,863	2,943	(80)	
	76,833	79,048	(2,215)	
Depreciation	12,266	11,884	382	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	89,099	90,932	(1,833)	
RECURRENT SURPLUS/(DEFICIT)	(35,364)	(36,962)	(1,598)	
NON-RECURRENT INCOME				
Capital Grants & Income	0	0	0	
Developer Cash Contributions	0	0	0	
Gain/(Loss) on Sale of Property	0	0	0	
Recognition of Infrastructure	4,500	4,500	0	
TOTAL NON-RECURRENT INCOME	4,500	4,500	0	
NON-RECURRENT EXPENDITURE				
Disbursements	0	6,000	(6,000)	Contribution to Simonds Stadium Stage 4 Development.
Loss on Disposal of Infrastructure	60	60	0	
TOTAL NON-RECURRENT EXPENDITURE	60	6,060	(6,000)	
NON-RECURRENT SURPLUS/(DEFICIT)	4,440	(1,560)	(6,000)	
NET SURPLUS/(DEFICIT)	(30,924)	(38,522)	(7,598)	

DIVISIONAL OPERATING STATEMENTS 2016-2017

PLANNING & DEVELOPMENT

	2015-2016 Adopted Bgt \$'000	2016-2017 Draft Bgt \$'000	Variance Bgt to Bgt \$'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	622	657	35	Vic Roads School Grant \$35K.
User Charges	9,481	9,893	412	Car Parking Fees \$332K.
Other Fees & Charges	9,915	10,307	392	Planning & Building Permits \$271K. Infringements \$62K. Health & Food Licences \$59K.
Sundry Income	1,034	1,112	78	
Interest Investments	1	1	0	
TOTAL RECURRENT INCOME	21,053	21,970	917	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	15,720	16,284	(563)	EA increase.
Workcover	162	160	1	
<i>Goods & Services</i>				
General Works - Materials	268	238	30	Consumable Materials \$27K - Mosquito Control.
General Works - Plant/Equip/Vehicle costs	108	155	(47)	Repairs & Maintenance (\$51K) - Animal Pound Service.
General Works - External Services	2,842	3,708	(866)	Contractors (\$940K) - Planning Strategy (\$179K) - increase in discretionary projects. Health & Local Laws (\$262K) - Animal Pound Service. Development Contribution Plans (\$500K) - Discretionary Projects.
Administration	1,077	969	107	Doubtful Debts \$100K - Infringements.
Professional Services	1,886	1,386	500	Consultants \$450K - Planning Strategy - decrease in discretionary projects. Legal Expenses \$50K.
Utilities	120	117	4	
	22,182	23,017	(834)	
Depreciation	324	342	(18)	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	22,506	23,359	(852)	
RECURRENT SURPLUS/(DEFICIT)	(1,453)	(1,389)	64	
NON-RECURRENT INCOME				
Capital Grants & Income	0	3,700	3,700	
Developer Cash Contributions	3,010	5,980	2,970	
Gain/(Loss) on Sale of Property	0	0	0	
Recognition of Infrastructure	0	0	0	
TOTAL NON-RECURRENT INCOME	3,010	9,680	6,670	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	0	0	0	
TOTAL NON-RECURRENT EXPENDITURE	0	0	0	
NON-RECURRENT SURPLUS/(DEFICIT)	3,010	9,680	6,670	
NET SURPLUS/(DEFICIT)	1,557	8,291	6,734	

DIVISIONAL OPERATING STATEMENTS 2016-2017

INVESTMENT & ATTRACTION

	2015-2016 Adopted Bgt \$'000	2016-2017 Draft Bgt \$'000	Variance Bgt to Bgt \$'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	254	85	(170)	State Grants (\$170K) - Reduced discretionary projects grants.
User Charges	667	668	1	
Other Fees & Charges	0	0	0	
Sundry Income	1,613	1,879	266	Special Rates & Charges \$221K - Central Geelong. Sundry Income \$40K - Discretionary Projects income.
Interest Investments	0	0	0	
TOTAL RECURRENT INCOME	2,535	2,631	97	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	7,866	8,242	(375)	EA increase.
Workcover	85	92	(7)	
<i>Goods & Services</i>				
General Works - Materials	524	562	(38)	Cleaning (\$27K) - Central Geelong & Waterfront.
General Works - Plant/Equip/Vehicle costs	434	509	(75)	Repairs & Maintenance (\$50K) - Central Geelong & Waterfront.
General Works - External Services	15,277	17,055	(1,778)	Contractors (\$518K) - Increase in Discretionary Projects (\$402K), Recurrent increases in Central Geelong (\$46K), Arts & Culture (\$36K) and Tourism (\$50K). Levies & Contributions (\$449K) - Arts & Culture (Increase in Library Contribution). Contributions (\$749K) - Events Services (\$606K) (Australian International Airshow \$400K plus increase for other major events).
Administration	531	557	(27)	
Professional Services	1,300	166	1,135	Consultants \$1,135K - Reduction in Discretionary Projects.
Utilities	604	660	(55)	Electricity (\$44K).
	26,623	27,843	(1,220)	
Depreciation	2,119	2,528	(409)	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	28,742	30,371	(1,628)	
RECURRENT SURPLUS/(DEFICIT)	(26,208)	(27,740)	(1,532)	
NON-RECURRENT INCOME				
Capital Grants & Income	69	3,050	2,980	
Developer Cash Contributions	0	0	0	
Gain/(Loss) on Sale of Property	1,728	1,305	(423)	
Recognition of Infrastructure	0	0	0	
TOTAL NON-RECURRENT INCOME	1,797	4,355	2,558	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	0	0	0	
TOTAL NON-RECURRENT EXPENDITURE	0	0	0	
NON-RECURRENT SURPLUS/(DEFICIT)	1,797	4,355	2,558	
NET SURPLUS/(DEFICIT)	(24,411)	(23,385)	1,026	

BUDGETED STATEMENT OF CASH FLOWS

	Budget 2015-2016 \$'000	Projection 2015-2016 \$'000	Budget 2016-2017 \$'000	Budget Change Fav/(Unfav) \$'000
Cash Flows from Operating Activities				
Receipts				
General Rates	192,134	193,295	202,645	10,511
Fees and Charges	71,554	70,877	74,113	2,559
GST Recoveries on Operating Transactions	11,700	11,700	11,700	0
Investment Income	1,601	1,966	1,901	300
Government Grants	47,290	37,294	46,246	(1,044)
	324,279	315,132	336,605	12,326
Payments				
Employee Costs	(130,474)	(130,240)	(137,861)	(7,387)
General Works / Utilities / Disbursements	(118,534)	(126,163)	(129,658)	(11,124)
Administration / Professional Services	(15,261)	(17,524)	(13,589)	1,672
Interest Expense	(3,487)	(2,916)	(3,652)	(165)
	(267,756)	(276,843)	(284,760)	(17,004)
Net Cash Inflow from Operating Activities	56,523	38,289	51,845	(4,678)
Cash Flows from Investing Activities				
Capital Expenditure	(78,939)	(101,092)	(100,920)	(21,981)
Landfill Rehabilitation	(15,934)	(5,000)	(12,687)	3,247
Proceeds from Sale of Land and Buildings	4,234	14,176	3,200	(1,034)
Proceeds from Sale of Plant and Equipment	1,680	2,093	1,684	4
Developer Cash Contributions	3,010	3,010	5,980	2,970
Income for Capital Expenditure	21,533	31,555	22,293	760
Net Cash Outflow from Investing Activities	(64,416)	(55,258)	(80,450)	(16,034)
Cash Flows from Financing Activities				
Repayment of Borrowings	(10,892)	(9,699)	(12,110)	(1,218)
Proceeds from New Loans	27,932	0	50,627	22,695
Net Cash Inflow/(Outflow) from Financial Activities	17,040	(9,699)	38,517	21,477
Net Increase / (Decrease) in Cash Held	9,147	(26,668)	9,912	765
Cash at the Beginning of the Financial Year	55,613	91,919	65,251	9,638
Cash at the end of the Financial Year	64,760	65,251	75,163	10,403
Loan Balance	81,513	54,773	93,290	11,777
Net Cash (Deficit) / Surplus	(16,753)	10,478	(18,127)	(1,374)

ANALYSIS OF BUDGETED CASH POSITION

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2016-2017 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 2015-2016 \$'000	Budget 2016-2017 \$'000	Variance (Outflow) \$'000
Cash flows from operating activities			
<i>Receipts</i>			
General rates	192,134	202,645	10,511
Grants	47,290	46,246	(1,044)
Interest	1,601	1,901	300
Fees and Charges	71,554	74,113	2,559
Other revenue	11,700	11,700	-
	324,279	336,605	12,326
<i>Payments</i>			
Employee costs	(130,474)	(137,861)	(7,387)
General Works / Utilities	(118,534)	(129,658)	(11,124)
Administration / Professional Services	(15,261)	(13,589)	1,672
Finance costs	(3,487)	(3,652)	(165)
	(267,756)	(284,760)	(17,004)
Net cash provided by operating activities	56,523	51,845	(4,678)
Cash flows from investing activities			
Proceeds from sales of property, plant & equipment	5,914	4,884	(1,030)
Income related to Capital Expenditure	21,533	22,293	760
Developer Contributions	3,010	5,980	2,970
Payments for property, plant & equipment	(78,939)	(100,920)	(21,981)
Landfill Rehabilitation Expenditure	(15,934)	(12,687)	3,247
Net cash used in investing activities	(64,416)	(80,450)	(16,034)
Cash flows from financing activities			
Proceeds from borrowings	27,932	50,627	22,695
Repayment of borrowings	(10,892)	(12,110)	(1,218)
Net cash used in financing activities	17,040	38,517	21,477
Net increase/(decrease) in cash and cash equivalents	9,147	9,912	765
Cash and cash equivalents at beginning	55,613	65,251	9,638
Cash and cash equiv. at end of the year	64,760	75,163	10,403

	Budget 2015-2016 \$'000	Budget 2016-2017 \$'000	Variance (Outflow) \$'000
Represented by:			
Restricted cash and investments			
- Statutory reserves	4,200	3,405	(795)
- Discretionary reserves	896	896	-
- Long service leave	20,200	21,000	800
Working capital	39,464	49,862	10,398
Total cash and investments	64,760	75,163	10,403

1.1 Operating Activities (\$4.7M unfavourable)

Operating activities refer to the cash generated or used in the normal service delivery functions of Council. The decrease in cash inflows from operating activities reflects the recurrent program increases of \$17.0M funded by \$10.5M increase from rates, the \$2.6M increase from Fees and Charges and the (\$1.0M) decrease from Government Grants. Included in the recurrent program increase is a \$6.0M contribution to Simonds Stadium Stage 4 Development.

1.2 Investing Activities (\$16.0M unfavourable)

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 increased by \$18.7M and capital income has increased by \$0.8M to achieve the list of capital projects detailed in Appendix 1. Sale of Land & Buildings has decreased by \$1.0M based on expected timing of forward year property settlements. Developer Contributions have increased \$3.0M.

1.3 Financing Activities (\$21.5M favourable)

During 2016-2017 Council is budgeting to borrow \$50.63M, which includes \$27.93M of loans deferred from 2015-2016. New loans of \$22.70M will fund Leopold Community Hub Stage 2, Hendy St Children's Hub, Hendy St Reserve Redevelopment, Armstrong Creek Projects, Highton Enhanced Children's Centre, Drysdale/Clifton Springs Sports Precinct, Elcho Channel Project and Drysdale Landfill Cell 5.

1.4 Cash and Cash Equivalents at End of the Year (\$10.4M favourable)

The projected cash position at the end of June 2016 is \$65.25M. This is \$0.49M favourable to the 2015-2016 budgeted closing cash position (see Impact of Current Year on 2016-2017 Budget p 2-31).

The years activities result in an increase in cash of \$9.9M. This is mainly due to deferred borrowings of \$27.93M from 2015-2016, offset by reduction in Capital carryover of \$10.0M and a \$6.0M contribution to Simonds Stadium Stage 4 Development.

The budgeted cash position at 30 June 2017 is \$75.2M and will be influenced by the actual level of capital expenditure relative to Budget.

2. Restricted Funds and Working Capital

The Cash Flow Statement above indicates that Council is estimating cash and investment balance as at 30 June 2017 at \$75.2M which has been restricted as follows:

- **Statutory Reserves (\$3.4M)** – These reserves represent future commitments that Council has for Developer Contribution Plans, Drainage, Public Open Space, Water Quality Levies and Carparking in accordance with various legislative and contractual requirements. Reserves balance at 30 June 2017 includes Developer Contribution Plans \$1.9M, Water Quality Levies \$1.3M 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 (\$21.0M)** – These funds are separately identified as a future commitment for long service leave liability.
- **Working Capital (\$49.9M)** – Apart from provision for commitment to \$28M of carryover Capital works into 2017-2018, 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 received.

3. Reconciliation of Cash and Operating Results

	Budget 2015-2016 \$'000	Budget 2016-2017 \$'000	Fav/(Unfav) Variance \$'000
Surplus (deficit) for the year	56,181	55,055	(1,126)
Depreciation	53,035	55,311	2,276
Landfill provision	1,003	-	(1,003)
Loss (gain) on sale of assets	2,079	2,026	(53)
Recognition of Infrastructure	(34,500)	(34,500)	-
Contributions	(24,543)	(28,273)	(3,730)
Net movement in current assets and liabilities	3,268	2,226	(1,042)
Cash flows available from operating activities	56,523	51,845	(4,678)
Proceeds from the sale of assets	5,914	4,884	(1,030)
Repayment of borrowings	(10,892)	(12,110)	(1,218)
Capital Income and Developer Contributions	24,543	28,273	3,730
Proceeds from Loans	27,932	50,627	22,695
Cash flows available for capital works	104,020	123,519	19,499
Capital Expenditure	(78,939)	(100,920)	(21,981)
Landfill Rehabilitation Expenditure	(15,934)	(12,687)	3,247
Net cash outflows	9,147	9,912	765
Cash and cash equivalents at the beginning of the year	55,613	65,251	9,638
Cash and cash equivalents at the end of the year	64,760	75,163	10,403

Cash flows available for capital works is expected to increase by \$19.5M to \$123.5M during the 2016-2017 year mainly due to increased loan borrowings of \$22.7M, increased Capital Income and Developer Contributions \$3.7M, offset by unfavourable cash flow from operating activities of (\$4.7M) and decreased proceeds from Sale of Assets (\$1.0M). A net cash inflow of \$9.9M during the year will result in a cash balance of \$75.2M, adequate to cover Council's financial obligations and future commitments.

CAPITAL WORKS PROGRAM

For the year ending 30 June 2017

Project Category	Project Cost \$'000	Asset Expenditure Types			Funding Sources			
		Asset Renewals \$'000	Asset Upgrades \$'000	New Assets \$'000	Grants \$'000	Contributions \$'000	Council Cash \$'000	Borrowings \$'000
Infrastructure Leisure	10,668	2,033	2,602	6,033	780	155	5,907	3,826
Roads	18,014	16,078	250	1,686	5,486	0	12,528	0
Fleet	5,715	5,492	0	223	0	1,684	4,031	0
Buildings	24,689	1,595	1,640	21,454	4,750	75	9,072	10,792
Drainage	4,402	1,021	0	3,381	0	0	4,402	0
Computer Equipment	2,355	1,005	435	915	0	300	2,055	0
Footpaths	4,015	3,094	19	902	0	50	3,965	0
Miscellaneous	3,006	0	10	2,996	0	24	2,982	0
Kerb & Channel	1,956	1,956	0	0	0	0	1,956	0
Central Geelong Action Plan	3,835	0	0	3,835	3,000	0	835	0
Land	7,485	0	0	7,485	0	0	4,376	3,109
Waste Collection and Landfill	6,719	0	0	6,719	0	0	3,119	3,600
Plant & Equipment	535	66	190	279	0	30	505	0
Special Rates and Charges Program	10,213	0	0	10,213	0	7,552	1,293	1,368
Total New Capital Works 2016-2017	103,607	32,340	5,146	66,121	14,016	9,870	57,026	22,695
Reconciliation								
Design	13				0	13	0	0
Construction	78				0	78	0	0
Plant Replacement Program					0	(1,684)	1,684	0
Carryover from 2015-2016	38,000				0	0	38,000	0
Carryover to 2017-2018	(28,000)				0	0	(28,000)	0
Total	10,091				0	(1,593)	11,684	0
Operating Statement Total	113,698				14,016	8,277	68,710	22,695

ANALYSIS OF CAPITAL BUDGET

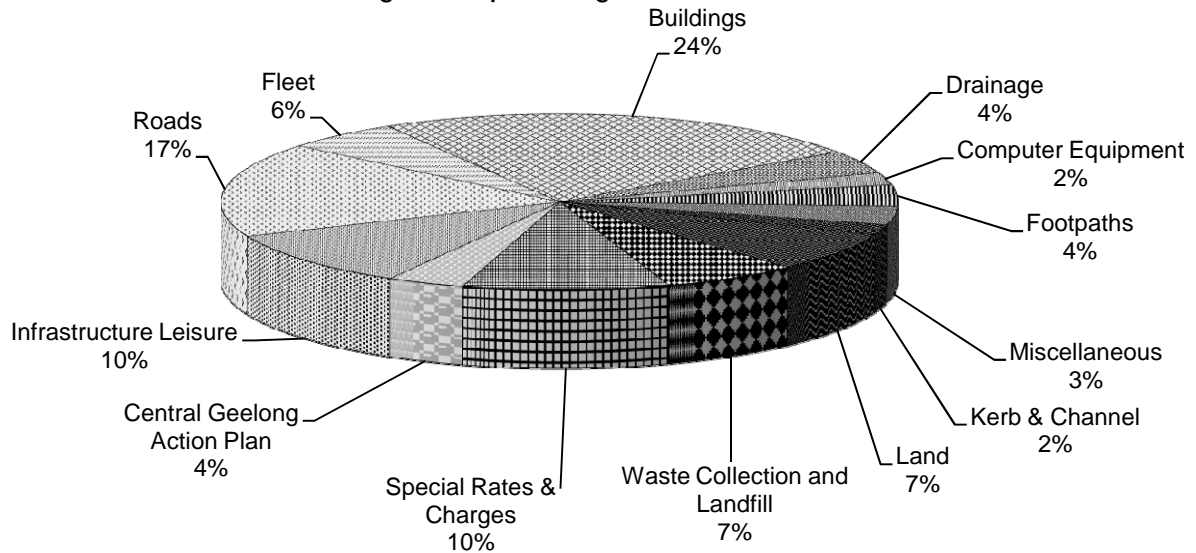
This section of the report analyses the planned capital expenditure budget for the 2016-2017 year and the sources of funding for the capital budget.

1. Capital Program

Capital Program Categories	Budget 2015-2016 \$'000	Budget 2016-2017 \$'000	(Increase)/ Decrease \$'000
Works carried forward from 2015-2016	28,000	38,000	(10,000)
Capital Funding for 2016-2017			
Infrastructure Leisure	13,771	10,668	3,103
Roads	15,570	18,014	(2,444)
Fleet	6,278	5,715	563
Buildings	21,877	24,689	(2,812)
Drainage	4,399	4,402	(3)
Computer Equipment	1,933	2,355	(422)
Footpaths	3,047	4,015	(968)
Miscellaneous	3,010	3,541	(531)
Kerb & Channel	1,756	1,956	(200)
Land	4,200	7,485	(3,285)
Waste Collection and Landfill	2,696	6,719	(4,023)
Special Rates & Charges	2,588	10,213	(7,625)
Central Geelong Action Plan	3,660	3,835	(175)
Sub Total	84,785	103,607	(18,822)
Works carried forward to 2017-2018	(18,000)	(28,000)	10,000
Design / Construction	88	91	(3)
Total Capital Program	94,873	113,698	(18,825)
Capital Funding for 2016-2017 represented by:			
New Assets	45,592	66,121	(20,529)
Asset Upgrades	9,960	5,146	4,814
Asset Renewal	29,233	32,340	(3,107)
Total Capital Works	84,785	103,607	(18,822)

Refer Appendix 1 for a detailed list of 2016-2017 capital program.

Budgeted Capital Program 2016-2017



Capital Program Categories

1.1 Carried Forward Works (\$38.00M)

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 2015-2016 year Project Managers estimate that \$38M of capital works will be incomplete and carried forward into the 2016-2017 year. The more significant projects include Corio Landfill Rehabilitation, Hendy St Children's Hub, Leopold Community Hub Stage 2, Drysdale/Clifton Springs Sports Precinct, Street Construction SRC, Drainage Construction, Leopold F&NC Clubroom Upgrade, Hendy St Reserve Redevelopment and Central Geelong Action Plan.

1.2 Infrastructure Leisure (\$10.67M)

A total of \$10.67M is proposed for Infrastructure Leisure projects which covers Parks, Sportsgrounds, Foreshore, Aquatic Facilities and Playgrounds. The more significant projects include Sports Grounds (\$6.58M) - Drysdale/Clifton Springs Sports Precinct, Hendy St Reserve Redevelopment, Leopold FC&N Clubroom Upgrade and Anakie F&NC Changeroom Upgrade; Aquatics (\$1.85M) - Gymnasium Equipment Replacement, Splashdown Aquatic Play Park Development, Leisurelink Pool Liner Replacement; Playgrounds (\$0.92M) - Playground Development Program, Gateway Sanctuary Sub-Regional Playground.

1.3 Roads (\$18.01M)

The more significant projects include Road Surfacing program (\$6.04M), Federally funded Roads to Recovery projects (\$4.99M), Local Roads Construction (\$0.82M), Road Rehabilitation (\$3.33M), VicRoads Funded Works (\$0.50M) and Roads Other (bridges, culverts, etc.) (\$1.80M). An increased amount has been allocated in 2016-2017 to renewal program Road Surfacing (\$0.40M) and Road Rehabilitation (\$0.20M).

1.4 Fleet (\$5.72M)

The gross purchase cost \$5.72M on replacement of Light Fleet, Heavy Plant and Dedicated Plant has decreased by \$0.56M relative to 2015-2016 due to reinstatement of 2014-2015 deferred expenditure into 2015-2016. Trade and sale values for replaced units are estimated at \$1.68M, leaving a net changeover expenditure of \$4.03M.

1.5 Buildings (\$24.69M)

For the 2016-2017 year, \$24.69M will be expended on building projects - Upgrades \$1.64M, Renewal \$1.60M and New \$21.45M. The more significant upgrade projects include Disability Access Program (\$0.33M), Children's Services Facilities Upgrade (\$0.41M), Community Halls (\$0.22M) and Toilet Block Upgrades (\$0.26M). New projects include Armstrong Creek Neighbourhood Activity Centre Community Complex (\$9.00M), Leopold Community Hub Stage 2 (\$3.75M), Hendy St Children's Hub (\$2.30M), Rosewall Neighbourhood Centre (\$1.15M), Highton Enhanced Children's Centre (\$2.50M), Armstrong Creek Neighbourhood Activity Centre Pavilion (\$1.90M) and Drysdale Integrated Children's Hub (\$0.50M).

1.6 Drainage (\$4.40M)

Drainage Construction is an ongoing program including upgrading main drainage infrastructure (\$2.57M), Drainage Renewal Program (\$1.02M) and CAA Flood Mitigation (\$0.20M).

1.7 Computer Equipment (\$2.36M)

Expenditure on computer equipment renewal is proposed at \$2.36M. The more significant projects include IT Asset Replacement Program (\$1.01M), Smart City Pilot Project (\$0.47M), Minor Acquisitions Program (\$0.22M) and Oracle Financials Upgrade (\$0.39M).

1.8 Footpaths (\$4.02M)

The ongoing footpath replacement program proposes (\$2.94M) in 2016-2017. Other expenditure includes Moorabool St Shared Path Access Improvements (\$0.50M), Cycle Strategy Implementation (\$0.20M) and Cycling Infrastructure Program (\$0.20M).

1.9 Miscellaneous (\$3.54M)

For the 2016-2017 year, \$3.54M will be budgeted on a range of projects including Project Management Salaries, Streetscapes, Furniture Replacement and Minor Plant & Equipment.

1.10 Kerb & Channel (\$1.96M)

The ongoing kerb and channel renewal program proposes \$1.96M for replacement of kerb and channel in full block sections, an increase over 2015-2016 of (\$0.20M).

1.11 Land (\$7.49M)

For the 2016-2017 year, \$6.80M will be expended on land acquisition at Armstrong Creek, Jetty Rd \$0.10M, Lara West \$0.10M and Open Space Land Acquisition \$0.33M.

1.12 Waste Collection and Landfill (\$6.72M)

For the 2016-2017 year, (\$3.60M) will be expended on Drysdale Landfill Cell 5, (\$1.75M) on Composting Site Setup Works, (\$0.33M) on Drysdale Landfill Stormwater PAN Compliance, plus the ongoing program for new property waste bins (\$0.57M).

1.13 Special Rates & Charges (\$10.21M)

For the 2016-2017 year, \$10.21M will be expended on Special Rates & Charges projects, including Elcho Channel Project (\$4.20M), Portarlington North East Road Construction (\$3.42M), Street Construction (\$1.88M) and Footpath Construction (\$0.49M).

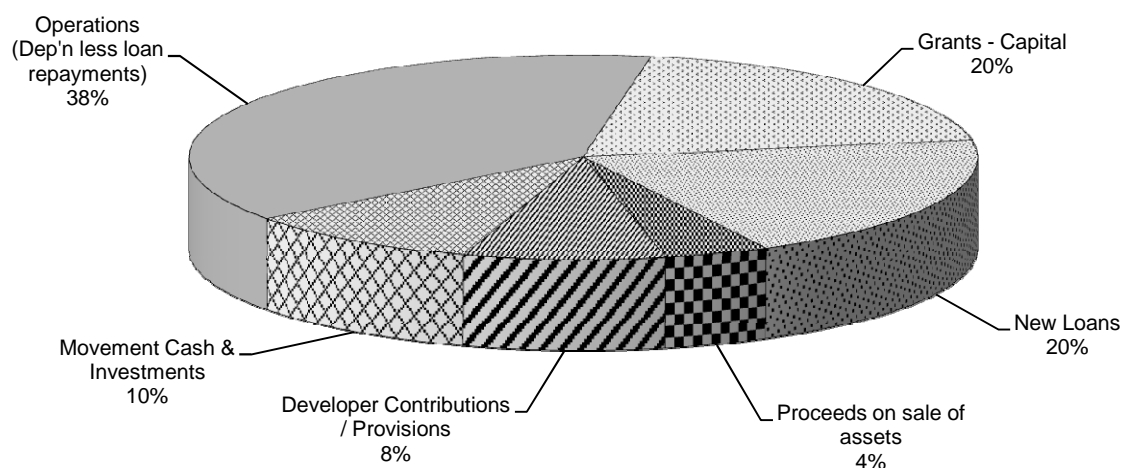
1.14 Central Geelong Action Plan (\$3.84M)

For the 2016-2017 year, \$3.84M will be expended on projects identified in the Central Geelong Action Plan including, Central Geelong Advancement Fund (\$3.00M), Malop St Green Spine Stage 2 (\$0.50M) and Fenwick St Upgrade (\$0.20M).

2. Funding Sources

Sources of Funding	Budget 2015-2016 \$'000	Budget 2016-2017 \$'000	Increase/ (Decrease) \$'000
<i>External</i>			
Grants - Capital	21,533	22,293	760
New Loans	13,015	22,695	9,680
Proceeds on sale of assets	5,914	4,884	(1,030)
	40,462	49,872	9,410
<i>Internal</i>			
Developer Contributions / Provisions	2,350	9,369	7,019
Movement Cash & Investments	8,915	11,256	2,341
Operations (Dep'n less loan repayments)	43,146	43,201	55
	54,411	63,826	9,415
Total Funding Sources	94,873	113,698	18,825

Budgeted Funding Sources 2016-2017



2.1 Grants - Capital (\$22.29M)

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 Central Geelong Advancement Fund (\$3.00M), Roads to Recovery Projects (\$4.99M), Armstrong Creek Neighbourhood Activity Centre Community Complex (\$3.50M), Portarlinton North East Road Construction SRC (\$3.37M), Elcho Channel SRC (\$2.83M), Leopold Community Hub (\$0.75M), Drysdale/Clifton Springs Sports Precinct (\$0.70M), VicRoads Funded Works (\$0.50M), and Street, Drainage, Footpath, Kerb & Channel Construction - Special Rates & Charges (\$1.35M).

2.2 Loans (\$22.70M)

The 2016-2017 Budget provides for \$22.70M of new borrowings to fund the following projects: Drysdale Landfill Cell 5 \$3.60M, Drysdale/Clifton Springs Sports Precinct \$3.23M, Leopold Community Hub \$3.00M, Armstrong Creek Projects \$6.40M, Hendy St Children's Hub \$2.30M, Highton Enhanced Children's Centre \$2.20M, Elcho Channel SRC \$1.37M and Hendy St Reserve Redevelopment \$0.60M.

2.3 Proceeds from Sale of Assets (\$4.88M)

Proceeds from sale of assets includes fleet sales in accordance with Council's fleet renewal policy (\$1.68M) and sale of land (\$3.20M).

2.4 Developer Contributions / Provisions (\$9.37M)

For 2016-2017 \$9.37M will be allocated from Developer Contributions and Provisions. The capital program assumes that the upgrade of various Parks, Playgrounds and Reserves (Gateway Sanctuary Sub Regional Playground, Playground Redevelopment, Aldershot Reserve Improvements, Hendy St Reserve Redevelopment, Sports Grounds Renovation), and the Open Space Acquisitions Plan will be allocated from untied Developer Contributions received \$1.64M. Developer Contribution Plans income received for Armstrong Creek and Jetty Rd of \$7.73M will be allocated towards the funding of Armstrong Creek and Jetty Rd Capital Projects which total \$14.13M.

2.5 Movement Cash & Investments (\$11.26M)

Funding of approved 2015-2016 projects carried over to 2016-2017.

2.6 Operations (\$43.20M)

Council generates cash from its operating activities, which is used as a funding source for the capital works program. Depreciation expense of \$55.31M less loan repayments (\$12.11M) will allocate cash from operations to fund the 2016-2017 capital works program.

3. Asset Type

3.1 Expenditure on New Assets (\$66.12M)

The Capital projects that are defined as creating new or growth assets include: Armstrong Creek Neighbourhood Activity Centre Community Complex (\$9.00M), Armstrong Creek Land Acquisitions (\$6.59M), Elcho Channel SRC (\$4.20M), Leopold Community Hub Stage 2 (\$3.75M), Central Geelong Action Plan (\$4.27M), Drysdale/Clifton Springs Sports Precinct (\$3.93M), Drysdale Landfill Cell 5 (\$3.60M), Drainage Construction (\$2.56M), Highton Enhanced Children's Centre (\$2.50M), Street Construction Special Rates & Charges (\$1.88M), Hendy St Children's Hub (\$2.30M) and Greenwaste Site Establishment (\$1.75M).

3.2 Expenditure on Asset Upgrades (\$5.15M)

The Capital projects that constitute expenditure on assets upgrades, are various Sportsground Upgrades (\$0.97M), Building Upgrades (\$1.64M), Playgrounds (\$0.79M), Parks & Reserves (\$0.57M) and Computer Equipment (\$0.44M).

3.3 Expenditure on Asset Renewals (\$32.34M)

The Capital projects that constitute expenditure on renewals, are the Federal Roads Program (\$4.99M), Road Surfacing program (\$6.04M), Light Fleet Replacement (\$2.15M), Heavy & Dedicated Plant Replacement (\$3.34M), Footpath Renewal (\$2.94M), Road Rehabilitation (\$3.33M), Building Renewal (\$1.53M), Kerb & Channel Renewal (\$1.96M), IT Asset Replacement (\$1.01M) and Drainage Renewal (\$1.02M).

BUDGETED BALANCE SHEET

	Budget 2015-2016 \$'000	Projection 2015-2016 \$'000	Budget 2016-2017 \$'000	Budget Change Fav/(Unfav) \$'000
*Year End 30 June Balances				
Current Assets				
Cash and Investments	64,760	65,251	75,163	10,403
Receivables	10,500	11,500	12,000	1,500
Prepayments	200	200	200	0
Inventories	822	837	792	(30)
Total Current Assets	76,282	77,788	88,155	11,873
Current Liabilities				
Payables	18,161	19,311	18,551	(390)
Interest Bearing Liabilities	13,196	12,178	15,290	(2,094)
Refundable Deposits	3,000	3,000	3,000	0
Provisions	28,031	27,883	29,480	(1,449)
Landfill Provision	0	12,687	0	0
Total Current Liabilities	62,388	75,059	66,321	(3,933)
Net Current Assets	13,894	2,729	21,834	7,940
Non-Current Assets				
Property, Plant & Equipment	2,086,619	2,074,708	2,146,637	60,018
Investments	10,278	12,002	12,002	1,724
Receivables	963	1,522	1,538	575
Total Non-Current Assets	2,097,860	2,088,232	2,160,177	62,317
Non-Current Liabilities				
Creditors and Provisions	5,575	3,962	4,552	1,023
Loans	68,317	42,595	78,000	(9,683)
Total Non-Current Liabilities	73,892	46,557	82,552	(8,660)
NET ASSETS	2,037,862	2,044,404	2,099,459	61,597
Ratepayers Equity				
Accumulated Surplus	1,190,296	1,175,269	1,244,163	53,867
Asset Revaluation Reserve	824,797	822,185	822,185	(2,612)
Reserves	22,769	46,950	33,111	10,342
TOTAL EQUITY	2,037,862	2,044,404	2,099,459	61,597

ANALYSIS OF BUDGETED FINANCIAL POSITION

This section of the budget report analyses the movements in assets, liabilities and equity between 2015-2016 and 2016-2017.

1. Budgeted Balance Sheet

	Budget 2015-2016 \$'000	Budget 2016-2017 \$'000	Variance Fav / (Unfav) \$'000
Current assets			
Cash and cash equivalents	64,760	75,163	10,403
Trade and other receivables	10,500	12,000	1,500
Prepayments	200	200	-
Inventories	822	792	(30)
Total current assets	76,282	88,155	11,873
Current liabilities			
Trade and other payables	18,161	18,551	(390)
Interest-bearing loans and borrowings	13,196	15,290	(2,094)
Refundable Deposits	3,000	3,000	-
Provisions	28,031	29,480	(1,449)
Total current liabilities	62,388	66,321	(3,933)
Net current assets	13,894	21,834	7,940
Non-current assets			
Trade and other receivables	963	1,538	575
Investments	10,278	12,002	1,724
Property, infrastructure, plant and equipment	2,086,619	2,146,637	60,018
Total non-current assets	2,097,860	2,160,177	62,317
Non-current liabilities			
Interest-bearing loans and borrowings	68,317	78,000	(9,683)
Provisions	5,575	4,552	1,023
Total non-current liabilities	73,892	82,552	(8,660)
Net assets	2,037,862	2,099,459	61,597
Equity			
Accumulated surplus	1,190,296	1,244,163	53,867
Asset revaluation reserve	824,797	822,185	(2,612)
Other reserves	22,769	33,111	10,342
Total equity	2,037,862	2,099,459	61,597

1.1 Current Assets (\$11.9M favourable)

The increase in current assets is primarily due to a \$10.4M increase in Cash and cash equivalents.

1.2 Current Liabilities (\$3.9M unfavourable)

The increase in current liabilities reflects the increase in provisions of \$1.4M (mainly Long Service Leave provision). Payables have increased \$0.4M in line with actual creditor balances and Loans & Borrowings have increased \$2.1M due to new loans to be taken out in 2016-2017.

1.3 Non Current Assets (\$62.3M favourable)

The increase in Property, Infrastructure, Plant and Equipment is the net result of the capital works program of \$100.9M of new assets, assets gifted to Council of \$34.5M, the depreciation of non-current assets (\$55.3M) and the disposal and sale of property, plant & equipment (\$8.2M).

1.4 Non Current Liabilities (\$8.7M unfavourable)

The increase in non current liabilities (ie. obligations Council must pay beyond the next year) results mainly from increased Loan Balances (\$9.7M), offset by reduced provision for Long Service Leave \$1.0M.

1.5 Working Capital (\$21.8M)

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 2016 \$'000	Budget 2017 \$'000	Variance Fav / (Unfav) \$'000
Current assets	77,788	88,155	10,367
Current liabilities	75,059	66,321	8,738
Working capital	2,729	21,834	19,105
Restricted cash and investment current assets			
- Statutory Reserves	(7,244)	(3,405)	3,839
- Discretionary Reserves	(896)	(896)	-
Unrestricted working capital*	(5,411)	17,533	22,944

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

1.6 Equity (\$61.6M favourable)

The net increase in accumulated surplus of \$53.9M results from:

- Net surplus shown in the income statement.
- Other reserves have increased by \$10.3M.

IMPACT OF CURRENT YEAR ON 2016-2017 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 2016-2017 Budget.

1. Operating Performance

	Budget 2015-2016 \$'000	Amended (a) Budget 2015-2016 \$'000	Projection 2015-2016 \$'000	Variance Budget (a) v Projected Actual \$'000
Operating				
Revenue	308,661	298,445	299,411	966
Expenditure	(307,912)	(315,459)	(314,018)	1,441
Recurrent result - Surplus/ (Deficit)	749	(17,014)	(14,607)	2,407
Non-operating				
Revenue	60,722	71,062	76,600	5,538
Expenditure	(5,290)	(5,290)	(5,290)	-
Non Recurrent - Surplus/ (Deficit)	55,432	65,772	71,310	5,538
Net surplus (deficit)	56,181	48,758	56,703	7,945

Amendments to the 2015-2016 Budget were made for carryover of Discretionary and Capital Programs and other budget amendments.

The amendments were: Operating - Discretionary program carryover net expenditure plus other recurrent amendments (\$17.76M) and Non Operating (Capital Income carryover plus land sales amendments) \$10.34M.

The forecast operating performance for the year ending 30 June 2016 is a recurrent deficit of (\$14.6M), which is \$2.4M favourable compared to the amended budget. After non-operating items, the operating surplus is \$56.7M, which is \$7.9M favourable compared to the amended budget.

The 2015-2016 favourable operating variances include Rates Income \$1.2M, Salaries/Supp Labour \$0.4M, Depreciation \$0.4M, Interest Paid \$0.6M, Fuel Savings \$0.4M, Interest on Investments \$0.4M, Building & Planning Permit Income \$0.5M, Waste Cleanaway Contract \$0.3M. This has been partially offset by unfavourable variances in Waste Disposal Costs (\$1.2M) and Leisure Centres Income (\$0.6M).

The favourable projected variance of \$2.4M provides the opportunity to complete the internal financing of 2011 Unfunded Superannuation of \$1.74M and remove this obligation from the 2016-2017 Budget.

The favourable variance in Non operating is due to increase in Capital Income \$4.4M and increase in Gain / (Loss) Sale of Property \$1.1M.

2. Cash Performance

	Budget 2015-2016 \$'000	Projection 2015-2016 \$'000	Variance \$'000
Net Cash Inflow from operations	56,523	38,289	(18,234)
Cash Inflow from Investing activities	30,457	50,834	20,377
Funds available	86,980	89,123	2,143
Capital expenditure	(94,873)	(106,092)	(11,219)
Net Borrowing movements	17,040	(9,699)	(26,739)
Net Increase/(Decrease) Cash held	9,147	(26,668)	(35,815)
Cash at beginning of year	55,613	91,919	36,306
Cash at end of year	64,760	65,251	491

Cash balances at 30 June 2016 are expected to be \$65.3M, an increase of \$0.5M on the budget mainly due to higher opening cash balance, higher proceeds from sale of land & buildings \$10.0M, higher Capital Income received \$10.0M, offset by deferment of budgeted loans of \$27.9M. The cash balance is adequate to meet future commitments as follows: Long Service Leave \$21.0M, Statutory Reserves \$3.4M, Discretionary Reserves \$0.9M.

3. Capital Performance

	Adopted Budget 2015-2016 \$'000	Amended (a) Budget 2015-2016 \$'000	Projected Actual 2015-2016 \$'000	Variance Budget (a) v Projected Actual \$'000
Capital Income	21,533	27,139	31,555	4,416
Capital Expenditure	(112,873)	(138,015)	(144,092)	(6,077)
Carryover to 2016-2017	18,000	18,000	38,000	20,000
Total Net Capital works	(73,340)	(92,876)	(74,537)	18,339

The projected capital performance for the year ending 30 June 2016 shows that the net capital works program for the 2015-2016 year will be underspent by \$18.3M compared to the amended budget. This variance is mainly due to a number of projects being behind schedule, including Corio Landfill Rehabilitation \$9.3M, Hendy St Children's Hub \$2.9M, Leopold Community Hub Stage 2 \$6.0M, Central Geelong Action Plan \$5.2M, Drysdale/Clifton Springs Sports Precinct \$2.0M. It is forecast that \$38.0M of capital works projects expenditure will need to be carried forward and completed in the 2016-2017 year.

4. Matters Significant to the 2016-2017 Budget

The net projected 2015-2016 operating result and adherence to budget provides a sound basis for development of the 2016-2017 Budget. Many challenges including implications from the asset growth, EA commitment (Year 3), EPA landfill levy increase, Capital Works program and Borrowing commitments have been absorbed into 2016-2017 Operating Budget.

As a result of the variances between the forecast actual and budgeted results for the 2015-2016 year, the following matters have influenced the preparation of the 2016-2017 Annual Budget:

- Capital expenditure carry over estimated at \$38.0M into 2016-2017.
- Projects commenced in 2015-2016 with further funding proposed in 2016-2017: Drysdale/Clifton Springs Sports Precinct \$3.93M, Leopold Community Hub \$3.75M, Hendy St Children's Hub \$2.30M, Highton Enhanced Children's Centre \$2.50M, Greenwaste Site Establishment \$1.75M, Rosewall Neighbourhood House \$1.20M, Hendy St Reserve Development \$0.60M, and Leopold Recreation Reserve \$0.50M.
- Rates growth achieved in 2015-2016 provides additional rateable properties in 2016-2017 of 2.4%.
- Council's EA finalisation in 2014-2015 determining (year 3) wage increases in 2016-2017.
- Impact of increased EPA levies from \$60.52/t to \$62.00/t effective 1 July 2016.
- Deferment of 2015-2016 budgeted loans of \$27.93M into 2016-2017.
- Property sales budgeted in 2015-2016 which are yet to be realised - Total cash flow impact (\$1.7M): Allambie St, Leopold; Wyndham St, Drysdale; Rollins Rd, Bell Post Hill.
- Councils ongoing commitment to Geelong Regional Employment Precinct.
- Central Geelong - Year 3 initiatives to be funded as priorities including Geelong Advancement Fund.
- Community Engagement - revised process for projects with 52 Community Budget Submissions.

STRATEGIC RESOURCE PLAN

2016-2017 to 2019-2020

The Strategic Resource Plan has been prepared from assumptions incorporated in the 2016-2017 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 2016-2017 to 2019-2020 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 75.5% 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 2016-2017.
- Future rate increases are forecast at - 2.45% in 2017-2018, 2.40% in 2018-2019 and 2019-2020.
- Growth in rate base to average 1.5% per year.
- Municipal charge increases at 2.45% for 2017-2018 and 2.40% for 2018-2019 and 2019-2020.
- Garbage charge to increase by a forecast 4% per year dependent on environmental assurance and process changes.
- 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 2017-2018 reducing to \$15M in 2018-2019 and 2019-2020.

Balance Sheet

- Debtors have increased \$0.5M per year in line with increased rates billed after 2016-2017. Annual collection percentage (Debtors / Rates billed) is not forecast to change.
- Creditors have increased in line with increased cost of goods after 2016-2017.
- Employee Benefit Provisions have increased \$1.5M per year.

Loans

Loans are tied to expenditure on specific projects.

	2016-2017	2017-2018	2018-2019	2019-2020
	\$'000	\$'000	\$'000	\$'000
Community Facilities	7,500	8,550	6,250	6,500
Drysdale/Clifton Springs Sports Precinct	3,226	0	0	0
Armstrong Creek Projects	6,401	13,901	13,413	3,977
Hendy St Reserve Redevelopment	600	0	0	0
Drysdale Landfill Cells	3,600	3,000	0	0
Geelong Ring Road Employment Precinct	1,368	1,051	0	0
Central Geelong Action Plan	0	1,300	0	0
Deferred Loans from 2015-2016	27,932	0	0	0
Total Loans	50,627	27,802	19,663	10,477

Capital Expenditure

	2016-2017	2017-2018	2018-2019	2019-2020
Major Initiatives	\$'000	\$'000	\$'000	\$'000
Projects (Miscellaneous)	55,645	44,012	44,846	45,965
Armstrong Creek / Projects General	17,700	22,851	21,463	13,577
Central Geelong Revitalisation	4,470	3,100	0	0
Geelong Ring Road Employment Precinct	4,200	9,200	0	0
Drysdale/Clifton Springs Sports Precinct	3,926	0	0	0
Leopold Community Hub	3,750	0	0	0
Drysdale Landfill Cell 5	3,600	3,000	0	0
Highton Enhanced Children's Centre	2,500	2,500	0	0
Hendy St Children's Hub	2,300	0	0	0
Greenwaste Site Establishment	1,750	0	0	0
Rosewall Neighbourhood Centre	1,150	2,000	0	0
Hendy St Reserve Redevelopment	600	0	0	0
Anakie F&NC Facility Redevelopment	577	500	0	0
Leopold FC&N Clubroom Upgrade	500	0	0	0
Drysdale Family Services Hub	500	6,000	6,000	0
Cloverdale Neighbourhood House	200	2,000	0	0
Jetty Rd DCP Projects	130	200	3,607	1,125
Leisuretime Synthetic Pitch	100	1,700	0	0
Fyansford Land Acquisition	100	900	0	0
Virginia Todd Early Childhood Centre	0	1,000	0	0
Drysdale Landfill Rehabilitation	0	500	2,500	0
Splashdown Facility Upgrade	0	250	2,000	0
Waterworld Facility Upgrade	0	250	2,500	2,500
Polwarth Pavilion & West Oval Redevelopment	0	100	2,100	0
Corio West Family Hub	0	100	500	5,000
Central Lara Family Hub	0	0	500	3,000
Plus Carry Over from previous year	38,000	28,000	25,000	24,000
Less Carry Over to next year	(28,000)	(25,000)	(24,000)	(22,000)
Capital Expenditure	113,698	103,163	87,016	73,167

BUDGETED INCOME STATEMENT

4 Year Plan

	Budget 2015-2016 \$'000	Projection 2015-2016 \$'000	Budget 2016-2017 \$'000	Plan 2017-2018 \$'000	Plan 2018-2019 \$'000	Plan 2019-2020 \$'000
RECURRENT INCOME						
Rates and Charges	192,223	193,384	202,724	210,949	219,545	228,617
Government Grants	47,090	37,094	46,046	47,197	48,377	49,587
User Charges	50,562	48,891	52,544	53,858	55,204	56,584
Other Fees and Charges	10,939	11,481	11,398	11,683	11,975	12,274
Sundry Income	6,246	6,595	6,246	6,402	6,562	6,726
Interest Investments	1,601	1,966	1,901	1,900	1,900	2,200
Total Recurrent Income	308,661	299,411	320,859	331,989	343,563	355,988
RECURRENT EXPENDITURE						
Employee Related						
Salaries	130,543	129,049	137,766	143,488	149,443	155,639
Workcover	2,288	1,998	2,283	2,351	2,422	2,495
	132,831	131,047	140,049	145,839	151,865	158,134
Goods and Services						
General Works - Materials	8,209	8,375	7,922	8,120	8,323	8,531
General Works - Plant, Vehicle Costs	7,628	7,191	7,237	7,418	7,603	7,794
General Works - External Services	78,836	85,273	83,201	86,729	88,790	91,347
Administration	8,110	8,371	8,136	8,339	8,548	8,761
Interest Expense	3,487	2,916	3,652	4,321	4,604	4,600
Professional Services	5,951	7,953	4,253	4,359	4,468	4,580
Utilities	9,222	9,642	9,552	9,791	10,036	10,286
	121,443	129,721	123,953	129,077	132,372	135,899
Depreciation	53,035	52,632	55,311	57,662	60,112	62,667
Landfill Provision	1,003	1,003	0	0	0	0
(Gain)/Loss on Sale of Plant & Equipment	(400)	(385)	(284)	(242)	(200)	(218)
Total Recurrent Expenditure	307,912	314,018	319,029	332,336	344,150	356,482
Recurrent Surplus / (Deficit)	749	(14,607)	1,830	(347)	(586)	(494)
NON-RECURRENT INCOME						
Capital Grants and Income	21,533	31,555	22,293	14,190	6,891	5,130
Developer Cash Contributions	3,010	3,010	5,980	7,740	10,940	11,290
Gain / (Loss) on Sale of Property	1,679	7,535	1,742	7,344	30	30
Recognition of Infrastructure	34,500	34,500	34,500	30,000	15,000	15,000
Total Non-Recurrent Income	60,722	76,600	64,515	59,274	32,861	31,450
NON-RECURRENT EXPENDITURE						
Loss on Disposal of Infrastructure	5,290	5,290	5,290	3,000	3,000	3,500
Unfunded Superannuation	0	0	0	9,000	0	0
Disbursements	0	0	6,000	0	0	3,000
Total Non-Recurrent Expenditure	5,290	5,290	11,290	12,000	3,000	6,500
Non-Recurrent Surplus / (Deficit)	55,432	71,310	53,225	47,274	29,861	24,950
NET SURPLUS / (DEFICIT)	56,181	56,703	55,055	46,927	29,275	24,456

BUDGETED COMPREHENSIVE INCOME STATEMENT

4 Year Plan

	Budget 2015-2016 \$'000	Projection 2015-2016 \$'000	Budget 2016-2017 \$'000	Plan 2017-2018 \$'000	Plan 2018-2019 \$'000	Plan 2019-2020 \$'000
Income						
Rates and Charges	192,223	193,384	202,724	210,949	219,545	228,617
Statutory Fees and Fines	10,939	11,481	11,398	11,683	11,975	12,274
User Fees	50,562	48,891	52,544	53,858	55,204	56,584
Interest Income	1,601	1,966	1,901	1,900	1,900	2,200
Contributions - Cash	3,010	3,010	5,980	7,740	10,940	11,290
Contributions - Non-monetary Assets	34,500	34,500	34,500	30,000	15,000	15,000
Grants - Operating (Recurrent)	47,090	37,094	46,046	47,197	48,377	49,587
Grants - Operating (Non-recurrent)	0	0	0	0	0	0
Grants - Capital (Recurrent)	0	0	0	0	0	0
Grants - Capital (Non-recurrent)	21,533	31,555	22,293	14,190	6,891	5,130
Net gain on disposal of property, infrastructure, plant and equipment	(3,211)	2,630	(3,264)	4,586	(2,770)	(3,252)
Other income	6,246	6,595	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	364,493	371,106	380,368	388,505	373,624	384,156
Expenses						
Employee costs	132,831	131,047	140,049	145,839	151,865	158,134
Materials and services	117,236	126,107	119,681	124,121	127,118	130,629
Bad and doubtful debts	720	698	620	635	650	670
Depreciation and amortisation	54,038	53,635	55,311	57,662	60,112	62,667
Finance costs	3,487	2,916	3,652	4,321	4,604	4,600
Other expenses	0	0	6,000	9,000	0	3,000
Total Expenses	308,312	314,403	325,313	341,578	344,349	359,700
Surplus (deficit) for the year	56,181	56,703	55,055	46,927	29,275	24,456
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	56,181	56,703	55,055	46,927	29,275	24,456

BUDGETED STATEMENT OF CAPITAL WORKS

4 Year Plan

Project Category	2016-2017 Budget			2017-2018 Plan			2018-2019 Plan			2019-2020 Plan		
	Gross Expenditure \$'000	Income \$'000	Net Cost \$'000	Gross Expenditure \$'000	Income \$'000	Net Cost \$'000	Gross Expenditure \$'000	Income \$'000	Net Cost \$'000	Gross Expenditure \$'000	Income \$'000	Net Cost \$'000
Infrastructure Leisure	10,668	935	9,733	10,310	900	9,410	13,029	2,750	10,279	8,669	1,750	6,919
Roads	18,014	5,486	12,528	20,647	2,011	18,636	19,954	2,011	17,943	19,088	500	18,588
Fleet	5,715	1,684	4,031	5,545	1,611	3,934	4,478	1,333	3,145	4,499	1,451	3,048
Buildings	24,689	4,825	19,864	28,053	6,770	21,283	15,216	770	14,446	20,653	1,520	19,133
Drainage	4,402	0	4,402	3,980	0	3,980	5,280	0	5,280	3,980	0	3,980
Computer Equipment	2,355	300	2,055	1,187	0	1,187	1,019	0	1,019	1,538	0	1,538
Footpaths	4,015	50	3,965	3,347	0	3,347	3,547	0	3,547	3,747	0	3,747
Miscellaneous	3,006	24	2,982	3,357	8	3,349	3,207	8	3,199	3,007	8	2,999
Kerb & Channel	1,956	0	1,956	1,956	0	1,956	2,056	0	2,056	2,156	0	2,156
Central Geelong Action Plan	3,835	3,000	835	3,100	0	3,100	300	0	300	300	0	300
Land	7,485	0	7,485	7,758	0	7,758	12,207	0	12,207	307	0	307
Waste Collection and Landfill	6,719	0	6,719	4,069	0	4,069	3,069	0	3,069	569	0	569
Plant & Equipment	535	30	505	66	0	66	66	0	66	66	0	66
Special Rates and Charges Program	10,213	7,552	2,661	6,788	4,501	2,287	2,588	1,352	1,236	2,588	1,352	1,236
TOTAL	103,607	23,886	79,721	100,163	15,801	84,362	86,016	8,224	77,792	71,167	6,581	64,586
Reconciliation												
Design	13	13	0			0			0			0
Construction	78	78	0			0			0			0
Plant Replacement Program		(1,684)	1,684		(1,611)	1,611		(1,333)	1,333		(1,451)	1,451
Carry over from Previous Year	38,000	0	38,000	28,000	0	28,000	25,000	0	25,000	24,000	0	24,000
Carry over to Next Year	(28,000)	0	(28,000)	(25,000)	0	(25,000)	(24,000)	0	(24,000)	(22,000)	0	(22,000)
TOTAL	10,091	(1,593)	11,684	3,000	(1,611)	4,611	1,000	(1,333)	2,333	2,000	(1,451)	3,451
OPERATING STATEMENT TOTAL	113,698	22,293	91,405	103,163	14,190	88,973	87,016	6,891	80,125	73,167	5,130	68,037

BUDGETED STATEMENT OF CASH FLOWS

4 Year Plan

	Budget 2015-2016 \$'000	Projection 2015-2016 \$'000	Budget 2016-2017 \$'000	Plan 2017-2018 \$'000	Plan 2018-2019 \$'000	Plan 2019-2020 \$'000
Cash Flows from Operating Activities						
Receipts						
General Rates	192,134	193,295	202,645	210,886	219,480	228,549
Fees and Charges	71,554	70,876	74,113	75,786	77,586	79,632
GST Recoveries on Operating Transactions	11,700	11,700	11,700	11,700	11,700	11,700
Investment Income	1,601	1,966	1,901	1,900	1,900	2,200
Government Grants	47,290	37,294	46,246	47,397	48,577	49,787
	324,279	315,132	336,605	347,669	359,243	371,868
Payments						
Employee Costs	(130,474)	(130,240)	(137,861)	(153,433)	(150,401)	(156,611)
General Works / Utilities / Disbursements	(118,534)	(126,163)	(129,658)	(126,406)	(129,285)	(135,423)
Administration / Professional Services	(15,261)	(17,524)	(13,589)	(13,899)	(14,216)	(14,541)
Interest Expense	(3,487)	(2,916)	(3,652)	(4,321)	(4,604)	(4,600)
	(267,756)	(276,843)	(284,760)	(298,059)	(298,506)	(311,175)
Net Cash Inflow from Operating Activities	56,523	38,289	51,845	49,610	60,737	60,693
Cash Flows from Investing Activities						
Capital Expenditure	(78,939)	(101,092)	(100,920)	(103,163)	(87,016)	(73,167)
Landfill Rehabilitation	(15,934)	(5,000)	(12,687)	0	0	0
Proceeds from Sale of Land and Buildings	4,234	14,176	3,200	14,844	100	100
Proceeds from Sale of Plant and Equipment	1,680	2,093	1,684	1,611	1,333	1,451
Developer Cash Contributions	3,010	3,010	5,980	7,740	10,940	11,290
Income for Capital Expenditure	21,533	31,555	22,293	14,190	6,891	5,130
Net Cash Outflow from Investing Activities	(64,416)	(55,258)	(80,450)	(64,778)	(67,752)	(55,196)
Cash Flows from Financing Activities						
Repayment of Borrowings	(10,892)	(9,699)	(12,110)	(15,290)	(16,034)	(14,783)
Proceeds from New Loans	27,932	0	50,627	27,802	19,663	10,477
Net Cash Inflow/(Outflow) from Financial	17,040	(9,699)	38,517	12,512	3,629	(4,306)
Net Increase / (Decrease) in Cash Held	9,147	(26,668)	9,912	(2,656)	(3,386)	1,191
Cash at the Beginning of the Financial Year	55,613	91,919	65,251	75,163	72,507	69,121
Cash at the end of the Financial Year	64,760	65,251	75,163	72,507	69,121	70,312
Loan Balance	81,513	54,773	93,290	105,802	109,431	105,125
Net Cash (Deficit) / Surplus	(16,753)	10,478	(18,127)	(33,295)	(40,310)	(34,813)

BUDGETED BALANCE SHEET

4 Year Plan

	Budget 2015-2016 \$'000	Projection 2015-2016 \$'000	Budget 2016-2017 \$'000	Plan 2017-2018 \$'000	Plan 2018-2019 \$'000	Plan 2019-2020 \$'000
*Year End 30 June Balances						
Current Assets						
Cash and Investments	64,760	65,251	75,163	72,507	69,121	70,312
Receivables	10,500	11,500	12,000	12,500	13,000	13,300
Prepayments	200	200	200	200	200	200
Inventories	822	838	792	812	832	853
Total Current Assets	76,282	77,788	88,155	86,019	83,153	84,665
Current Liabilities						
Payables	18,161	19,311	18,551	19,217	19,699	20,250
Interest Bearing Liabilities	13,196	12,178	15,290	16,034	14,783	16,816
Refundable Deposits	3,000	3,000	3,000	3,000	3,000	3,000
Provisions	28,031	27,883	29,480	30,854	32,291	33,796
Landfill Provision	0	12,687	0	0	0	0
Total Current Liabilities	62,388	75,059	66,321	69,105	69,773	73,862
Net Current Assets	13,894	2,729	21,834	16,914	13,380	10,803
Non-Current Assets						
Property, Plant & Equipment	2,086,619	2,074,708	2,146,637	2,210,270	2,247,970	2,268,667
Investments	10,278	12,002	12,002	12,002	12,002	12,002
Receivables	963	1,522	1,538	1,553	1,569	1,585
Total Non-Current Assets	2,097,860	2,088,232	2,160,177	2,223,825	2,261,541	2,282,254
Non-Current Liabilities						
Creditors and Provisions	5,575	3,961	4,552	4,585	4,612	4,631
Loans	68,317	42,596	78,000	89,768	94,648	88,309
Total Non-Current Liabilities	73,892	46,557	82,552	94,353	99,260	92,940
NET ASSETS	2,037,862	2,044,404	2,099,459	2,146,386	2,175,661	2,200,117
Ratepayers Equity						
Accumulated Surplus	1,190,296	1,175,269	1,244,163	1,293,500	1,324,875	1,350,731
Asset Revaluation Reserve	824,797	822,185	822,185	822,185	822,185	822,185
Reserves	22,769	46,950	33,111	30,701	28,601	27,201
TOTAL EQUITY	2,037,862	2,044,404	2,099,459	2,146,386	2,175,661	2,200,117

BUDGETED STATEMENT OF CHANGES IN EQUITY

4 Year Plan

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2017				
Balance at beginning of the financial year	2,044,404	1,175,269	822,185	46,950
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	55,055	55,055	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(32,980)	-	32,980
Transfer from reserves	-	46,819	-	(46,819)
Balance at end of the financial year	2,099,459	1,244,163	822,185	33,111
2018				
Balance at beginning of the financial year	2,099,459	1,244,163	822,185	33,111
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	46,927	46,927	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(30,340)	-	30,340
Transfer from reserves	-	32,750	-	(32,750)
Balance at end of the financial year	2,146,386	1,293,500	822,185	30,701
2019				
Balance at beginning of the financial year	2,146,386	1,293,500	822,185	30,701
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	29,275	29,275	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(32,540)	-	32,540
Transfer from reserves	-	34,640	-	(34,640)
Balance at end of the financial year	2,175,661	1,324,875	822,185	28,601
2020				
Balance at beginning of the financial year	2,175,661	1,324,875	822,185	28,601
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	24,456	24,456	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(31,290)	-	31,290
Transfer from reserves	-	32,690	-	(32,690)
Balance at end of the financial year	2,200,117	1,350,731	822,185	27,201

BUDGETED STATEMENT OF HUMAN RESOURCES

4 Year Plan

	Forecast Actual 2015-2016 \$'000	Budget 2016-2017 \$'000	Plan 2017-2018 \$'000	Plan 2018-2019 \$'000	Plan 2019-2020 \$'000
Staff expenditure					
Employee costs - operating	131,047	140,049	145,840	151,865	158,134
Employee costs - capital	5,628	6,039	6,268	6,507	6,754
Total staff expenditure	136,675	146,088	152,108	158,372	164,888
	EFT	EFT	EFT	EFT	EFT
Staff numbers					
Employees	1,550.9	1,606.2	1,611.2	1,616.2	1,621.2
Total staff numbers	1,550.9	1,606.2	1,611.2	1,616.2	1,621.2

The forecast actual average 2015-2016 EFT's assumes approximately 29.9 favourable EFT positions, partly offset by supplementary labour. The 2016-2017 Full Year Budgeted EFT's includes full year impact of positions approved in 2015-2016 and new EFT's Budgeted of 1.6.

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 2015-2016	Budget 2016-2017	Strategic Resource Plan Projections			Trend +/-
					2017-2018	2018-2019	2019-2020	
Operating position								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	-2.2%	-0.8%	-0.6%	-0.2%	-1.0%	-
Liquidity								
Working Capital	Current assets / current liabilities	2	103.6%	132.9%	124.5%	119.2%	114.6%	-
Unrestricted cash	Unrestricted cash / current liabilities		51.4%	76.7%	67.7%	62.6%	52.5%	-
Obligations								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	28.3%	46.0%	50.2%	49.8%	46.0%	o
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		6.5%	7.8%	9.3%	9.4%	8.5%	-
Indebtedness	Non-current liabilities / own source revenue		17.2%	29.8%	32.3%	33.6%	30.3%	o
Asset renewal	Asset renewal expenditure / depreciation	4	64.6%	57.8%	47.5%	44.9%	42.8%	-
Stability								
Rates concentration	Rate revenue / adjusted underlying revenue	5	61.3%	62.2%	60.5%	63.6%	63.9%	-
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	Strategic Resource Plan Projections					Trend + / o / -
			Forecast Annual 2015-2016	Budget 2016-2017	2017-2018	2018-2019	2019-2020	
Efficiency								
Expenditure level	Total expenditure / no. of property assessments		\$2,783	\$2,769	\$2,820	\$2,876	\$2,938	-
Revenue level	Residential rate revenue / No. of residential property assessments		\$1,422	\$1,487	\$1,527	\$1,568	\$1,610	+
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year		9.2%	9.0%	9.0%	9.0%	9.0%	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 2016-2017 year due increased cash balances and decreased landfill provision balance. The trend in later years is to decrease and then remain at an acceptable level.

3 Debt compared to rates - Trend indicates Council's increasing reliance on debt against its annual rate revenue in 2016-2017 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). Council's level of spend on its renewal program, although remaining constant, indicates that its assets are deteriorating 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 2016-2017 year is shown below and further detail is included on page 2-4 of this Budget.

Indicator	Budget		Strategic Resource Plan Projections		
	Forecast Annual 2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Employee costs (\$'000)					
- Operating	131,047	140,049	145,840	151,865	158,134
- Capital	5,628	6,039	6,268	6,507	6,754
Total	136,675	146,088	152,108	158,372	164,888
Employee numbers (EFT)	1551	1607	1612	1617	1622

Rating Information

1. Rating Context 2016-2017

City Plan 2013-2017 (2016-2017 Update)

Rates and Charges are the major source of Council revenue, accounting for 63% 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.

Rate Capping

The Minister for Local Government announced on 22 December 2015 that the 2016-2017 rate cap would be 2.5% for all Victorian Councils.

Not all Council charges are included in the rate cap calculation.

- Rates and the Municipal Charge are included in the rate cap calculation.
- The Waste charge and the Fire Services Property Levy are not included in the rate cap calculation.

The 2015-2016 base average rate is calculated at \$1,435.43 and the 2016-2017 Budget proposes this will increase by 2.44% to \$1,470.55. The rate cap calculation for 2016-2017 is:

	2015-2016	2016-2017
Proposed Average Rate Increase all Rateable Property		2.44%
Rates and Municipal Charge (adjusted for Supplementaries 2015-2016)	168,453,253	172,574,645
Number of Rateable Properties	117,354	117,354
Base Average Rate (BAR)	1,435.43	1,470.55

The rates and charges for individual properties may have increased or decreased by a different percentage amount to the rate cap for the following reasons:

1. The valuation of a property relative to the valuation of another property in the municipal district;
2. The application of a differential rate based on land use;
3. The inclusion of other charges not included in the rate cap.

2016 Revaluation

In accordance with the Valuation of Land Act 1960, every two years Council conducts a full revaluation of every rateable property within the municipality. Valuations have been prepared as at 1 January 2016 and apply to all properties from 1 July 2016.

The table below indicates the general property valuation movement by tariff group.

Differentials	Count of Assessment Numbers	% Change 2016 Reval CIV to 2014 Reval CIV
Residential Rates	102,636	5.4%
Vacant Land	5,050	9.5%
Commercial Rate	5,588	11.8%
The Point – Residential	45	-0.1%
The Point – Vacant	28	4.6%
The Point – Commercial	3	1.4%
Industrial Rate	1,926	5.0%
Mixed Use	326	10.4%
Farm Rate	1,028	16.7%
Recreation	62	8.0%
Automotive	2	-19.9%
Petroleum	1	0.0%
Grand Total	116,695	6.4%

Residential

Overall 102,636 residential properties have increased by an average of 5.44%, compared to an average increase of 2.16% at the 2014 revaluation. The average residential capital improved value has moved from \$377,721 to \$400,322.

Of the total 102,636 residences, 307 have increased in value over 50% (compared to 126 which increased over 50% for the 2014 revaluation).

There has been an increase in the value of two hectare rural living properties located in close proximity to Geelong between 8.38% and 16.98%. The suburbs affected are Anakie, Balliang, Batesford, Ceres, Fyansford, Little River, Lovely Banks, Moorabool, Mount Duneed and Wallington.

Vacant

Overall 5,050 vacant land valuations recorded an average increase of 9.51% compared to an increase of 4.11% in 2014. The largest increase was in Armstrong Creek with an increase of 26.18% due to the strong growth in that suburb.

Commercial

A total of 5,588 commercial properties have increased on average 11.81% compared to 2.49% in 2014.

The main area of commercial activity (1,696 properties) in Central Geelong increased in average valuation by 8.90%. In general, retail premises have increased by 11.75% consistent with the average.

Industrial

A total of 1,926 industrial properties have increased on average 4.95%. The majority of industrial properties are in South Geelong, North Geelong, North Shore, Moolap and Breakwater which have changed between (2.40%) and 10.19%.

Alcoa of Australia Ltd has been rated as industrial (previously on the Aluminium differential rate) since the closure of the plant in December 2015.

Farm

Overall 1,028 Farm valuations recorded an average increase of 16.71% compared to a decrease of (0.67%) in 2014.

The farm increase is not uniform and significant numbers of farming properties have recorded decreases.

The following table shows the valuation changes within farming properties:

% Change	No of Properties	% of Properties
< 5%	678	66%
5% to 9.99%	92	9%
10% to 19.99%	111	11%
20% to 29.99%	50	5%
30% to 39.99%	25	2%
40% to 49.99%	9	1%
>50%	63	6%
	1028	100%

Additional Service Charge

A report was carried by Council on 15 March 2016 on the Additional Bin Service.

Currently, additional bins are provided to residential ratepayers via application with no charge. From 1 July 2016 this will change to a user pays system.

The following costs will apply for the additional bin service per year:

- Garbage bin \$135
- Recycling bin \$ 48
- Green Waste bin \$ 73

Average Rates and Charges

The measurement of average rates per assessment and per residential assessment provides a basis of comparison between councils.

The following table provides a summary of comparisons made to other regional, neighbouring and some metropolitan councils, over the last five years.

The comparison highlights that the City of Greater Geelong is a low rating Council.

Average Rates & Charges

Regional Cities	2009-2010 Annual Report		2010-2011 Annual Report		2011-2012 Annual Report		2012-2013 Annual Report		2013-2014 Annual Report		2014-2015 Annual Report		Residential 2014-2015 on 2013-2014 % increase	Average Residential % Movement over 5 Years
	per Assessment \$	per Residential Assessment \$	per Assessment \$	per Residential Assessment \$	per Assessment \$	per Residential Assessment \$	per Assessment \$	per Residential Assessment \$	per Assessment \$	per Residential Assessment \$	per Assessment \$	per Residential Assessment \$		
Wodonga	1,615	1,375	1,735	1,466	1,877	1,569	1,894	1,690	1,985	1,771	2,083 [^]	1,426	-19.5%	0.74%
Horsham	1,303	1,330	1,409	1,434	1,527	1,358	1,638	1,466	1,750	1,564	1,856	1,626	4.0%	4.45%
Wangaratta	1,338	1,165	1,398	1,228	1,490	1,278	1,570	1,377	1,644	1,445	1,758 [^]	1,646	13.9%	8.26%
Warrnambool	1,438	1,278	1,542	1,388	1,655	1,389	1,714	1,429	1,821	1,494	1,891	1,628	9.0%	5.48%
Latrobe	1,402	1,078	1,483	1,159	1,582	1,250	1,683	1,346	1,778	1,431	1,664	1,484	3.7%	7.53%
Greater Geelong	1,293	1,079	1,347	1,129	1,423	1,182	1,481	1,242	1,548	1,297	1,605	1,356	4.5%	5.13%
Ballarat	1,410	1,061	1,454	1,125	1,561	1,193	1,613	1,275	1,554	1,364	1,899 [^]	1,398	2.5%	6.35%
Greater Bendigo	1,344	1,098	1,332	1,131	1,404	1,218	1,529	1,371	1,617	1,343	1,724	1,285	-4.3%	3.41%
Neighbouring Councils														
SurfCoast	1,589	1,530	1,698	1,638	1,804	1,749	1,885	1,805	1,993	1,960	2,077	2,013	2.7%	6.31%
Wyndham	1,476	1,078	1,582	1,168	1,668	1,258	1,753	1,350	1,824	1,539	1,902 [^]	1,494	-2.9%	7.72%
Golden Plains	1,150	1,063	1,306	1,200	1,402	1,268	1,539	1,461	1,614	1,503	1,742	1,647	9.6%	10.99%
Metropolitan Councils														
Maribyrnong	1,687	1,341	1,812	1,442	1,911	1,523	2,018	1,609	2,070	1,684	2,222 [^]	1,815	7.8%	7.07%
Whittlesea	1,308	1,058	1,311	1,114	1,367	1,166	1,504	1,220	1,568	1,284	1,599	1,329	3.5%	5.12%
City of Port Phillip	1,258	1,068	1,310	1,131	1,391	1,199	1,470	1,224	1,536	1,279	1,555 [^]	1,359	6.3%	5.45%

¹ Figures Include: Rates, Municipal Charge & Garbage Charge

[^] Source: Municipal Association of Victoria

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 \$10.2M in 2016-2017 raising a total of \$201M.

Rating Matters considered for the 2016-2017 Budget

In formulating the 2016-2017 Rating Strategy, Council has considered a review of rate differentials. The matters considered are summarised as follows:

- 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. Council has previously extended the Cultural and Recreational differential to not-for-profit clubs or associations engaged in indoor sporting, recreational and cultural activities which have similar characteristics and objectives to Cultural and Recreational land. To be considered, each property should be owned by the organisation or has a lease or licence from the Crown or Municipal Council, have limited venue hire, restricted liquor licensing provisions and have little impact on neighbouring amenity. The commercial rate is set at 200% of the residential rate and the rate concession for recreational land is set at 35% of the commercial rate for 2016-2017.

- 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 further 25% reduction in the gap between the Petroleum and Automobile rating differential and the Industrial rating differential is proposed as part of the 2016-2017 Rating Strategy.

Rating Model

- Rates on a residential property will increase by 2.5%, including a reduction to the rate in \$ movement of (3.3%) and Municipal Charge movement of 2.5%. The residential rate has been set at \$0.002739 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 \$30.75 per tenement. The charge for 2016-2017 will increase from \$258.25 to \$270.50 or 4.75%.
- A new Section 162 Service Charge known as Additional Bins Service will be introduced in 2016-2017. This is for families with six or more occupants within a household, may apply for an additional garbage, recycling or green waste bin. The charges for 2016-2017 are \$135 for a garbage bin, \$48 for a recycling bin and \$62 for a green bin.
- 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 \$94.30 to \$96.65 or 2.5%.
- The Farm rebate will be increased to 40% from 34% and represents a cost to Council of \$1.679M.
- Vacant Land rate will increase by an average of 2.5% whilst adjusting the relativity to the residential rate.
- 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 2016-2017 Petroleum and Automobile differential have moved from 322% to 302% relative to residential.
- The Housing Support Waiver for eligible Charitable Housing will be maintained for 2016-2017 and is available upon application for eligible properties.
- A rates waiver for the New Corio Estate will be maintained for 2016-2017.
- The pensioner concession will increase from \$213.00. in accordance with movement in CPI for Melbourne as advised by the Australian Bureau of Statistics, to an estimated \$218.30 (to be confirmed in May 2016).

Residential Rates and Charges

The average Capital Improved Value of residential properties within the municipality has increased from \$377,721 to \$400,322.

The increase in Rates and Municipal Charge for the average property with a capital improved value of \$400,322 is \$29.11 or 2.50%. This increase is made up of \$26.76 for General Rates, \$2.35 for Municipal Charge and the Waste Collection Service Charge increases by \$12.25.

Residential Properties	2015-2016	2016-2017	Increase %
	Rates on Average CIV \$	Budget Rates on Average CIV \$	
General Rates CIV x Rate in \$	1,069.65	1,096.41	2.50%
Municipal Charge	94.30	96.65	2.50%
Total Rates including Municipal Charge	1,163.95	1,193.06	2.50%
Waste Collection Service	258.25	270.50	4.75%
Total Rates & Charges	1,422.20	1,463.56	2.9%

The Essential Services Commission measure rate increases as the movement in Rates & Municipal Charge for all rateable property. The 2015-2016 base average rate is calculated as \$1,435.43 and the 2016-2017 Budget proposes this will increase by 2.44% to \$1,470.55.

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 2016-2017. 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 \$94.30 to \$96.65. 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 \$270.50 for each rateable land and non-rateable land. The charge is levied on the following criteria:

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

The Waste Collection Service charge is calculated based on a fee for service, including direct, indirect and overhead costs. The charge for 2016-2017 will increase from \$258.25 to \$270.50 or 4.75%.

The Annual Service Charge – Additional Bin Service.

From 1 July 2016 the additional bin service will be available via application compliant with the following criteria:

- Families with six or more occupants within a household may apply for an additional garbage and/or recycling bin;
- Properties that are able to prove to Council's satisfaction that the physical area of the property would generate sufficient greenwaste volumes to exceed the capacity of their existing bin may apply for an additional greenwaste bin;
- In all cases of application for additional bins, Council reserves the right to inspect the applicant's existing bins to confirm that they are overloaded. If this cannot be confirmed, the additional bins will not be provided;
- The property owner or their authorised agent signs the additional bin application form, provides appropriate supporting evidence and agrees to the application service charge.

Applications that meet the criteria will be billed via the Rate, Valuation & Charges notice.

If an application is received and approved in the first six months of the financial year, that is, from July to December, the full annual cost of the additional bin will be charged. If an application is received and approved in the second half of the financial year, that is January to June, half the annual cost will be charged.

The following costs will apply for the additional bin service per year:

- Garbage bin \$135 (for 2016-2017)
- Recycling bin \$ 48 (for 2016-2017)
- Green Waste bin \$ 62 (for 2016-2017)

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

Rate Waivers, Rebates and Incentives

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 2014 valuation and the 2016 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 2016-2017 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 2016-2017 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 2016-2017 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 2016-2017 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 9.5% per annum will apply from 1 July 2016.

In proven cases of hardship where Council allows rates to be deferred, interest will be charged at 5.64% for 2016-2017.

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 \$29.6M in 2016-2017 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.

6. 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 153% 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 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.

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 from its activities on the land; and
- c) is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating.

Rating Objectives:

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

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

Automobile Manufacture Land – means any land that:

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

Rating Objective:

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

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

The Automobile Manufacture Land differential is set at 302% 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 302% of the Residential Land differential with the intention that the Petroleum Production Land differential will be at the Industrial Land differential from 2017-2018.

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 2016 - 30 June 2017

Category	No. of Properties 2015-2016	No. of Properties 2016-2017 (11 Mar 16)	% Change 2015-2016 vs 2016-2017	2015-2016 Rate* in \$	2016-2017 Rate* in \$	% Change Rate in \$ 2016-2017 vs 2015-2016	2015-2016 Budget	2016-2017 Income Est	Net % Change in Income	\$ Change 2016-2017 to 2015-2016	CIV Value 2014 Level Budget 2015	CIV Value (Reval) 11 Mar 2016	% Change in CIV 2015-2016 vs 2016-2017
Residential-base	100,803	102,925	2.1%	0.002832	0.002739	-3.3%	\$107,827,550	\$112,848,341	4.7%	\$5,020,791	38,075,372,000	41,203,162,000	8.2%
Vacant Land	4,930	5,396	9.5%	0.004107	0.004188	2.0%	\$6,570,484	\$7,371,552	12.2%	\$801,068	1,599,884,001	1,759,955,201	10.0%
Commercial	5,448	5,584	2.5%	0.005908	0.005489	-7.1%	\$23,453,165	\$25,111,605	7.1%	\$1,658,440	3,969,441,200	4,575,286,200	15.3%
The Point Residential	24	46	91.7%	0.002832	0.002739	-3.3%	\$37,297	\$65,348	75.2%	\$28,051	13,170,000	23,860,000	0.0%
The Point Vacant Land	28	43	53.6%	0.004107	0.004188	2.0%	\$62,157	\$66,304	6.7%	\$4,147	15,135,000	15,830,000	4.6%
The Point Commercial	3	3	0.0%	0.005908	0.005489	-7.1%	\$53,002	\$49,924	-5.8%	-\$3,078	8,970,500	9,096,000	100.0%
Industrial	1,886	1,934	2.5%	0.007881	0.007684	-2.5%	\$10,293,466	\$10,785,433	4.8%	\$491,967	1,306,047,000	1,403,626,800	7.5%
Mixed Use	298	332	11.4%	0.004333	0.004112	-5.1%	\$644,275	\$742,388	15.2%	\$98,113	148,705,000	180,541,000	21.4%
Farm-(with Rebate)	1,041	1,025	-1.5%	0.002832	0.002739	-3.3%	\$2,501,569	\$2,517,982	0.7%	\$16,413	1,338,391,000	1,532,275,200	14.5%
Cultural & Rec	64	63	-1.6%	0.001846	0.001924	4.2%	\$236,127	\$243,063	2.9%	\$6,936	127,883,000	126,332,000	-1.2%
Automobile Manufacture Land	2	2	0.0%	0.009133	0.008294	-9.2%	\$415,994	\$302,820	-27.2%	-\$113,174	45,550,000	36,510,000	-19.8%
Petroleum Production Land	1	1	0.0%	0.009133	0.008294	-9.2%	\$1,242,047	\$1,128,008	-9.2%	-\$114,039	136,000,000	136,000,000	0.0%
Municipal Charge	114,522	117,350	2.5%	\$94.30	96.65	2.5%	\$10,799,024	\$11,341,878	5.0%	\$542,854			
Total of Rates Inc. MC							\$164,136,155	\$172,574,645		\$8,438,490			
Garbage Charge	103,400	105,136	1.7%	\$258.25	\$270.50	4.74%	\$26,703,402	\$28,438,959	6.5%	\$1,735,557			
Total	114,522	117,354	2.47%				\$190,839,556	\$201,013,604	5.3%	\$10,174,048	46,784,548,701	51,002,474,401	9.0%

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.

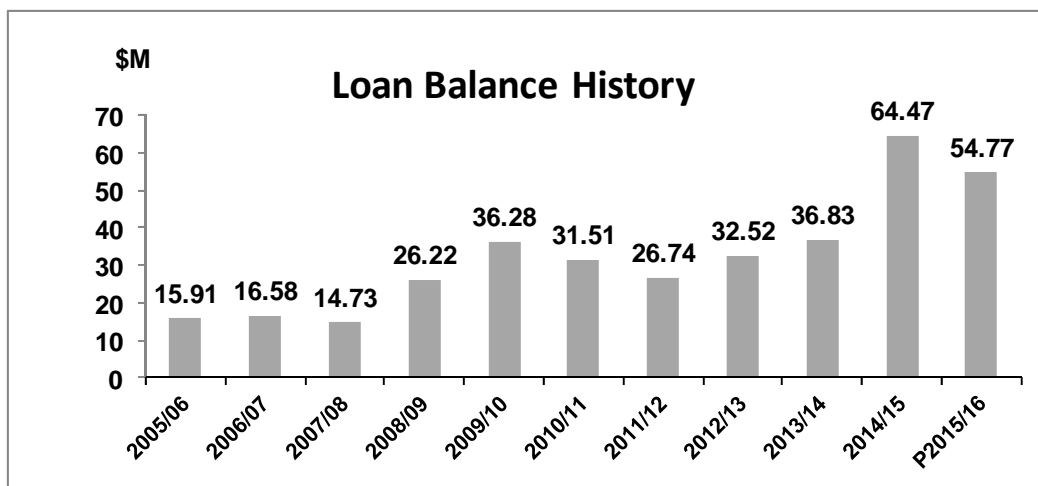
Loan borrowings are project specific and current loan balances include the following loans:

In June 2007 a \$5M loan was taken out to commence funding of the Leisurelink Facility Replacement, followed by a loan of \$12.675M in June 2009 and a final loan of \$12.5M in February 2010. Funding for the Bellarine Aquatic Centre in June 2008 required a \$3.125M loan. 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 2013-2014) was taken out to fund Community Facilities, Geelong Library and Heritage Centre and the Drysdale Landfill Cells. More 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 and 2015-2016 budgeted loans of \$13.0M have been deferred until 2016-2017.

New Loans of \$22.7M are included in the 2016-2017 Budget to fund Leopold Community Hub, Drysdale Landfill Cell 5, Highton Enhanced Children's Hub, Hendy Street Children's Hub, Drysdale/Clifton Springs Sports Precinct, Hendy St Reserve Redevelopment, Armstrong Creek Projects and Elcho Channel SRC.

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



Capital Funding Gap Analysis 2016-2017

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	55.31
Loan Repayments	(12.11)
Recurrent Operating Surplus (75%)	1.35
Internal Funding Available for Capital	44.55
2016-2017 Net Capital Program	79.82
Property Asset Sales	(3.20)
Developer Contributions	(9.37)
Total Funding Required for Capital	67.25
Difference required to be funded by loan in 2016-2017	22.70
Deferred Loans from 2015-2016	27.93
Total Borrowings for 2016-2017	50.63

The 2016-2017 program includes \$38.0M of capital works carried over from 2015-2016 and \$28.0M of works carried over to 2017-2018.

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 guidelines required by the State Government. The current ratio is a measure of Council's current assets to current liabilities and is influenced by the timing of borrowings and the change in accounting treatment of long service leave.

Year	Outstanding Loans \$M's	Cash and Investments \$M's	Current Ratio	Debt Management	
				Total Debt Repayments/ Rates %	Debt Servicing Costs / Revenue %
2007-2008 Actual	14.73	30.16	1.36	4.30	0.40
2008-2009 Actual	26.22	53.13	1.82	1.71	0.38
2009-2010 Actual	36.28	58.64	1.79	3.56	0.79
2010-2011 Actual	31.51	66.30	1.74	4.86	0.80
2011-2012 Actual	26.74	74.20	1.64	4.51	0.67
2012-2013 Actual	32.52	71.40	1.63	4.85	0.65
2013-2014 Actual	36.63	75.27	1.41	4.50	0.63
2014-2015 Actual	64.47	91.92	1.33	6.88	0.87
2015-2016 Projection	54.77	65.25	1.04	6.52	0.97
2016-2017 Budget	93.29	75.10	1.32	7.78	1.13
Tolerances			>1.00	<8.00	<5.00

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 Cell Construction as projects to be funded by loans.

	2016-2017 \$'000	2017-2018 \$'000	2018-2019 \$'000	2019-2020 \$'000
Community Facilities	7,500	8,550	6,250	6,500
Central Geelong Action Plan	0	1,300	0	0
Armstrong Creek	6,401	13,901	13,413	3,977
Drysdale/Clifton Springs Sports Precinct	3,226	0	0	0
Hendy St Reserve Redevelopment	600	0	0	0
Drysdale Landfill Cells	3,600	3,000	0	0
Geelong Ring Road Employment Precinct	1,368	1,051	0	0
Deferred Loans from 2015-2016	27,932	0	0	0
Total Loans	50,627	27,802	19,663	10,477

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 2016. 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
2015-2016	0	(9,699)	(2,916)	54,773	10,478
2016-2017	50,627	(12,110)	(3,652)	93,290	(18,097)
2017-2018	27,802	(15,290)	(4,321)	105,802	(32,524)
2018-2019	19,663	(16,034)	(4,604)	109,431	(39,380)
2019-2020	10,477	(14,783)	(4,600)	105,125	(33,824)

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.

2016-2017 Budget Initiatives

As part of the 2016-2017 Budget, Council has continued to increase spending on infrastructure maintenance and renewal. Federal funding for Roads to Recovery will increase \$2.0M in 2016-2017 (one year only). Capital renewal also includes an additional \$1.00M of renewal expenditure for priority Road Surfacing \$0.40M, Kerb & Channel \$0.20M, Road Rehabilitation \$0.20M and Drainage Renewal \$0.20M. Recurrent renewal increases include an additional \$0.10M for Building Maintenance and \$0.19M for Civil Infrastructure and Parks Growth maintenance.

Other related infrastructure includes allocation for :

	\$'000
Waurm Ponds Skate Park Half Pipe Redevelopment	85
Leisurelink Eastern Side Car Park Reconstruction	220
Hitchcock Ave Footpath Replacement	150

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 2014-2015 \$'000	Budget 2015-2016 \$'000	Budget 2016-2017 \$'000
Parks & Roads Routine Maintenance	38,563	40,272	40,788
Road and Footpath Renewal Works			
Road Rehabilitation Program	4,400	6,344	8,508
Kerb & Channel Program	1,868	2,106	2,306
Footpath Program	3,475	3,616	3,616
Bicycle Path Program	90	90	90
Asphalt Overlay Program	3,609	4,000	4,400
Reseal Program	1,602	1,642	1,642
Drainage	1,051	1,071	1,271
Other Road Infrastructure	2,231	2,375	2,400
	18,326	21,244	24,233
Building Renewal & Maintenance	4,635	6,042	6,198
Recreation Infrastructure			
Recreation Reserves	159	167	167
Playgrounds	525	638	638
Irrigation Upgrade	264	271	271
Hard Surface Program	247	253	253
Ground Renovation Upgrade	214	219	219
Recreation Facilities Maintenance	1,238	1,538	1,546
	2,647	3,086	3,094
Community Development	249	249	264
Program Totals	64,420	70,893	74,577

Parks & Roads Routine Maintenance \$40.8M - (Increased by \$0.5M)

The general routine maintenance of Council's Roads and Parks assets has increased by \$0.5M. 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 the 2016-2017 Budget are:

- An increase of \$0.19M in funding will allow Council to accommodate the increased cost of routine maintenance of Civil Infrastructure and Parks assets due to an increase in asset growth within the City of Greater Geelong.
- Balance of increase due to the effect of salary increases and general material cost increases.

Road & Footpath Infrastructure Renewal and Major Maintenance Works \$24.2M - (Increased by \$3.0M)

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 2016-2017 Budget includes additional funds of \$1.00M for renewal programs - in particular Road Surfacing (\$0.40M), Kerb & Channel (\$0.20M), Road Rehabilitation (\$0.20M) and Drainage Renewal (\$0.20M) in recognition of the continuing need to renew ageing infrastructure.

Federal funding for Roads to Recovery projects will be increased by \$1.8M for 2016-2017. This is a one-off increase.

Building Renewal & Maintenance \$6.2M - (Increased by \$0.2M)

Building renewal provisions have remained at \$1.5M. The Budget for building maintenance includes essential maintenance \$0.7M, scheduled maintenance \$2.0M and unscheduled maintenance \$1.6M 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 - (no increase)

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

Renewal Gap

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

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

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

	2014-2015 Budget \$'000	2015-2016 Budget \$'000	2016-2017 Budget \$'000
Capital Renewal Expenditure	25,956	29,233	32,340
Capital Upgrade Expenditure	12,170	9,960	5,146
Assets Used (Depreciation)	50,147	54,038	55,311
Renewal Gap Measure - Renewal Expenditure / Depreciation	52%	54%	58%
Upgrade and Renewal Gap Measure - Upgrade and Renewal Expenditure / Depreciation	76%	73%	68%

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 2016-2017.

Key Services

Landfill Sites / Transfer Stations

Commercial fees for Drysdale landfill and the transfer stations have increased by 1.6% to cover CPI increases, plus a further \$1.48 per tonne increase in the EPA Levy. Work will commence on creation of Cell 5 at Drysdale.

Waste Collection

The cost for collection and disposal of recyclable waste, green waste and garbage will increase in 2016-2017 by \$0.89M from \$18.59M to \$19.48M. This increase includes effect of EPA Levy increase of \$1.48 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 \$2.66M, Unsealed Roads Maintenance \$2.71M, Footpath Kerb & Channel Maintenance \$0.85M, Drainage Works \$1.50M and City Cleansing \$4.32M in 2016-2017.

Aged & Disability Services

Government funding for Aged and Disability Services is expected to decrease by approximately (\$2.06M) in total for 2016-2017. This includes General Care, Personal Care, Respite Care and Meals. Funding towards Care Services has decreased by (\$1.24M) due to the transition to NDIA. Funding for NDIA will no longer be via HACC grant funding in 2016-2017, but will be offset by an increase in User Charges. Funding for Preventative Health project has decreased (\$0.89M) due to cessation of funding. The net cost of Aged Care Services is budgeted to be \$4.7M an increase of \$0.5M.

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 \$10.6M.

Arts & Culture

Council is actively committed to promoting heritage and cultural programs for community benefit including cost of support for the National Wool Museum \$1.30M and sponsorship for many community and youth arts programs. In 2016-2017 Council is to provide increased contribution to the Geelong Regional Library \$0.94M (additional operating cost for new Geelong Library & Heritage Centre) and Geelong Gallery \$0.10M. Overall, net increased cost to Council is \$1.00M.

Aquatics

Increased operational costs of (\$0.93M) are anticipated in 2016-2017 from existing aquatic centres and include a (\$1.09M) increase in costs to maintain service levels, partly offset by an increase in fees and charges of \$0.16M.

Family Services

Childcare fees are increasing by \$27 per week from July to cover cost increases for the service resulting from staffing ratio and quality standards changes. Overall Childcare income has increased \$2.10M as a result of an increase from Federal contributions and user charges, mainly due to the opening of the new Integrated Children's Centres. Offset by \$2.36M increase in costs to deliver new service increments to comply with Children's Services Regulations. Net Child Care cost to Council for 2016-2017 is \$2.97M. Government support of \$0.64M will continue in 2016-2017 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. Additional funding of \$0.3M is included in the 2016-2017 Events Budget. In 2016-2017 major events include: Cadel Evans Cycling Race, Ironman 70.3, Victorian Open Golf, Geelong Revival Festival, Carols by the Bay and 2017 Australian International Airshow. Total funding is \$1.84M.

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 \$2.00M.

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 \$2.8M.

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.

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 \$0.38M has been allocated in 2016-2017.

Reserves and Waterways

- **Environment Reserves Capital Improvement Program** - Cost \$0.41M for adopted conservation and environment reserves management plans.
- **Ramblers Road Foreshore Shell Fish Reef** - Cost \$0.20M for establishment of an offshore shell fish reef to reduce wave energy, which will protect these structures and adjacent foreshore.
- **Griggs Creek Rehabilitation and Revegetation** - Cost \$0.25M for the protection and enhancement of the Griggs Creek corridor.
- **Aquatic Reserves Fauna and Flora Assessments** - Cost \$0.04M to be used for flora and fauna surveys and assessments in the key aquatic reserves identified in our current Levels of Service document.
- **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.

Sustainable Water Use Plan

Programs funded in 2016-2017 are as follows:

- **Ground Renovation Program** - Cost \$0.22M for improvements to sports fields.
- **Council Recreation Reserves and Parks Water Saving Initiatives** - Cost \$0.27M for upgrades to irrigation systems.

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 has been completed in 2015-2016. Stage 2 has been tendered and construction began in 2015-2016 and will be completed in 2016-2017.

Drysdale

Council has budgeted in 2016-2017 \$0.33M for Drysdale Landfill Stormwater Diversion, \$0.07M for Drysdale Landfill Sedimentation Control and \$0.04M for a Waste Management Strategy project. An additional \$0.18M has been budgeted for Leachate Management at Drysdale Landfill.

Closed Landfill Project

A further \$0.15M has been budgeted in 2016-2017 for a continuation of risk assessments and monitoring works on disused landfills.

2016-2017 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2016-2017		
				Expenditure \$	Income \$	Net \$
BUILDINGS						
C02622	Building Design - Core Program	Emergency design requirements for safety and emerging priorities, specifications for sports floodlighting.	Municipal	22,500	0	22,500
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	45,706	19,589	26,117
C17807	Avalon Airshow Expo Site Design and Construction	Design and construct Expo site for 2017 Airshow. Council's sponsorship includes provision of an Expo site and this project will involve internal wall building, power fixtures, carpeting, furniture and wall features. This project creates the opportunity for the Investment & Attraction division to deliver a unified presence promoting Geelong.	All Wards	40,000	0	40,000
C17233	Cloverdale Community Centre - Detailed design	Detailed design of the Cloverdale Community Centre to provide contemporary community facilities suitable for the delivery of community services, activities and events.	Corio	200,000	0	200,000
C17234	Geelong East Men's Shed - Resource Facility	Construction of a shared resource facility at Grinter Reserve, which will provide the Geelong East Men's Shed program with an increased capacity to assist members, local NGO's, disability service providers and schools. Replacement of the current derelict and unsafe building will provide safe asset management for the Moolap Whittington Newcomb Riding Club. A changed building footprint will improve sightlines and increase perceived and real safety at site.	Austin	76,000	15,000	61,000
C09203	Roof Safety Access Program	Provide safe roof access systems on Council buildings.	Corporate	51,000	0	51,000
C17222	Mothers Room as per EBA	As per council EBA we are required to provide adequate facilities for feeding mums.	All Wards	15,000	0	15,000
C17229	City Hall New Entrance	The new entrance to City Hall presents an opportunity to improve the external aspects of the building. It is proposed to implement new signage in the Lt Malop Street entrance which signposts the new entrance and assists visitors on foot or by the road in identifying and accessing the building. It is also proposed to introduce some planter boxes in front of the entrance that provides colour and shape along with street level appeal for visitors.	All Wards	10,000	0	10,000
C16501	The Gore Place Cartway Doors Re-development and Replacement	The Gore Place cartway doors continue in operation on the original 1872 mechanism and poses an immediate OH&S manual handling and safety risk.	All Wards	70,000	0	70,000
C16803	Seniors kitchen upgrade	Health and Local Laws have identified Senior Citizen's kitchens as requiring a registrable standard according to State Government law. Kitchen upgrades have been rolled out over the last 4 years. Priority sites yet to be addressed include Yoringa, Highton, Drysdale Seniors whereby cooking activities and provision of meals take place.	All Wards	100,000	0	100,000

2016-2017 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2016-2017		
				Expenditure \$	Income \$	Net \$
C17231	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	0	328,000
C17232	Portarlington Rotunda Stairwell	Upgrade to current stairwell to enable access to the upper level. Stairwell has been assessed by Risk Management and deemed unsafe for use without a strict management plan. The stairwell and man hole to the top deck needs replacing to meet safety standards and make safe for community use. Great location for community events, music etc.	Coryule	55,000	0	55,000
C17238	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	0	405,000
C17239	Community Halls Upgrade	Upgrades to major halls to maintain a standard of venue delivery.	Various	219,000	0	219,000
C09201	Office Alteration / Improvement Program	Ongoing program of minor office alterations and improvements.	Corporate	50,500	0	50,500
C10206	Toilet Block Renewal / Replacement Program	Ongoing program of public toilet refurbishment ensuring they meet community needs and expectations.	Municipal	256,000	0	256,000
C12202	Building Renewals	Annual building renewals funding for roof replacements and switchboard upgrades.	Corporate	1,525,000	0	1,525,000
	Community Facilities Upgrades Include:			21,220,000	4,790,000	16,430,000
C68051	DCP - ACEP - NAC Community Complex - Construction (Stage 1)	The Neighbourhood Activity Centre Community Complex is identified in the Armstrong Creek East Precinct Development Contributions Plan (DCP). The DCP budget for the project is \$15,284,012. The project is proposed to be delivered in 2 stages, the first being a \$15.3M project utilising a \$7.2M State Government Grant with the second stage being at a later date (noting scope and location of this stage to is TBC).	Buckley			
C68052	DCP - ACEP - NAC Pavilion - 4th Year	Construction of pavilion within the Neighbourhood Activity Centre active open space reserve. The project is funded via income of \$2.9M from the DCP (via the Community Infrastructure Levy) and \$500K from a State Government Grant. DCP funded project (100%).	Buckley			
C15801	Highton Enhanced Children's Centre - Year 2	Funding for Year 2 of the Highton Enhanced Children's Centre Construction.	Deakin			
C15841	Leopold Community Hub Stage 2 - Year 2	Construction of Stage 2 of the Leopold Community Hub including library, foyer, community space and cafe.	Cheetham			
C15851	Hendy Street Family & Children's Hub	Construction of the Hendy Street Family & Children's Hub including land purchase and development of multi room kinder and provision for community space.	Corio			

2016-2017 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2016-2017		
				Expenditure \$	Income \$	Net \$
C16804	Rosewall Neighbourhood House - Year 2	Year 2 funding to continue with the Rosewall Neighbourhood House construction.	Windermere			
C16805	Drysdale Integrated Children's Hub - Year 2	Design and construction of the Drysdale Integrated Children's Hub.	Cheetham			
C17228	Osborne House Kitchen Renovation	The Osborne House kitchen has not been upgraded since the 1970's. It is not in a condition to enable provision of a CoGG permit for food service on site; use of the facility in its current condition violates the State of Victoria OH&S Act 2004 and OH&S Regulations 2007. There are currently no working hot water facilities in any part of Osborne House. The Geelong Museum Association holds a continuing lease on the facility until 2017.	Cowie			
C17230	Springdale Neighbourhood Centre Kitchen Upgrade	The kitchen is used daily by various community groups, men's cooking classes, demonstration classes and catering. Works required include appliance upgrade to meet requirements.	Cheetham			
TOTAL BUILDINGS				24,688,706	4,824,589	19,864,117

2016-2017 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2016-2017		
				Expenditure \$	Income \$	Net \$
CORPORATE SERVICES						
C05508	Open Space Networks Study and Acquisitions Plan Implementation	To implement the recommendations of these plans which will be funded out of the Open Space Reserve Fund.	Municipal	328,000	0	328,000
C05508	Armstrong Creek Open Space Reserve	In 2015-2016 land was purchased for future Open Space within the Armstrong Creek Wet Precinct (607-609 Torquay Rd, Mt Duneed). The property is nominated as 100% open space and utilised the general municipal wide open space reserve to fund the acquisition rather than the Armstrong Creek open space equalisation reserve.	Buckley	440,000	0	440,000
C16514	Cadel Evans Bronze Sculpture	Commission a life size bronze sculpture of cyclist Cadel Evans and bike. This project is an existing Council project. Initial funds in the current financial year will enable an artist to be appointed to the project, and a Marquette to be commissioned. Additional funds required to commission the final work and install.	Municipal	70,000	30,000	40,000
C17801	Public Art Strategy project delivery	To effectively resource the delivery of the Public Art Strategy across the municipality. The Public Art Strategy adopted in 2012 is the key driving document that sets the context for commissioning new Public Art. Funding will enable the capacity to develop a diverse range of planned projects and potentially leverage additional funding from other funding providers.	All Wards	50,000	0	50,000
C17802	Spring Water Dispensing "Streetscape to Artscape" Feature at the site of the historic mineral spring	Council to set up a "scoping study" to investigate, arrange design and, if appropriate, progress to completion of a Spring Water Dispensing Artscape Feature. When current engineering work on Clifton Springs Foreshore is complete, it would be appropriate to erect a Spring Water Dispensing Artscape Feature on the site of the historic mineral springs. DCSCA understands the spring water has been tested and is safe to drink.	Coryule	25,000	0	25,000
C17803	Bronze Stories	Quirky reflections on local events and stories that have shaped the city and give rare insights into its history. Bronze plaques with short evocative prose developed by a local writer inlaid throughout Central Geelong's pedestrian environment present vignettes into Geelong's colourful history, prompting the viewer to see the city differently while providing a trail to encourage people to discover the heart of the city. Project will engage children, residents and visitors and be linked.	Brownbill	20,000	0	20,000

2016-2017 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2016-2017		
				Expenditure \$	Income \$	Net \$
C17804	Beneath The Surface	A street art project at key locations in Central Geelong. Up to 20 hand painted 1m sq works will be completed by highly regarded artist Michael Cassar and reference the underground tunnels that once networked the city. The project increases visitor interest, encourages pedestrian activity and engages children through a discovery trail. A narrative will be developed linking the murals to Geelong's heritage and under ground history utilising the Arts Atlas Phone app.	Brownbill	14,000	0	14,000
C17805	The Rower	Scoping project to complete engineering costs and feasibility for the project to commission a major public art work featuring a series of oars punctuating the Moorabool St bridge, making a strong statement of the history and aspirations of the rowing precinct. The oars would be suspended from the bridge onto each side of the river and include being lit at night. There is potential for attracting external funding for this project.	Brownbill	50,000	0	50,000
C15829	Central Geelong Advancement Fund	Funding for Central Geelong Revitalisation Project (Malop St to Myers St).	Municipal	3,000,000	3,000,000	0
C17808	Malop Street: Green Spine Stage 2 detailed design and commencement of works	Detailed design and commencement of works for Malop Street green spine between Moorabool Street and Yarra Street. Enabling project to be 'shovel ready' for State funding advocacy and partnering on delivery. Builds on schematic design as part of current Malop to Myers Revitalisation project.	Brownbill	500,000	0	500,000
C17813	Fenwick Street upgrade: Little Malop to station	Design and construction works to enable delivery of City in a Park initiatives and link Little Malop Bridge and Streetscape works to station, extending priority bike connections within CBD.	Brownbill	200,000	0	200,000
C17215	Catenary Star	A new Christmas Star will be built and suspended from the Catenary Lighting structure, as a new feature of Council's annual CBD Christmas Decorations program.	Brownbill	65,000	0	65,000
C05207	Minor Acquisitions Program - Core Program	Funding of minor items below \$20K via IT Steering Committee for hardware, software and minor infrastructure items.	Corporate	219,000	0	219,000
C05208	IT Asset Replacement Program - Core Program	Based on cycle replacement.	Corporate	1,005,300	0	1,005,300
C17216	CityWeb Enhancements	CityWeb requires a number of extensive upgrades and enhancements to ensure it is capable of continuing to deliver business efficiency's for the organisation. Previous upgrade was in 2009. Since then the demand and use of the application, as well as the 62 mycityweb business applications which run within the framework, require enhancements to ensure future use on mobile devices, as well as improve delivery and service effectiveness / efficiency of internal service provision.	All Wards	50,000	0	50,000

2016-2017 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2016-2017		
				Expenditure \$	Income \$	Net \$
C17217	Smart City Pilot Project	Smart Cities are those that are deploying sensors and collecting big data, to create improved decision making platforms or information, or providing real time information to the public. This project would see sensors placed on 40 street lights to capture information related to parking bay usage and street litter bin capacity in the Central Geelong area. It will also refit the lights to controllable LED style. This will provide proof of concept data on return on investment for a wider implementation.	Brownbill	470,000	300,000	170,000
C17218	HP Records Manager Licences	To fit into budget only enough licences for active users were procured in the Document Management system replacement project. This proposal is to increase this to full complement over the next 3 years.	All Wards	54,500	0	54,500
C17219	GoTrim Mobile Licences	GoTrim is an additional module to allow for access to the document store from mobile devices. Proposal is to licence 100 users.	All Wards	23,000	0	23,000
C17220	Group Phone Reporting	As part of the new phone system the ability to have hunt groups as they are currently known, is either through response groups that can be configured in the system, or by purchasing the equivalent of call centre software. This concept seeks to acquire the Espera reporting solution to enable reporting on response groups in the Aged Services, Family Services and City Development departments.	All Wards	28,000	0	28,000
C17221	Video Conferencing - City Services Site to Site	The new Skype for Business phone system has embedded video conferencing capability in the software. This concept proposes fitting out the City Services depots to enable VC and reduce travel by 5 to 60 staff per meeting. Estimated savings in travel and wages is \$41,500 pa.	All Wards	35,000	0	35,000
C06210	Capital Program Project Management - Capitalised Salaries	Annual allowance for salaries associated with delivering the Capital Projects Program - based on current approved headcount.	Corporate	2,952,404	23,500	2,928,904
C16208	Oracle Financials Upgrade	Upgrade of the Oracle Financial system to release 12.2.5.	Corporate	385,000	0	385,000
C09202	Furniture Replacement	Annual capital allocation for furniture and equipment replacement.	Corporate	10,250	0	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	0	57,400
C17223	Service Reviews - software pilot	Following Service Planning project undertaken in 2013-2014, commence process of Service Reviews in 2016-2017. Methodology / software / staff costs to be considered in this concept.	All Wards	50,000	0	50,000
C17224	Budget Process - New System	Implement new system to undertake budget process from Budget Concept to Budget Approval. All online.	All Wards	35,000	0	35,000

2016-2017 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2016-2017		
				Expenditure \$	Income \$	Net \$
	Land Acquisition Projects Include:			6,730,000	0	6,730,000
C16603	ACEP - Open Space Land Acquisition - 2nd Year	This land is nominated within the Armstrong Creek East PSP as being future Public Open Space. The land is partially flood prone property along Armstrong Creek waterway next to Stewarts Reserve. Forward funded from Armstrong Creek Open Space Reserve.	Buckley			
C68201	DCP-HBP - Sparrovale Wetlands DI_LA_22 - 2nd year	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. This is a DCP item in the Horseshoe Bend Precinct Development Contributions Plan. Forward funded DCP project (100%).	Buckley			
C68202	DCP-HBP - Sparrovale Wetlands DI_LA_23 - 2nd Year	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. This is a DCP item in the Horseshoe Bend Precinct Development Contributions Plans. Forward funded DCP project (100%).	Buckley			
C68351	Armstrong Creek Town Centre - Community Facilities Site - 2nd Year	This project is the purchase of the site identified in the Armstrong Creek Town Centre Precinct Structure Plan as the area to accommodate future community facilities to service this major growth area. The regional facilities to be accommodated within this site include in the longer term, aquatics and sports facility, and major stadium/performance space, combined with Family Services/Community Hub. Forward funded DCP / Open Space Project (45%).	Buckley			
C68851	DCP – LW Intersection Land Acquisition - 2nd Year	The project involves the acquisition of land covered by Public Acquisition Overlay on the corner of Patullos Rd, Elcho Rd and O'Hallorans Rd (note - the final costs are estimated to be greater than the DCP project budget due to admin costs and fencing). The area to be acquired for three properties is 5,600m2, 100m2 and 100m2. The DCP funds both the land and administration of the acquiring these three parcels of land. Forward funded DCP project.	Windermere			
C68901	DCP - Jetty Rd NS Collector Rd Land Acquisition - 3rd Year	Jetty Road DCP (item R002) - Land acquisition of approx 1.34 ha, impacting three parcel's of land north of Portarlington Road (within the Jetty Road Growth Area). Balance of costs to complete land acquisition process. DCP funded project (100%).	Cheetham			

2016-2017 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2016-2017		
				Expenditure \$	Income \$	Net \$
C17501	Fyansford Land acquisition for community infrastructure	C119 (res rezoning) adopted by Council Aug 2008. The gazettal of Fyansford Quarry (DPO16) and Fyansford Cement Works (DPO15) and the subsequent residential development triggers the need for community infrastructure to support this new and geographically separate community. Acquisition of land (approx 5,000sqm) is necessary to support future community infrastructure provision. DPO16 includes a Community Infrastructure Levy which will generate approximately \$600K towards community infrastructure provision.	Municipal			
C17806	Property Purchase - 32 Malop Street	Purchase of small area of vacant land at rear of 32 Malop Street to create connection from Dennys Place to future McLarty Place extension.	Brownbill			
TOTAL CORPORATE SERVICES				16,866,854	3,353,500	13,513,354

2016-2017 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2016-2017		
				Expenditure \$	Income \$	Net \$
PARKS & LEISURE						
C09811	Concrete Core Replacement Program	Annual planned replacement program to address the ageing infrastructure of the concrete and concrete surfaces at the Leisure Centres and Aquatics centres. This program addresses customer safety with slipping and tripping near water and provides surfaces that can be cleaned reducing bacterial concerns. The replacement program also addresses concrete support for building and pool structure. This project is currently part of Council's long term capital plan.	All Wards	100,000	0	100,000
C10850	Gymnasium Equipment Core Replacement Program	The annual core replacement of Gymnasium Equipment inline with the 10 year equipment replacement plan. This is part of Council's long term capital plan and enables Council's gymnasiums to maintain membership and remain competitive in a commercial setting. This years replacement includes the new BASC gymnasium which commenced operation with older surplus equipment from the other centres. This program is part of the long term capital plan and has been part of this plan for the last 5 years.	Kardinia	660,000	0	660,000
C15848	Splashdown Aquatic Play Activity Area	To develop an aquatic play activity area at Splashdown to bring this centre in line with facilities at other councils owned and operated aquatic centres. To provide the children from this lower socio economic area, the opportunity to enjoy the benefits of aquatic play equipment and to increase usage in this area. This project was approved to commence within the 2015-2016 capital budget but during the design stage it was discovered that greater plant operation capacity was required.	Austin	350,000	0	350,000
C16821	Leisurelink 50m Pool Liner Replacement - As part of the 10 year 50m Pool Replacement Program	In 2014 Brown Consulting engineers were engaged to report on the condition of the Leisurelink steel fabricated pool and surrounding underground void. This report was commissioned due to the condition of the pool frame and liner and concerns with safe operation into the future. The report recommended replacement of the steel framed liner covered pool to a concrete pool. Mindful of funding limitations a 10 year cost plan was developed for this pool replacement of which we are now in year 3.	Kardinia	325,000	0	325,000
C17502	Leisurelink Eastern Side Auxiliary Carpark Reconstruction	The subgrade pavement for eastern side carpark at Leisurelink has failed causing the area to be unsafe for vehicle access. This carpark was designed for overflow but due to car parking demand is now an integral part of the Leisurelink car parking infrastructure. A report has been conducted by Geotest Civil Services and it has been recommended that measures are taken to address the poorly compacted subgrade materials. The current area provides for 225 parking spaces.	Kardinia	220,000	0	220,000

2016-2017 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2016-2017		
				Expenditure \$	Income \$	Net \$
C17503	Waterworld 50m Pool Underwater Platform	The project includes a false floor platform for 2 lanes of the Waterworld 25m pool to take the depth from head height (1.6m - 2m) to approximately waist height (1.1m). This false floor platform will be reinforced to take the weight of people exercising and will be designed for water flow and cleaning. The current water depth at Waterworld is restricting the growth of the learn to swim program for younger children in this lower socio economic area.	Corio	75,000	0	75,000
C17504	Aquatic Play Equipment Core Maintenance and Upgrade Program	Aquatic play parks are an integral component of aquatic centre operation. These parks consist of aquatic play equipment such as slides, climbing structures and interaction activities that provide water based entertainment for children. The inclusion of aquatic play activities attract children to aquatic centres and adds an element of fun and play to other water activities such as water awareness and water survival skills. The cost of maintaining these heavily used assets are considerable.	All Wards	120,000	0	120,000
Total Aquatics				1,850,000	0	1,850,000
C17311	Ramblers Road Foreshore Shell Fish Reef	Recent severe erosion has resulted in the loss of foreshore land. Initial erosion control works have proven effective in preventing further loss of land however, these coastal protection structures require ongoing maintenance, particularly after severe storm tide events. The establishment of an offshore shell fish reef has the capacity to reduce wave energy which will further protect these structures and the adjacent foreshore.	Coryule	200,000	80,000	120,000
C17312	St Helens Emergency and Recreational Facilities Upgrade	Replace current building facility which are not secure, far too small and remote from safe jetties and boat ramp. Provide a building with sufficient space, adjacent to safe jetties, boat ramp and car/trailer parking, use to be shared between Coast Guard and GTYC.	Cowie	150,000	25,000	125,000
C15812	Western Beach Boat Yard Environment Reclamation	Co-contribution for reclamation of contaminated soil and landscape public areas to optimise outcome of private tourism attraction development.	Brownbill	150,000	0	150,000
C16819	Fisherman's Basin Water Main Replacement	Project was funded in 2015-2016 but quotations have exceeded budget due to Barwon Water connection costs to high pressure main. Water main feeds supply to park land (irrigation, drink fountains etc.) and fisherman's basin areas.	Brownbill	33,000	0	33,000
C17809	Eastern Beach Fountain Steps Collapse	Subsurface footings around the upper fountain have collapsed causing trip hazards. Project is to rebuild steps.	Brownbill	38,000	0	38,000
C17810	Eastern Beach Heritage Fencing Replacement	Ongoing program to replace sections of post and rail fencing that pose safety risk.	Brownbill	45,000	0	45,000

2016-2017 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2016-2017		
				Expenditure \$	Income \$	Net \$
C17811	Waterfront Feature Lighting Renewal	Feature lights around steampacket quay and youth activity area require renewal due to excessive corrosion from marine environment.	Brownbill	58,000	0	58,000
Total Foreshores				674,000	105,000	569,000
C08308	Environment Reserves Capital Improvement Program	A program of priority capital works as identified in adopted conservation and environment reserves management plans.	Municipal	414,000	0	414,000
Total Other				414,000	0	414,000
C17316	Sustainable Visitor Facilities Geelong Botanic Garden	Grow@GBG is a sustainable visitor facility (shelter & toilets) which supports a diversity of activities including education, group tours, Teahouse functions and weddings. The design includes toilets, sewage treatment, landscaping for visitor access and new plant collections. The Friends of Geelong Botanic Garden have committed to contribute \$10,000 to the design phase and intend to undertake a public appeal via the Gift Fund to support the delivery of the project.	Brownbill	70,000	10,000	60,000
C17225	Corio Community Reserve - Tree Removal	This project involves the removal of existing cypress trees within the reserve to provide significant open space improvements. The project is supported by the Corio Northern Suburbs Community Services Infrastructure Plan.	Windermere	24,700	0	24,700
C17226	Leopold Recreation Reserve - Entry Relocation	This project works in with the development of the retail site across the road and provides a new entry into the recreation reserve off Maleleuka Rd.	Cheetham	20,000	0	20,000
C17227	Elderslie Reserve - Carpark Upgrade (Design)	Upgrade of the carparking at Elderslie. Project includes sealing the existing gravel carparking. This budget allocation is specifically for design. Stage 2 of the project will fund the actual construction works.	Kildare	15,000	0	15,000
C17237	Aldershot Reserve - Public Safety & Amenity Improvements	This projects aligns with the master plan and aims to improve public safety and the general amenity of the reserve.	Austin	100,000	0	100,000
Total Parks				229,700	10,000	219,700
C16801	Renewal and Upgrade of Supervised Centre Based Playgrounds	Upgrade and Renewal of fixed play equipment, shade and playground design and upgrade.	All Wards	100,000	0	100,000
C17202	Gateway Sanctuary - Sub-regional Playground	This projects involves upgrading the existing playground to a sub-regional playground to cater for the increasing demand. This project forms part of a grant submission.	Cheetham	250,000	100,000	150,000

2016-2017 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2016-2017		
				Expenditure \$	Income \$	Net \$
C17235	St Leonards - Playground	Play spaces at St Leonards are generally well distributed, however a significant gap exists south of Levians Rd. Identified in the 2012-2021 Geelong Play Strategy - the St Leonards playground is listed as the next requiring action on the staged works list.	Coryule	32,000	0	32,000
C17240	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	0	538,000
Total Playgrounds				920,000	100,000	820,000
Recreation Reserves and Facilities Upgrades Include:						
C17505	East Geelong Golf Club - change room upgrades	Refurbishment of East Geelong Golf Club male toilet and shower facilities. The current toilet and shower facilities are ageing and do not meet the current building code regulations and disability requirements. The facilities are currently used by both golf course users and those who attend functions in the clubhouse. The project involves upgrading the facilities to meet current and future needs, as well as building regulations and disability requirements.	Brownbill			
C15825	Capital Projects Design Program	Funds for design work on Capital projects.	All Wards			
C15843	Leopold Recreation Reserve - Upgrade	This project involves the redevelopment of the main pavilion - stage 1. The works also align with the development of new netball courts. The pavilion upgrade (stage 1) includes new change rooms, umpires facilities and storage. This project is stage 2 of 2 for funding.	Cheetham			
C16807	Hendy St Reserve Development	This project involves the redevelopment of the Hendy Street Reserve (Flinders Peak) site. This proposal is for stage 2 of 2.	Windermere			
C16830	Grovedale Tennis Club - Redevelopment	A current project exists for the renovation of the Grovedale Tennis Club pavilion. This project also includes the installation of court lighting for courts 1 & 2. There is currently a project deficit of \$54,000 for the installation of lighting. This is year 2 of 2 and is required funding to complete the project.	Buckley			
C16840	Geelong Soccer Club - Facility Upgrade	This project involves the redevelopment of the change facilities and associated social space at the Geelong Soccer Clubs home base at Stead Park. This concept is based on an additional \$100,000 required to complete the project.	Corio			
C16844	North Geelong Football Club - Changeroom Redevelopment	This project involves the redevelopment of the change facilities at Osborne Park to cater for both male and female participants. The club have a strong female AFL team and require immediate improvements to cater for this growing section of their club. The project also involves improvements to the social space within the facility.	Cowie			

2016-2017 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2016-2017		
				Expenditure \$	Income \$	Net \$
C16846	Anakie Football & Netball Club - Facility Redevelopment (Stage 1)	This project involves the redevelopment of the football and netball change rooms and associated works to bring the current facilities up to current standards. This facility redevelopment is supported through the AFL Barwon Strategy. The project includes the redevelopment of football change rooms and amenities, umpire change rooms and the development of netball change rooms and amenities.	Windermere			
C16852	Drysdale & Clifton Springs Sports Precinct - Stage 1 Development	The Drysdale and Clifton Springs Sport Precinct is to be developed on a Council owned 45 hectare parcel of vacant land bounded by Grubb Road, Anderson's Road, Peninsula Drive and Belchers Road in Drysdale.	Cheetham			
C17203	Leisuretime Synthetic Non-aligned Multi-Use Pitch	This project involves the development of a non-aligned, multi sport synthetic pitch. The development of this site will work in with the existing facilities at the Leisuretime Centre. The project will include the pitch development, lighting and associated infrastructure. This project forms part of a Major grant submission through Sport & Recreation Victoria's Community Sports Infrastructure Fund.	Corio			
C17204	Waurm Ponds Skate Park - Half Pipe Re-development	An existing 2014-2015 Budget allocation was proposed based on a cost estimate for remediation of the existing structure by a local steel fabricator. Consultation, engineering assessment and the subsequent competitive procurement process, revealed a significant budget deficit. The current budget sits at \$58,000 with a project shortfall of \$85,000 existing in-order to replace the ramp, like for like. In order to remain relevant for modern vertical skating, the ramp is considered too small.	Kardinia			
C17205	Portarlinton Tennis Club - Sports lighting	This projects involves the development of sports lighting for the Portarlinton Tennis Club, located at Portarlinton Recreation Reserve. Existing funds have been allocated to this project, however the amount allocated is insufficient to complete the required works and these additional funds are required in order to complete the scope of works.	Coryule			
C17210	Landy Field Athletics Facility - In-field Fencing	This projects involves the installation of a safety fence to protect users from the hammer cage.	Brownbill			
C17211	Stead Park - Fitness Station	Fully accessible outdoor fitness station (similar to the ADIDAS concept). The project involves the development of an outdoor fitness station to cater for all abilities. The accessible fitness stations would also be accompanied by pathways to enable other fitness activities - walking, jogging etc.	Corio			
C17212	Kevin Kirby Reserve - Basketball Half Court	Installation of a basketball half court at Kevin Kirby Reserve, within close proximity to the playground and associated infrastructure.	Kildare			

2016-2017 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2016-2017		
				Expenditure \$	Income \$	Net \$
C17213	Ocean Grove Tennis Club - Kitchen Upgrade	To make improvements to the kitchen/servery/bar area and part of the rationale is to make it an attractive option for other community groups to use the facility. Ocean Grove Tennis Club would anticipate contributing \$20,000 in cash plus \$10,000 in kind.	Beangala			
C17236	St Albans Reserve - Electronic Scoreboard	Installation of electronic scoreboard.	Austin			
C17241	Ground Renovation Program - Core Program	Improvements to sports fields in response as part of core program.	Various			
Total Recreation Reserves and Facilities				6,624,000	720,000	8,004,000
TOTAL PARKS & LEISURE				10,711,700	935,000	11,876,700

2016-2017 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2016-2017		
				Expenditure \$	Income \$	Net \$
PLANT & EQUIPMENT						
C02313	Light Fleet Program	Light Fleet Replacement Program.	Corporate	2,151,600	867,432	1,284,168
C02314	Heavy and Dedicated Plant Replacement - Core Program	Heavy and dedicated plant replacement program.	Corporate	3,339,937	816,336	2,523,601
C02320	Minor Plant & Equipment - Replacements - Core Program	Fund from which minor plant and equipment replacement can be purchased.	Corporate	66,000	0	66,000
C17313	Vehicle Purchase to Replace Hire / Construction Unit	An annual saving of \$11,500 will be realised by purchasing a light vehicle to replace the Construction Engineers hired vehicle. After considering all costs, depreciation and on sale costs, the vehicle will be cost neutral in 1 year.	All Wards	29,500	0	29,500
C17314	Site Caravan Purchase to Replace Hire / Construction Unit	An annual saving of \$11,800 will be realised by purchasing a crew site caravan to replace the Construction Units hire caravan. After considering all costs, depreciation and on sale costs, the caravan will be cost neutral in just over 1.4 years.	All Wards	42,000	0	42,000
C17315	Additional Multi Wheel Road Roller	Additional plant for road construction and maintenance to achieve road condition standards compliance. Unit will replace plant currently dry hired from external suppliers. Significant recurrent savings will accrue from replacement of hired plant with Council owned plant.	All Wards	152,000	0	152,000
C16602	Armstrong Creek Flow & Weather Gauge - 2nd Year	The installation of a water flow and weather gauge at the entrance of Armstrong Creek into Hospital swamp. This will enable monitoring of water levels within the Armstrong Creek waterway, ensuring the optimum performance of this system.	Buckley	50,000	0	50,000
C17206	Geelong Arena - CCTV Upgrade	System requires significant upgrade from the existing outdated system. Currently too few cameras, and the analogue system is not of the quality expected from today's society. Recommendations of cash and security audit indicate that the system is failing and requires urgent upgrade.	Brownbill	80,000	0	80,000
C17207	Leisuretime - CCTV Upgrade	Replace outdated system with all access points covered, all court space covered as well as common areas and outdoor carpark / entry to the venue. Ensure staff are safe and cash POS completely covered by CCTV at all times. A number of incidents have taken place at the venue in which CCTV did not cover, or quality of images collected, were extremely poor.	Cowie	80,000	0	80,000
C17208	BVAC - CCTV Upgrade	Replace outdated system with all access points covered, all court space covered as well as common areas and outdoor carpark / entry to the venue. Ensure staff are safe and cash POS completely covered by CCTV at all times.	Kardinia	30,000	0	30,000
TOTAL PLANT & EQUIPMENT				6,021,037	1,683,768	4,337,269

2016-2017 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	Ward	2016-2017		
				Expenditure \$	Income \$	Net \$
ROADS, FOOTPATHS, DRAINAGE & WASTE						
Drainage	Various Drainage Projects	Ongoing program of drainage improvements.	Various	4,402,000	0	4,302,000
Footpaths	Various Footpath and Bikepath Projects	Ongoing program of footpath and bikepath improvements.	Various	4,015,000	50,000	3,965,000
Roads, Kerb & Channel	Various Road Projects	Includes Road Pavement, Road Seals, Other road associated assets, Special Rates & Charges and Kerb & Channel.	Various	30,182,957	13,038,986	17,143,971
Waste	Various Waste Projects	Various Landfill Site and Waste Disposal Projects.	Various	6,719,000	0	6,719,000
TOTAL ROADS, FOOTPATHS, DRAINAGE & WASTE				45,318,957	13,088,986	32,129,971
TOTAL EXPENDITURE - CAPITAL PROJECTS				103,607,254	23,885,843	81,721,411

2016-2017 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2016-2017		
			Expenditure \$	Income \$	Net Expenditure \$
CHIEF EXECUTIVE					
People and Organisation Development	Culture Review Action Plans	In 2015 the organisation conducted a review of culture, with specific focus on bullying and harassment. The review resulted in a report from ex Human Rights Commissioner Susan Halliday that described significant need for reform in the areas of Organisation, Community, and Councillors. The action plans will include education, policy review, and potentially review of historic claims.	200,000	0	200,000
People and Organisation Development	Organisational Structure Charting Software	To assist the Organisation with Workforce Management requirements in line with the OD Strategy, we require a sophisticated Org Charting solution. An Org Chart that provides real dynamics, such as: Gender diversity, easy identification of FT, PT & Casual staff and Vacant positions ensuring that FTE fold-up matches headcount. Generation diversity, Manage Leave Liabilities, Talent Management, Manage Departmental Budgets, Visualise & communicate Organisation re-structures & proposals.	43,280	0	43,280
People and Organisation Development	Performance Review and Recruitment Project	The annual performance review process is paper based, onerous to complete, and negligible in it's effectiveness. The opportunity to migrate to an efficient, online performance review system will deliver: <ul style="list-style-type: none"> - Greater return on investment (time vs impact/effectiveness). - Greater intelligence and analytics (talent mgt, succession planning, data mining, performance review, development review). - Far greater efficiency in completion of multiple reviews. - Integration with current HRIS. 	140,000		140,000
People and Organisation Development	Gender Equality and the Prevention of Violence Against Women and Children	People and Organisation Development have committed to strategies, supported by the Women in Community Life Advisory Committee, to increase education, awareness, and support throughout the organisation on Gender Equality issues. Initiative already commenced that require ongoing funding are: <ul style="list-style-type: none"> - Pay Equity Review, presentation of report and actions. - Employment Diversity Strategy. It is proposed that the next steps will include: <ul style="list-style-type: none"> - White Ribbon (or similar) - accredited workplace. 	70,000		70,000
People and Organisation Development	Mental Health in the Workplace: Beyond Blue National Workplace Program	The 'Mental Health in the Workplace: Beyond Blue National Workplace Program' is a training program specifically designed for workplaces. It aims to increase the knowledge and skills of staff, managers, human resources (HR) and organisational leaders to address mental health conditions in the workplace. It has been shown to significantly increase awareness; decrease stigma; improve attitudes; and increase people's confidence to assist someone seeking support.	81,700		81,700

2016-2017 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2016-2017		
			Expenditure \$	Income \$	Net Expenditure \$
People and Organisation Development	Plant Risk Assessment	Plant is a major cause of workplace death and injury in Australian workplaces, the City of Greater Geelong has had a number of significant incidents relating to plant and some of these significant incidents were notifiable. Plant includes any machinery, equipment, appliance, container, implements and tools. Certain kinds of plant, such as forklifts, cranes and some pressure equipment require a licence from the regulator to operate and some high-risk plant must be registered with the regulator.	15,000		15,000
People and Organisation Development	Early Intervention Program	The aim of the early intervention program is to assist employees in receiving effective treatment and assistance at the early stages of an injury or illness before it becomes chronic. The program provides support to the individual upon notification to the line manager and/or the People and Organisational Development department. The early intervention program shall consist of communicating with the individual by POD department to discuss appropriate actions to manage injury.	20,000		20,000
Chief Executive Total			569,980	0	569,980

2016-2017 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2016-2017		
			Expenditure \$	Income \$	Net Expenditure \$
CITY SERVICES					
Engineering Services	Ocean Grove Principal Pedestrian Network year 2 - Infrastructure Design	A Principal Pedestrian Network for Ocean Grove has been identified with the community to provide equitable access to footpaths in all of Ocean Grove. The 15-20km of missing links in the footpath network will be delivered through a special rate and charge scheme. This project will fund the detailed engineering design and costing of the components of proposed footpath network to enable the capital funding of broad scale special rate and charge scheme to be implemented in subsequent years.	95,000		95,000
Environment and Waste Services	Drysdale Quarry to Landfill Investigation	An economic feasibility study into developing the quarry at the Drysdale landfill site has been undertaken. A hydrogeological assessment (\$25K) and geotechnical investigations (\$50K) will be required to determine engineering viability of the project. If viable, developing the quarry into a landfill will provide CoGG with up to 4 years additional airspace at the site.	75,000		75,000
Environment and Waste Services	Waste Management Strategy	Develop a 5-year Waste Management Strategy as a blueprint for the delivery of waste management services into the future. Including management of kerbside collection, recycling, greenwaste and landfills.	40,000		40,000
Environment and Waste Services	Resource Recovery Centre Strategic Study	Investigate the needs for new/improved Resource Recovery Centres in the future to meet the needs of a growing population.	40,000		40,000
City Services Total			250,000	0	250,000

2016-2017 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2016-2017		
			Expenditure \$	Income \$	Net Expenditure \$
COMMUNITY LIFE					
Aged and Disability Services	Disability Awards	This project seeks to secure a small budget to contribute to the annual Geelong Disability Awards. The awards commenced in 2015 in partnership with Karingal and celebrate the achievements and inclusion of people with disabilities in the Geelong community. Categories include the Arts, sport, volunteering and personal achievements.	5,000		5,000
Community Development	Digital Implementation Plan - Community Growing Great Ideas - Grovedale	People experiencing work exclusion supported to create Start-Ups. Stimulate opportunities to improve financial and employment circumstances, through creation of community inclusive education and innovation to enterprise hub. Community Service Providers (eg: Neighbourhood Houses) up-skilled to create environments that incubate potential start ups and social enterprise.	50,000		50,000
Community Development	Digital Implementation Plan - Community 'National Year Digital Inclusion 2016'	Host a series of events by CoGG to promote and include more people to access digital technology and the benefits of a digitally connected City: NYDI 2016 Launch, Communities accessing Technology - forums for community service providers on benefits of being digitally connected for their own service and their communities. Co-working days across Geelong, conversation with community and services about digital technology and digital inclusion and facilitating new CodeClub activities and events.	20,000		20,000
Community Development	Gender Equity Framework	To develop a Gender Equity Strategy for the City of Greater Geelong Council. The process of developing this strategy includes a key consultation component; with liaison and input from across the organisation. The draft strategy will be developed prior to going out for comment. The final document will be presented to Council for endorsement.	40,000		40,000
Community Development	Grants Management - Centralisation of Council Grants Giving	A cross divisional grants working group (2014) has identified the need to enhance and integrate Council grant giving. The aim is to achieve a robust funding management framework that ensures effective grants allocation and administration. Grants management is a specialist field and this proposal identifies funds to assist Council identify and develop a centralised grants management model ready for implementation in 2017–2018.	25,000		25,000
Community Development	Aboriginal Traineeships	Support is requested to fund 2 half time Aboriginal traineeships (1EFT) to work on activities arising from the draft Karreenga Aboriginal Action Plan. The Action Plan is a key document in the process of reconciliation and identifying Council activities supporting the Aboriginal community in Geelong. Employment has been identified as a key issue. Council has currently a very low % of Aboriginal people employed within the organisation.	75,000		75,000

2016-2017 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2016-2017		
			Expenditure \$	Income \$	Net Expenditure \$
Community Development	Wathaurong Aboriginal Co-operative - Feasibility Study & Business Case	The Wathaurong Aboriginal Co-operative have been in negotiations with Council regarding the consolidation of services to one site at Morgan Street and the requirement to expand the premises to accommodate service and facility provision. The project is supported in the Karrenga Aboriginal Action Plan. Land exchange negotiations have commenced with Vic Road for land adjacent the Morgan Street property. (PR4242) A business case has been developed by Wathaurong Aboriginal Co-op.	70,000		70,000
Community Development	Agreements Review - Community Buildings	Review of current agreements and conditions identification of strategic position - why we have agreements, - investigation of pricing policy.	78,000		78,000
Community Development	Community program for 3219 - overseen by Newcomb Football Club	The 3219 - Middle Years Youth Engagement Project focuses on developing programs and activities engaging 9-14 year olds aimed at enhancing healthy social and emotional development. The project will be lead by the City of Greater Geelong (through the State funded Engage Project) and in conjunction/partnership with local organisations, including Barwon Adolescent Task Force (BatForce) member agencies and the Newcomb Football Netball Club.	30,000		30,000
Family Services	Corio Maternal and Child Health Centre (Temp) Relocation	The development of the new Hendy Street Child and Family Centre in Corio is scheduled for commencement in 2017. The initial construction phase of this project requires the demolition of the existing Corio MCH Centre and the temporary relocation of the service until the new centre has been completed (estimated 18 month period). The cost of relocation of the MCH service and potential leasing of temporary commercial/retail space is the focus of this project proposal.	20,000	0	20,000
Family Services	Municipal Early Years Plan 2018-2021	The current Municipal Early Years Plan (MEYP) expires in 2017. A new Municipal Early Years Plan is scheduled to be developed and adopted by Council for the period 2018-2021. To meet this timeline, the process for community consultation and development of the new plan is required to commence in the first half of 2017. Funding is therefore sought to resource the development of a new MEYP including community engagement and consultation and the production and publication of the final plan.	50,000		50,000
Family Services	Stronger Families	Fully funded by Department of Health and Human Services this is a placement prevention service with CoGG delivering a specialised infant component.	111,567	111,567	0
Family Services	Linking Learning 0-1 2 years Eastern Suburbs	Funding required to match DET project funding for Whittington Linking Learning birth to 12 years of age. DET has funded \$240,000 for the three year project. In the first year (2014-2015) DET funded \$180,000 and \$60,000 in 2015-2016 for the total three year project. 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 that will work with families, early education and care services.	80,000	0	80,000

2016-2017 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2016-2017		
			Expenditure \$	Income \$	Net Expenditure \$
Sport and Recreation	Geelong Arena - Programmed Maintenance	The allocation of maintenance funding to Geelong Arena is a 10 year program, currently entering year 8 of 10. This was part of the agreed purchase terms of the Geelong Arena. Spending was governed by a report (Hunt report) which has now been superseded by SPM. This project aims to rectify issues relating to non-compliance. This is an annual budget required to ensure the facility accords with regulations and standards.	130,491	0	130,491
Sport and Recreation	G21 Regional Netball Strategy	This projects involves the development of a regional strategy to guide the development of Netball within the G21 region. This plan will address infrastructure and sports development requirements. This project forms part of a grant submission. Netball Victoria and other LGA's are also contributing to the development of this plan. This project forms part of a grant submission.	65,000	49,894	15,106
Sport and Recreation	Skate Plan	Strategic asset renewal plan for skate parks across the city. Innovation and evolution of skate provision.	30,000		30,000
Sport and Recreation	WG Little Reserve - Master Plan	WG Little Reserve is a 13.2 acre Crown land Reserve, managed by Bellarine Bayside Foreshore Committee of Management and the City of Greater Geelong. As the main passive reserve for the township and the broader region, the reserve provides space for many events including the Celtic and Mussel festivals, whilst also providing play opportunities with a regional playground and skatepark facility. With a number of assets in extremely poor condition, the project aims to create a masterplan.	10,000		10,000
Sport and Recreation	Polwarth Pavilion & West Oval Redevelopment - Planning	The Polwarth Pavilion (opened in 1969) is in need of refurbishment and extension due to the growth of the club and its role in providing facilities to the region. The facilities need to be commensurate with West Oval being identified as a "Priority" that G21 LGA's are also "committed to upgrading...to...a Regional Level standard". The ageing of the current facility also creates significant ongoing maintenance issues and other health and safety risks, as well as significant lost opportunity.	100,000		100,000
Sport and Recreation	Drew Reserve Masterplan	Develop a masterplan for Drew Reserve.	35,000		35,000
Community Life Total			1,025,058	161,461	863,597

2016-2017 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2016-2017		
			Expenditure \$	Income \$	Net Expenditure \$
STRATEGY & PERFORMANCE					
Capital Projects	Christmas Tree 2016	Funding for the annual installation and maintenance of the Iconic Christmas Tree.	400,000		400,000
Capital Projects	Project Management Framework	Funding to continue program of project system developments building on contract system and project systems. Key priorities include: budget prioritisation project checklist automation, and project closure systems.	50,000		50,000
Communications and Marketing	Communications Survey	An annual, independently conducted communications survey of a random sample of ratepayers from across the municipality, to determine our stakeholders' use, views and needs of Council's key communications, media and marketing products and outputs.	15,500		15,500
Digital Information and Technology	Govhack 2016	Govhack was run in Geelong successfully for the first time in 2015 with excellent open data outcomes and impressive media coverage. The event is core to open data recommendations of the Digital Geelong strategy. The event in 2015 was funded from knowledge economy funds in the Enterprise Geelong budget which was discretionary.	15,000		15,000
Digital Information and Technology	Digital Geelong - Skill Development - Upstart	The Upstart Entrepreneurial Challenge is a not-for-profit organisation running in the Geelong area. The program is currently in 13 of the region schools and if grown will provide increased entrepreneurial immersion workshops and mentoring to secondary school age students. This is consistent with the Digital Geelong Community outcomes and allows an established network to run the program as opposed to reinventing a program from scratch.	15,000		15,000
Financial Services	Valuations Module for 2018 Revaluation and Beyond	Council is required to undertake a general revaluation every two years as per Section 13DC (5) of the Valuation of Land Act 1960. Council currently use VicVals which sits within the Valuation module of the Infor Pathway database. Only six Victorian councils use the VicVals module. This project provides for a longer term software solution.	52,200		52,200
Property and Procurement	Accommodation Strategy Review	Review of Council's Civic Accommodation Strategy.	60,000		60,000
Strategy and Program Delivery	City Plan 2017-2021 Community Engagement	Community (and internal) engagement program to inform the development of City Plan 2017-2021. Local Government Act 1989 section 125(1) says a Council must prepare and approve a Council Plan within the period of 6 months after each general election or by the next 30 June, whichever is later. The 2011 Victorian Auditor-General's report into 'Business Planning for Major Capital Works and Recurrent Services in Local Government' emphasised that a Council should engage its community.	140,000	0	140,000
Strategy & Performance Total			747,700	0	747,700

2016-2017 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2016-2017		
			Expenditure \$	Income \$	Net Expenditure \$
PLANNING & DEVELOPMENT					
Development Contribution Plans	DCP - HBP - Sparrovale Wetlands - Management Plan	Technical assessment, planning and design of the future Sparrovale Wetlands projects (servicing the Horseshoe Bend Precinct). The wetlands manages stormwater flows from the Horseshoe Bend Precinct and discharges into the downstream Ramsar wetland system. Forward funded DCP project (100%).	250,000	0	250,000
Development Contribution Plans	DCP - JR Griggs Creek - Rehab and Revegetation	The Jetty Road DCP identifies project OS-001 for the protection and enhancement of the Griggs Creek corridor; abutting the Jetty Road growth area. The project involves fencing, weed removal, revegetation of banks and general stability and erosion control. DCP forward funded project.	250,000	0	250,000
Planning Strategy and Urban Growth	Armstrong Creek Urban Growth Area - Implementation - 9th Year	The Armstrong Creek implementation project is in its ninth year and during 2016-2017 will focus on preparation of the Marshall PSP/DCP, review of the NE Industrial PSP, translation amendments for three Native Veg Precinct Plans (NVPP), preliminary background reports for the Western Employment Precinct and the delivery of various design, facilitation and advocacy projects.	350,000	0	350,000
Planning Strategy and Urban Growth	Future Proofing Geelong – Ongoing 2016-2017	Future Proofing Geelong (FPG) is in it's fifth year, significantly reducing Geelong's carbon emissions and securing over \$2M funding for companies to improve the productivity, liveability and sustainability of Geelong. The project delivers on the opportunities in the Low Carbon Growth Plan. Cleantech Innovations Geelong (CIG) is a key project that will establish Geelong as a centre of excellence for Cleantech in Australia, attract investment, create jobs and build skills in Geelong.	380,000	30,000	350,000
Planning Strategy and Urban Growth	Managing Future Growth	This project will continue to undertake planning for the Further Investigation Areas identified in the G21 Regional Growth Area. An Integrated Infrastructure Delivery Plan and Framework Plan will be prepared through working collaboratively with the major landowners.	300,000		300,000
Planning Strategy and Urban Growth	Armstrong Creek Town Centre - Sustainability Management Plan Assessment - 2nd Year	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	0	10,000
Planning Strategy and Urban Growth	Land supply monitoring program	This project will see the collection of data on dwelling construction and lot construction to inform strategic planning projects such as structure plans, growth area planning, population forecasts and monitoring of the reformed residential zones. The project will analyse building approvals and aerial photography to collate annual lot construction and housing development data. This data has not been collected since 2012 and development rates have accelerated in recent years.	25,000	0	25,000
Planning Strategy and Urban Growth	You Yangs - Brisbane Ranges Environs Planning Provisions Review	Review of planning scheme provisions (zoning, overlays and policy) to ensure landscape and environmental objectives are being achieved.	12,000		12,000

2016-2017 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2016-2017		
			Expenditure \$	Income \$	Net Expenditure \$
Planning Strategy and Urban Growth	Activity Centres Urban Design Frameworks Program	This project will promote investment and renewal in activity centres. Urban Design Frameworks (UDF) are important planning documents that provide planning and design guidelines for areas where there is a need to manage, guide and promote change and renewal. UDFs have been delivered in Lara and townships on the Bellarine. The next phase of urban design strategy will focus on activity centres in urban Geelong and seek to implement the directions of the Housing Diversity Strategy.	100,000		100,000
Planning Strategy and Urban Growth	Ecological Sustainable Design (ESD) Policy	To develop an ESD policy for new developments to be included in the planning scheme and develop process modelling options to support application assessment.	25,000		25,000
Planning Strategy and Urban Growth	Structure Planning	Regularly updating and reviewing structure plans is a fundamental component of ongoing strategic planning work that the City is required to undertake. This budget bid enables Council to continue its work program of updating structure plans and respond to issues such as planning for growth, the environment, built form, commercial needs, and articulate preferred future directions for townships. Structure plans identify planning controls to address these matters and protect and enhance townships.	50,000		50,000
Planning & Development Total			1,752,000	30,000	1,722,000

2016-2017 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2016-2017		
			Expenditure \$	Income \$	Net Expenditure \$
INVESTMENT & ATTRACTION					
Arts and Culture	Aboriginal Reconciliation Digital Projections	To build on the success of the 2015 Reconciliation week projections on City Hall. This project will promote the strength and creativity of the local aboriginal communities through a multi media art program projected onto the front facade of City Hall.	7,000		7,000
Arts and Culture	Christmas Projection Programming	Christmas Projection programming is an essential component of the Christmas events and represents extraordinary value for money, increases Civic pride and perceptions of community safety in Central Geelong. It is the most important projection event currently on the annual projection calendar.	30,000		30,000
Arts and Culture	Cultural Audience Development	In partnership with Creative Victoria, local cultural facilities and organisations and G21 Councils, this 2-phase Cultural Audience Development Project will build local arts and culture audiences, increase cultural venue visitation levels, and increase employment opportunities for artists, by integrating cutting edge research (Audience Atlas) with strategic development of Geelong's primary cultural information resource (Geelong Region Arts Atlas).	34,500	27,500	7,000
Arts and Culture	Cultural Tourism Digital App Suite	Development of a suite of three interrelated Cultural Tourism digital apps which will attract visitors and encourage them to explore Geelong's CBD and the broader municipality by creatively profiling locations of arts, culture and heritage significance. Project includes critical upgrades to two pre-existing digital apps - Geelong Arts & Culture Trails app and Connecting Memory Digital Story app - and the development of a new third app - Story City, which incorporates game technology and fiction.	30,600	5,000	25,600
Central Geelong Action Plan	Utility Services Upgrades	Planning/scoping capacity improvements for sewer, water, power, gas and broadband within CBD to support new development and business expansion/establishment.	100,000		100,000
Central Geelong Action Plan	Central Geelong Revitalisation Investment & Advocacy Package	Preparation and printing of collateral associated with what Council is doing to revitalise Central Geelong, including key projects requiring funding from Government.	25,000		25,000
Central Geelong Action Plan	Central Geelong Action Plan - Conversation Series	Up to six public lectures from keynote speakers about CBD revitalisation and lessons from elsewhere, to inform and influence public thinking about projects as part of the revitalisation of the CBD.	10,000		10,000
Central Geelong Action Plan	Little Malop Street Central Precinct Masterplan and Urban Design Guidelines	Preparation of plan for future redevelopment of block bound by Ryrie, Moorabool, Malop and Yarra Streets, including concept for Mall. Enables precinct to be positioned as opportunity for State intervention as a Places Victoria revitalisation project and for Council to clearly articulate a vision for the area to encourage private investment.	100,000		100,000
Central Geelong Action Plan	VicClue 2016 - Central Geelong Growth Benchmarking Data	Undertaking assessment of land use and employment concurrently to the 2016 Australian Census of Population and Housing to provide a comprehensive picture of the community, business and worker profile of the CBD.	100,000		100,000

2016-2017 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2016-2017		
			Expenditure \$	Income \$	Net Expenditure \$
Enterprise Geelong	Geelong Small Business Festival 2016/17	Enterprise Geelong have managed the most successful Regional Small Business Festival in the State of Victoria for the past 5 years. The Festival is part of the strategy to engage business with doing business locally and to promote business sustainability through enhancing the skills of business owners and operators. The month of August features over 40 events attended by approximately 2,300 people and promotes Geelong as a great place to succeed in business.	40,000	25,000	15,000
Enterprise Geelong	2016-2021 ED Strategy Implementation	The 2016-2021 Economic Development Strategy Implementation Plan will require resourcing. Five Strategic Themes to deliver the Vision have been identified. i. A supportive environment for trade, investment and business. ii. Global hub for Innovation and Learning iii. Infrastructure for productivity and growth iv. A vibrant City and destination of choice v. Leadership, Partnerships and Implementation The actions in each of the above areas will require scoping or to be enacted as a first year.	150,000		150,000
Enterprise Geelong	SME Sector Business Development	Geelong has approximately 16,500 businesses with over 95% of these being small to medium sized enterprises with less than 50 staff. Enterprise Geelong has worked collaboratively with the State and Federal Governments and Key Stake Holders to leverage our program funds to deliver programs that support business development and growth. With Council contribution of \$15K Enterprise Geelong can utilise our well established networks and the credibility of excellence of program delivery.	15,000		15,000
Enterprise Geelong	Digital Implementation Plan - Business	The Council adopted Digital Implementation Plan (DIP) details a schedule of activity to be undertaken over a 3 years period to support digital inclusion across business, community and government. This activity is to deliver on scheduled item 23 of the DIP, Digital Jobs for All and to provide financial support for Council to make a year 2 application to the ICF Smart Community awards. Item 23 is a partnership project, with the State Government expressing a readiness to support the project finances.	65,000	30,000	35,000
Enterprise Geelong	Strategic Sector Development	Geelong has significant strengths across many sectors with substantial opportunity for site re-purposing. This requires collaboration across all levels of government and strategic work that can articulate the benefits to other tiers of government of investing in these assets. Particularly projects that require support and direction from local government for the long term benefit of our community are Marry Basin - directly relevant to the long term future and opportunity for the Geelong port.	30,000		30,000
Events Central Geelong and Waterfront	Australian International Airshow - CoGG Corporate Activity	To deliver the City's presence at the Airshow in the Exhibitor Business Units (Chalet). The Airshow is Geelong's largest major event.	60,000		60,000

2016-2017 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2016-2017		
			Expenditure \$	Income \$	Net Expenditure \$
Events Central Geelong and Waterfront	Cadel Evans Great Ocean Road Race	Third year of Host City sponsorship arrangement agreed to by Council on 22 July 2014.	150,000	0	150,000
Events Central Geelong and Waterfront	Christmas In Geelong - Operations at Activity Launches	Public Safety and Operational requirements to safely deliver launches of the various Christmas in Geelong activities including Floating Christmas Tree, Myer Windows, Projections and Christmas Eve.	50,000		50,000
Events Central Geelong and Waterfront	Gala Day Twilight Parade - CoGG Corporate Activity	It is proposed that the City of Greater Geelong have an enhanced presence in the Gala Day 100th Celebrations by acknowledging the Centenary of Gala with commemorative banners. It is also proposed that CoGG would have a float/presence in the Parade.	15,000		15,000
Events Central Geelong and Waterfront	Eastern Beach Seabed Hazard Removal	Swimming hazards like sea urchins and litter are hidden in seagrass within the swimming enclosure. Test seagrass removal during recent dredging proved successful in reducing the hazard. This project is to remove more seagrass.	95,000		95,000
Tourism Greater Geelong and The Bellarine	'Buckleys Way' Touring Route	This submission has come from the Drysdale Clifton Springs Community Association and is consistent with the Tourism Development Plan for Greater Geelong. With excellent views across the Bay to the You Yangs and Melbourne, the proposed route with enhanced branding and signage should generate additional visitation and become an attraction with significant appeal to the Melbourne short break market. The proposed route commences in Portarlington and follows the bay around to Indented Head and St Leonards.	50,000	20,000	30,000
Investment & Attraction Total			1,157,100	107,500	1,049,600
NON CAPITAL PROJECTS TOTAL			5,501,838	298,961	5,202,877

DISBURSEMENTS DETAIL

Division	Cost Centre Description	Job Description	2016-2017 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 Life	Community Development	Community Grants Program	240,000	Funds available for community grants.
Community Life	Community Development	Neighbourhood Houses	169,000	Neighbourhood Houses grants (13 @ \$12,500 plus 1 @ 6,500).
Community Life	Development Officer Aged & Disability Services	Senior Citizens Week	20,000	Seeding grants for community organisations who wish to run programs for Senior Citizens Week.
Investment & Attraction	Arts & Culture	Community Arts & Festivals Grant Program	220,000	Grants to community festivals and seeding grants for groups or programs related to Arts.
Investment & Attraction	Enterprise Geelong	Economic Development (Industrial Invest Support)	25,000	Incentive grants to support investment attraction.
Grants Sub Total			750,674	
Donations				
Community Life	Community Development	Life Education Van	8,000	Contribution to operating costs.
Community Life	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	2016-2017 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 Life	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 Life	Community Development	Christmas Carols - Northern Suburbs	10,000	Funding for Christmas Carols.
Community Life	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.
Community Life	Community Development	Neighbourhood Watch	3,000	Council contribution.
Community Life	Sport & Recreation	GCA Agreement	248,595	As per Council report 28/6/11 - allocation will be \$216,125 p.a. plus CPI for a five year term (2016-2017 will be \$242,532 plus \$6,063).
Community Life	Sport & Recreation	Park Stewardship Funds	10,000	Council commitment to groups to develop parks (including Hoffman Walk).
Community Life	Sport & Recreation	Surf Life Saving Grants	42,421	Commitment to professional life guards at Ocean Grove, Barwon Heads and Bancoorra (\$1,035 increase) .
Community Life	Sport & Recreation	Barwon Sports Academy	55,000	Council contribution - \$45K cash and \$10K in kind (office accommodation etc.).
Community Life	Sport & Recreation	Eastern Park Bowls Club	5,000	Co-contribution to assist the Eastern Park Bowls Club with the development of a toilet facility.
Community Life	Sport & Recreation	Simonds Stadium Stage 4 Development	6,000,000	Contribution to Stage 4 Development at Simonds Stadium.
Investment & Attraction	Arts & Culture	Geelong Art Gallery	1,213,000	Triennial agreement adopted in 2016-2017.
Investment & Attraction	Arts & Culture	Geelong Maritime Museum	8,000	Continuation of funding.
Investment & Attraction	Arts & Culture	Courthouse Youth Arts	249,965	Continuation of funding (\$6,097 increase).
Investment & Attraction	Arts & Culture	Courthouse Back to Back	8,228	Continuation of funding (\$201 increase).
Investment & Attraction	Geelong Major Events	Australian International Airshow 2016-2017	400,000	Sponsorship of the Australian International Airshow.

DISBURSEMENTS DETAIL

Division	Cost Centre Description	Job Description	2016-2017 Budget \$	Comments
Investment & Attraction	Geelong Major Events	Geelong Regional Christmas Carols event	40,000	Sponsorship.
Investment & Attraction	Geelong Major Events	Carols by Candlelight	19,000	Contribution to Carols by Candlelight.
Investment & Attraction	Geelong Major Events	Geelong Show	10,000	Contribution to the Geelong Show.
Investment & Attraction	Geelong Major Events	Geelong Gala Day	60,000	Contribution to Geelong Gala Day.
Investment & Attraction	Geelong Major Events	Geelong (Thoroughbred) Racing Club	16,000	Sponsorship.
Investment & Attraction	Geelong Major Events	Anzac Day Commemorations	10,000	Contribution to assist local RSL's in the costs associated with their Anzac Day commemorations.
Investment & Attraction	Geelong Major Events	Australia Day Committee	35,000	Contribution for Australia Day Committee.
Investment & Attraction	Geelong Major Events	Events Funding	1,230,000	Funding for the attraction of major events to Geelong.
Strategy & Performance	GM Strategy & Performance Admin	G21 Contribution	463,390	Contribution to G21 Regional Organisation (as per Memorandum of Understanding).
Contributions Sub Total			10,275,399	
Sponsorship				
Investment & Attraction	Enterprise Geelong	Economic Development GBE Sponsorship	10,000	Geelong Business Excellence Awards sponsorship.
Community Life	Youth Services	Youth Administration - Young Achievers Program	5,000	Young Achievers business development program for young people.
Community Life	Sport & Recreation	Recreation Sponsorships	6,000	Support for Bizsport and locally held State and National Championships.
Sponsorship Sub Total			21,000	
Grand Total			11,075,073	

2016-2017 FEES & CHARGES MAJOR PRICE CHANGES

Description	Charge 2015-2016 \$ per unit	Charge 2016-2017 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
City Services					
Fire Prevention					
Fire Prevention Penalty Notice	1,477.00	1,577.00	100.00	6.8%	Fees set by State Government, penalties have increased as per the CFA Act.
Geelong Saleyards					
Sheep/Lamb Sale	0.95	1.00	0.05	5.3%	Increase of 0.05 cents.
S/Yards Beef/Stores/Dairy Cattle	9.90	10.20	0.30	3.0%	
Saleyards Market Fees (For Yards)	118.00	121.25	3.25	2.8%	
Subdivisions					
Subdivision Building Site Access Permit	125.00	130.00	5.00	4.0%	
Subdivision Property Information Fees	80.00	85.00	5.00	6.3%	Partly legislated with building regulations, fee has been increased by CPI and then rounded to the nearest \$5.
Subdivision Road Opening Permit	125.00	130.00	5.00	4.0%	
Reinstatements					
Up to 10m ² Deep Strength Asphalt	254.90	263.90	9.00	3.5%	
Up to 10m ² Asphalt Path	145.70	150.80	5.10	3.5%	
Up to 10m ² Concrete Path - 75mm	169.40	175.40	6.00	3.5%	
Up to 10m ² Concrete Kerb	179.60	185.90	6.30	3.5%	
Up to 10m ² Segmental Block Pavers	173.40	179.50	6.10	3.5%	
Transfer Stations					
Car Boot	20.50	21.00	0.50	2.4%	Overall increase of 2.4% which includes an estimated EPA Levy increase.
Utilities, Vans, Single Axle trailers	41.00	41.50	0.50	1.2%	Overall increase of 1.2% which includes an estimated EPA Levy increase.
Single axle trailers (heaped) min	53.00	54.00	1.00	1.9%	Overall increase of 1.9% which includes an estimated EPA Levy increase.
Tandem Trailers (waterline)	53.00	54.00	1.00	1.9%	Overall increase of 1.9% which includes an estimated EPA Levy increase.
Tandem Trailers (heaped) min	106.00	108.00	2.00	1.9%	Overall increase of 1.9% which includes an estimated EPA Levy increase.
Tandem Caged Trailer	170.00	173.00	3.00	1.8%	Overall increase of 1.8% which includes an estimated EPA Levy increase.
Waste Disposal					
Poultry	179.40	182.30	2.90	1.62%	
Animal Carcass (single)	45.80	46.50	0.70	1.53%	

Description	Charge 2015-2016 \$ per unit	Charge 2016-2017 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
Industrial Waste	134.90	137.10	2.20	1.63%	
Seaweed	114.30	116.10	1.80	1.57%	
Mattresses	22.00	22.50	0.50	2.27%	
Fish Waste	179.40	182.30	2.90	1.62%	
Green Waste (clean)	122.30	124.30	2.00	1.64%	
Tyres	10.00	10.00	0.00	0.00%	Recycled - No EPA levy applicable.
Green waste service ext Councils	0.00	124.25	124.25	0.00%	New Fee in 2016-2017.
Strategy and Performance					
Revenue					
Debt Collection - Field Call	55.00	55.00	0.00	0.0%	No change in fee in last 2 financial years.
Debt Collection - Listing Fee	11.00	11.00	0.00	0.0%	No change in fee in last 2 financial years.
Property & Valuations Rate Search over 7 years	50.00	65.00	15.00	30.0%	Fee hasn't been increased for 2 years. Proposed fee increase ensures cost recovery for provision of this service to property owners.
Renumbering Charge to Subdividers	70.00	75.00	5.00	7.1%	
Planning & Development					
Building Services					
2303 - Build - Regd Build - Garage/Carport/Shed/Verandah/Pergola >20m2 - \$10K - \$20K	0.00	685.00	685.00	0.0%	Change in fee structure - new fee for 2016-2017.
2304 - Build - Own Build - Garage/Carport/Shed/Verandah/Pergola >20m2 - \$10K - \$20K	0.00	785.00	785.00	0.0%	Change in fee structure - new fee for 2016-2017.
2305 - Build - Regd Build - Garage/Carport/Shed/Verandah/Pergola >20m2 - >\$30K-\$40K	0.00	785.00	785.00	0.0%	Change in fee structure - new fee for 2016-2017.
2306 - Build - Own Build - Garage/Carport/Shed/Verandah/Pergola >20m2 >\$30K - \$40K	0.00	950.00	950.00	0.0%	Change in fee structure - new fee for 2016-2017.
2307 - Build - Own Build - Garage/Carport/Shed/Verandah/Pergola >20m2 >\$40K - \$50K	0.00	1,050.00	1,050.00	0.0%	Change in fee structure - new fee for 2016-2017.
2308 - Build - Regd Build - Garage/Carport/Shed/Verandah/Pergola >20m2 - >\$40K - \$50K	0.00	850.00	850.00	0.0%	Change in fee structure - new fee for 2016-2017.

Description	Charge 2015-2016 \$ per unit	Charge 2016-2017 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
1624 - Build Permit - Regd Build - Masts/Antennas, Retaining Walls - Up to \$10,000	0.00	615.00	615.00	0.0%	Change in fee structure - new fee for 2016-2017.
1693 - Build - Stat - Siting Approval Only (Temporary Structures)	300.00	350.00	50.00	16.7%	Change in fee reflects the amount of building surveying & inspection time and cost when processing these permits.
1691 - Build - Stat -Occupancy Permit - Places of Public Entertainment/Temp Structure - 1st 3hrs	500.00	600.00	100.00	20.0%	Change in fee reflects the amount of building surveying & inspection time and cost when processing these permits.
Local Laws & Traffic					
Street Parking Fees per hour	2.60	2.70	0.10	3.8%	Fee increases only possible in increments of 10 cents.
Reserve Car Park Space - metered	40.70	41.80	1.10	2.7%	
Reserve Car Park Space - unmetered	21.85	22.45	0.60	2.7%	
Busport reserved space	2,189.40	2,248.80	59.40	2.7%	
Busport unreserved permit	1,623.60	1,668.00	44.40	2.7%	
Civic centre car park reserved space	2,189.40	2,248.80	59.40	2.7%	
Civic centre car park unreserved permit	1,623.60	1,668.00	44.40	2.7%	
Civic centre casual parking	2.60	2.70	0.10	3.8%	
Wesley car parking permits	1,349.90	1,386.60	36.70	2.7%	
Wesley casual Parking	2.50	2.70	0.20	8.0%	Fee was listed incorrect in 2015-2016 - fee is actually \$2.60, only 3.8% actual increase.
Haymarket month permit	1,331.50	1,367.40	35.90	2.7%	
Haymarket day parking	9.20	9.50	0.30	3.3%	
Animal Registrations					
Dog Registration - Full	170.70	175.40	4.70	2.8%	
Dog over 10 years old	56.90	58.40	1.50	2.6%	
Dangerous Dog (Guard Dog)	170.70	175.40	4.70	2.8%	As per the Domestic Animals Act - this fee must align with the fee for a Full Dog.
Dog Breeder	56.90	58.40	1.50	2.6%	
Dog Working Dog	56.90	58.40	1.50	2.6%	
Dog Member Canine Association	56.90	58.40	1.50	2.6%	
Dog Obedience Trained	56.90	58.40	1.50	2.6%	
Dog Microchipped (registrations after 2014)	170.70	175.40	4.70	2.8%	Laws changed in 2014 - the only registrations to attract a discounted fee are desexed animals - applicable for new registrations only.
Dog Desexed	50.75	52.10	1.35	2.7%	
Dog Desexed and Microchipped	39.00	40.00	1.00	2.6%	

Description	Charge 2015-2016 \$ per unit	Charge 2016-2017 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
Dog Pensioner Desexed	25.35	26.05	0.70	2.8%	
Dog Pensioner Microchipped (registrations after 2014)	85.35	87.70	2.35	2.8%	Laws changed in 2014 - the only registrations to attract a discounted fee are desexed animals - applicable for new registrations only.
Dog Pensioner Microchipped and Desexed	19.50	20.00	0.50	2.6%	
Dog Pensioner Fee - Full	85.35	87.70	2.35	2.8%	
Cat Registration - Full	130.70	134.30	3.60	2.8%	
Cat Desexed	43.60	44.80	1.20	2.8%	
Cat Pensioner Desexed	21.80	22.40	0.60	2.8%	
Cat Desexed and Microchipped	27.70	28.40	0.70	2.5%	
Cat Pensioner Microchipped and Desexed	13.85	14.20	0.35	2.5%	
Cat Microchipped	49.70	51.00	1.30	2.6%	
Microchip Sales	17.40	17.85	0.45	2.6%	
Food and Health Act					
Food Vending Machines	12.00	13.00	1.00	8.3%	
Food Act - Fast Track Inspection Fee	87.00	89.00	2.00	2.3%	
Food Premises Rating (D) Performance Fee	245.00	270.00	25.00	10.2%	Fee increase reflects cost of additional visits to ensure compliance. The fee increase avoids the fee for higher rated premises (A,B,C) subsidising the visits to lower rating premises (D).
Additional Registration fee - off site trading	58.00	60.00	2.00	3.4%	
Busking (month)	17.50	18.00	0.50	2.9%	
Health Licence Premises - Performance Fee - DEF	62.00	64.00	2.00	3.2%	
Additional registration fee-offsite trading	58.00	60.00	2.00	3.4%	
Health Personal Treatment Est Regist	205.00	297.00	92.00	44.9%	Change in legislation to be implemented in 2017 means that hairdressers will no longer have to pay an annual fee, it will be a lifetime fee. Fee has been reassessed to ensure cost recovery and the fee is in line with other beauty premise fees.
Community Life					
Integrated Children Centres					
Kinder - 4 Year Old Parent Fees	329.00	329.00	0.00	0.0%	Substantial increase in 2015-2016, therefore no increase in 2016-2017. (Fees are no longer in line with other Council child care centres).
Kinder - 3 Year Old Parent Fees (Ocean Grove, Barwon Heads)	479.00	475.00	-4.00	-0.8%	

Description	Charge 2015-2016 \$ per unit	Charge 2016-2017 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
Kinder - 3 Year Old Parent Fees (Leopold)	479.00	425.00	-54.00	-11.3%	Proposed Budget reflects current charging for level of service relative to charge set as part of 2015-2016 Budget assumption.
Kinder - 3 Year Old Parent Fees (Grovedale)	370.00	405.00	35.00	9.5%	Proposed Budget reflects current charging for level of service relative to charge set as part of 2015-2016 Budget assumption.
Occasional Care Fee - 4 hours	46.00	47.00	1.00	2.2%	
Occasional Care Fee - 5 hours	53.00	53.00	0.00	0.0%	
School Holiday Program	53.50	55.00	1.50	2.8%	
Child Care					
Ariston Child Care	Weekly \$443 Daily \$94.50 Sessions \$66	Weekly \$470 Daily \$100 Sessions \$69	Weekly \$27 Daily \$5.50 Sessions \$3	Weekly 6.2% Daily 5.8% Sessions 4.5%	Fees set to match State Government Fee Subsidy.
City Learning & Care Belmont, Drysdale	Weekly \$438 Daily \$91 Sessions \$59.50	Weekly \$465 Daily \$97 Sessions \$63	Weekly \$27 Daily \$6 Sessions \$3.50	Weekly 6.2% Daily 6.6% Sessions 5.8%	Fees set to match State Government Fee Subsidy.
City Learning & Care Corio, Trudy Moritz, Whittington	Weekly \$432.50 Daily \$91 Sessions \$59.50	Weekly \$459 Daily \$97 Sessions \$63	Weekly \$26.50 Daily \$6 Sessions \$3.50	Weekly 6.1% Daily 6.6% Sessions 5.8%	Fees set to match State Government Fee Subsidy.
Kindergarten Development Services					
4 Yr Old Kindergarten Fees	329.25	346.50	17.25	5.2%	Fees set to match State Government Fee Subsidy.
Community Child Health					
Community Child Health MGP	29.53	30.27	0.74	2.5%	
Aged Care					
Personal Care	5.30	5.20	(0.10)	-1.9%	2015-2016 rate is actually \$5.20 - therefore no change in 2016-2017. Rate is currently higher than the recommended DHS rate.
Personal Care - Hardship Fee	2.60	2.60	0.00	0.0%	Required by DH for clients experiencing financial hardship.
General Care	5.90	6.00	0.10	1.7%	
General Care - Hardship Fee	2.60	2.60	0.00	0.0%	Required by DH for clients experiencing financial hardship.

Description	Charge 2015-2016 \$ per unit	Charge 2016-2017 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
Respite Care	3.55	3.50	(0.05)	-1.4%	2015-2016 rate is \$3.50, therefore no change in 2016-2017. Rate is currently higher than the recommended DHS rate.
Meal Charges to Clients	9.00	9.00	0.00	0.0%	
Meal Charges to Agencies	18.67	20.54	1.87	10.0%	Fees were not increased in 2015-2016.
Food Services - Hardship Fee	3.60	3.60	0.00	0.0%	Required by DH for clients experiencing financial hardship.
Food Services - National Disability Insurance Fee	13.00	0.00	(13.00)	-100.0%	Fee not required for 2016-2017.
Home Maintenance	12.00	12.30	0.30	2.5%	
Community Aged Care Packages	37.50	42.00	4.50	12.0%	Proposed fee increase is 5% based on Actual fee charged in 2015-2016 \$40 with 2014-2015 fee \$37.50. Fee is set by the Home Care Packages Barwon Alliance.
Income Tested Fee for Home Care Packages Program	27.32	30.00	2.68	9.8%	Based on a means test by the Govt - has to be a zero bottom line with income and expenditure.
Disability Australia - Support Coordination	0.00	90.49	90.49	0.0%	New Fee in 2016-2017.
Community Development					
Mt. Duneed VIP Hourly Rate	14.50	14.00	(0.50)	-3.4%	Overpriced in 2015-2016.
Centenary Hall Main Hall Weekday Casual Hire 6 hrs	630.00	333.00	(297.00)	-47.1%	Overpriced in 2015-2016.
Centenary Hall Supper Room Weekday Casual Hire 8 hrs+	297.00	368.00	71.00	23.9%	Rate too low in 2015-2016.
Cobbin Farm Whole Venue Weekday Casual Hire 6 hrs	431.00	507.00	76.00	17.6%	Rate too low in 2015-2016.
GW Town Hall Supper Room Weekday 2 hrs	92.00	100.00	8.00	8.7%	
Bond (high risk)	500.00	1,000.00	500.00	100.0%	Increased due to a new medium risk category being created at \$500.
12 Seater Community Bus Hire - per 4 hours	34.00	0.00	(34.00)	-100.0%	Fee to be changed to a hourly rate (min 4 hours).
12 Seater Community Bus Hire - per 8 hours	68.00	0.00	(68.00)	-100.0%	Fee to be changed to a hourly rate (min 4 hours).
12 Seater Community Bus Hire - per 12 hours	102.00	0.00	(102.00)	-100.0%	Fee to be changed to a hourly rate (min 4 hours).
12 Seater Community Bus Hire - per hr (min 4 hrs)	0.00	9.00	9.00	0.0%	New hourly rate fee.
km rate over 400 kms	0.65	0.70	0.05	7.7%	Increase of 0.05 cents.
Youth Services					
Ramp Delivery	10.00	10.00	0.00	0.0%	
Ramp Hire	165.00	165.00	0.00	0.0%	
Instructors	33.00	33.00	0.00	0.0%	

Description	Charge 2015-2016 \$ per unit	Charge 2016-2017 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
Swim, Sport & Leisure					
Waterworld, Splashdown, Leisurelink, BASC					
Monthly membership	85.00	88.00	3.00	3.5%	
3 months membership	445.00	445.00	0.00	0.0%	Hold fee for 2016-2017.
12 months membership	1,020.00	1,056.00	36.00	3.5%	12 x direct debit monthly fee - no joining fee incentive for upfront payment.
Family monthly debit	120.00	125.00	5.00	4.2%	
Family 3 months	775.00	775.00	0.00	0.0%	
Family 12 months	1,440.00	1,500.00	60.00	4.2%	12 x direct debit monthly fee - no joining fee incentive for upfront payment.
Corporate Adult Monthly Membership	76.00	79.00	3.00	3.9%	
Corporate Adult 12 mths	912.00	948.00	36.00	3.9%	12 x direct debit monthly fee - no joining fee incentive for upfront payment.
Corporate Adult Renew 12 mths	800.00	800.00	0.00	0.0%	Hold fee for 2016-2017.
Corporate Family 12 month	1,344.00	1,344.00	0.00	0.0%	Hold fee for 2016-2017.
Corporate Family 12 month renew	1,130.00	1,130.00	0.00	0.0%	Hold fee for 2016-2017.
Active Adults membership 3 months	132.00	141.00	9.00	6.8%	
Gym Adult	16.00	16.00	0.00	0.0%	Hold fee for 2016-2017.
Gym Concession	13.00	12.80	(0.20)	-1.5%	20% discount on the Gym adult fee.
Gym Adult x 10 visits	144.00	144.00	0.00	0.0%	Buy 9, get 1 free.
Swimming Adult	6.00	6.00	0.00	0.0%	Hold fee for 2016-2017.
Swimming Concession	4.20	4.40	0.20	4.8%	
School Swimming	3.50	3.50	0.00	0.0%	Hold fee for 2016-2017.
Learn to Swim	13.20	14.00	0.80	6.1%	
Casual 25m Lane Hire	34.00	35.00	1.00	2.9%	
Club 25m Lane Hire	11.00	12.00	1.00	9.1%	
Webstar Learn to Swim	23.10	24.50	1.40	6.1%	
Webstar Private Lesson	80.50	84.90	4.40	5.5%	
Creche - 3 hr occasional care	24.00	25.00	1.00	4.2%	
Kardinia / Lara Pool					
Kardinia Pool 50m Lane Hire (per hr) + entry fee	35.00	36.00	1.00	2.9%	
Season ticket (adult)	286.00	297.00	11.00	3.8%	
Season ticket (concession)	202.00	210.00	8.00	4.0%	
Season ticket (family)	558.00	580.00	22.00	3.9%	
Golf					
Queens Park Adult Green Fee	22.00	28.00	6.00	27.3%	Fee increase relative to cost of service.

Description	Charge 2015-2016 \$ per unit	Charge 2016-2017 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
Queens Park Memberships Adult 12mths	505.00	525.00	20.00	4.0%	
Queens Park Memberships Pensioner 12mths	398.00	414.00	16.00	4.0%	
Queens Park Student Green Fee	14.00	14.50	0.50	3.6%	
Elcho Adult Green Fee	21.00	28.00	7.00	33.3%	Fee increase relative to cost of service.
Elcho Park Memberships Adult 12mths	445.00	463.00	18.00	4.0%	
Elcho Park Memberships Pensioner 12mths	353.00	367.00	14.00	4.0%	
Elcho Park Student Green Fees	13.00	14.00	1.00	7.7%	
Balyang Adult Membership	322.00	335.00	13.00	4.0%	
Balyang Adult Green Fee	12.00	15.00	3.00	25.0%	Fee increase to improve service cost recovery.
Balyang Concession Adult Green Fee	10.60	11.00	0.40	3.8%	
Arena					
Function Room - Community Rate	220.00	225.00	5.00	2.3%	
Function Room - Private/Commercial Rate	360.00	370.00	10.00	2.8%	
Annex Hire - Community Group	3,600.00	3,720.00	120.00	3.3%	
Annex Hire - Commercial use - per day	6,000.00	6,200.00	200.00	3.3%	
Auditorium Hire - Community Group per day	2,640.00	2,730.00	90.00	3.4%	
Auditorium Hire - Commercial use per day	4,400.00	4,550.00	150.00	3.4%	
Auditorium Hire - Promoter Rate (concerts only)	5,700.00	5,685.00	(15.00)	-0.3%	
Board Room/Meeting Room Private/Commercial per day - including projector	120.00	160.00	40.00	33.3%	Fee is now calculated as room hire plus the projector to recover costs associated with breakdown of projector.
Auditorium Hire - Basketball court per hour	77.50	80.00	2.50	3.2%	
Auditorium Hire - Basketball court per hour community rate	46.50	48.00	1.50	3.2%	
Auditorium Hire - Casual shoot around per person	4.00	4.00	0.00	0.0%	
Corio Leisure Time Centre					
Futsal Stars Development & Transition (per player)	9.00	9.00	0.00	0.0%	
Meeting Room - Seasonal users before 5pm	20.00	20.60	0.60	3.0%	
Basketball Casual User Shoot Around	4.00	4.00	0.00	0.0%	
Squash Casual before 5pm	16.00	10.00	(6.00)	(37.5%)	Rates reduced to encourage more participation and improve the utilisation of the courts.
Squash After 5pm	19.00	17.00	(2.00)	(10.5%)	Rates reduced to encourage more participation and improve the utilisation of the courts.
BVAC					
Basketball Casual User Shoot Around	4.00	4.00	0.00	0.0%	
Badminton	7.50	7.50	0.00	0.0%	
Badminton Casual User	14.40	14.90	0.50	3.5%	

Description	Charge 2015-2016 \$ per unit	Charge 2016-2017 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
Sunday Market Outdoor Stall	18.00	17.00	(1.00)	-5.6%	
Sunday Market Storage	10.00	12.00	2.00	20.0%	Fee has not been increased in the last 2 financial years.
BVAC Meeting Room	18.20	20.60	2.40	13.2%	Fee increased to align with the Arena and Leisuretime venue hire charges for consistency.
Investments & Attractions					
National Wool Museum					
NWM General Admission	8.25	9.00	0.75	9.1%	Biennial rate - increase in 2016-2017.
NWM General Admission Child	4.50	5.00	0.50	11.1%	Biennial rate - increase in 2016-2017.
NWM General Admission Family	25.00	30.00	5.00	20.0%	Biennial rate - increase in 2016-2017.
NWM General Admission School	4.25	4.50	0.25	5.9%	Biennial rate - increase in 2016-2017.
NWM Membership Adult	30.00	35.00	5.00	16.7%	Biennial rate - increase in 2016-2017.
NWM Membership Family	50.00	60.00	10.00	20.0%	Biennial rate - increase in 2016-2017.
Commercial Kitchen rental - day rate	400.00	450.00	50.00	12.5%	Biennial rate - increase in 2016-2017.
Security & Out of Hours Costs - Museum Staff 5pm-9am Hourly Rate	75.00	80.00	5.00	6.7%	Biennial rate - increase in 2016-2017.
NWM Strachan Room - Hourly Rate	100.00	200.00	100.00	100.0%	Biennial rate - increase in 2016-2017.
NWM Auction and Multifunction Room - Hourly Rate	110.00	200.00	90.00	81.8%	Biennial rate - increase in 2016-2017.
NWM Gen Admission Pre-School Program	5.50	8.00	2.50	45.5%	Biennial rate - increase in 2016-2017.
Potato Shed					
Facility Hire - Community Rate - All areas daily	860.00	900.00	40.00	4.7%	
Facility Hire - Community Rate - All areas weekly	3,950.00	4,000.00	50.00	1.3%	
Facility Hire - Community Rate - All areas weekend	1,750.00	1,800.00	50.00	2.9%	
Facility Hire - Community Rate - Auditorium weekend	370.00	400.00	30.00	8.1%	Rates have been increased to cover costs and to match other similar venue hire rates.
Facility Hire - Community Rate - Multipurpose	35.00	25.00	(10.00)	-28.6%	Incorrectly priced in 2015-2016.
Facility Hire - Corporate Rate - All areas daily	2,100.00	2,250.00	150.00	7.1%	Rates have been increased to cover costs and to match other similar venue hire rates.
Facility Hire - Corporate Rate - All areas weekly	7,750.00	8,000.00	250.00	3.2%	
Facility Hire - Corporate Rate - Foyer	70.00	80.00	10.00	14.3%	Rates have been increased to cover costs and to match other similar venue hire rates.
Facility Hire - Corporate Rate - Studio	60.00	70.00	10.00	16.7%	Rates have been increased to cover costs and to match other similar venue hire rates.
Facility Hire - Corporate Rate - Multipurpose	60.00	70.00	10.00	16.7%	Rates have been increased to cover costs and to match other similar venue hire rates.

Description	Charge 2015-2016 \$ per unit	Charge 2016-2017 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
Set up Room	55.00	65.00	10.00	18.2%	Rates have been increased to cover costs and to match other similar venue hire rates.
Weekend Surcharge Clean	60.00	70.00	10.00	16.7%	Rates have been increased to cover costs and to match other similar venue hire rates.
Carousel					
Wedding - Ceremony 1 hour	400.00	420.00	20.00	5.0%	
Private Booking 2-4 hours	1,130.00	1,180.00	50.00	4.4%	
Admission - Child	4.20	4.40	0.20	4.8%	
Admission - Adult	4.70	4.90	0.20	4.3%	
Multiride x 10 ticket	37.00	39.00	2.00	5.4%	
Group Booking 10 - 19	3.70	3.90	0.20	5.4%	
Group Booking 20 - 49	3.60	3.80	0.20	5.6%	
Group Booking 50 plus	3.40	3.60	0.20	5.9%	

KEY STRATEGIC ACTIVITIES

The Annual Budget converts the activities and initiatives identified in the plan into financial terms

1. COMMUNITY WELLBEING

	2016-2017 Gross Expenditure \$
Annual City Plan Actions 2016-2017	
Priority: Healthy lifestyles	
Learn to Swim program	2,322,811
Stronger Families	111,567
Gender Equality and the Prevention of Violence Against Women and Children	70,000
Municipal Early Year's Plan 2018-2021	50,000
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 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	
Hendy Street Reserve (Flinders Peak) sports field and change room redevelopment	600,000
Leopold Recreation Reserve Upgrade	500,000
Capital Renewal of civil assets in parks across the municipality	255,000
Ground Renovation Program - core program	219,000
Aldershot Reserve - public safety and amenity improvements	100,000
Drew Reserve Masterplan	35,000
Corio Community Reserve - open space improvements	24,700
Leopold Recreation Reserve - entry relocation	20,000
Elderslie Reserve - carpark upgrade (design)	15,000
WG Little Reserve - Master Plan	10,000
Recreation Facility Upgrades	
Contribution to Stage 4 Development at Simonds Stadium	6,000,000
Drysdale and Clifton Spring Sports Precinct - Stage 1 Development	3,926,000
Renewal work on Council owned buildings	1,525,000
Anakie Football and Netball Club - facility redevelopment	577,000
St Helens Emergency and Recreational Facilities Upgrade	150,000
Geelong Soccer Club social and change room upgrade	100,000
North Geelong Football Club - changeroom redevelopment	100,000
Polwarth Pavilion and West Oval Redevelopment - planning	100,000
Community and Recreation Carparks	100,000
Eastern Beach Sea Bed - hazard removal	95,000
Waurm Ponds Skate Park - half pipe redevelopment	85,000
Stead Park - fitness station development	80,000
Ocean Grove Tennis Club - kitchen upgrade	70,000
East Geelong Golf Club - changeroom upgrades	69,000
G21 Regional Netball Strategy	65,000
Grovedale Tennis Club - redevelopment	54,000
Eastern Beach Heritage Fencing Replacement	45,000
Portarlinton Tennis Club - sports lighting	40,000
Eastern Beach Fountain - steps	38,000
St Albans Reserve - electronic scoreboard	30,000
Skate Park	30,000
Barwon River Trail Rectification	18,500
Landy Field Athletics Facility - infield fencing	15,000
Kevin Kirby Reserve - basketball half court installation	15,000
Swim Sport and Leisure Centre Upgrades	
Gymnasium equipment core replacement program	660,000
Splashdown Aquatic Play Activity Area	350,000
Leisurelink 50 metre pool liner replacement	325,000
Geelong Arena - programmed maintenance	130,491

Aquatic Play Equipment - core maintenance and upgrade program	120,000
Leisuretime Synthetic Non aligned multi use pitch	100,000
Concrete core replacement program	100,000
Geelong Arena CCTV Upgrade	80,000
Leisuretime CCTV Upgrade	80,000
Waterworld 50 metre pool underwater platform	75,000
BVAC CCTV Upgrade	30,000
Toilet blocks and amenities	
Toilet block renewal/replacement program	256,000
Bike paths and facilities	
Greater Geelong Cycle Strategy implementation	202,500
Cycling Infrastructure Program	200,000
Footpaths	
Footpath renewal program	2,944,000
Hitchcock Ave Barwon Heads - footpath extension	150,000
Ocean Grove Principal Pedestrian Network Infrastructure Design	95,000
Playgrounds	
Playground development Program Implementation - core program	538,000
Gateway Sanctuary - sub regional playground development	250,000
St Leonard's Playground	32,000
Annual update and implementation of Municipal Emergency Management Plan	Funded as part of recurrent budget
Annual update and implementation of Municipal Fire Prevention Plan	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
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
Implement activities and facilitate partnerships to promote responsible pet ownership and community safety	Funded as part of recurrent budget
Priority: Connected, creative and strong communities	
Community Hubs	
Leopold Community Hub - stage 2	3,750,000
Highton Early Learning Centre	2,500,000
Hendy St Child and Family Centre	2,300,000
Drysdale Integrated Children's Hub	500,000
Youth activities, programs and events	1,342,031
including Skaart Festival, Park Fest (Lara Youth Festival), skate program, National Youth Week, Geelong Adolescent Sexuality Project (GASP), L2P Learner Driver program, Engage it up (Whittington Youth Activities), Youth activity services, Fort Youth Centre, Youth action teams, Switch quarterly magazine, multicultural youth development, Geelong Youth Awards, Youthcan Van	
Children's Services Upgrades	
Children's Services Facilities Upgrades	405,000
Community Facility Upgrades	
Disability Access	328,000
Community Halls Upgrade	219,000
Early years sites playground renewal and upgrade program	100,000
Seniors Kitchen Upgrades	100,000
Geelong East Men's Shed - resource facility	76,000
Portarlington Rotunda stairwell	55,000
Portarlington Parks Hall	17,000
Armstrong Creek	
Armstrong Creek East Precinct - Neighbourhood Activity Centre Community Complex - Stage 1 construction	9,000,000
Neighbourhood Houses	
Springdale Neighbourhood Centre - kitchen upgrade	80,000
Rosewall Community Hub	1,150,000
Cloverdale Community Centre - detailed design	200,000
Arts, Culture and Heritage	
Funds available for community grants	240,000
Community Arts and Festivals Grant Program	220,000

Fyansford Land Acquisition for community infrastructure	100,000
Linking Learning Program 0-12 Years - Eastern Suburbs	80,000
Aboriginal Traineeships	75,000
Multicultural Action Plan Implementation	50,000
Bronze Stories	20,000
Senior Citizens Week	20,000
Women in Life Advisory Committee - support	20,000
Digital Implementation Plan Community 'National Year Digital Inclusion 2016'	20,000

2. GROWING OUR ECONOMY

Support existing businesses and encourage new and emerging growth sectors

McLeod Street Improved Access to Port of Geelong	150,000
Digital Implementation Plan - Business	65,000
Geelong Small Business Festival 2016-2017	40,000

Facilitate major infrastructure and investment to enable economic growth

Elcho Channel SRC Scheme	4,200,000
Armstrong Creek Town Centre - Community Facility Site	1,100,000
Armstrong Creek Urban Growth Area - Implementation (9th Year)	350,000
Managing Future Growth	300,000
Western Beach Boat Yard Environment Reclamation	150,000
2016 - 2021 Economic Development Strategy Implementation	150,000
Activity Centres Urban Design Frameworks Program	100,000
Structure Planning	50,000
Land Supply Monitoring Program	25,000

A prosperous and innovative Geelong

Smart City Pilot Program	470,000
GovHack 2016	15,000

Digital Geelong

Digital Geelong - Skill Development Upstart	15,000
Digital Geelong - Consulting	15,000
Digital Geelong - Memberships	15,000
Digital Geelong - Promotion and Investigation	8,000

A successful and vibrant city centre

Central Geelong Action Plan (CGAP)

Central Geelong Advancement Fund	3,000,000
Malop St Greenspine Stage 2	500,000
Fenwick St - Little Malop St to Station	200,000
Utility Services Upgrades	100,000
Little Malop St Central Precinct Masterplan and Urban Design Guidelines	100,000
VicClue 2016 - Central Geelong Growth Benchmarking Data	100,000
Central Geelong Revitalisation Investment and Advocacy package	25,000
Central Geelong Action Plan - Conversation Series	10,000
Central Geelong Public Space Activation	50,000

Greater Geelong is a leading city for tourism, arts, culture and events

Geelong Major Events Funding	1,230,000
Geelong Art Gallery	1,213,000
Australian International Airshow - 2016-2017	400,000
Cadel Evans Great Ocean Road Race	150,000
Catenary lighting Christmas Star installation	65,000
Australian International Airshow - COGG Corporate Activity	60,000
Digital Implementation Plan - Community Growing Great Ideas - Grovedale	50,000
Potato Shed Facility Renewal	45,706
Christmas Projection Programming	30,000
Peninsula Park and Ride	12,000
Implementation of the Public Arts Strategy	Funded as part of recurrent budget

3. SUSTAINABLE BUILT AND NATURAL ENVIRONMENT

Enhance and protect natural areas and ecosystem health

Council Environmental Reserves Maintenance and Improvement Works	414,000
Ramblers Road Foreshore Shellfish Reef	200,000
Tree planting and establishment	200,000
Friends of Buckleys Falls	30,000
Ecological Sustainable Design (ESD) Policy	25,000

Support our community to live sustainably

Future Proofing Geelong - ongoing 2016-2017	380,000
Hard Waste Initiatives 2016-2017	150,000
Sustainable Visitor Facilities Geelong Botanic Garden	70,000
Resource Recovery Centre Strategic Study	40,000
Hard Waste and HACCC Support Program	40,000

Advocate for and promote sustainable design and development

Waste Management Strategy	40,000
Implement and Promote Actions within Council's Sustainable Building's 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

Drysdale Landfill Cell 5 Construction	3,600,000
Greenwaste Site Establishment	1,750,000
Drysdale Landfill Stormwater Diversion	325,000
CAA Flood Mitigation	200,000
Sweeper Tailing Laydown Area - EPA Certification	195,000
Drysdale Landfill leachate management	180,000
Irrigation Water Asset Growth	153,000
Drysdale Evapotranspiration Cap Trial Pad	120,000
Heade Street Landfill Investigative Works	100,000
Drysdale Landfill Sedimentation Control	75,000
Drysdale Quarry to Landfill Investigation	75,000
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

G21 Contribution	463,390
Gender Equity Framework	40,000

Efficient and customer focused organisation

Roads - construction and design including local roads, Federal Roads Program and VicRoads funded works	16,292,440
Drainage Design and Construction Program	3,980,000
Special Rates and Charges to carry out roads, footpaths, kerb and channel and drainage works	2,588,000
Traffic Management - investigation, design and construction	752,000
Bridge Upgrades - major renewal works	425,000
Digital Information and Technology - annual software maintenance uplift	186,276
City Plan 2017-2021 Community Engagement	140,000
Media Monitoring	55,500
City Services Site to Site Video Conferencing Installation	35,000
News Media Analyst and reporting	21,000

Responsible and sustainable financial management

Oracle Financials upgrade	385,000
Valuations Module for 2018 Revaluation and Beyond	52,200
Project Management Framework	50,000
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

Culture Review Action Plans	200,000
Performance Review and Recruitment Project	140,000
Mental Health in the WorkPlace - Beyond Blue National Workplace Program	81,700
People Matter Employment Survey	75,000
Ongoing Review and Communication of CitySafe Procedures	Funded as part of recurrent budget
Implementation of the organisation action plan to improve workplace culture, with the foundation of positive duty	Funded as part of recurrent budget
Creation of employment diversity action group to increase awareness and equity of diversity in the City's workplace	Funded as part of recurrent budget
Monitor employee engagement through the introduction of an annual Employee Opinion Survey	Funded as part of recurrent budget
Development of Leadership Capability Framework, assessment and development for all People Leaders in the organisation	Funded as part of recurrent budget
Ongoing compliance training for the entire workforce in the Prevention of Bullying & Harassment, Fraud Awareness, Equal Employment Opportunity, Positive Duty and Occupational Health & Safety	Funded as part of recurrent budget
Gender Equity Review	Funded as part of recurrent budget
Improved Performance Review and Management through the development of HR systems	Funded as part of recurrent budget
Improved Recruitment and Workforce Management through development of HR systems	Funded as part of recurrent budget
Increased Traineeships across the organisation for disadvantaged and diverse job seekers in the Geelong community	Funded as part of recurrent budget
Introduction of Lost Time Injury reviews to improve workplace safety culture	Funded as part of recurrent budget
Introduction of 'People First' agenda for Executive Team Meeting to review Workplace Culture, Safety and all People related matters in 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	<p>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.</p> <p>Local Government (Planning and Reporting) regulations 2014 - Schedule 3.</p>
Adjusted underlying surplus (or deficit)	<p>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.</p> <p>Local Government (Planning and Reporting) regulations 2014 - Schedule 3.</p>
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	<p>Expenditure that extends the capacity of an existing asset to provide benefits to new users at the same standard as is provided to existing beneficiaries.</p> <p>Local Government (Planning and Reporting) Regulations 2014 - Regulation 5.</p>
Asset renewal	<p>Expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to original capability.</p> <p>Local Government (Planning and Reporting) Regulations 2014 - Regulation 5.</p>
Asset upgrade	<p>Expenditure which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond its original life.</p> <p>Local Government (Planning and Reporting) Regulations 2014 - Regulation 5.</p>
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	<p>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.</p> <p>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.</p>
Budget preparation requirement	Under the Act, a Council is required to prepare and adopt an annual budget by 30 June each
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 2016-2017 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.

Community plan / vision	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.
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.
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 <i>(Rating information)</i>	A statement included in the budget quantifying the amount of the rate change for the forthcoming year and disclosing any significant factors influencing the rate change.
Differential rates	When a Council intends to declare a differential rate (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 statements	Prepared under section(s) 126(2)(a), 127(2)(a) and / or 131(1)(b) of the Act, financial statements are required in the: <ul style="list-style-type: none"> - Strategic Resource Plan. - Budget. - Annual Report. <p>The financial statements are the:</p> <ul style="list-style-type: none"> - Comprehensive Income Statement. - Balance Sheet. - Statement of Changes in Equity. - Statement of Cash Flows. - Statement of Capital Works. <p>The financial statements must be in the form set out in the Local Government Model Financial Report.</p>
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.
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: <ul style="list-style-type: none"> (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	Expenditure that creates a new asset that provides a service that does not currently exist. Local Government (Planning and Reporting) Regulations 2014 - Regulation 5.
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 (<i>impact of current year on 2016-2017 budget</i>)	This statement shows the expected operating result as compared to the budget result in the current year separating operating and capital components of revenue and expenditure.
Operating revenue	Operating revenue is defined as inflows or other enhancements, or savings in outflows of future economic benefits, in the form of increases in assets or reductions in liabilities; and that result in an increase in equity during the reporting period.
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.
Rate cap	The maximum annual rate of increase that councils can apply to their rates revenue, as advised by the Minister for Local Government under Section 185D of the Local Government Act 1989.
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 from 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	<p>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.</p> <p>The budget must also include major initiatives, being initiatives identified by the Council as priorities to be undertaken during the financial year.</p> <p>The services delivered by Council means assistance, support, advice and other actions undertaken by a council for the benefit of the local community.</p> <p>Initiatives means actions that are once-off in nature and/or lead to improvements in service.</p> <p>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.</p>
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	<p>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.</p> <p>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.</p>
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.
Statement of human resources	Means a statement which shows all Council staff expenditure and the number of full time equivalent Council staff.
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 resource plan (SRP)	<p>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.</p> <p>Section 126 of the act states that:</p> <ul style="list-style-type: none"> - 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 in 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.