



**THE CITY OF
GREATER GEELONG**

**2017-18
ANNUAL BUDGET AND
CITY PLAN UPDATE**

ADOPTED 27 JUNE 2017

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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 2017-18 Budget has again been developed with four key fiscal objectives:

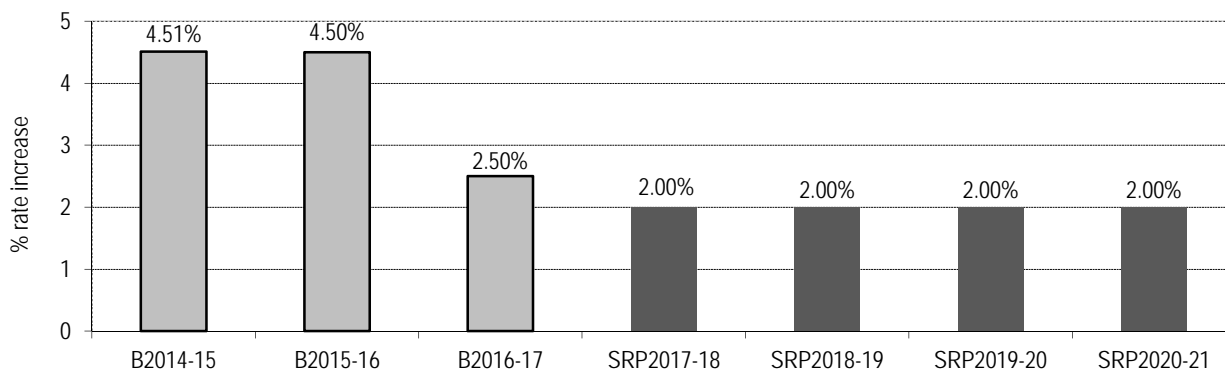
1. Maintain an operating surplus to contribute internal funding for capital works program.
2. Maintain core infrastructure renewal expenditure, whilst increasing expenditure on new community infrastructure.
3. Maintain net financial liabilities at a sustainable level.
4. Provide minimum rate increases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

The Victorian Government has specified a rates cap of 2.0% for 2017-18. The cap applies to the average annual increase of rates and charges. Council has made a decision not to apply to the Essential Services Commission for a higher cap.

The Gross Capital expenditure of \$114.2m includes for major asset categories, \$10.3m on buildings, \$10.2m Recreation assets, \$28.2m on Roads, Footpaths, Kerb & Channel and Drains, and \$5.7m on Fleet (see Capital Program p 2-22).

Council plans to borrow \$39.3m in 2017-18 (including \$28.9m deferred borrowings from 2016-17), to fund the net capital expenditure on the Central Geelong Action Plan, Drysdale Landfill Cells, Armstrong Creek Projects, Hendy St Reserve Redevelopment, Community Facilities, Geelong Ring Rd Employment Precinct and Drysdale/Clifton Springs Sports Precinct (see Borrowing Strategy p 3-23).

1(a). Residential Rates



Rate revenue is 63% of total revenue. The movement in average Capital improved value for a residential property from \$400,322 to \$401,730 together with the rate cap increase of 2% represents a 2.3% 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 2016-17 base average rate is calculated as \$1,475.14 and the 2017-18 Budget proposes this will increase by 2.0% to \$1,504.64.

Future year rate increases are assumed unchanged at 2.0% in the absence of any forward planning guidance from the Minister for Local Government. This assumption will be subject to future announcement on an annual basis.

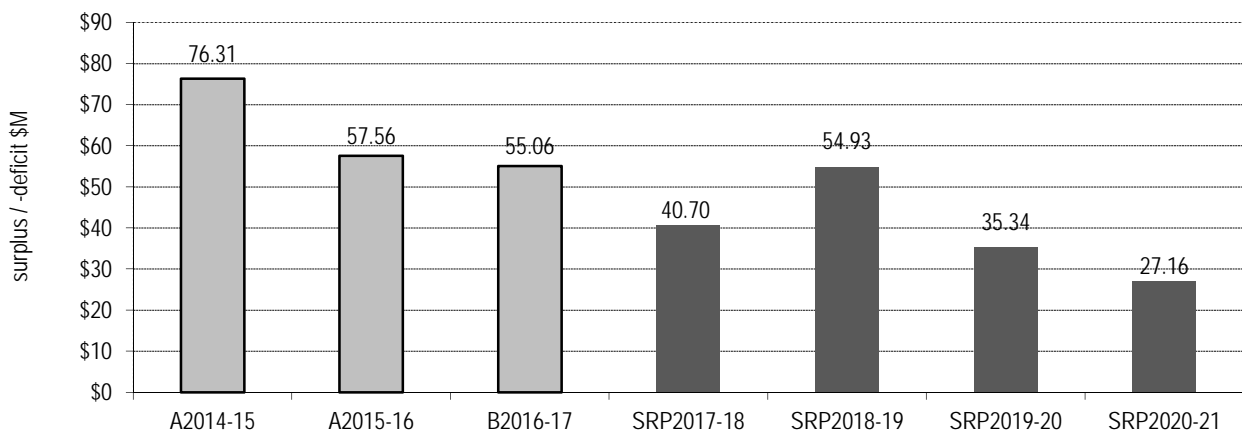
1(b). Average Residential Rates

	2016-17 Budget Rates on Avg. CIV \$	2017-18 Budget Rates on Avg. CIV \$
Residential Movement		
Residential Capital Improved Value	400,322	401,730
Rates (CIV x Rate in \$)	1,096.41	1,122.35
Municipal Charge	96.65	98.55
Total Rates (Include. Municipal Charge)	1,193.06	1,220.90
Waste Collection Service	270.50	278.05

The average movements in Rates and Municipal Charge totals \$27.84 or a 2.3% increase for the 2017-18 year. The Municipal Charge recovers some of the fixed cost of governance. The separate 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 \$63.96/tonne equivalent to \$34.00 per Waste Collection Service Charge.

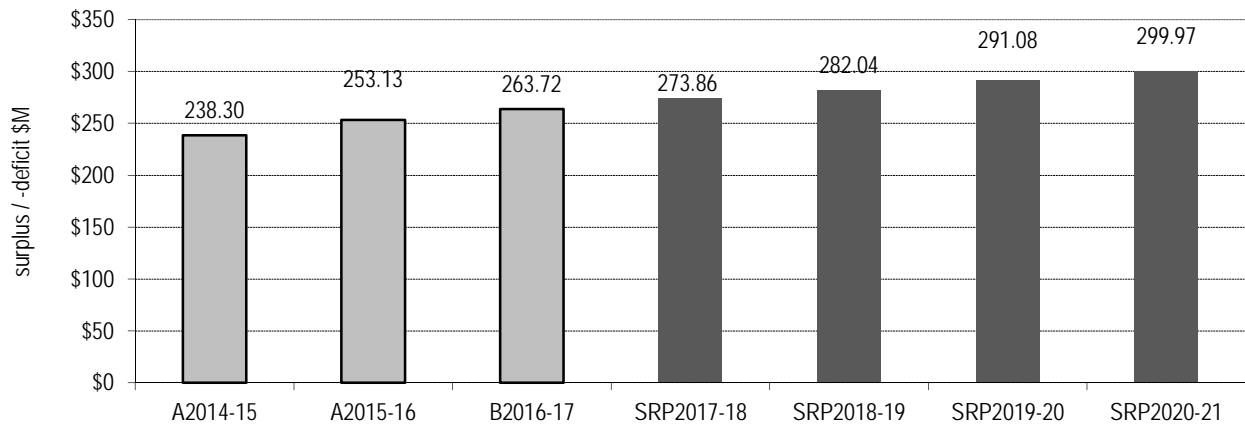
The rates and charges for individual residential properties may have increased or decreased by different percentage amounts since the valuation of the property may be higher or lower relative to the average valuation of other residential properties in the municipal district.

2. Overall Operating Result



The expected overall result for the 2017-18 year is a surplus of \$40.70m, which is a decrease of \$14.35m over 2016-17 primarily due to a decrease in Capital Income of \$13.09m and impact of early receipt of \$10.1m 2017-18 Grants Commission funding in June 2017, offset by a non recurrent contribution in 2016-17 to Simonds Stadium of \$6.0m and an increase in Recognition of Infrastructure of \$5.0m. The overall result includes recurrent increases in depreciation expense and salaries growth, together with non operating items such as capital grants \$9.20m and recognition of infrastructure \$39.5m. The recurrent operating result is a deficit of (\$8.7m), which is a decrease of 10.5m over 2016-17. The projected recurrent result for the current 2016-17 year is a surplus of \$4.3m after accounting for non capital projects carried over from 2015-16. These changes were reflected in amendments to the 2016-17 Budget. The 2016-17 projection highlights a \$11.4m favourable recurrent variance to the amended budget (refer page 2-33).

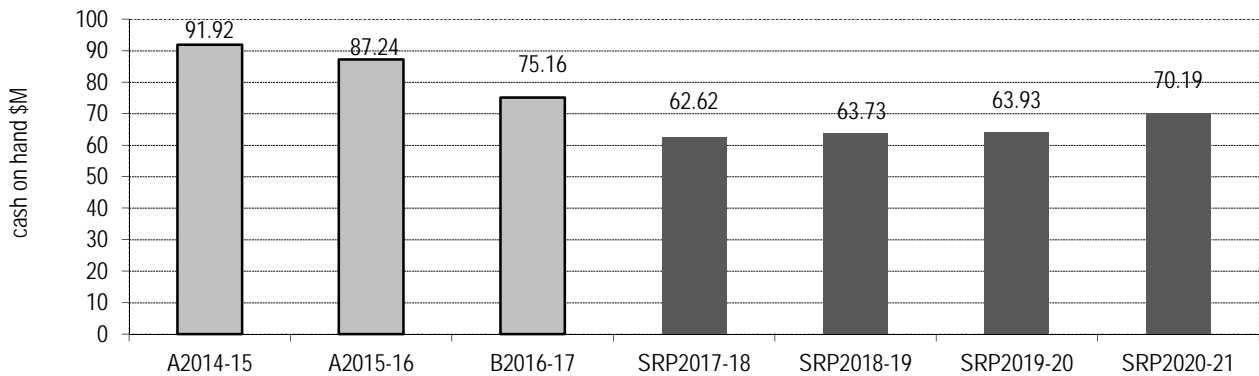
3. Services



*Total Service Cost (Recurrent expenditure less depreciation).

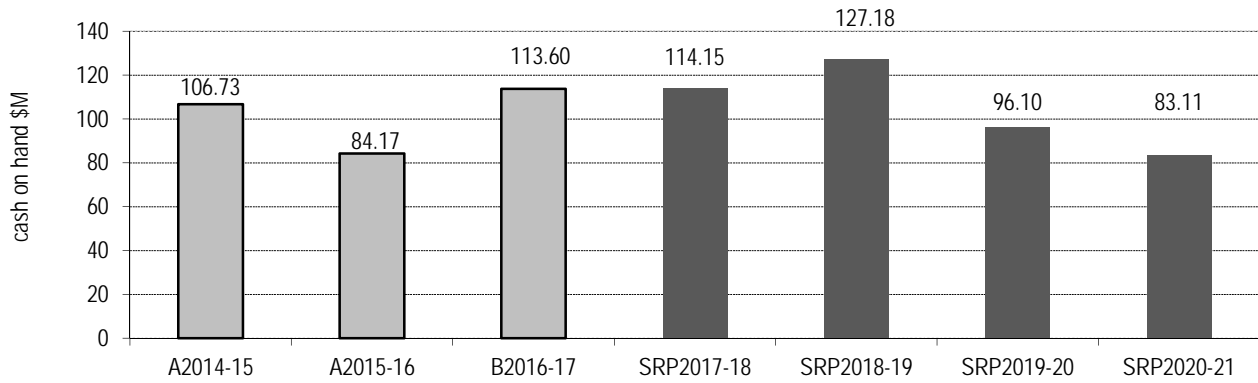
The cost of services delivered to the community for the 2017-18 year is expected to be \$273.86m which is an increase of \$10.14m over 2016-17. A key influencing factor in the development of the 2017-18 Budget has been the maintenance of existing service funding levels and the inclusion of mandatory and other community funding increases only.

4. Cash and Investments



New borrowings of \$10.37m are proposed in 2017-18, plus deferred borrowings from 2016-17 of \$28.95m. These new borrowings will fund Community Services Infrastructure, Drysdale Landfill Cells, Armstrong Creek Projects and Geelong Ring Road Employment Precinct. The proposed June 2018 cash balance is adequate to meet required balances. The capital program assumes \$29.0m of capital funds will not be expended until 2018-19 year.

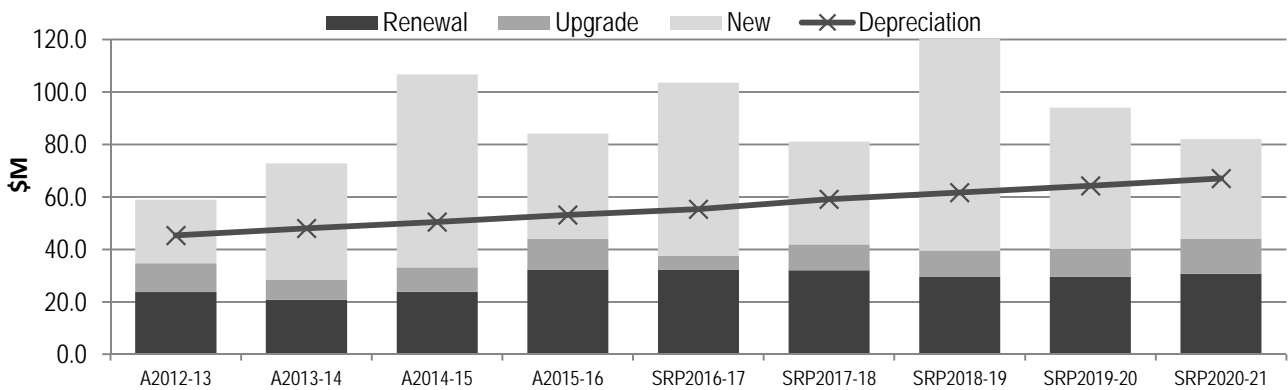
5. Capital Works



The capital works program for the 2017-18 year is proposed at \$114.2m and in addition to major asset categories, \$5.0m is proposed for waste collection and landfill projects with \$8.2m for Land Acquisition. A total of \$62.0m is estimated for projects which will be carried forward from the 2016-17 year and \$29.0m carried forward into 2018-19. The capital expenditure program includes key funding for Core Programs, Ageing Infrastructure, a range of Recreation and Leisure projects, Community Facilities and completion of 2016-17 projects (refer p 2-25 "Analysis of Capital Budget").

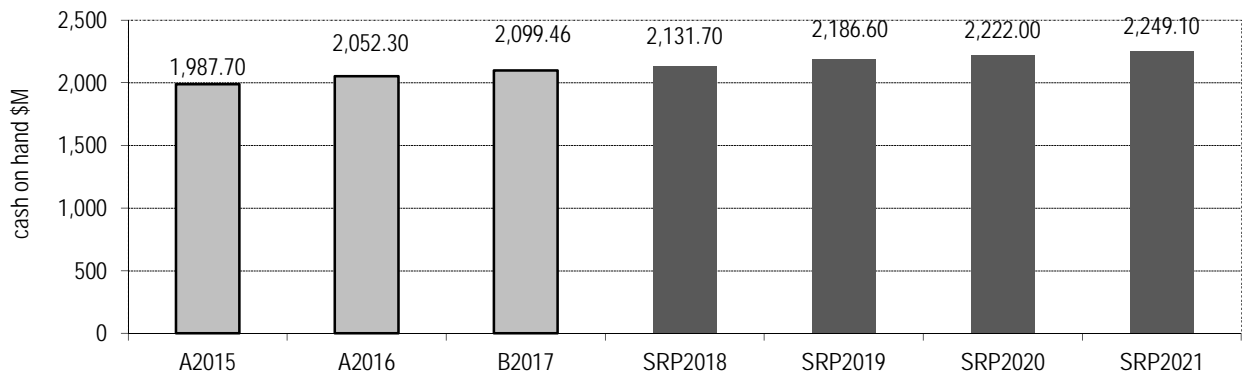
The Capital Works Program is summarised by Project Category and by classification as Renewal, Upgrade or New Project.

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



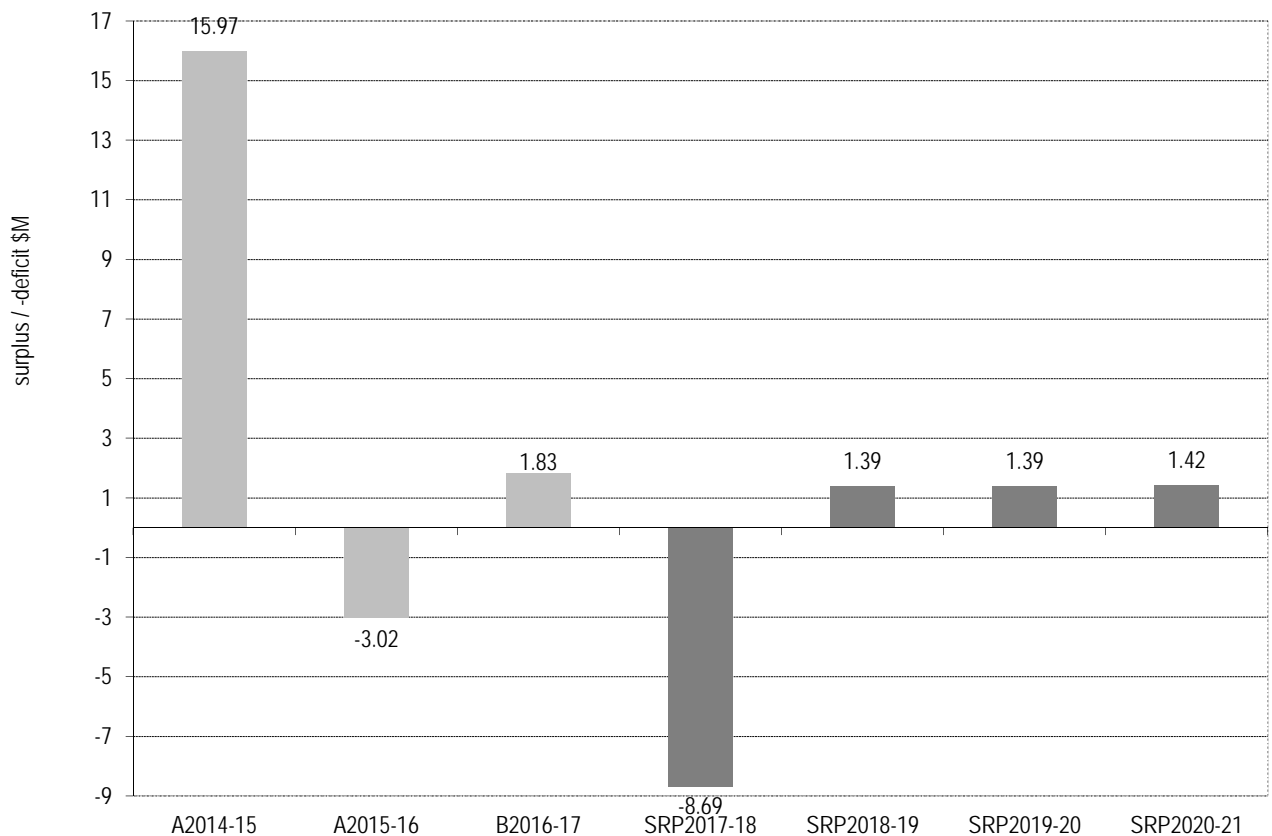
The percentage of renewal / upgrade capital expenditure is a long term indicator. The trend indicates that Council is allocating insufficient resources to renewal / upgrade capital expenditure relative to new.

6. Financial Position



Net assets (net worth) will increase by \$32.2m to \$2,131.7m with Property Plant & Equipment increasing by \$27.8m and other increases net \$4.4m (refer p 2-29 Analysis of Budgeted Financial Position).

7. Financial Sustainability



A high level Strategic Resource Plan for the years 2017-18 to 2020-21 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 2017-18 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.

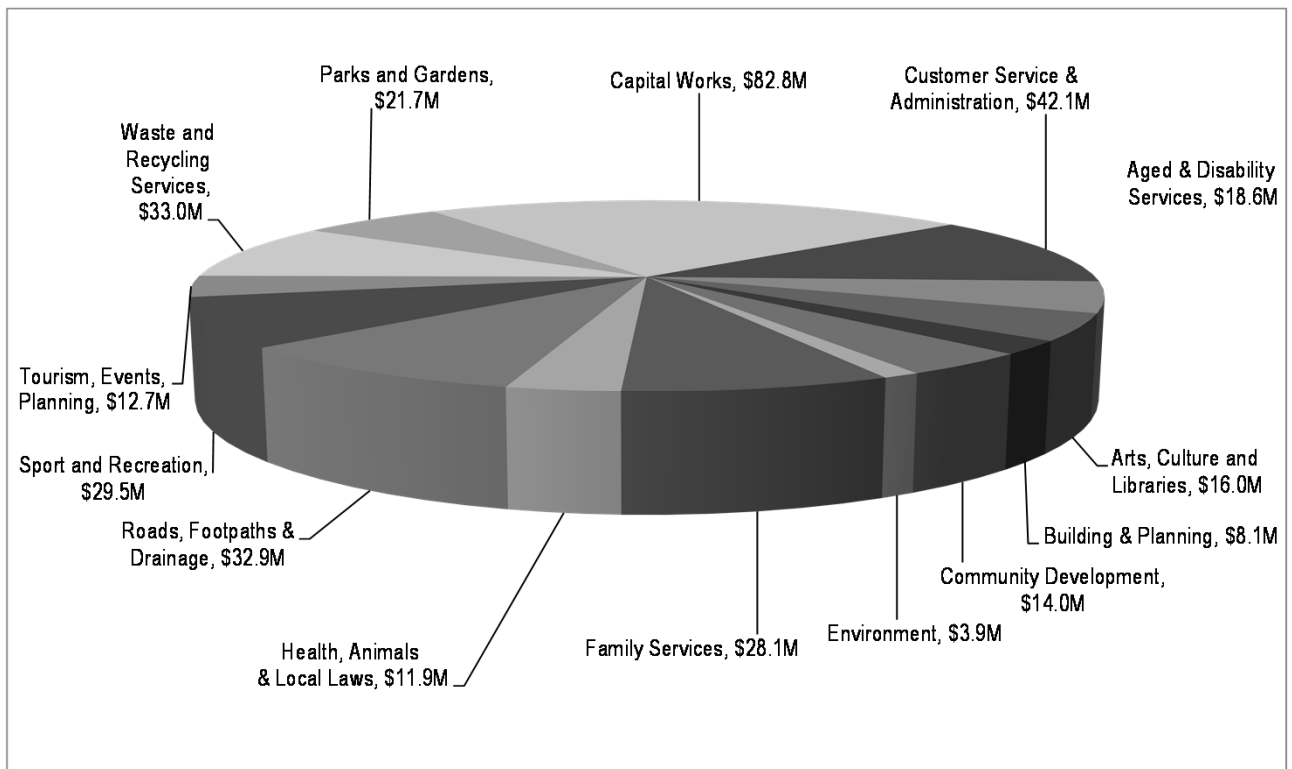
8. Strategic Objectives

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 2017-18 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 4 are Councils detailed financial commitments to achieving the plan. The table below summarises Council expenditure by Strategic Objective.

Strategic Objectives	2017-18 Expenditure \$m
Community Wellbeing	35.90
Growing the Economy	19.60
Sustainable Built and Natural	6.50
How We Do Business	28.50

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 Purpose

Working together for a thriving 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.

To deliver this we will:

- Respect and encourage each other
'Look out for each other by being caring and kind. Really listen to others and consider everyone's opinion. Give someone a pat on the back for a job well done. We all know how important it is to feel appreciated and supported, lets share this!'

- Create a healthy and safe environment for all
'Everyone has a role in upholding a safe and healthy environment. It's critical. Does someone seem quite not themselves? Ask if they're ok. Does something not look right? Raise the issue. Is positive duty alive in your area?
- Embrace new ideas and better ways to work
We can always improve the way we do things, let's do it together! Encourage people to question processes and share new ideas. Allow creative thinking and innovation into your workplace. Commit to not using the phrase "because we've always done it like this".
- Make people the centre of our business.
When you do something, ask yourself, what's the impact on the people involved? We want to design our processes around people, not the other way around. Is there a way we can make a difference? Let's delight our customers and each other with the best experience possible.

Strategic Objective 1: Community Wellbeing

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

Major Initiatives

- Develop a cross-council approach to the implementation of the 'Healthy Choice' guidelines.
- Construction of a new sporting pavilion at Hendy St (Flinders Peak) Reserve to accommodate rugby union, gridiron and cricket.
- Construction of the Rosewall Community Hub which will provide 800sqm of flexible multi purpose spaces for the delivery of a neighbourhood house program and place based community development programs in an improved open space setting.

Priority	Description
1. Healthy lifestyles. Total Gross Cost \$0.2m	<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">• Healthy Choice Guidelines implementation throughout the community.• Municipal Public Health and Wellbeing Plan development.
2. Healthy environments. Total Gross Cost \$15.1m	<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 facility and reserves upgrades including construction of a new pavilion at Hendy St (Flinders Peak) Reserve, Winter Reserve change room facility upgrade, Anakie Recreation Reserve Club room upgrade, St Albans Recreation Reserve netball courts upgrade and Stead Park softball pavilion upgrade.• Leisure Centre Upgrades including the gymnasium equipment replacement program and Corio Leisuretime Centre synthetic pitch construction.• Eastern Beach works including The Beach House disability access and safety repairs, Ritchie Boulevard Bay walk rebuild, swimming enclosure ladder and shark bar replacement.• Footpath renewal program and new construction works including Griggs Creek Pedestrian Bridges, Manzene Pedestrian Connection link and Ocean Grove Principal Pedestrian Network Design.• Toilet Block renewal and replacement program.• Animal Pound reconfiguration.• Dog exercise and socialisation plan.• Playground development program implementation.• Functionality upgrade of Leopold Child and Family Centre playgrounds.

Priority	Description
<p>3. Connected, creative and strong communities.</p> <p>Total Gross Cost \$20.7m</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 including construction at Rosewall and Cloverdale, Northern ARC Concept and Schematic Design, continuation of the Drysdale Integrated Children's Centre design, and Hendy St Children's and Family Centre. • Community facility building upgrades to meet community and compliance needs. • Geelong Regional Library contribution. • Unified Grants Scheme - provision of capital grants to the community. • Mentoring - Aboriginal traineeships program. • Municipal Heritage Strategy development. • Youth Space in Little Malop Central pilot project. • Disability Action Plan development.

Service Performance Outcome Indicators

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

Major Initiatives

- Completion of the Johnstone Park raingarden and supporting capital improvements.
- Geelong Entrance Project - enhance and highlight Geelong's main entrance through landscape treatments.
- Providing business incubator/entrepreneurial support to foster growth in the Startup/Entrepreneurial community, by partnering with local entities to create an environment where Geelong is seen as the regional home of innovation.

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"> • Pakington Street beautification design. • Drysdale Town Square upgrade - final design and costing. • Agribusiness Sector development. • Geelong Small Business Festival.
<p>5. Facilitate major infrastructure and investment to enable economic growth.</p> <p>Total Gross Cost \$13.0m</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"> • Armstrong Creek including Community facility site for Town Centre and works in the Horseshoe Bend, West and South precincts. • Geelong Ring Road Employment Precinct - Stage Two Elcho Channel. • Northern and Western Geelong Growth Areas Framework Plan and Integrated Infrastructure Delivery Plan. • Geelong Entrance Project - landscape treatments. • Structure Planning - Anakie and Leopold reviews. • Municipal Strategic Statement review.

Priority	Description
	<ul style="list-style-type: none"> • Activity Centres Urban Design Frameworks Program - Year two. • Marshall Precinct Structure Plan and Infrastructure Contribution Plan development. • Land Supply Monitoring Program. • Mineral Spa and Wellness Centre expression of interest process and service provision.
<p>6. A prosperous and innovative Geelong.</p> <p>Total Gross Cost \$0.3m</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. • Advocate for Geelong to be the centre of excellence for research projects, new technologies and emerging industry sectors. <p>Initiatives</p> <ul style="list-style-type: none"> • Business Incubator/Entrepreneurial support. • Smart City Infrastructure opportunities. • Study Geelong - Think Geelong Program. • 2017 Digital Inclusion Engagement. • Pivot Connect Festival.
<p>7. A successful and vibrant city centre.</p> <p>Total Gross Cost \$2.0m</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"> • Johnstone Park completion of raingarden. • Gheringhap Street Pipe. • Renew Geelong project. • Ryrie St public realm upgrade. • Master plan for Geelong Gaol/Hospital precinct. • Business Presentation Incentive Program. • Civic Centre Car Park CCTV Cameras.

Priority	Description
<p>8. Greater Geelong is a leading city for tourism, arts, culture and events.</p> <p>Total Gross Cost \$4.0m</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"> • Provision of major events across the municipality. • Geelong Art Gallery funding. • Floating Christmas Tree - annual costs. • Geelong Gallery - Archibald Prize Gallery refurbishment. • Underwater Sculpture park design and construction. • Cadel Evans Great Ocean Road Race annual hosting support. • Arts, Culture and Heritage Strategy development. • Public Art Strategy Project delivery. • Arts and Culture Audience Resolution - Collaborative Marketing.

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.

Major Initiatives

- Commence construction of sewerage infrastructure required for Geelong Botanic Garden Sustainable Visitor facility.
- Rehabilitation and revegetation of Griggs Creek.
- Funding of projects through Future Proofing Geelong to assist with securing funding for projects (from State and Federal programs) which create jobs, expand businesses, improve energy/waste efficiency; support commercial building owners to implement efficiency upgrades; support and deliver events to inform the community and businesses about the benefits of low carbon initiatives.

Priority	Description
9. Enhance and protect natural areas and ecosystem health. Total Gross Cost \$1.2m	<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">• Environment Reserves Capital improvement program.• Geelong Botanic Garden Sustainable Visitor Facility.• Griggs Creek - Rehabilitation and Revegetation program.• Sparrovale Wetlands Management Plan implementation.• Ramblers Road foreshore resilience.• Beacon Point Reserve beach access investigation.
10. Support our community to live sustainably. Total Gross Cost \$0.4m	<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">• Cycle Strategy implementation.• Future Proofing Geelong projects.• Coastal Adaptation Program.

Priority	Description
<p>11. Advocate for and promote sustainable design and development.</p> <p>Total Gross Cost – Part of recurrent budget</p>	<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 undertaken under this priority are part of the recurrent operations of Council.</p>
<p>12. Minimise our environmental footprint.</p> <p>Total Gross Cost \$4.9m</p>	<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"> • Queens Park irrigation 10 year plan. • Street Lighting upgrade planning project. • Purchase of Carbon Offsets to meet Greenhouse Targets. • Landfill works at Drysdale including construction of Cell Five waste disposal. • Continuation of composting site set up works.

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.

Major Initiatives

- Implementation of the Vision Project (Our Future) across the Community and Council.
- Development of a Greater Geelong Social Equity Strategy.
- Undertake the 'Single view of the customer' project to define and implement the best fit technology to consolidate a number of Council customer databases into a cohesive platform.

Priority	Description
13. Lead by advocating and collaborating on issues important to the greater Geelong community. Total Gross Cost \$1.8m	<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">• Council General Election.• G21 contribution.• Diversity and Inclusion Strategy Implementation.• Implementation of the Vision Project (Our Future).• Civic Leadership Program.• Gender Equality and The Prevention of Violence Against Women and Children.• Greater Geelong Social Equity Strategy.• Council Induction Program.• Implement directions Gender Equity.
14. Efficient and customer focused organisation. Total Gross Cost \$25.7m	<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">• Roads - construction and design including local roads, Federal Roads Program and VicRoads funded works.

Priority	Description
	<ul style="list-style-type: none"> • Drainage design and construction program. • Special rates and charges programs to carry out roads, footpaths and drainage works. • Kerb and Channel Renewal Program. • Traffic management - investigation, design and construction projects. • Bridge Upgrades - Major Renewal Works. • Single View of the Customer Project. • Electronic booking system. • Child Safe Standards Implementation. • Maintenance Management System integration with other Council platforms. • Organisational rostering solution. • Customer/business online authentication project. • Commercial Waste Trucks - route mapping. • License Plate recognition trial.
<p>15. Responsible and sustainable financial management.</p> <p>Total Gross Cost – Part of recurrent budget</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 undertaken under this priority are part of the recurrent operations of Council.</p>
<p>16. Informed and engaged community.</p> <p>Total Gross Cost – Part of recurrent budget</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 undertaken under this priority are part of the recurrent operations of Council.</p>

17. Motivated and skilled staff in a safe work environment.

Total Gross Cost \$1.0m

We will encourage our staff to be motivated, well-trained and well-resourced to enable them to make informed decisions and to deliver efficient and effective services that benefit our community. A safe work environment will be provided by maintaining occupational health and safety (OHS) processes which meet and exceed current legislative standards and by regularly providing OHS and broad based training to all our staff. We will:

- Have a highly skilled, effective and adaptable workforce.
- Provide consistent communication to staff and engage them in decision making processes.
- Provide training and development opportunities for continuous improvement and OHS processes.
- Strive to be an employer of choice with staff who possess a can-do attitude.
- Provide effective risk management procedures and maintain a safe work place.
- Promote health and wellbeing programs. Promote work-life balance opportunities.

Initiatives

- OHS Compliance Training.
- Culture Change Management program.
- Leadership Capability Framework.
- Senior Leadership Development Program.
- Online Incident Management System.
- Complaints Management Framework.
- Move4Life Program.
- Enterprise Risk Reporting Software.
- Interfaces for Recruitment, On-boarding and Performance Management.
- Contractor Management system.
- Safety Leadership Training.

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 2017-18 year 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 2017. 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.	Feb/Mar/Apr
4. Proposed Budget submitted to Council for approval.	26 April 2017
5. Public Notice advising intention to adopt Proposed Budget.	27 April 2017
6. Budget available for public inspection and comment (28 days).	27 April 2017
7. Submission period closes.	24 May 2017
8. Submissions considered by Panel / Committee	30 May 2017
9. Budget and submissions presented to Council for adoption.	27 June 2017
10. Copy of Adopted Budget and City Plan submitted to the Minister.	30 June 2017

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 2017-18 Budget, a number of external influences have been taken into consideration, as they are likely to impact significantly on the services delivered by Council in the budget period. These include:

- The Local Government Minister has announced the return of councillors in 2017 with a municipal election to be scheduled in October 2017. The election cost of \$0.82m together with other return of Council costs \$0.47m have been included in the budget.
- Consumer Price Index (CPI) is forecast to be 2.0% for the 2017-18 year (State Government Department of Treasury & Finance forecast Budget update Dec 2016).
- The Victorian State Government has announced that Local Government rates will be capped at 2.0% for 2017-18. The cap applies to the average annual increase of rates and charges. Council has made a decision not to apply to the Essential Services Commission for a higher rate cap.
- The Victorian Grants Commission has advised that 50% of funding for 2017-18 will be received in 2016-17 financial year.
- A 3% increase in the State Government EPA landfill levy is assumed. The levy is payable on the disposal of all waste into landfill and has increased from \$9/tonne 2009-10 to \$62.00/tonne in 2016-17 and now estimated at \$63.96/tonne for 2017-18. The annual cost is forecast at \$5.8m in 2017-18.
- Federal Government Roads to Recovery funding will return to 2015-16 level of \$3.02m, relative to the short term increase applied in 2016-17 of \$4.98m.
- 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 currently retains the cash rate at 1.5%, providing an 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 2.5% in 2017-18.
- State Government funding available for community facilities in 2017-18 is forecast at \$1.0m, a significant reduction from prior years. Grants expected in 2016-17 were \$8.45m with \$1.0m received and the balance expected in 2017-18. The 2017-18 grants include Winter Reserve change room upgrade \$0.7m, McDonald Reserve change room upgrade \$0.2m and Grovedale FNC scoreboard & storage \$0.1m.

2. Internal Influences

As well as external influences, there were a number of internal influences arising from the 2015-16 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 are subject to finalisation of a new Enterprise Agreement commencing 1 July 2017.
- Budgeted Property sales from 2016-17 of \$1.68m are expected to be achieved in 2017-18 and have been re-budgeted.
- Responding to growth in assets and maintenance obligations by asset category.
- New Green Waste processes (new composting site set up to be completed in 2017-18) 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 2016-17 estimated at \$62m.
- Council has established a new community grant facility of \$5.6m including \$1m available for capital grants such as upgrades to sports clubs and community facilities.

Additionally, a number of Council decisions during 2016-17 related to funding implications for the 2017-18 Budget. Some of these include:

- Purnell Road Child and Family Centre, Corio with \$0.6m reallocated for design works with a future commitment to construct the \$12.7m facility.
- 2016-17 Sport & Recreation Victoria Funding program submissions for 2017-18 have not been included in the budget. These nominated projects were Flinders Peak Regional Rugby sporting pavilion \$0.5m, Grovedale Tigers FNC change facilities \$0.2m and Kingston Park sub-regional playground \$0.2m.
- Projects commenced in 2016-17 requiring additional funding in 2017-18 including Leisuretime synthetic pitch \$1.4m, Hendy Street Community Hub \$0.2m, Rosewall Community Hub \$1.75m, Cloverdale Community Hub \$1.0m, Drysdale Landfill Cell 5 construction \$3.29m, Greenwaste Site Establishment \$1.0m and Elcho Drain Construction \$4.2m.
- Operating cost savings of \$2.3m have been identified in 2016-17 and provision has been made for additional efficiency dividends of \$2.05m in 2017-18.

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 must 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 2016-17 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 2017-18 through to 2020-21, Rating Strategy and Other Long Term Strategies including borrowings, infrastructure and service delivery.

BUDGETED INCOME STATEMENT

	Budget 2016-17 \$'000	Projection 2016-17 \$'000	Budget 2017-18 \$'000	Budget Change Fav / (Unfav) \$'000
RECURRENT INCOME				
Rates and Charges	202,724	203,724	212,101	9,377
Government Grants	46,046	56,649	36,937	(9,109)
User Charges	52,544	52,491	54,341	1,797
Other Fees and Charges	11,398	11,861	12,282	884
Sundry Income	6,246	6,264	6,789	543
Interest Investments	1,901	2,201	1,901	0
Total Recurrent Income	320,859	333,190	324,351	3,492
RECURRENT EXPENDITURE				
Employee Related				
Salaries / Superannuation	137,766	138,154	142,949	(5,183)
Workcover	2,283	2,286	2,478	(195)
	140,049	140,440	145,427	(5,378)
Goods and Services				
General Works - Materials	7,922	7,979	8,450	(528)
General Works - Plant, Vehicle Costs	7,238	7,274	7,643	(405)
General Works - External Services	83,200	89,747	86,014	(2,814)
Administration	11,788	11,416	12,240	(452)
Professional Services	4,253	7,645	5,824	(1,571)
Utilities	9,552	9,548	10,605	(1,053)
Efficiency Dividend	0	0	(2,125)	2,125
	123,953	133,609	128,651	(4,698)
Depreciation	55,311	55,311	59,179	(3,868)
Landfill Provision	0	0	0	0
(Gain)/Loss on Sale of Plant & Equipment	(284)	(504)	(219)	(65)
Total Recurrent Expenditure	319,029	328,856	333,038	(14,009)
Recurrent Surplus / (Deficit)	1,830	4,334	⌘ (8,687)	(10,517)
NON-RECURRENT INCOME				
Capital Grants and Income	22,293	29,221	9,195	(13,098)
Developer Cash Contributions	5,980	5,980	4,725	(1,255)
Gain / (Loss) on Sale of Property	1,742	(24,211)	2,158	416
Recognition of Infrastructure	34,500	34,500	39,500	5,000
Total Non-Recurrent Income	64,515	45,490	55,578	(8,937)
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	5,290	5,290	6,190	(900)
Disbursements	6,000	6,000	0	6,000
Total Non-Recurrent Expenditure	11,290	11,290	6,190	5,100
Non-Recurrent Surplus / (Deficit)	53,225	34,200	49,388	(3,837)
NET SURPLUS / (DEFICIT)	55,055	38,534	40,701	(14,354)

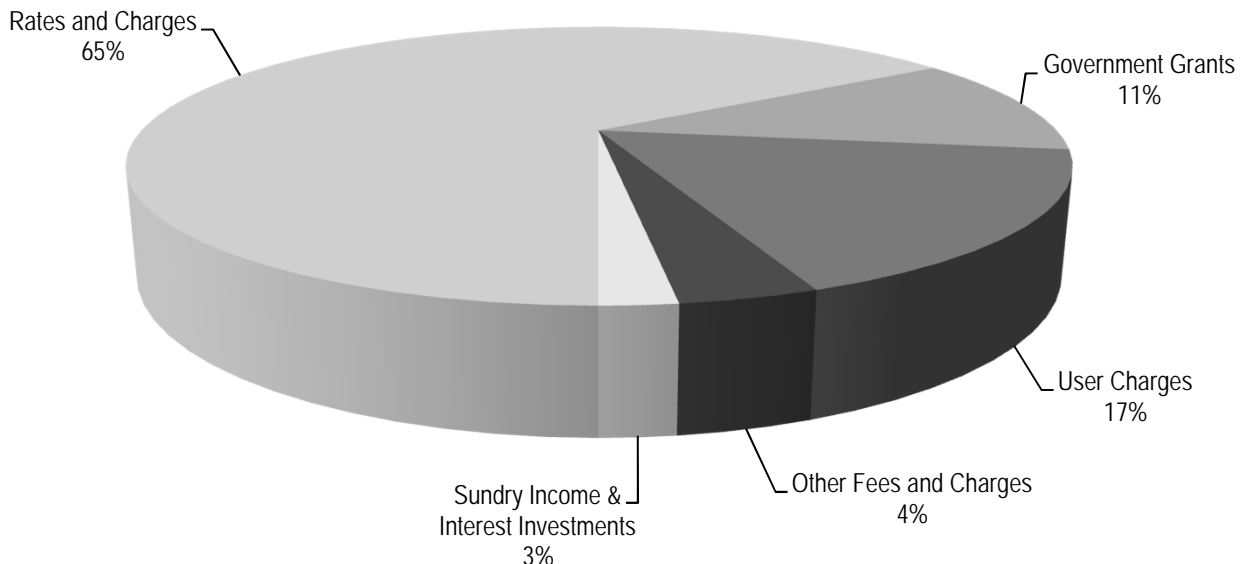
⌘ Impact of early receipt \$10.1m Grants Commission funding in June 2017

ANALYSIS OF OPERATING BUDGET

This section of the report analyses the expected revenues and expenses of the Council for the 2017-18 year.

1. Operating Revenue

Revenue Types	Budget 2016-17 \$'000	Budget 2017-18 \$'000	Fav/(Unfav) Variance \$'000
Rates and Charges	202,724	212,101	9,377
Government Grants	46,046	36,937	(9,109)
User Charges	52,544	54,341	1,797
Other Fees and Charges	11,398	12,282	884
Sundry Income	6,246	6,789	543
Interest Investments	1,901	1,901	-
Total Operating Revenue	320,859	324,351	3,492



1.1 Rates and Charges (\$9.4m increase)

Movements in all differential rates will generate \$168.41m general rates income (including growth in the rate base). The charges income includes a \$98.55 Municipal Charge (or \$11.80m income) and a Waste Collection Service Charge of \$278.05 per tenement (or \$30.04m income). There has been an increase to the Municipal Charge of \$1.90 per tenement and the Waste Collection Service Charge has increased by \$7.55 per tenement.

Provision for Supplementary Rates \$1.5m, Interest Charges \$0.4m and rates waivers (\$0.04m) make up the balance of the \$212.10m Rate Budget. Rating Strategy (p 3-13) includes a more detailed analysis of the rates and charges to be levied for 2017-18.

1.2 Government Grants (\$9.1m 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 \$9.1m compared to 2016-17. Significant movements in grant funding are summarised below:

Grant Funding Types	Budget 2016-17 \$'000	Budget 2017-18 \$'000	Fav / (Unfav) Variance \$'000
Aged Care	12,261	11,771	(490)
Family Services	12,976	13,351	375
Grants Commission	19,176	10,018	(9,158)
Sub Total	44,413	35,140	(9,273)
Other	1,633	1,797	164
Total Government Grants	46,046	36,937	(9,109)

Funding towards Care Services has decreased by \$680,186 due to the transition to NDIA. There is increased funding for Whittington Child & Family Centre \$349,797, plus additional funding for Community Child Health of \$220,651, offset by reduced funding for Centre Based Long Day Care and Integrated Children's Centres (\$243,746). Grants Commission funding expected to be received in 2017-18 will be \$10,018,514, a decrease of (\$9,157,486) due to the Commonwealth Governments decision to bring forward 50% of the funding to the current financial year.

1.3 User Charges (\$1.8m increase)

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

User charges have increased by \$1.80m compared to 2016-17 and includes the increase in income for Aquatic Centres \$1.95m, Parking Fees \$0.43m, Centre Based Long Day Care and Integrated Children's Centres \$0.41m, Commercial Waste \$0.37m, offset by reduction in Care Services (Disability Care Australia) (\$1.49m).

Fees & Charges (p 2-7) includes a more detailed analysis of the User Charges to be levied for 2017-18.

1.4 Other Fees and Charges (\$0.9M 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 \$0.88m compared to 2016-17 mainly due to increase in planning and building permits \$0.71m, Health licences \$0.08m and Infringements \$0.05m.

Fees & Charges (p 2-7) includes a more detailed analysis of the Other Fees & Charges to be levied for 2017-18.

1.5 Sundry Income (\$0.5m increase)

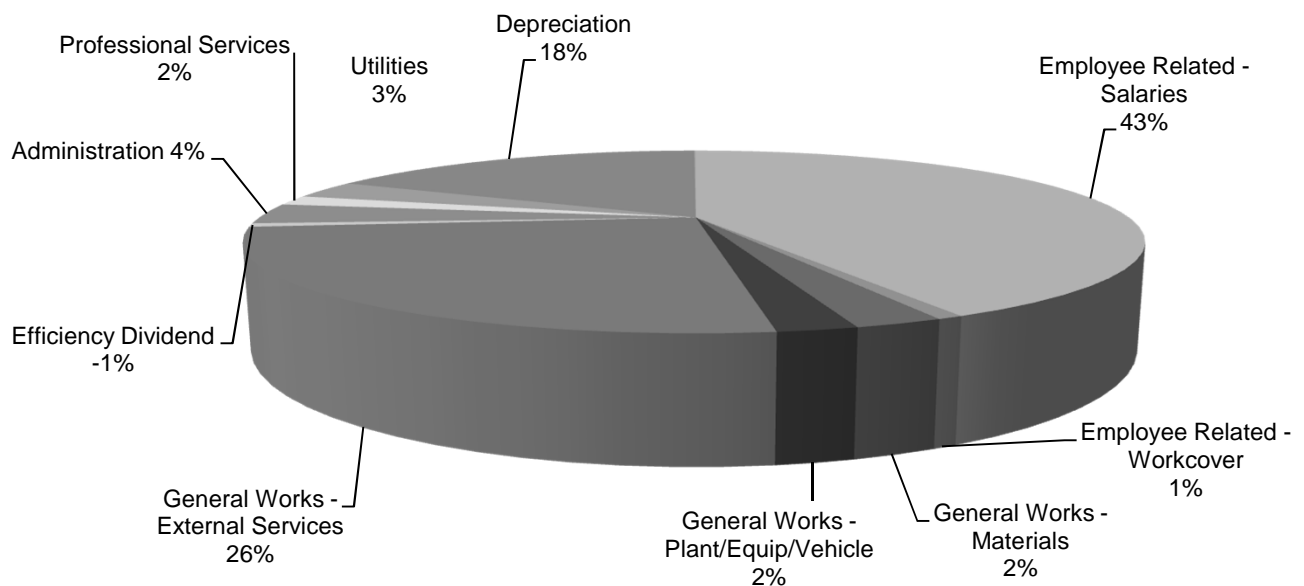
Anticipated revenue from conversion to a user pays system for existing stock of additional waste bins \$0.45m.

1.6 Interest Investments

The 2017-18 budgeted interest income assumes no change from the 2016-17 Budget.

2. Operating Expenditure

Expenditure Types	Budget	Budget	Fav / (Unfav)
	2016-17	2017-18	Variance
	\$'000	\$'000	\$'000
Employee Related - Salaries	137,766	142,949	(5,183)
Employee Related - Workcover	2,283	2,478	(195)
General Works - Materials	7,922	8,450	(528)
General Works - Plant/Equip/Vehicle	7,238	7,643	(405)
General Works - External Services	83,200	86,014	(2,814)
Efficiency Dividend	-	(2,125)	2,125
Administration	11,788	12,240	(452)
Professional Services	4,253	5,824	(1,571)
Utilities	9,552	10,605	(1,053)
Depreciation	55,311	59,179	(3,868)
(Gain) Loss on Sale of Plant/Equip	(284)	(219)	(65)
Total operating expenditure	319,029	333,038	(14,009)



2.1 Employee Related - Salaries (\$5.2m 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 (\$5.18m) compared to 2016-17.

- Provision for EA increase equates to an estimated (\$3.99M) in 2017-18.
- Other movements (provisions, allowances, overtime and on-costs) of (\$0.77m).
- Superannuation (\$0.42m) in line with salary increases.
- Equivalent Full Time positions movement is a decrease of 5.90.

2.2 Employee Related - Workcover (\$0.20m increase)

Budget for Workcover premium for 2017-18 has included an increase due to wage growth.

2.3 General Works - Materials (\$0.53m increase)

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

The main factors for the increase are Cleaning (\$189,524) and Road Making Materials (\$266,972).

2.4 General Works - Plant/Equip/Vehicle cost (\$0.41m increase)

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

The main factors for the increase are in Repairs & Maintenance (\$148,163) mainly in Information Systems, Fuels, Oils & Greases (\$47,326), External Plant & Equipment Hire (\$80,296) mainly in Waste Services, Minor Plant, Furniture & Equipment (\$63,874).

2.5 General Works - External Services (\$2.81m increase)

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

Increase in Contractor Costs (\$1,564,078) including Waste Collection and Disposal (\$486,193), Governance (\$940,000) (Council Election 2017), Engineering Services (\$231,629), Health & Local Laws (\$182,770), offset by Community Development \$260,042, Development Contribution Plans \$175,000, Planning Strategy \$237,606 and Central Geelong & Waterfront \$383,000.

Increase in Supplementary Labour (\$618,346) mainly in Waste Services (\$231,285), Engineering Services (\$116,000) and Family Services (\$85,011).

Increase in Levies and Contributions (\$318,373) with Waste Services (\$62,838) due to EPA Levy increase and contribution to Geelong Library (\$260,355).

Also increase in Building Maintenance Essential Services (\$149,600) and Civic Allowances (\$135,000).

Offset by:

Decrease in Waste Disposal & Recycling \$681,351 mainly due to decrease in Green Waste Service \$568,669 and Infrastructure Operations \$212,260 (City cleansing).

Decrease in Contributions \$417,748 mainly in Events Services \$445,380 (Including Australian International Airshow \$400,000).

2.6 Administration (\$0.45m increase)

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

Increases in Computer Software (\$324,906), Training & Development (\$235,558), Doubtful Debts (\$250,000) and Corporate Training (\$286,000), offset by decrease in Interest Expense \$566,021.

2.7 Professional Services (\$1.57m increase)

Professional Services include consultants, legal fees, etc.

Increases in Professional Services of (\$1,571,568) mainly due to movement in Consultants (\$1,359,231) (mainly People & Organisation Development (\$706,000), Planning Strategy (\$191,151), Central Geelong & Waterfront (\$253,000) and Valuation Services (\$274,607) (valuation year).

2.8 Utilities (\$1.05m increase)

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

Gas costs are estimated to increase (\$639,177), Communication costs (\$310,124) and Water costs increasing by (\$107,998).

2.9 Depreciation (\$3.87m increase)

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

The (\$3.87m) increase in depreciation includes an increase of (\$3.00m) for Infrastructure Assets, (\$0.41m) for Land & Buildings, (\$0.17M) for Computer Equipment and (\$0.20m) for Dedicated & Heavy Vehicles.

2.10 Gain on Sale of Plant / Equipment (\$0.07m decrease)

Gain from the sale of Council's assets is forecast to be \$0.22M for the 2017-18 year and represents a decrease of (\$0.07M). The profit on sale is subject to the mix of assets made available for sale each year.

FEES & CHARGES SUMMARY

	2016-17 Budget \$	2017-18 Budget \$	Movement Fav/(Unfav) \$
Chief Executive			
1560 - Property Management	2,770,673	2,338,735	(431,938)
2130 - Property & Revenue	558,407	722,814	164,407
	3,329,080	3,061,549	(267,531)
City Services			
3640 - Project Implementation	188,693	209,428	20,735
3660 - Infrastructure Management	2,393,000	2,472,500	79,500
3720 - Emergency Management	94,600	96,350	1,750
3725 - North Zone	10,000	10,000	0
3730 - South Zone	1,219,000	1,060,000	(159,000)
3735 - East Zone	12,000	12,000	0
3810 - Waste Collection Services	2,600,028	2,895,291	295,263
3820 - Waste Disposal Services	5,554,422	5,632,410	77,988
6110 - Environment & Natural Resources Admin	431,052	452,195	21,143
6310 - Parks & Gardens	68,330	74,830	6,500
	12,571,125	12,915,004	343,879
Planning and Development			
4130 - Strategic Implementation	15,000	104,415	89,415
4420 - Statutory Planning	1,273,460	1,806,920	533,460
4440 - Local Laws & Traffic	15,930,701	16,600,675	669,974
4450 - Building Services	1,696,545	1,766,364	69,819
4460 - Environmental Health	1,284,138	1,366,429	82,291
	20,199,844	21,644,803	1,444,959
Community Life			
5280 - Community Development Activities	101,250	116,270	15,020
5410 - Family Services Admin.	5,000	3,000	(2,000)
5420 - School Holiday Program	141,350	81,896	(59,454)
5430 - Centre Based Long Day Care	3,489,200	3,605,045	115,845
5436 - Kindergarten Development Services	31,878	27,412	(4,466)
5438 - Whittington Child and Family Centre	157,915	177,182	19,267
5440 - Community Child Health	1,130	1,108	(22)
5450 - Family Day Care	868,654	891,259	22,605
5490 - Integrated Children Centres	3,328,689	3,622,089	293,400
5520 - HACC Care Services	837,400	887,370	49,970
5530 - HACC Ancillaries	796,424	683,114	(113,310)
5550 - Commonwealth Programs	244,080	65,190	(178,890)
5580 - Agencies	2,025,988	778,345	(1,247,643)
5725 - Community Facilities	231,665	235,476	3,811
5740 - Youth Services	3,755	2,764	(991)
6410 - Leisure Services Admin	1,269,119	1,403,437	134,318
6430 - Leisurelink	6,445,000	7,157,116	712,116
6440 - Splashdown	1,709,500	2,046,640	337,140
6450 - Waterworld	1,840,553	2,185,805	345,252
6460 - Arena	788,929	780,000	(8,929)
6470 - Bellarine Aquatics Sports Centre	2,503,995	2,920,304	416,309
6610 - Sport & Recreation	9,364	289,364	280,000
6620 - Indoor Activity Centres	343,546	403,661	60,115
	27,174,384	28,363,847	1,189,463
Investments & Attractions			
5350 - National Wool Museum	219,500	225,485	5,985
5780 - Potato Shed	177,876	178,061	185
6025 - Enterprise Geelong	2,500	0	(2,500)
7330 - Central Geelong & Waterfront Place Management	267,662	234,412	(33,250)
	667,538	637,958	(29,580)
Total	63,941,971	66,623,161	2,681,190

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 reallocation of lease income for sport and recreation facility income and further lease reductions associated with the removal of Simonds Stadium to the Kardinia Park Trust.
2130 - Property & Revenue	Increase in valuation income from State Revenue Office due to 2018 being a revaluation year.
3640 - Project Implementation	Increase in utilisation and the price of the saleyards truck wash offset by a decrease in the number of sheep/lamb sales.
3730 - South Zone	Decrease in reinstatements income offset with a decrease in expenditure.
3810 - Waste Collection Services	Increase in income for the North Geelong Transfer Station and additional bin collections to reflect 2016-17 trend, partly offset by a decrease in green waste collection for other Councils.
4130 - Strategic Implementation	Increase in planning scheme amendments to match trend in 2016-17.
4420 - Statutory Planning	Increase in income for developer contribution town planning permits, subdivision certificates and planning development applications.
4440 - Local Laws & Traffic	Increase in income for street parking, parking fines, animal registrations and animal pound services, offset by a decrease in animal infringements.
5280 - Community Development Activities	Anticipated increase in bookings at the Grovedale Neighbourhood House.
5410 - Family Services Admin	Playgroup rental for Ariston and Bell Park decrease in income based on 2016-17 actual.
5420 - School Holiday Program	Decrease due to the closure of the school holiday program service at Newtown.
5430 - Centre Based Long Day Care	Increase in Long Day Care fees by 15% to offset rising costs, partly offset by a decrease in utilisation of the service.
5436 - Kindergarten Development Services	Decrease in fees and charges income for Thompson Kindergarten and Rosewall Early Learning Centre, offset by additional grant income.
5438 - Whittington Child and Family Centre	Increase in Long Day Care fees by 15% to offset rising costs, partly offset by a decrease in utilisation of the service.
5490 - Integrated Children Centres	Increases in the long day care program at Boorai and Leopold. Boorai occasional care has increased by \$52k, administration fees such as facility hire have decreased by \$80k due to rooms being unavailable for hire. Kindergarten fees have also decreased which is offset with an increase in grant income.
5530 - HACC Ancillaries	Anticipated decrease in food services by 12,800 meals in line with transitions to the National Disability Insurance Scheme.

5550 - Commonwealth Programs	Decrease in the quantity of community aged care packages as users transition to the National Disability Insurance Scheme.
5580 - Agencies	Decrease in income due to the transition to the National Disability Insurance Scheme.
5740 - Youth Services	Decrease in utilisation for the skate program ramp hire.
6410 - Leisure Services Admin	Increases in income for the Kardinia Pool and Lara Pool associated with price increases for memberships and admission.
6430 - Leisurelink	Increases in the learn to swim program due to growth in the webstar swim school program. Aquatics and memberships have also increased significantly due to price increases required to offset rising costs.
6440 - Splashdown	Increases in the learn to swim program due to growth in the webstar swim school program. Aquatics and memberships have also increased significantly due to price increases required to offset rising costs.
6450 - Waterworld	Increases in the learn to swim program due to growth in the webstar swim school program. Aquatics and memberships have also increased significantly due to price increases required to offset rising costs.
6470 - Bellarine Aquatic Sports Centre	Increases in the learn to swim program due to growth in the webstar swim school program. Aquatics and memberships have also increased significantly due to price increases required to offset rising costs.
6610 - Sport and Recreation	Reallocation of sporting facility income from the leasing department. Also includes an additional \$30k facility income for John Landy Field.
6620 - Indoor Activity Centres	Additional income anticipated in 2017-18 with the installation of the new soccer synthetic pitch at Corio Leisuretime Centre.
6025 - Enterprise Geelong	Discretionary fee for Business Events no longer required in 2017-18.
7330 - Central Geelong and Waterfront Place Management	New leasing arrangements for the berths have replaced the previously charged fee.

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 \$21.00 to \$21.50 for a car boot. Single Axle trailers have increased by \$1.00 to \$42.50 and heaped single axle trailers have increased by \$1.50 to \$55.50.
- Fees for the Saleyards Truck wash have increased by 0.50¢ to \$2.00.
- The fee for commercial collection of an extra bin has increased from \$147.80 to \$162.60, \$14.80 increase in price.

Planning and Development

- Desexed and microchipped dogs have increased from \$40.00 to \$40.40. The pensioner desexed and microchipped dog fees have increased from \$20.00 to \$20.20. Desexed dog fees have increased from \$52.10 to \$56.75. Full fees for the registration of a dog have increased by \$7.45 from \$175.40 to \$182.85. The pensioner full fee for the registration of a dog has increased by \$3.73 to \$91.43.
- Cat fees for a desexed and microchipped cat have increased by \$2.65 to \$31.05. Pensioner fees for a desexed and microchipped cat have increased by \$1.30 from \$14.20 to \$15.50. Desexed cat fees have increased by \$3.00 to \$47.80. The pensioner fee for a desexed cat has increased by \$1.50 from \$22.40 to \$23.90.
- Animal pound release fees for dogs have increased from \$45.00 to \$180.00, release fees for cats have increased from \$30.00 to \$180.00. This increase is in line with a new pricing structure that enables more first warnings to be issued with a reduction in the number of fines. The offset is an increase in the release fees, along with the health check fee and worm, flea and vaccination fee being included in the release fee.
- Health temporary premises (high risk) permits have increased from \$167.00 to \$457.00. Food vending machine permits have increased from \$13.00 to \$64.00 to. Food Act - fast track inspection fees have increased from \$89.00 to \$200.00 to reflect the actual cost associated with issuing the permit.
- Street parking fees for 2017-18 will increase from \$2.70 to \$2.80 per hour.
- The annual fee for a car parking permit at Haymarket car park has increased by \$87.60 to \$1,455.00. Busport and Civic Centre parking reserved permits have increased by \$224.20 to \$2,473. Busport and Civic Centre parking unreserved permits have increased by \$166.00 to \$1,834.00. Wesley car parking permits have increased \$69.40 to \$1,456.00. Permit parking for Corio Street and Brougham Street have increased \$68.40 to \$1,455.00. Corio Street casual parking has increased from \$6.10 to \$10.70 in line with the industry benchmark. Little Ryrie OSCP Parking Permits have increased \$226.50 to \$2,040.00.
- Planning fees for the written request of information have increased from \$92.00 to \$110.00.
- Building Permits for Places of Public Entertainment have been restructured from a \$600 fee to a new fee structure that takes into account the size of the event and the complexity of the permit. The new fees will be based on the number of people. An event with 0-1,000 people will be \$700.00. A larger event with 10,000-15,000 people will be \$3,125.00.

Community Life

- There's a new pricing structure in place for the hire of community facilities. Hourly rates are now applicable rather than hiring in 2 hour blocks. Hiring the Centenary Hall for the entire venue on a weekend will be an hourly rate of \$121.00, an increase of \$2.50 per hour.
- Meals on Wheels to Council clients will increase 5¢ to \$9.05 per meal. Full cost meals to agencies will increase by 51¢ to \$21.05.
- Fees for personal care will increase from \$5.20 to \$5.80. Respite care will increase from \$3.50 to \$4.40 and general care will increase from \$6.00 to \$6.20.
- Occasional care fees at Council's childcare facilities and integrated children centres will increase by \$3.00 from \$53.00 to \$56.00 for 5 hours.
- School holiday program fees will increase from \$55.00 to \$58.00.
- Long Day Care fees are increasing 15% across all childcare facilities and integrated children centres. Arston, Boorai and Leopold weekly fees will increase from \$470.00 to \$540.00. Belmont and Drysdale will increase from \$465.00 to \$534.50. Corio, Trudy Moritz and Whittington will increase from \$459.00 to \$528.00.
- Kindergarten fees are set to match the State Government subsidy and are set each calendar year rather than financial year. 4 year old kindergarten fees for July to December will remain at the current charge of \$1,433.00, January to June will increase to \$1,505.00. 3 year old kindergarten fees for 3.5 hours for July to December will remain at the current charge of \$1,124.00, January to June will increase to \$1,169.00.
- Hire of the Arena auditorium hire for community groups has increased by 8.1% from \$2,730.00 to \$2,950.00. The commercial rate hire per day for the auditorium has increased from \$4,550.00 to \$4,850.00.
- A leisure centre twelve month membership has increased by \$24.00 to \$1,080.00 and family memberships by \$180.00 to \$1,680.00. Active adult 3 month memberships have increased by \$24 to \$165.00. Learn to swim fees have increased by \$1.90 to \$15.90. Webstar swim school fortnightly fees have increased from \$24.50 to \$26.50. Casual adult gym visits have increased by \$1.00 to \$17.00. An adult casual swim has increased from \$6.00 to \$8.00. Prices have increased significantly to recover some of the rising costs associated with running the leisure centres.
- A season ticket for the Kardinia or Lara Pool for an adult has increased from \$297.00 to \$395.00. Concession season tickets will increase by \$76.00 to \$286.00 and a family season ticket will increase by \$191.00 to \$771.00 to cover rising costs associated with running the pools.
- Annual membership fees for the Queens Park Golf Course have increased from \$525.00 to \$550.00 for an adult. Elcho Park has increased from \$463.00 to \$550.00. Balyang Par 3 has increased from \$335.00 to \$360.00.
- The fee for an indoor stall at the Barwon Valley Activity Centre Sunday market has increased from \$23.00 to \$30.00 however a reduced fee of \$20.00 has been introduced for stall holders completing their payments via the online booking system.

Investments and Attractions

- Carousel rides are increasing by 40¢ a ride to \$4.80 for children and \$5.30 for adults. Private bookings for 4-6 hours at the Carousel have increased by \$280.00 to \$1,760.00.
- National Wool Museum admission prices have remained the same for 2017-18. Adult general admission is \$9.00, child admission \$5.00 and family admission is \$30.00. Prices are generally increased biennially.
- The weekly corporate rate for the hire of the Potato Shed has remained the same at \$8,000.00. The daily corporate rate has also remained the same at \$2,250.00. Prices are generally increased biennially.

Statutory Fees and Charges

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

- Statutory Planning Permit fees have increased in line with State Government legislation. A Change of Use permit has increased from \$502 to \$1,240.70. The fee to amend a permit - change statement or conditions has also increased from \$502 to \$1,240.70.

Discretionary Volume Changes

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

Finance and Strategy

- Increase in valuation income of \$101k to be received from the State Revenue Office due to 2018 being a revaluation year.
- Decrease in leasing income associated with the reallocation of sporting facility hire to the Sport and Recreation department. Also includes a decrease for additional revenue budgeted for rent associated with Simonds Stadium that has been transferred to the Kardinia Park Trust.

City Services

- Increase in the saleyards truck wash usage quantities by 10,000 and a decrease in the saleyards sheep/lamb sales quantities by 10,000 to reflect the trend in 2016-17.
- Decrease in the volume of reinstatement income by (\$159k) as per the 2016-17 trend.
- Increase in the volume of transactions processed at the North Geelong transfer station by \$250k to reflect additional processing at the site since the closure of another waste service in the North Geelong area.

Community Life

- Additional income has been forecast for the leisure centres in the Webstar Swim School Program \$1,036k due to the growth currently being experienced in the program.
- Decrease in income for services to Agencies related to the National Disability Insurance Scheme (\$1,417k).
- Decrease in income for food services with a reduction in the demand for meals provided to clients by 12,000 (\$97k) and meals provided to agencies by 800 (\$15k).
- Decrease in income for community aged care packages by (\$179k) with a reduction in the number of clients requiring additional services based on current year trends.
- Decrease in the school holiday programs at Newtown due to the closure of the service (\$51k).
- Anticipated decrease in volume for venue hire, café and bar sales at the Arena of (\$82k), offset with a reduction in associated costs.
- Increased participation in the Futsal program at Corio Leisuretime Centre has increased the income by \$45k.
- Additional bookings income of \$30k for John Landy Field has been included as Council has taken over a higher amount of operational responsibility due to the disbanding of the John Landy Athletics Field Committee of Management. Also additional income associated with the reallocation of sporting facility hire previously listed under the leasing department.
- Decrease in the volume of kindergarten fees at Thomson Kindergarten and the Rosewall Early Learning Centre, offset with additional grant funding.
- Increase in the utilisation of the integrated children's centres long day care programs at Ocean Grove and Leopold \$472k based on 2016-17 trend. Decrease in income for the kinder programs at Leopold, Ocean Grove and Barwon Heads \$148k offset with additional grant income. Decrease in rental facility income at the integrated children's centres of \$80k due to the unavailability of the rooms for hire.
- Long day care for the centre based programs is expected to decrease in utilisation due to the increase in prices, overall anticipated increase of \$116k.

Planning and Development

- Increase in the volume of parking fines issued to reflect the 2016-17 actual trend, increasing income by \$176k.
- Decrease in the volume of casual parking by 50,500 hours, with reduction in income of (\$125k) partly offset by an increase in permit parking quantities with \$52k increase in income.
- Decrease in the volume of animal registrations to reflect the 2016-17 actual trend, reducing income by (\$73k), partly offset by increase in price \$68k.

Investments and Attractions

- Removal of the berths from the waterfront fees and charges due to a new leasing arrangements (\$35k).

Statutory Volume Changes

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

- Decrease in the volume of caravan park registration fees due to the fees only being payable every 3 years (\$41k).
- Increase in the volume of subdivision design checking fees of \$50k based on 2016-17 actual trend.
- Increase in the volume of permits for developer contribution town planning permits \$375k.
- Decrease in the volume of fines issued for failure to apply to register animals (\$61k) and dog at large fines (\$57k). Volume decreases are in line with a new pricing policy to enable the issuing of more first offence warnings. The offset is an increase in prices for animal pound release fees.
- Increase in building permits of \$60k to reflect current growth trends.

(One-off income items included / excluded between budgets years 2016-17 and 2017-18).

Cost Centre	Comments	Movement Fav/(Unfav) \$M
2130 - Property & Revenue	Reimbursement Contract 2018 Revaluation income received from State Revenue Office in 2017-18.	0.10
4450 - Building Services	Decrease in caravan park registration income for 2017-18. Fees are only due on a triennial basis - last due in 2016-17.	(0.04)
4420 - School Holiday Program	Decrease in income for the Newtown School Holiday Program due to closure of the service.	(0.06)
5580 - Agencies	Decrease in income for services relating to the National Disability Insurance Scheme	(1.42)
Total		(1.41)

DIVISIONAL OPERATING STATEMENTS 2017-18

CHIEF EXECUTIVE

	2016-17 Budget \$'000	2017-18 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	63	70	7	Increase in Employee Vehicle Contributions.
Interest Investments	0	0	0	
TOTAL RECURRENT INCOME	63	70	7	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	8,809	10,437	(1,627)	EA increase, EFT increases (11) \$1,290k in People & Organisational Development.
Workcover	124	159	(36)	
<i>Goods & Services</i>				
General Works - Materials	32	32	0	
General Works - Plant/Equip/Vehicle costs	10	11	(1)	
General Works - External Services	3,430	4,763	(1,333)	Contractors (\$1,130k) - Council Election \$815k, External provider of Internal Audit Services \$200k. Civic Allowances (\$135k).
Administration	1,041	1,776	(735)	Corporate Training (\$285k) - Recurrent increase in People & Organisation Development. Training & Development (\$220k) - Discretionary project in People & Organisational Development. Computer Software (\$120k) - Discretionary projects in People & Organisational Development.
Professional Services	868	1,580	(712)	Consultants (\$712k) - Discretionary projects in People & Organisational Development \$641k.
Utilities	118	163	(45)	Communications (\$51k).
	14,430	18,919	(4,489)	
Depreciation	0	0	0	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	14,430	18,919	(4,489)	
RECURRENT SURPLUS/(DEFICIT)	(14,367)	(18,849)	(4,482)	
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)	(14,367)	(18,849)	(4,482)	

DIVISIONAL OPERATING STATEMENTS 2017-18

FINANCE & STRATEGY

	2016-17 Budget \$'000	2017-18 Draft Bgt \$'000	Variance Bgt to Bgt \$'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	202,724	212,101	9,377	
Government Grants	19,176	10,019	(9,158)	Grants Commission (\$9,158k).
User Charges	3,081	2,777	(304)	Commercial Rental Income (\$431k) - Sports Ground rental now booked to Sport & Recreation. Valuation Income \$122k - (Valuation year).
Other Fees & Charges	248	285	37	Licence Registrations \$37k - Financial Services.
Sundry Income	811	780	(31)	
Interest Investments	1,900	1,900	0	
TOTAL RECURRENT INCOME	227,940	227,861	(80)	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	10,314	11,881	(1,567)	EA increase plus additional EFT's in Digital Information & Technology and Property & Procurement.
Workcover	123	143	(20)	
<i>Goods & Services</i>				
General Works - Materials	272	343	(71)	Cleaning (\$70k).
General Works - Plant/Equip/Vehicle costs	50	176	(126)	Repairs & Maintenance (\$80k) - Information Systems (WiFi Support). Minor Plant & Equipment (\$46k) - Information Systems.
General Works - External Services	12,289	11,933	356	Rental Expense \$134k. Internal Charges \$358k - Lease Management. Building Maintenance Essential Services (\$150k).
Efficiency Dividend	0	(2,125)	2,125	
Administration	7,189	6,780	409	Computer Software & Hardware (\$155k). Interest Paid \$566k - Reduced loans.
Professional Services	898	1,167	(269)	Valuation Services (\$250k) - valuation year.
Utilities	582	598	(16)	
	31,717	30,895	822	
Depreciation	3,844	3,979	(134)	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	35,561	34,874	687	
RECURRENT SURPLUS/(DEFICIT)	192,379	192,986	608	
NON-RECURRENT INCOME				
Capital Grants & Income	324	43	(282)	
Developer Cash Contributions	0	0	0	
Gain/(Loss) on Sale of Property	437	2,158	1,721	
Recognition of Infrastructure	0	0	0	
TOTAL NON-RECURRENT INCOME	761	2,200	1,439	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	0	0	0	
TOTAL NON-RECURRENT EXPENDITURE	0	0	0	
NON-RECURRENT SURPLUS/(DEFICIT)	761	2,200	1,439	
NET SURPLUS/(DEFICIT)	193,140	195,186	2,047	

DIVISIONAL OPERATING STATEMENTS 2017-18

CITY SERVICES

	2016-17 Budget \$'000	2017-18 Draft Bgt \$'000	Variance Bgt to Bgt \$'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	420	354	(66)	Emergency Mgt (\$55k) - Grant now made direct to SES Units.
User Charges	11,728	12,040	313	Waste Disposal Commercial \$413k - Drysdale Landfill \$75k, North Geelong Transfer Station \$250k, Commercial Collection \$85k. Private Works Income (\$159k) - Reduction in Reinstatements.
Other Fees & Charges	843	875	31	
Sundry Income	1,294	1,719	425	Waste Collection \$449k - Additional Waste Bin income.
Interest Investments	0	0	0	
TOTAL RECURRENT INCOME	14,285	14,988	703	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	33,360	34,139	(778)	EA increase.
Workcover	839	913	(74)	
<i>Goods & Services</i>				
General Works - Materials	3,996	4,033	(37)	
General Works - Plant/Equip/Vehicle costs	5,840	6,107	(267)	Fuels, Oils & Greases (\$48k) - Fleet. MV Admin & Mtce (\$60k) - Fleet. Repairs & Maintenance (\$42k) - Operations. External Plant & Equipment Hire (\$80k) - Waste Services.
General Works - External Services	37,071	38,584	(1,514)	Contractors (\$1,019k) - Waste Collection (\$419k) (Kerbside collection contract \$157k, North Geelong Transfer Station \$119k), Engineering Services (\$182k) (asset growth), Environment (\$182k). Supplementary Labour (\$364k) - Waste Services (\$231k), Engineering Services (\$116k).
Administration	793	800	(7)	
Professional Services	915	878	37	
Utilities	5,133	5,280	(147)	Communications (\$115k).
	87,946	90,734	(2,788)	
Depreciation	36,712	40,004	(3,292)	
(Gain)/Loss on Sale of Plant & Equipment	(284)	(219)	(65)	
TOTAL RECURRENT EXPENDITURE	124,374	130,518	(6,144)	
RECURRENT SURPLUS/(DEFICIT)	(110,090)	(115,530)	(5,441)	
NON-RECURRENT INCOME				
Capital Grants & Income	15,220	9,032	(6,188)	
Developer Cash Contributions	0	0	0	
Gain/(Loss) on Sale of Property	0	0	0	
Recognition of Infrastructure	30,000	35,000	5,000	
TOTAL NON-RECURRENT INCOME	45,220	44,032	(1,188)	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	5,230	6,130	(900)	
TOTAL NON-RECURRENT EXPENDITURE	5,230	6,130	(900)	
NON-RECURRENT SURPLUS/(DEFICIT)	39,990	37,902	(2,088)	
NET SURPLUS/(DEFICIT)	(70,100)	(77,628)	(7,529)	

DIVISIONAL OPERATING STATEMENTS 2017-18

COMMUNITY LIFE

	2016-17 Budget \$'000	2017-18 Draft Bgt \$'000	Variance Bgt to Bgt \$'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	25,708	25,800	92	Aged & Disability Services (\$490k) - Care Services (\$560k). Family Services \$375k - Centre Based Long Day Care (\$122k), Integrated Children's Centres \$227k, Community Child Health \$221k. Community Development \$257k - Discretionary Projects.
User Charges	27,174	28,364	1,189	Family Services \$385k - Integrated Children's Centres \$293k, Centre Based Long Day Care \$116k. Leisure Services \$1,945k - Aquatic Centres. A&DS (\$1,490k) - Disability Care Australia (\$1,417k).
Other Fees & Charges	0	0	0	
Sundry Income	1,088	1,173	85	Sport & Recreation \$83k - Indoor Activity Centres \$83k.
Interest Investments	0	0	0	
TOTAL RECURRENT INCOME	53,970	55,336	1,366	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	60,757	60,612	145	EA increase less reduction in EFT's in Aged & Disability Services (offset by reduced User Charges and Government Grants).
Workcover	945	987	(42)	
<i>Goods & Services</i>				
General Works - Materials	2,822	3,153	(331)	Consumable Materials (\$261k) - Aged & Disability Services (\$158k), Family Services (\$93k). Contract Cleaning (\$79k) - Aquatic Centres.
General Works - Plant/Equip/Vehicle costs	675	693	(18)	Repairs & Maintenance (\$18k).
General Works - External Services	9,598	10,381	(783)	Supplementary Labour (\$128k) - Family Services (\$85k). Events & Functions (\$78k) - Community Development (\$63k). Internal Lease Income (\$296k) - Sport & Recreation.
Administration	1,238	1,178	60	Leases \$74k - Aquatic services.
Professional Services	69	269	(200)	Consultants (\$200k) - Increase in Discretionary projects.
Utilities	2,943	3,774	(830)	Gas (\$625k) - Aquatic Centres (\$601k). Communications (\$112k).
	79,048	81,048	(2,000)	
Depreciation	11,884	12,159	(276)	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	90,932	93,207	(2,275)	
RECURRENT SURPLUS/(DEFICIT)	(36,962)	(37,871)	(909)	
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	6,000	0	6,000	Contribution to Simonds Stadium Stage 4 Development (16-17).
Loss on Disposal of Infrastructure	60	60	0	
TOTAL NON-RECURRENT EXPENDITURE	6,060	60	6,000	
NON-RECURRENT SURPLUS/(DEFICIT)	(1,560)	4,440	6,000	
NET SURPLUS/(DEFICIT)	(38,522)	(33,431)	5,091	

DIVISIONAL OPERATING STATEMENTS 2017-18

PLANNING & DEVELOPMENT

	2016-17 Budget \$'000	2017-18 Draft Bgt \$'000	Variance Bgt to Bgt \$'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	657	674	17	Vic Roads School Grant \$17k.
User Charges	9,893	10,522	629	Car Parking Fees \$403k, Animal Pound services \$221k.
Other Fees & Charges	10,307	11,123	816	Planning & Building Permits \$735k. Infringements \$44k. Health & Food Licences \$41k.
Sundry Income	1,112	1,177	66	Infringements \$58k.
Interest Investments	1	1	0	
TOTAL RECURRENT INCOME	21,970	23,497	1,528	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	16,284	17,439	(1,156)	EA increase plus EFT increases.
Workcover	160	179	(19)	
<i>Goods & Services</i>				
General Works - Materials	238	243	(5)	
General Works - Plant/Equip/Vehicle costs	155	151	4	
General Works - External Services	3,758	3,611	146	Contractors \$230k - Planning Strategy \$238k - decrease in discretionary projects. Health & Local Laws (\$183k) - Animal Pound Service. Development Contribution Plans \$175k - Discretionary Projects. Internal Charges (\$58k) - Internal vehicle costs
Administration	969	1,184	(215)	Doubtful Debts (\$250k) - Infringements.
Professional Services	1,336	1,502	(166)	Consultants (\$191k) - Planning Strategy - increase in discretionary projects. Legal Expenses \$50k.
Utilities	117	132	(16)	
	23,017	24,442	(1,425)	
Depreciation	342	362	(20)	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	23,359	24,804	(1,445)	
RECURRENT SURPLUS/(DEFICIT)	(1,389)	(1,307)	82	
NON-RECURRENT INCOME				
Capital Grants & Income	3,700	0	(3,700)	
Developer Cash Contributions	5,980	4,725	(1,255)	
Gain/(Loss) on Sale of Property	0	0	0	
Recognition of Infrastructure	0	0	0	
TOTAL NON-RECURRENT INCOME	9,680	4,725	(4,955)	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	0	0	0	
TOTAL NON-RECURRENT EXPENDITURE	0	0	0	
NON-RECURRENT SURPLUS/(DEFICIT)	9,680	4,725	(4,955)	
NET SURPLUS/(DEFICIT)	8,291	3,418	(4,873)	

DIVISIONAL OPERATING STATEMENTS 2017-18

INVESTMENT & ATTRACTION

	2016-17 Budget \$'000	2017-18 Draft Bgt \$'000	Variance Bgt to Bgt \$'000	Variance Comments
RECURRENT INCOME				
Rates & Charges	0	0	0	
Government Grants	85	91	6	
User Charges	668	638	(30)	Fees & Commission Income (\$35k) - Central Geelong & Waterfront.
Other Fees & Charges	0	0	0	
Sundry Income	1,879	1,871	(8)	
Interest Investments	0	0	0	
TOTAL RECURRENT INCOME	2,631	2,599	(32)	
RECURRENT EXPENDITURE				
<i>Employee Related</i>				
Salaries	8,242	8,441	(199)	EA increase.
Workcover	92	96	(4)	
<i>Goods & Services</i>				
General Works - Materials	622	646	(24)	Cleaning (\$10k) - Central Geelong & Waterfront.
General Works - Plant/Equip/Vehicle costs	509	506	3	
General Works - External Services	17,023	16,742	281	Contractors \$417k - Decrease in Discretionary Projects \$469k, Recurrent increase in Central Geelong (\$47k). Levies & Contributions (\$260k) - Arts & Culture (Increase in Library Contribution). Contributions \$408k - Events Services \$445k (Australian International Airshow \$400k). Plus increases in Supplementary Labour (\$69k) and Rental Expense (\$75k).
Administration	529	522	8	
Professional Services	166	428	(262)	Consultants (\$262k) - Increase in Discretionary Projects.
Utilities	660	659	1	
	27,843	28,040	(197)	
Depreciation	2,528	2,675	(147)	
(Gain)/Loss on Sale of Plant & Equipment	0	0	0	
TOTAL RECURRENT EXPENDITURE	30,371	30,715	(344)	
RECURRENT SURPLUS/(DEFICIT)	(27,740)	(28,116)	(376)	
NON-RECURRENT INCOME				
Capital Grants & Income	3,050	121	(2,929)	
Developer Cash Contributions	0	0	0	
Gain/(Loss) on Sale of Property	1,305	0	(1,305)	
Recognition of Infrastructure	0	0	0	
TOTAL NON-RECURRENT INCOME	4,355	121	(4,234)	
NON-RECURRENT EXPENDITURE				
Loss on Disposal of Infrastructure	0	0	0	
TOTAL NON-RECURRENT EXPENDITURE	0	0	0	
NON-RECURRENT SURPLUS/(DEFICIT)	4,355	121	(4,234)	
NET SURPLUS/(DEFICIT)	(23,385)	(27,995)	(4,610)	

BUDGETED STATEMENT OF CASH FLOWS

	Budget 2016-17 \$'000	Projection 2016-17 \$'000	Budget 2017-18 \$'000	Budget Change Fav/(Unfav) \$'000
Cash Flows from Operating Activities				
Receipts				
General Rates	202,645	203,645	212,029	9,384
Fees and Charges	74,113	76,360	77,237	3,124
GST Recoveries on Operating Transactions	11,700	11,700	11,700	0
Investment Income	1,901	2,201	1,901	0
Government Grants	46,246	56,849	37,137	(9,109)
	336,605	350,755	340,004	3,399
Payments				
Employee Costs	(137,861)	(138,598)	(144,166)	(6,305)
General Works / Utilities / Disbursements	(129,658)	(136,882)	(126,254)	3,404
Administration / Professional Services	(13,589)	(17,905)	(16,178)	(2,589)
Interest Expense	(3,652)	(2,356)	(3,086)	566
	(284,760)	(295,741)	(289,684)	(4,924)
Net Cash Inflow from Operating Activities	51,845	55,014	50,320	(1,525)
Cash Flows from Investing Activities				
Capital Expenditure	(100,920)	(88,091)	(114,154)	(13,234)
Landfill Rehabilitation	(12,687)	(12,687)	0	12,687
Proceeds from Sale of Land and Buildings	3,200	8,672	5,070	1,870
Proceeds from Sale of Plant and Equipment	1,684	1,904	1,684	0
Developer Cash Contributions	5,980	5,980	4,725	(1,255)
Income for Capital Expenditure	22,293	29,221	9,195	(13,098)
Net Cash Outflow from Investing Activities	(80,450)	(55,001)	(93,480)	(13,030)
Cash Flows from Financing Activities				
Repayment of Borrowings	(12,110)	(9,293)	(11,486)	624
Proceeds from New Loans	50,627	0	39,312	(11,315)
Net Cash Inflow/(Outflow) from Financial Activities	38,517	(9,293)	27,826	(10,691)
Net Increase / (Decrease) in Cash Held	9,912	(9,280)	(15,334)	(25,246)
Cash at the Beginning of the Financial Year	65,251	87,236	77,956	12,705
Cash at the end of the Financial Year	75,163	77,956	62,622	(12,541)
Loan Balance	93,290	45,481	73,306	(19,984)
Net Cash (Deficit) / Surplus	(18,127)	32,475	(10,684)	7,443

ANALYSIS OF BUDGETED CASH POSITION

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2017-18 year. The Budgeting of cash flows is to ensure that appropriate levels of working capital are retained through the course of the year.

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 includes 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 2016-17 \$'000	Budget 2017-18 \$'000	Variance (Outflow) \$'000
Cash flows from operating activities			
<i>Receipts</i>			
General rates	202,645	212,029	9,384
Grants	46,246	37,137	(9,109)
Interest	1,901	1,901	-
Fees and Charges	74,113	77,237	3,124
Other revenue	11,700	11,700	-
	336,605	340,004	3,399
<i>Payments</i>			
Employee costs	(137,861)	(144,166)	(6,305)
General Works / Utilities	(129,658)	(126,254)	3,404
Administration / Professional Services	(13,589)	(16,178)	(2,589)
Finance costs	(3,652)	(3,086)	566
	(284,760)	(289,684)	(4,924)
Net cash provided by operating activities	51,845	50,320	(1,525)
Cash flows from investing activities			
Proceeds from sales of property, plant & equipment	4,884	6,754	1,870
Income related to Capital Expenditure	22,293	9,195	(13,098)
Developer Contributions	5,980	4,725	(1,255)
Payments for property, plant & equipment	(100,920)	(114,154)	(13,234)
Landfill Rehabilitation Expenditure	(12,687)	-	12,687
Net cash used in investing activities	(80,450)	(93,480)	(13,030)
Cash flows from financing activities			
Proceeds from borrowings	50,627	39,312	(11,315)
Repayment of borrowings	(12,110)	(11,486)	624
Net cash used in financing activities	38,517	27,826	(10,691)
Net increase/(decrease) in cash and cash equivalents	9,912	(15,334)	(25,246)
Cash and cash equivalents at beginning	65,251	77,956	12,705
Cash and cash equiv. at end of the year	75,163	62,622	(12,541)

	Budget 2016-17 \$'000	Budget 2017-18 \$'000	Variance (Outflow) \$'000
Represented by:			
Restricted cash and investments			
- Statutory reserves	3,405	3,510	105
- Discretionary reserves	896	655	(241)
- Long service leave	21,000	22,000	1,000
Working capital	49,862	36,457	(13,405)
Total cash and investments	75,163	62,622	(12,541)

1.1 Operating Activities (\$1.5m 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 \$9.4m increase from rates, the \$3.1m increase from Fees and Charges, offset by the (\$9.1m) decrease from Government Grants to fund recurrent program increases of \$4.9m (Included in the recurrent program in 2016-17 was a \$6.0m contribution to Simonds Stadium Stage 4 Development).

1.2 Investing Activities (\$13.0m 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 \$0.5m and capital income has decreased by \$13.1m to achieve the list of capital projects detailed in Appendix 1. Sale of Land & Buildings has increased by \$1.9m based on expected timing of forward year property settlements. Developer Contributions have decreased \$1.3m.

1.3 Financing Activities (\$10.7m unfavourable)

During 2017-18 Council is budgeting to borrow \$39.31m, which includes \$28.95m of loans deferred from 2016-17. New loans of \$10.36m will fund Armstrong Creek Projects, Elcho Channel Project, Drysdale Landfill Cell 5, Rosewall Community Hub, Cloverdale Community Hub and Drysdale Integrated Childrens Centre.

1.4 Cash and Cash Equivalents at End of the Year (\$12.5m unfavourable)

The projected cash position at the end of June 2017 is \$77.96m. This is \$2.79m favourable to the 2016-17 budgeted closing cash position (see Impact of Current Year on 2017-18 Budget p 2-33).

The years activities result in an decrease in cash of (\$15.3m). This is mainly due to deferred borrowings of \$28.95m from 2016-17, offset by reduction in Capital carryover of \$33.0m and early receipt in June 2017 of 50% of 2017-18 Grants Commission funding \$10.10m

The budgeted cash position at 30 June 2018 is \$62.6m 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 2018 at \$62.6m which has been restricted as follows:

- **Statutory Reserves (\$3.5m)** – 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 2018 includes Developer Contribution Plans \$1.4m, Water Quality Levies \$1.9m and Carparking \$0.2m.

- **Discretionary Reserves (\$0.7m)** – 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 \$0.5m - Insurance Recovery for Saleyards. The decisions about future use of these funds has been reflected in Council's Strategic Resource Plan.
- **Long Service Leave (\$22.0m)** – These funds are separately identified as a future commitment for long service leave liability.
- **Working Capital (\$36.5m)** – Apart from provision for commitment to \$29m of carryover Capital works into 2018-19, 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 2016-17 \$'000	Budget 2017-18 \$'000	Fav/(Unfav) Variance \$'000
Surplus (deficit) for the year	55,055	40,701	(14,354)
Depreciation	55,311	59,179	3,868
Landfill provision	-	-	-
Loss (gain) on sale of assets	2,026	2,377	351
Recognition of Infrastructure	(34,500)	(39,500)	(5,000)
Contributions	(28,273)	(13,920)	14,353
Net movement in current assets and liabilities	2,226	1,483	(743)
Cash flows available from operating activities	51,845	50,320	(1,525)
Proceeds from the sale of assets	4,884	6,754	1,870
Repayment of borrowings	(12,110)	(11,486)	624
Capital Income and Developer Contributions	28,273	13,920	(14,353)
Proceeds from Loans	50,627	39,312	(11,315)
Cash flows available for capital works	123,519	98,820	(24,699)
Capital Expenditure	(100,920)	(114,154)	(13,234)
Landfill Rehabilitation Expenditure	(12,687)	-	12,687
Net cash outflows	9,912	(15,334)	(25,246)
Cash and cash equivalents at the beginning of the year	65,251	77,956	12,705
Cash and cash equivalents at the end of the year	75,163	62,622	(12,541)

Cash flows available for capital works is expected to decrease by (\$24.7m) to \$98.8m during the 2017-18 year mainly due to decreased loan borrowings of (\$11.3m), decreased Capital Income and Developer Contributions (\$14.4m) and unfavourable cash flow from operating activities of (\$1.5m), offset by increased proceeds from Sale of Assets \$1.9m. A net cash outflow of (\$15.3m) during the year will result in a cash balance of \$62.6m, adequate to cover Council's financial obligations and future commitments.

CAPITAL WORKS PROGRAM

For the year ending 30 June 2018

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	10,244	1,060	5,775	3,409	1,008	122	9,114	0
Roads	17,945	14,814	150	2,981	3,522	0	14,423	0
Fleet	5,673	5,578	0	95	0	1,684	3,989	0
Buildings	10,319	2,525	2,474	5,320	0	120	6,849	3,350
Drainage	4,430	1,121	0	3,309	0	0	4,430	0
Computer Equipment	1,828	1,181	0	647	0	0	1,828	0
Footpaths	3,687	3,394	0	293	0	0	3,687	0
Miscellaneous	3,291	0	181	3,110	0	43	3,248	0
Kerb & Channel	2,156	2,156	0	0	0	0	2,156	0
Central Geelong Action Plan	1,315	0	1,315	0	0	0	1,315	0
Land	8,188	0	0	8,188	0	0	5,508	2,680
Waste Collection and Landfill	4,970	0	0	4,970	0	0	1,685	3,285
Plant & Equipment	258	181	0	77	0	0	258	0
Special Rates and Charges Program	6,759	0	0	6,759	0	4,289	1,419	1,051
Total New Capital Works 2017-18	81,063	32,010	9,895	39,158	4,530	6,258	59,909	10,366
Reconciliation								
Design	13				0	13	0	0
Construction	78				0	78	0	0
Plant Replacement Program					0	(1,684)	1,684	0
Carryover from 2016-17	62,000				0	0	62,000	0
Carryover to 2018-19	(29,000)				0	0	(29,000)	0
Total	33,091				0	(1,593)	34,684	0
Operating Statement Total	114,154				4,530	4,665	94,593	10,366

ANALYSIS OF CAPITAL BUDGET

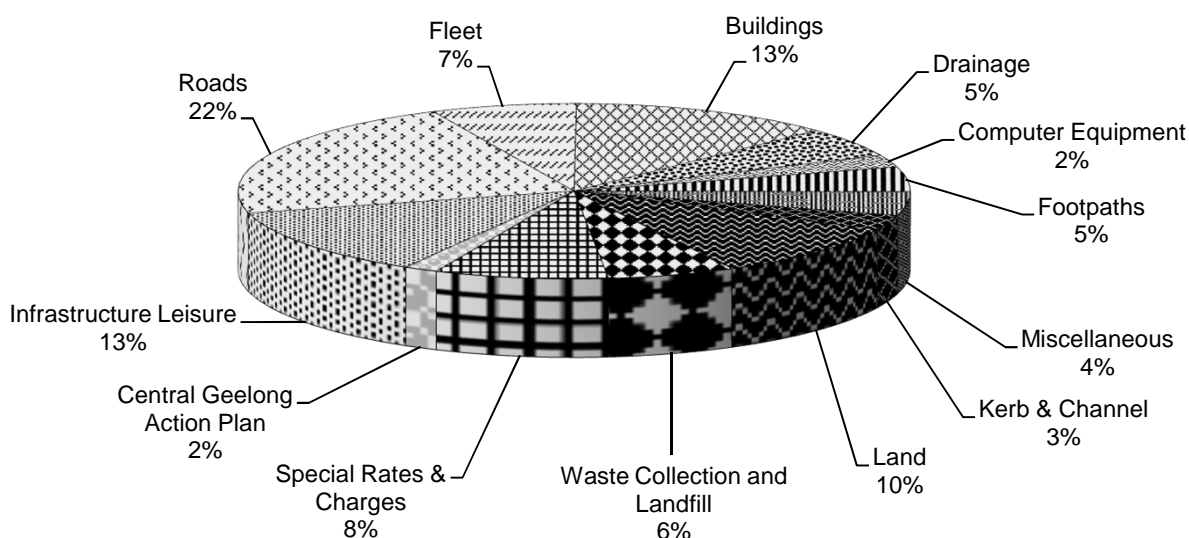
This section of the report analyses the planned capital expenditure budget for the 2017-18 year and the sources of funding for the capital budget.

1. Capital Program

Capital Program Categories	Budget 2016-17 \$'000	Budget 2017-18 \$'000	(Increase)/ Decrease \$'000
Works carried forward from 2016-17	38,000	62,000	(24,000)
Capital Funding for 2017-18			
Infrastructure Leisure	10,668	10,244	424
Roads	18,014	17,945	69
Fleet	5,715	5,673	42
Buildings	24,689	10,319	14,370
Drainage	4,402	4,430	(28)
Computer Equipment	2,355	1,828	527
Footpaths	4,015	3,687	328
Miscellaneous	3,541	3,549	(8)
Kerb & Channel	1,956	2,156	(200)
Land	7,485	8,188	(703)
Waste Collection and Landfill	6,719	4,970	1,749
Special Rates & Charges	10,213	6,759	3,454
Central Geelong Action Plan	3,835	1,315	2,520
Sub Total	103,607	81,063	22,544
Works carried forward to 2018-19	(28,000)	(29,000)	1,000
Design / Construction	91	91	-
Total Capital Program	113,698	114,154	(456)
Capital Funding for 2017-18 represented by:			
New Assets	66,121	39,158	26,963
Asset Upgrades	5,146	9,895	(4,749)
Asset Renewal	32,340	32,010	330
Total Capital Works	103,607	81,063	22,544

Refer Appendix 1 for a detailed list of 2017-18 capital program.

Budgeted Capital Program 2017-18



Capital Program Categories

1.1 Carried Forward Works (\$62.00m)

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 together with re-timing of cash flows. For the 2016-17 year Project Managers estimate that \$62m of capital works will be incomplete and carried forward into the 2017-18 year. The more significant projects include Armstrong Creek East Precinct Neighbourhood Activity Centre Community Complex, Armstrong Creek East Precinct Neighbourhood Activity Centre Community Pavilion, Corio Landfill Rehabilitation, Hendy St Children's Hub, Leopold Community Hub Stage 2, Drysdale/Clifton Springs Sports Precinct, Drainage Construction, Drysdale Landfill Cell 5 and Central Geelong Action Plan.

1.2 Infrastructure Leisure (\$10.24m)

A total of \$10.24m is proposed for Infrastructure Leisure projects which covers Parks, Sportsgrounds, Foreshore, Aquatic Facilities and Playgrounds. The more significant projects include Sports Grounds (\$7.44m) - Leisuretime Synthetic Pitch Construction, Hendy St Reserve Redevelopment, Winters Reserve Changeroom Facilities Upgrade, Anakie F&NC Changeroom Upgrade and St Albans Netball Court Upgrade; Aquatics (\$1.25m) - Gymnasium Equipment Replacement, Waterworld Outdoor Area & Activities Upgrade, Kardinia Pool Lighting Compliance Upgrade; Playgrounds (\$0.60m) - Playground Development Program.

1.3 Roads (\$17.95m)

The more significant projects include Road Surfacing program (\$6.44m), Federally Funded Roads to Recovery projects (\$3.02m), Local Roads Construction (\$0.82m), Road Rehabilitation (\$3.63m), VicRoads Funded Works (\$0.50m) and Roads Other (bridges, culverts, etc.) (\$1.93m). An increased amount has been allocated in 2017-18 to renewal program Road Surfacing (\$0.40m) and Road Rehabilitation (\$0.30m).

1.4 Fleet (\$5.67m)

The gross purchase cost \$5.67m on replacement of Light Fleet, Heavy Plant and Dedicated Plant has remained the same as for 2016-17. Trade and sale values for replaced units are estimated at \$1.68m, leaving a net changeover expenditure of \$3.99m.

1.5 Buildings (\$10.32m)

For the 2017-18 year, \$10.32m will be expended on building projects - Upgrades \$2.47m, Renewal \$2.53m and New \$5.32m. 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 Rosewall Community Hub (\$1.75m), Cloverdale Community Hub (\$1.00m), Northern ARC Project (\$1.00m) and Drysdale Integrated Children's Hub (\$0.60m). An increased amount of (\$0.50m) has been allocated to renewal of Council buildings.

1.6 Drainage (\$4.43m)

Drainage Construction is an ongoing program including upgrading main drainage infrastructure (\$2.57m), Drainage Renewal Program (\$1.12m) and Gheringhap Street Pipe (\$0.35m). An increased amount (\$0.10m) has been allocated in 2017-18 to Drainage Renewal Program.

1.7 Computer Equipment (\$1.83m)

Expenditure on computer equipment renewal is proposed at \$1.83m. The more significant projects include IT Asset Replacement Program (\$1.18m), Minor Acquisitions Program (\$0.22m) and Single View of Customer Project (\$0.20m).

1.8 Footpaths (\$3.69m)

The ongoing footpath replacement program proposes \$2.94m in 2017-18. Other expenditure includes Ritchie Boulevard Baywalk (\$0.45m) and Cycle Strategy Implementation (\$0.20m).

1.9 Miscellaneous (\$3.29m)

For the 2017-18 year, \$3.29m will be budgeted on a range of projects including Project Management Salaries, Streetscapes and Furniture Replacement.

1.10 Kerb & Channel (\$2.16m)

The ongoing kerb and channel renewal program proposes \$2.16m for replacement of kerb and channel in full block sections, an increase over 2016-17 of (\$0.20m).

1.11 Land (\$8.19m)

For the 2017-18 year, \$7.63m will be expended on land acquisition at Armstrong Creek, Jetty Rd \$0.15m and Open Space Land Acquisition \$0.33m.

1.12 Waste Collection and Landfill (\$4.97m)

For the 2017-18 year, (\$3.29m) will be expended on Drysdale Landfill Cell 5, (\$1.00m) on Greenwaste Site Establishment, (\$0.20m) on Drysdale Landfill Leachate Management, plus the ongoing program for new property waste bins (\$0.49m).

1.13 Special Rates & Charges (\$6.76m)

For the 2017-18 year, \$6.76m will be expended on Special Rates & Charges projects, including Elcho Channel Project (\$4.20M), Street Construction (\$1.40M) and Footpath Construction (\$0.94M).

1.14 Central Geelong Action Plan (\$1.32m)

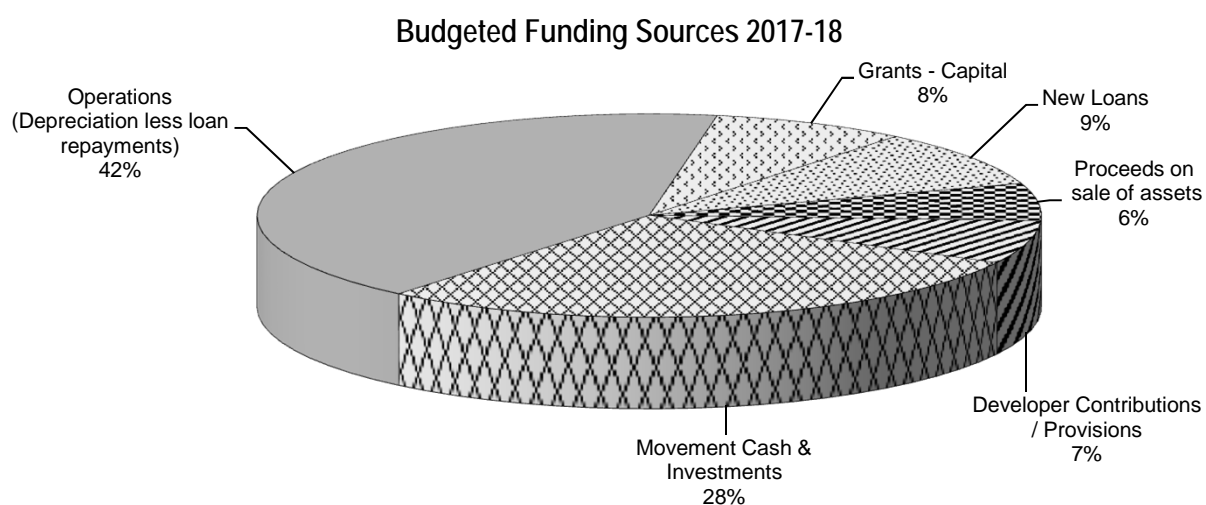
For the 2017-18 year, \$1.32m will be expended on projects identified in the Central Geelong Action Plan including, Johnstone Park Improvements (\$1.22m) and Ryrie St CBD Amenity Upgrade (\$0.10m).

1.15 Plant & Equipment (\$0.26m)

For the 2017-18 year, \$0.26m will be expended on minor Plant & Equipment.

2. Funding Sources

Sources of Funding	Budget 2016-17 \$'000	Budget 2017-18 \$'000	Increase/ (Decrease) \$'000
<i>External</i>			
Grants - Capital	22,293	9,195	(13,098)
New Loans	22,695	10,366	(12,329)
Proceeds on sale of assets	4,884	6,754	1,870
	49,872	26,315	(23,557)
<i>Internal</i>			
Developer Contributions / Provisions	9,369	7,850	(1,519)
Movement Cash & Investments	11,256	32,296	21,040
Operations (Depreciation less loan repayments)	43,201	47,693	4,492
	63,826	87,839	24,013
Total Funding Sources	113,698	114,154	456



2.1 Grants - Capital (\$9.20m)

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 Roads to Recovery Projects (\$3.02m), Elcho Channel SRC (\$3.15m), Winters Reserve Change Facilities Upgrade (\$0.80m), VicRoads Funded Works (\$0.50m), and Street, Drainage, Footpath, Kerb & Channel Construction - Special Rates & Charges (\$1.14m).

2.2 Loans (\$10.37m)

The 2017-18 Budget provides for \$10.37m of new borrowings to fund the following projects: Drysdale Landfill Cell 5, Rosewall Neighbourhood House, Armstrong Creek Projects, Cloverdale Community Hub, Elcho Channel SRC and Drysdale Integrated Children's Centre.

2.3 Proceeds from Sale of Assets (\$6.75m)

Proceeds from sale of assets includes fleet sales in accordance with Council's fleet renewal policy (\$1.68m) and sale of land (\$5.07m).

2.4 Developer Contributions / Provisions (\$7.85m)

For 2017-18 \$7.85m will be allocated from Developer Contributions and Provisions. The capital program assumes that the upgrade of various Parks, Playgrounds and Reserves (Leopold Child & Family Centre Playground, Playground Redevelopment, Herne Hill Reserve, Ocean Grove Memorial Reserve, Sports Grounds Renovation), and the Open Space Acquisitions Plan will be allocated from untied Developer Contributions received \$1.50m. Developer Contribution Plans income received for Armstrong Creek and Jetty Rd of \$6.35m will be allocated towards the funding of Armstrong Creek and Jetty Rd Capital Projects which total \$9.03m.

2.5 Movement Cash & Investments (\$32.30m)

Funding of approved 2016-17 projects carried over to 2017-18.

2.6 Operations (\$47.69m)

Council generates cash from its operating activities, which is used as a funding source for the capital works program. Depreciation expense of \$59.18m less loan repayments (\$11.49m) will allocate cash from operations to fund the 2017-18 capital works program.

3. Asset Type

3.1 Expenditure on New Assets (\$39.16m)

The Capital projects that are defined as creating new or growth assets include: Armstrong Creek Land Acquisitions (\$7.13m), Elcho Channel SRC (\$4.20m), Drysdale Landfill Cell 5 (\$3.29m), Drainage Construction (\$2.56m), Rosewall Community Hub (\$1.75m), Street Construction Special Rates & Charges (\$1.40m), Hendy St Reserve Development (\$1.89m), Leisuretime Synthetic Pitch Construction (\$1.36m), Cloverdale Community Hub (\$1.00m), Northern ARC Project (\$1.00m) and Greenwaste Site Establishment (\$1.00m).

3.2 Expenditure on Asset Upgrades (\$9.90m)

The Capital projects that constitute expenditure on assets upgrades, are various Sportsground Upgrades (\$3.94m), Building Upgrades (\$2.47m), Central Geelong Action Plan (\$1.32m), Playgrounds (\$0.60m), Streetscapes (\$0.17m), Parks & Reserves (\$0.50m) and Aquatics (\$0.64m).

3.3 Expenditure on Asset Renewals (\$32.01m)

The Capital projects that constitute expenditure on renewals, are the Federal Roads Program (\$3.02m), Road Surfacing program (\$6.44m), Light Fleet Replacement (\$2.15m), Heavy & Dedicated Plant Replacement (\$3.34m), Footpath Renewal (\$2.94m), Road Rehabilitation (\$3.63m), Building Renewal (\$2.03m), Kerb & Channel Renewal (\$2.16m), IT Asset Replacement (\$1.18m) and Drainage Renewal (\$1.12m).

BUDGETED BALANCE SHEET

	Budget 2016-17 \$'000	Projection 2016-17 \$'000	Budget 2017-18 \$'000	Budget Change Fav/(Unfav) \$'000
*Year End 30 June Balances				
Current Assets				
Cash and Investments	75,163	77,956	62,622	(12,541)
Receivables	12,000	12,000	12,500	500
Prepayments	200	200	200	0
Inventories	792	798	845	53
Total Current Assets	88,155	90,954	76,167	(11,988)
Current Liabilities				
Payables	18,551	19,975	19,322	(771)
Interest Bearing Liabilities	15,290	11,486	12,181	3,109
Refundable Deposits	3,000	3,000	3,000	0
Provisions	29,480	30,363	31,712	(2,232)
Landfill Provision	0	0	0	0
Total Current Liabilities	66,321	64,824	66,215	106
Net Current Assets	21,834	26,130	9,952	(11,882)
Non-Current Assets				
Property, Plant & Equipment	2,146,637	2,090,504	2,174,412	27,775
Investments	12,002	12,002	12,002	0
Receivables	1,538	1,538	1,553	15
Total Non-Current Assets	2,160,177	2,104,044	2,187,967	27,790
Non-Current Liabilities				
Creditors and Provisions	4,552	5,168	5,081	(529)
Loans	78,000	33,994	61,125	16,875
Total Non-Current Liabilities	82,552	39,162	66,206	16,346
NET ASSETS	2,099,459	2,091,012	2,131,713	32,254
Ratepayers Equity				
Accumulated Surplus	1,244,163	1,192,159	1,269,305	25,142
Asset Revaluation Reserve	822,185	829,243	829,243	7,058
Reserves	33,111	69,610	33,165	54
TOTAL EQUITY	2,099,459	2,091,012	2,131,713	32,254

ANALYSIS OF BUDGETED FINANCIAL POSITION

This section of the budget report analyses the movements in assets, liabilities and equity between 2016-17 and 2017-18.

1. Budgeted Balance Sheet

	Budget 2016-17 \$'000	Budget 2017-18 \$'000	Variance Fav / (Unfav) \$'000
Current assets			
Cash and cash equivalents	75,163	62,622	(12,541)
Trade and other receivables	12,000	12,500	500
Prepayments	200	200	-
Inventories	792	845	53
Total current assets	88,155	76,167	(11,988)
Current liabilities			
Trade and other payables	18,551	19,322	(771)
Interest-bearing loans and borrowings	15,290	12,181	3,109
Refundable Deposits	3,000	3,000	-
Provisions	29,480	31,712	(2,232)
Total current liabilities	66,321	66,215	106
Net current assets	21,834	9,952	(11,882)
Non-current assets			
Trade and other receivables	1,538	1,553	15
Investments	12,002	12,002	-
Property, infrastructure, plant and equipment	2,146,637	2,174,412	27,775
Total non-current assets	2,160,177	2,187,967	27,790
Non-current liabilities			
Interest-bearing loans and borrowings	78,000	61,125	16,875
Provisions	4,552	5,081	(529)
Total non-current liabilities	82,552	66,206	16,346
Net assets	2,099,459	2,131,713	32,254
Equity			
Accumulated surplus	1,244,163	1,269,305	25,142
Asset revaluation reserve	822,185	829,243	7,058
Other reserves	33,111	33,165	54
Total equity	2,099,459	2,131,713	32,254

1.1 Current Assets (\$12.0m unfavourable)

The decrease in current assets is primarily due to a (\$12.5m) decrease in Cash and cash equivalents.

1.2 Current Liabilities \$0.1m favourable)

The decrease in current liabilities reflects the decrease in Loans & Borrowings of \$3.1m. Payables have increased (\$0.8m) in line with actual creditor balances and provisions have increased (\$2.2m) (mainly Long Service Leave provision).

1.3 Non Current Assets (\$27.8m favourable)

The increase in Property, Infrastructure, Plant and Equipment is the net result of the capital works program of \$114.2m of new assets, assets gifted to Council of \$39.5m, the depreciation of non-current assets (\$59.2m), the disposal and sale of property, plant & equipment (\$10.6m) in 2017-18 plus the transfer of Land & Building assets to Kardinia Park Trust (\$26.6m) in 2016-17.

1.4 Non Current Liabilities (\$16.3m favourable)

The decrease in non current liabilities (ie. obligations Council must pay beyond the next year) results mainly from decreased Loan Balances \$16.9m, offset by increased provision for Long Service Leave (\$0.5m).

1.5 Working Capital (\$10.0m)

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 2017 \$'000	Budget 2018 \$'000	Variance Fav / (Unfav) \$'000
Current assets	90,954	76,167	(14,787)
Current liabilities	64,824	66,215	(1,391)
Working capital	26,130	9,952	(16,178)
Restricted cash and investment current assets			
- Statutory Reserves	(3,405)	(3,510)	(105)
- Discretionary Reserves	(655)	(655)	-
Unrestricted working capital*	22,070	5,787	(16,283)

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

1.6 Equity (\$32.3 favourable)

The net increase in accumulated surplus of \$25.1m results from:

- Net surplus shown in the income statement \$40.7m.
- Increased net surplus for 2016-17 due to early receipt of 2017-18 Grants Commission funding \$10.1m.
- Transfer of assets to Kardinia Park Trust (\$26.6m).

IMPACT OF CURRENT YEAR ON 2017-18 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 2017-18 Budget.

1. Operating Performance

	Budget 2016-17 \$'000	Amended (a) Budget 2016-17 \$'000	Projection 2016-17 \$'000	Variance Budget (a) v Projected Actual \$'000
Operating				
Revenue	320,859	321,341	333,190	11,849
Expenditure	(319,029)	(328,384)	(328,856)	(472)
Recurrent result - Surplus/ (Deficit)	1,830	(7,043)	4,334	11,377
Non-operating				
Revenue	64,515	72,315	45,490	(26,825)
Expenditure	(11,290)	(11,290)	(11,290)	-
Non Recurrent - Surplus/ (Deficit)	53,225	61,025	34,200	(26,825)
Net surplus (deficit)	55,055	53,982	38,534	(15,448)

Amendments to the 2016-17 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 (\$8.87m) and Non Operating (Capital Income carryover) \$7.80m.

The forecast operating performance for the year ending 30 June 2017 is a recurrent surplus of \$4.3m, which is \$11.4m favourable compared to the amended budget. After non-operating items, the operating surplus is \$38.5m, which is (\$15.4m) unfavourable compared to the amended budget.

The 2016-17 favourable operating variances include Grants Commission \$10.1m (due to early receipt of 50% of 2017-18 funding), Rates Income \$1.0m, Salaries/Supplementary Labour \$0.8m, Planning application fees \$0.5m, Interest on Investments \$0.3m. This has been partially offset by unfavourable variances for ICT Review, Strategy & Implementation (\$0.6m), Transformation Program (\$0.4m), Financial Management Review & Implementation (\$0.3m).

The \$11.4m favourable projected operating result provides the opportunity for internal financing of the Capital works program and reduce planned loan borrowings.

The unfavourable variance in Non operating is mainly due to transfer of Land & Building assets to Kardinia Park Trust (\$26.6m).

2. Cash Performance

	Budget 2016-17 \$'000	Projection 2016-17 \$'000	Variance \$'000
Net Cash Inflow from operations	51,845	55,014	3,169
Cash Inflow from Investing activities	33,157	45,777	12,620
Funds available	85,002	100,791	15,789
Capital expenditure	(113,607)	(100,778)	12,829
Net Borrowing movements	38,517	(9,293)	(47,810)
Net Increase/(Decrease) Cash held	9,912	(9,280)	(19,192)
Cash at beginning of year	65,251	87,236	21,985
Cash at end of year	75,163	77,956	2,793

Cash balances at 30 June 2017 are expected to be \$78.0m, an increase of \$2.8m on the budget mainly due to higher opening cash balance \$22.0m, early receipt of 50% of 2017-18 Grants Commission funding \$10.1m , higher proceeds from sale of land & buildings \$5.5m, higher Capital Income received \$7.0m, offset by deferment of budgeted loans of (\$50.6m). The cash balance is adequate to meet future commitments as follows: Long Service Leave \$21.0m, Statutory Reserves \$3.5m, Discretionary Reserves \$0.7m.

3. Capital Performance

	Budget 2016-17 \$'000	Amended (a) Budget 2016-17 \$'000	Projected Actual 2016-17 \$'000	Variance Budget (a) v Projected Actual \$'000
Capital Income	22,293	30,093	29,221	(872)
Capital Expenditure	(141,607)	(164,208)	(162,778)	1,430
Carryover to 2017-18	28,000	28,000	62,000	34,000
Total Net Capital works	(91,314)	(106,115)	(71,557)	34,558

The projected capital performance for the year ending 30 June 2017 shows that the net capital works program for the 2016-17 year will be underspent by \$34.6m compared to the amended budget. This variance is mainly due to a number of projects being behind schedule, including Armstrong Creek East Precinct Neighbourhood Activity Centre Community Complex \$9.0m, Corio Landfill Rehabilitation \$7.6m, Hendy St Children's Hub \$5.0m, Leopold Community Hub Stage 2 \$9.3m, Central Geelong Action Plan \$5.5m, Drysdale/Clifton Springs Sports Precinct \$5.6m, Highton Enhanced Children's Centre \$2.9m, Drysdale Landfill Cell 5 \$2.9m and Greenwaste Site Establishment \$2.2m. It is forecast that \$62.0m of capital works projects expenditure will need to be carried forward and completed in the 2017-18 year.

4. Matters Significant to the 2017-18 Budget

The net projected 2016-17 operating result and adherence to budget provides a sound basis for development of the 2017-18 Budget. Many challenges including implications from asset growth and Developer Contribution Plan commitments, EA agreement effective July 2017, Capital Works program and Borrowing commitments have been absorbed into the 2017-18 Operating Budget.

As a result of the variances between the forecast actual and budgeted results for the 2016-17 year, the following matters have influenced the preparation of the 2017-18 Annual Budget:

- Capital expenditure carryover estimated at \$62.0m into 2017-18.
- Projects commenced in 2016-17 with further funding proposed in 2017-18: Drysdale Landfill Cell 5 \$3.29m, Elcho Channel SRC \$4.20m, Greenwaste Site Establishment \$1.00m, Rosewall Community Hub \$1.75m, Cloverdale Community Hub \$1.00m, Leisuretime Synthetic Pitch \$1.36m, Anakie Reserve Clubroom Upgrade \$0.60m and Armstrong Creek Town Centre Community Facility Site \$2.88m.
- Rates growth achieved in 2016-17 provides additional rateable properties in 2017-18 of 2.06% or 119,766 properties.
- Council's EA finalisation.
- Commonwealth Governments decision to pay 50 % of 2017-18 Grants Commission funding \$10.1m in June 2017.
- Impact of increased EPA levies from \$62.00/t to \$63.96/t effective 1 July 2017.
- Deferment of 2016-17 budgeted loans of \$50.63m - \$29.95m into 2017-18 and \$7.10m into 2018-19. The reduction in planned loan borrowings of \$14.58m follows a consideration of working capital requirements.
- Budgeted Property sales from 2016-17 of \$1.68m are expected to be achieved in 2017-18 and have been re budgeted.
- Efficiency savings of \$2.3m achieved in 2016-17 to flow through into 2017-18.
- Central Geelong Revitalisation initiatives to be funded as priorities including Geelong Advancement Fund.
- Return of Councillors with a Council election in October 2017 \$0.82m and other return of Council costs of \$0.47m.
- Unified Grants Scheme - allocation of \$5.6m for community grants, of which \$1m in funding will be available for capital grants, such as upgrades to clubs and community facilities.

STRATEGIC RESOURCE PLAN

2017-18 to 2020-21

The Strategic Resource Plan has been prepared from assumptions incorporated in the 2017-18 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 2017-18 to 2020-21 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 75.7% over the last 5 years. This trend indicates spending on existing assets is less than the depreciation rate.

Operating Statement - (additional assumptions)

- CPI of 2.0% in 2017-18.
- Future rate increases are forecast at 2.0% in 2018-19, 2019-20 and 2020-21.
- Growth in rate base to average 1.7% per year.
- Municipal charge increases at 2.0% for 2018-19, 2019-20 and 2020-21.
- Garbage charge to increase by a forecast 2.5% 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 classification of 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 2018-19 reducing to \$25m in 2019-20 and \$20m in 2020-21.

Balance Sheet

- Debtors have increased \$0.5m per year in line with increased rates billed after 2017-18. Annual collection percentage (Debtors / Rates billed) is not forecast to change.
- Creditors have increased in line with increased cost of goods after 2017-18.
- Employee Benefit Provisions have increased \$1.5m per year.

Loans

Loans are tied to expenditure on project classification.

	2017-18	2018-19	2019-20	2020-21
	\$'000	\$'000	\$'000	\$'000
Community Asset Projects	3,350	12,850	16,690	4,300
DCP Fully Funded	182	9,530	5,770	5,450
DCP Other	2,498	14,976	4,900	10,150
General	4,336	0	0	0
Deferred Loans from 2016-17	28,946	7,104	0	0
Total Loans	39,312	44,460	27,360	19,900

Capital Expenditure

Major Initiatives	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Projects (Miscellaneous)	51,190	42,954	47,880	54,946
Armstrong Creek Projects	7,630	34,012	19,270	10,330
Geelong Ring Road Employment Precinct	4,200	0	0	0
Drysdale Landfill Cell 5	3,285	0	0	0
Hendy St Reserve Redevelopment	1,889	300	0	0
Rosewall Community Hub	1,750	250	0	0
Central Geelong Revitalisation	1,665	12,650	0	0
Jetty Rd DCP Projects	1,450	3,337	400	8,850
Leisuretime Synthetic Pitch	1,360	0	0	0
Winters Reserve Change Facility Upgrade	1,152	0	0	0
Northern ARC Project	1,000	0	0	500
Greenwaste Site Establishment	1,000	0	0	0
Cloverdale Community Hub	1,000	1,000	0	0
Drysdale Integrated Children's Centre	600	5,500	7,720	0
Anakie F&NC Facility Redevelopment	500	0	0	0
Eastern Park GBG Visitor Precinct	349	1,449	0	0
St Albans FNC Netball Court Upgrade	328	0	0	0
Stead Park Softball Pavilion	300	1,042	0	0
Geelong Entrance Project	171	281	201	0
Underwater Sculpture Park	160	240	100	0
Mineral Spa & Wellness Centre	100	1,803	0	0
Drysdale Town Square Upgrade	75	900	0	0
Corio West Family Hub - Purnell Rd	0	6,000	6,720	0
Highton Enhanced Children's Centre	0	2,500	0	0
Virginia Todd Early Childhood Centre	0	1,000	0	0
Fyansford Land Acquisition	0	900	0	0
Drysdale Landfill Rehabilitation	0	500	2,500	0
Central Lara Family Hub	0	500	3,000	4,000
Splashdown Facility Upgrade	0	250	2,000	0
Portarlinton Community Centre	0	100	0	2,000
Polwarth Pavilion & West Oval Redevelopment	0	100	2,100	0
Plus Carry Over from previous year	62,000	29,000	24,000	22,000
Less Carry Over to next year	(29,000)	(24,000)	(22,000)	(21,000)
Capital Expenditure	114,154	122,568	93,891	81,626

BUDGETED INCOME STATEMENT

4 Year Plan

	Budget 2016-17 \$'000	Projection 2016-17 \$'000	Budget 2017-18 \$'000	Plan 2018-19 \$'000	Plan 2019-20 \$'000	Plan 2020-21 \$'000
RECURRENT INCOME						
Rates and Charges	202,724	203,724	212,101	219,843	228,128	236,613
Government Grants	46,046	56,649	36,937	48,130	49,333	50,566
User Charges	52,544	52,491	54,341	55,700	57,092	58,519
Other Fees and Charges	11,398	11,861	12,282	12,589	12,904	13,226
Sundry Income	6,246	6,264	6,789	6,959	7,133	7,311
Interest Investments	1,901	2,201	1,901	1,900	2,200	2,200
Total Recurrent Income	320,859	333,190	324,351	345,120	356,790	368,436
RECURRENT EXPENDITURE						
Employee Related						
Salaries	137,766	138,154	142,949	148,161	153,557	159,144
Workcover	2,283	2,286	2,478	2,552	2,629	2,708
	140,049	140,440	145,427	150,713	156,186	161,852
Goods and Services						
General Works - Materials	7,922	7,979	8,450	8,640	8,834	9,032
General Works - Plant, Vehicle Costs	7,237	7,274	7,643	7,815	7,991	8,171
General Works - External Services	83,201	89,747	86,014	87,011	88,306	90,110
Administration	8,136	9,060	9,154	9,360	9,570	9,786
Interest Expense	3,652	2,356	3,086	3,916	4,956	5,396
Professional Services	4,253	7,645	5,824	5,955	6,089	6,226
Utilities	9,552	9,548	10,605	10,844	11,088	11,337
Efficiency Dividend	0	0	(2,125)	(2,000)	(1,700)	(1,700)
	123,953	133,609	128,651	131,540	135,134	138,358
Depreciation	55,311	55,311	59,179	61,694	64,316	67,050
Landfill Provision	0	0	0	0	0	0
(Gain)/Loss on Sale of Plant & Equipment	(284)	(504)	(219)	(215)	(240)	(240)
Total Recurrent Expenditure	319,029	328,856	333,038	343,732	355,396	367,020
Recurrent Surplus / (Deficit)	1,830	4,334	(8,687)	1,388	1,394	1,416
NON-RECURRENT INCOME						
Capital Grants and Income	22,293	29,221	9,195	14,235	3,953	2,453
Developer Cash Contributions	5,980	5,980	4,725	10,940	11,290	5,690
Gain / (Loss) on Sale of Property	1,742	(24,211)	2,158	1,370	200	1,100
Recognition of Infrastructure	34,500	34,500	39,500	30,000	25,000	20,000
Total Non-Recurrent Income	64,515	45,490	55,578	56,545	40,443	29,243
NON-RECURRENT EXPENDITURE						
Loss on Disposal of Infrastructure	5,290	5,290	6,190	3,000	3,500	3,500
Unfunded Superannuation	0	0	0	0	0	0
Disbursements	6,000	6,000	0	0	3,000	0
Total Non-Recurrent Expenditure	11,290	11,290	6,190	3,000	6,500	3,500
Non-Recurrent Surplus / (Deficit)	53,225	34,200	49,388	53,545	33,943	25,743
NET SURPLUS / (DEFICIT)	55,055	38,534	40,701	54,933	35,337	27,159

⌘ Impact of early receipt \$10.1m Grants Commission funding in June 2017

BUDGETED COMPREHENSIVE INCOME STATEMENT

4 Year Plan

	Budget 2016-17 \$'000	Projection 2016-17 \$'000	Budget 2017-18 \$'000	Plan 2018-19 \$'000	Plan 2019-20 \$'000	Plan 2020-21 \$'000
Income						
Rates and Charges	202,724	203,724	212,101	219,843	228,128	236,613
Statutory Fees and Fines	11,398	11,861	12,282	12,589	12,904	13,226
User Fees	52,544	52,491	54,341	55,700	57,092	58,519
Interest Income	1,901	2,201	1,901	1,900	2,200	2,200
Contributions - Cash	5,980	5,980	4,725	10,940	11,290	5,690
Contributions - Non-monetary Assets	34,500	34,500	39,500	30,000	25,000	20,000
Grants - Operating (Recurrent)	46,046	56,649	36,937	48,130	49,333	50,566
Grants - Operating (Non-recurrent)	0	0	0	0	0	0
Grants - Capital (Recurrent)	0	0	0	0	0	0
Grants - Capital (Non-recurrent)	22,293	29,221	9,195	14,235	3,953	2,453
Net gain on disposal of property, infrastructure, plant and equipment	(3,264)	(28,997)	(3,813)	(1,415)	(3,060)	(2,160)
Other income	6,246	6,264	6,789	6,959	7,133	7,311
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	380,368	373,894	373,958	398,880	393,973	394,419
Expenses						
Employee costs	140,049	140,440	145,427	150,713	156,186	161,852
Materials and services	119,681	130,633	124,695	126,734	129,268	132,033
Bad and doubtful debts	620	620	870	890	910	930
Depreciation and amortisation	55,311	55,311	59,179	61,694	64,316	67,050
Finance costs	3,652	2,356	3,086	3,916	4,956	5,396
Other expenses	6,000	6,000	0	0	3,000	0
Total Expenses	325,313	335,360	333,257	343,947	358,636	367,260
Surplus (deficit) for the year	55,055	38,534	40,701	54,933	35,337	27,159
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	55,055	38,534	40,701	54,933	35,337	27,159

BUDGETED STATEMENT OF CAPITAL WORKS

4 Year Plan

Project Category	2017-18 Budget			2018-19 Plan			2019-20 Plan			2020-21 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	10,244	1,130	9,114	9,689	130	9,559	12,289	2,000	10,289	9,443	0	9,443
Roads	17,945	3,522	14,423	20,146	2,011	18,135	14,067	0	14,067	18,647	0	18,647
Fleet	5,673	1,684	3,989	4,823	1,434	3,389	4,966	1,602	3,364	4,914	1,602	3,312
Buildings	10,319	120	10,199	37,297	7,911	29,386	32,623	770	31,853	25,603	1,270	24,333
Drainage	4,430	0	4,430	7,930	0	7,930	6,620	0	6,620	5,180	0	5,180
Computer Equipment	1,828	0	1,828	1,929	0	1,929	2,139	0	2,139	1,931	0	1,931
Footpaths	3,687	0	3,687	3,347	0	3,347	3,547	0	3,547	3,747	0	3,747
Miscellaneous	3,291	43	3,248	3,050	43	3,007	3,050	43	3,007	3,050	43	3,007
Kerb & Channel	2,156	0	2,156	2,356	0	2,356	2,556	0	2,556	2,756	0	2,756
Central Geelong Action Plan	1,315	0	1,315	12,950	3,000	9,950	300	0	300	0	0	0
Land	8,188	0	8,188	15,051	0	15,051	6,330	0	6,330	3,730	0	3,730
Waste Collection and Landfill	4,970	0	4,970	985	0	985	2,985	0	2,985	485	0	485
Plant & Equipment	258	0	258	66	0	66	66	0	66	66	0	66
Special Rates and Charges Program	6,759	4,289	2,470	2,559	1,140	1,419	2,559	1,140	1,419	2,559	1,140	1,419
TOTAL	81,063	10,788	70,275	122,178	15,669	106,509	94,097	5,555	88,542	82,111	4,055	78,056
Reconciliation												
Design	13	13	0			0			0			0
Construction	78	78	0			0			0			0
Plant Replacement Program		(1,684)	1,684		(1,434)	1,434		(1,602)	1,602		(1,602)	1,602
Carry over from Previous Year	62,000	0	62,000	29,000	0	29,000	24,000	0	24,000	22,000	0	22,000
Carry over to Next Year	(29,000)	0	(29,000)	(24,000)	0	(24,000)	(22,000)	0	(22,000)	(21,000)	0	(21,000)
TOTAL	33,091	(1,593)	34,684	5,000	(1,434)	6,434	2,000	(1,602)	3,602	1,000	(1,602)	2,602
OPERATING STATEMENT TOTAL	114,154	9,195	104,959	127,178	14,235	112,943	96,097	3,953	92,144	83,111	2,453	80,658

BUDGETED STATEMENT OF CASH FLOWS

4 Year Plan

	Budget 2016-17 \$'000	Projection 2016-17 \$'000	Budget 2017-18 \$'000	Plan 2018-19 \$'000	Plan 2019-20 \$'000	Plan 2020-21 \$'000
Cash Flows from Operating Activities						
Receipts						
General Rates	202,645	203,645	212,029	219,780	228,064	236,546
Fees and Charges	74,113	76,360	77,237	79,091	81,174	83,104
GST Recoveries on Operating Transactions	11,700	11,700	11,700	11,700	11,700	11,700
Investment Income	1,901	2,201	1,901	1,900	2,200	2,200
Government Grants	46,246	56,849	37,137	48,330	49,533	50,766
	336,605	350,755	340,004	360,801	372,670	384,316
Payments						
Employee Costs	(137,861)	(138,598)	(144,166)	(149,376)	(154,800)	(160,417)
General Works / Utilities / Disbursements	(129,658)	(136,882)	(126,254)	(126,969)	(132,109)	(131,511)
Administration / Professional Services	(13,589)	(17,905)	(16,178)	(16,515)	(16,859)	(17,212)
Interest Expense	(3,652)	(2,356)	(3,086)	(3,916)	(4,956)	(5,396)
	(284,760)	(295,741)	(289,684)	(296,776)	(308,724)	(314,536)
Net Cash Inflow from Operating Activities	51,845	55,014	50,320	64,025	63,946	69,780
Cash Flows from Investing Activities						
Capital Expenditure	(100,920)	(88,091)	(114,154)	(127,178)	(96,097)	(83,111)
Landfill Rehabilitation	(12,687)	(12,687)	0	0	0	0
Proceeds from Sale of Land and Buildings	3,200	8,672	5,070	5,370	1,300	5,600
Proceeds from Sale of Plant and Equipment	1,684	1,904	1,684	1,434	1,602	1,602
Developer Cash Contributions	5,980	5,980	4,725	10,940	11,290	5,690
Income for Capital Expenditure	22,293	29,221	9,195	14,235	3,953	2,453
Net Cash Outflow from Investing Activities	(80,450)	(55,001)	(93,480)	(95,199)	(77,952)	(67,766)
Cash Flows from Financing Activities						
Repayment of Borrowings	(12,110)	(9,293)	(11,486)	(12,181)	(13,151)	(15,657)
Proceeds from New Loans	50,627	0	39,312	44,460	27,360	19,900
Net Cash Inflow/(Outflow) from Financial Activities	38,517	(9,293)	27,826	32,279	14,209	4,243
Net Increase / (Decrease) in Cash Held	9,912	(9,280)	(15,334)	1,105	203	6,257
Cash at the Beginning of the Financial Year	65,251	87,236	77,956	62,622	63,727	63,930
Cash at the end of the Financial Year	75,163	77,956	62,622	63,727	63,930	70,187
Loan Balance	93,290	45,481	73,306	105,585	119,794	124,037
Net Cash (Deficit) / Surplus	(18,127)	32,475	(10,684)	(41,858)	(55,864)	(53,850)

BUDGETED BALANCE SHEET

4 Year Plan

	Budget 2016-17 \$'000	Projection 2016-17 \$'000	Budget 2017-18 \$'000	Plan 2018-19 \$'000	Plan 2019-20 \$'000	Plan 2020-21 \$'000
*Year End 30 June Balances						
Current Assets						
Cash and Investments	75,161	77,956	62,622	63,728	63,930	70,187
Receivables	12,000	12,000	12,500	13,000	13,300	13,600
Prepayments	200	200	200	200	200	200
Inventories	792	798	845	864	884	903
Total Current Assets	88,153	90,954	76,167	77,792	78,314	84,890
Current Liabilities						
Payables	18,550	19,974	19,322	19,679	20,104	20,562
Interest Bearing Liabilities	15,290	11,486	12,181	13,151	15,657	18,785
Refundable Deposits	3,000	3,000	3,000	3,000	3,000	3,000
Provisions	29,480	30,363	31,712	33,086	34,570	36,068
Landfill Provision	0	0	0	0	0	0
Total Current Liabilities	66,320	64,823	66,216	68,916	73,331	78,415
Net Current Assets	21,833	26,131	9,951	8,876	4,983	6,475
Non-Current Assets						
Property, Plant & Equipment	2,146,638	2,090,504	2,174,412	2,261,677	2,312,496	2,339,196
Investments	12,002	12,002	12,002	12,002	12,002	12,002
Receivables	1,538	1,538	1,553	1,569	1,585	1,601
Total Non-Current Assets	2,160,178	2,104,044	2,187,967	2,275,248	2,326,083	2,352,799
Non-Current Liabilities						
Creditors and Provisions	4,552	5,168	5,081	5,045	4,946	4,880
Loans	78,000	33,994	61,125	92,434	104,137	105,252
Total Non-Current Liabilities	82,552	39,162	66,206	97,479	109,083	110,132
NET ASSETS	2,099,459	2,091,012	2,131,713	2,186,645	2,221,983	2,249,142
Ratepayers Equity						
Accumulated Surplus	1,244,163	1,192,159	1,269,305	1,329,101	1,365,748	1,393,697
Asset Revaluation Reserve	822,185	829,243	829,243	829,243	829,243	829,243
Reserves	33,111	69,610	33,165	28,302	26,992	26,202
TOTAL EQUITY	2,099,459	2,091,012	2,131,713	2,186,646	2,221,983	2,249,142

BUDGETED STATEMENT OF CHANGES IN EQUITY

4 Year Plan

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2018				
Balance at beginning of the financial year	2,091,012	1,192,159	829,243	69,610
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	40,701	40,701	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(33,855)	-	33,855
Transfer from reserves	-	70,300	-	(70,300)
Balance at end of the financial year	2,131,713	1,269,305	829,243	33,165
2019				
Balance at beginning of the financial year	2,131,713	1,269,305	829,243	33,165
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	54,933	54,933	-	-
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	-	37,403	-	(37,403)
Balance at end of the financial year	2,186,646	1,329,101	829,243	28,302
2020				
Balance at beginning of the financial year	2,186,646	1,329,101	829,243	28,302
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	35,337	35,337	-	-
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	-	32,600	-	(32,600)
Balance at end of the financial year	2,221,983	1,365,748	829,243	26,992
2021				
Balance at beginning of the financial year	2,221,983	1,365,748	829,243	26,992
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	27,159	27,159	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(30,290)	-	30,290
Transfer from reserves	-	31,080	-	(31,080)
Balance at end of the financial year	2,249,142	1,393,697	829,243	26,202

BUDGETED STATEMENT OF HUMAN RESOURCES

4 Year Plan

	Forecast Actual 2016-17 \$'000	Budget 2017-18 \$'000	Plan 2018-19 \$'000	Plan 2019-20 \$'000	Plan 2020-21 \$'000
Staff expenditure					
Employee costs - operating	140,440	145,427	150,713	156,186	161,852
Employee costs - capital	6,141	6,232	6,438	6,650	6,870
Total staff expenditure	146,581	151,659	157,151	162,836	168,722
	EFT	EFT	EFT	EFT	EFT
Staff numbers					
Employees	1,555.0	1,600.3	1,605.3	1,610.3	1,615.3
Total staff numbers	1,555.0	1,600.3	1,605.3	1,610.3	1,615.3

The forecast actual average 2016-17 EFT's assumes approximately 49 favourable EFT positions to budget (1606.2 EFT), partly offset by supplementary labour. The 2017-18 Full Year Budgeted EFT's includes full year impact of positions approved in 2016-17, new EFT's Budgeted, but represents an overall reduction of 5.9 EFT (2016-17 Budget versus 2017-18 Budget). The forward estimates assume a net growth of 5 EFT's per annum.

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 2016-17	Budget 2017-18	Strategic Resource Plan Projections			Trend +/o/-
					2018-19	2019-20	2020-21	
Operating position								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	-10.8%	0.9%	0.7%	-0.5%	0.5%	-
Liquidity								
Working Capital	Current assets / current liabilities	2	124.9%	114.4%	111.6%	105.0%	106.0%	-
Unrestricted cash	Unrestricted cash / current liabilities		60.8%	54.1%	51.6%	41.0%	45.5%	-
Obligations								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	21.5%	33.8%	47.3%	51.8%	51.7%	-
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		5.7%	6.9%	7.3%	7.9%	8.9%	-
Indebtedness	Non-current liabilities / own source revenue		15.5%	22.9%	32.7%	35.4%	34.5%	-
Asset renewal	Asset renewal expenditure / depreciation	4	57.8%	54.1%	47.7%	46.0%	45.9%	-
Stability								
Rates concentration	Rate revenue / adjusted underlying revenue	5	61.0%	62.3%	62.6%	63.5%	63.1%	o
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 +/-
			Forecast Annual 2016-17	Budget 2017-18	2018-19	2019-20	2020-21	
Efficiency								
Expenditure level	Total expenditure / no. of property assessments		\$2,855	\$2,834	\$2,848	\$2,899	\$2,943	-
Revenue level	Residential rate revenue / No. of residential property assessments		\$1,464	\$1,499	\$1,534	\$1,569	\$1,605	+
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year		8.3%	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 decrease in 2017-18 year due to decreased cash balances. The trend in later years is to further 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 2017-18 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 2017-18 year is shown below and further detail is included on page 2-4 of this Budget.

Indicator	Budget		Strategic Resource Plan Projections		
	Forecast Annual 2016-17	2017-18	2018-19	2019-20	2020-21
Employee costs (\$'000)					
- Operating	140,440	145,427	150,713	156,186	161,852
- Capital	6,141	6,232	6,438	6,650	6,870
Total	146,581	151,659	157,151	162,836	168,722
Employee numbers (EFT)	1,500	1,545	1,550	1,555	1,560

Rating Information

1. Rating Context 2017-18

City Plan (2017-18 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.

Rate Capping

The Minister for Local Government announced on 19 December 2016 that the 2017-18 rate cap would be 2.0% 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 2016-17 base average rate is calculated at \$1,475.14 and the 2017-18 Budget proposes this will increase by 2.0% to \$1,504.64. The rate cap calculation for 2017-18 is:

	2016-17	2017-18
Proposed Average Rate Increase all Rateable Property		2.0%
Rates and Municipal Charge (adjusted for Supplementaries 2016-17)	176,671,824	180,205,260
Number of Rateable Properties	119,766	119,766
Base Average Rate (BAR)	1,475.14	1,504.64

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.

Average Rates and Charges

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

With the introduction of rate capping all Council rate increases will be in accordance with the set rate cap (with the exception being where Councils are granted a variation to the rate cap).

The following table provides a comparison made to other regional, neighbouring and some metropolitan Councils.

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

Actual Average Rates & Charges		
	2015-2016	
Regional Cities	[^] Per Assessment \$	^{^^} Per Residential Assessment \$
Wodonga	2,258	2,037
Horsham	1,954	1,711
Wangaratta	1,852	1,667
Warrnambool	1,984	1,724
Latrobe	1,663	1,535
Greater Geelong	1,685	1,425
Ballarat	2,016	1,458
Greater Bendigo	1,769	1,469
Neighbouring Councils		
SurfCoast	2,253	2,105
Wyndham	1,984	1,582
Golden Plains	1,828	1,742
Metropolitan Councils		
Maribyrnong	2,257	1,866
Whittlesea	1,619	1,383
City of Port Phillip	1,635	1,434

¹ Figures Include: Rates, Municipal Charge & Garbage Charge
[^] Source: Municipal Association of Victoria
^{^^} Source: Know your Council website

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 \$8.4m in 2017-18 raising a total of \$210m.

Rating Matters considered for the 2017-18 Budget

In formulating the 2017-18 Rating Strategy, Council has considered a review of rate differentials. The matters considered are summarised as follows:

- The Industrial land use definition has been amended to include warehousing. This will align Council's definition with the FSPL classification to reduce confusion for the ratepayer.
- For 2016-17 the Industrial rate in the dollar is 40% higher than the Commercial rate in the dollar. The relativity between the Industrial and Commercial differentials is to be more closely aligned commencing from 2017-18 and continuing in future years.
- Cultural & Recreation land use differential. Council will revert to the definition under the Cultural and Recreation Lands Act 1963. Any affected properties will be eligible for a transitional rebate to the otherwise applicable rate. The transitional rebate is to be set at 75% for 2017-18.
- The Petroleum differential has been aligned to the Industrial differential as per Council's adopted Statement of Principle.
- The Automobile differential has been discontinued from 2017-18 since there are no properties that satisfy the land use description. These properties will be rated as industrial.

Rating Model

- The rate in the dollar for the Residential, Mixed Use, Farm and Cultural and Recreational differentials have increased in accordance with the 2.0% rate cap. Other differential rate in the dollar movement is as follows: Vacant Land has increased by 1.5%, Commercial 4.3%, Industrial has decreased by (2.0%) and Petroleum has decreased by (9.2%).
- 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 \$34.00 per tenement. The charge for 2017-18 will increase from \$270.50 to \$278.05 or 2.8%.

- A Section 162 Service Charge known as Additional Bins Service was introduced in 2016-2017. This is for families with six or more occupants within a household, who may apply for an additional garbage, recycling or green waste bin. In accordance with the Council decision on 26 April 2017 this criteria will be removed from 1 January 2018 and any ratepayer can apply for the service. The charges for 2017-18 are \$138.80 for a 140L garbage bin, \$99.50 to change from a 140L to the larger 240L garbage bin, \$49.30 for a 240L recycling bin and \$92.50 for a 240L green waste 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 \$96.65 to \$98.55 or 2.0%.
- The Farm rebate will be retained at 40% and represents a cost to Council of \$1.692M.
- The Housing Support Waiver for eligible Charitable Housing will be maintained for 2017-18 and is available upon application for eligible properties.
- A rates waiver introduced for the New Corio Estate from 2013-14 recognising this inappropriate subdivision and Planning Scheme Amendment C243 will be maintained for 2017-18.
- The pensioner concession will increase from \$218.30 in accordance with movement in CPI for Melbourne as advised by the Australian Bureau of Statistics, to \$223.80.

Residential Rates and Charges

The average Capital Improved Value of residential properties within the municipality has increased from \$400,322 to \$401,730.

The increase in Residential Rates and Charges for the average property with a capital improved value of \$401,730 is \$35.39 or 2.41%. This increase is made up of \$25.94 for General Rates, \$1.90 for Municipal Charge and the Waste Collection Service Charge increases by \$7.55.

	2016-17 Rates on Average CIV \$	2017-18 Budget Rates on Average CIV \$	Increase %
Residential Properties			
General Rates CIV x Rate in \$	1,096.41	1,122.35	2.36%
Municipal Charge	96.65	98.55	2.00%
Total Rates including Municipal Charge	1,193.06	1,220.90	2.33%
Waste Collection Service	270.50	278.05	2.80%
Total Rates & Charges	1,463.56	1,498.95	2.41%

The Essential Services Commission measure rate increases as the movement in Rates & Municipal Charge for all rateable property. The 2016-17 base average rate is calculated as \$1,475.14 and the 2017-18 Budget proposes this will increase by 2.0% to \$1,504.64.

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. Eleven differential rates are proposed for 2017-18. 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 \$96.65 to \$98.55. 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 \$278.05 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 2017-18 will increase from \$270.50 to \$278.05 or 2.8%.

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. In accordance with the Council decision on 26 April 2017 this criteria will be removed from 1 January 2018 and any ratepayer can apply for the service;
- For residential properties to be eligible for an additional green waste bin, the property must have a minimum area of 1,500m² (1 acre = 4,046m²);
- The green waste additional bin will only become available when the Anakie Road Green Organics processing facility is fully operational;
- 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 140L | \$138.80 (for 2017-18) |
| • Garbage bin from 140L to 240L | \$ 99.50 (for 2017-18) |
| • Recycling bin 240L | \$ 49.30 (for 2017-18) |
| • Green Waste bin 240L | \$ 92.50 (for 2017-18) |

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 Waiver

Prior to the 2011-12 Budget, a review was conducted of housing provided for social, community or charitable purposes. Commencing from 2011-12 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 Waiver

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 2017-18 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 2017-18 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. This is the second year of the valuation cycle.

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 Waiver

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 2017-18 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.

Rebates

For 2017-18 Council has declared two rebates under section 169 of the LGA.

Farm Rebate

Council has declared a Farm rebate to support the continuation of broad acre farming at 40% of residential rates for all land classified and rated as farm land. Properties defined as farms will be entitled to a rebate recognising that there is a benefit to the community in encouraging the retention of large lot primary producing holdings. An application can be made to Council to have land classified as Farm Land.

Cultural and Recreational Transitional Rebate

Council has declared a transitional rebate for 75% of the difference between the Cultural and Recreational differential of the otherwise applicable differential. Properties that were eligible for the Cultural and Recreational differential in 2016-17 that are no longer eligible in 2017-18 will be encouraged to apply for this rebate.

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 2017-18 Budget.

Penalty Interest

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

The interest rate to apply is fixed under Section 2 of the Penalty Interest Rates Act 1983, which is determined by the Minister and published by notice in the Government Gazette. The penalty interest rate of 10% per annum will apply from 1 July 2017.

In proven cases of hardship where Council allows rates to be deferred, interest will be charged at 5.18% for 2017-18.

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 \$27.7m in 2017-18 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. The FSPL rates were announced by the Minister at the end of May 2017 with an increase of 1.9% for the fixed residential charge and a decrease of (4.7%) for the residential variable charge. The fixed charge for Primary Production, Commercial, Industrial, Public Benefit and Vacant has

increased by 1.4%. The variable charges have decreased by (4.6%) for Primary Production, (4.6%) for Commercial, (4.6%) for Industrial, (4.5%) for Public Benefit and (4.7%) for Vacant.

The impact to the rate notice for the average residential ratepayer is as follows:

Fire Services Property Levy	2016-17 Rates on Average CIV \$	2017-18 Budget Rates on Average CIV \$	
Fixed	105.00	107.00	1.9%
Variable	51.24	49.01	-4.4%
	156.24	156.01	-0.1%

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 152% 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; 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 Volume09901 Folio 324 and also described as Lot B LP 214468, Lot B PS 635643, PS640648Y, PS 72221H, PS 72220K, PS 743868K, PS732908M, PS 638301D, PS635642R, PS 722215C and PS 722214E.

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 Volume09901 Folio 324 and also described as Lot B LP 214468, Lot B PS 635643, PS640648Y, PS 72221H, PS 72220K, PS 743868K, PS732908M, PS 638301D, PS635642R, PS 722215C and PS 722214E.

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 Volume09901 Folio 324 and also described as Lot B LP 214468, Lot B PS 635643, PS640648Y, PS 722221H, PS 722220K, PS 743868K, PS732908M, PS 638301D, PS635642R, PS 722215C and PS 722214E.

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; and
- ii. is used predominantly for industrial purposes, which includes manufacturing, repairing, servicing, processing and reprocessing or warehousing.

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.

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 the Industrial Land differential from 2017-18.

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 2017 - 30 June 2018

Category	No. of Properties 2016-17	No. of Properties 2017-18 (05 Apr 17)	% Change 2016-17 vs 2017-18	2016-17 Rate* in \$	2017-18 Rate* in \$	% Change Rate in \$ 2017-18 vs 2016-17	2016-17 Budget	2017-18 Income Est	Net % Change in Income	\$ Change 2017-18 to 2016-17	CIV Value 2016 Level	CIV Value (05 Apr 17)	% Change in CIV 2016-17 vs 2017-18
Residential-base	102,925	105,211	2.2%	0.002739	0.002794	2.0%	\$112,848,341	\$118,083,138	4.6%	\$5,234,797	41,203,162,000	42,266,441,000	2.6%
Vacant Land	5,396	5,268	-2.4%	0.004188	0.004251	1.5%	\$7,371,552	\$7,325,581	-0.6%	-\$45,971	1,759,955,201	1,723,333,701	-2.1%
Commercial	5,584	5,773	3.4%	0.005489	0.005725	4.3%	\$25,111,605	\$27,146,122	8.1%	\$2,034,517	4,575,286,200	4,741,658,400	3.6%
The Point Residential	46	69	50.0%	0.002739	0.002794	2.0%	\$65,348	\$100,758	54.2%	\$35,410	23,860,000	36,065,000	51.2%
The Point Vacant Land	43	43	0.0%	0.004188	0.004251	1.5%	\$66,304	\$77,535	16.9%	\$11,231	15,830,000	18,240,000	15.2%
The Point Commercial	3	3	0.0%	0.005489	0.005725	4.3%	\$49,924	\$52,023	4.2%	\$2,099	9,096,000	9,087,000	-0.1%
Industrial	1,934	1,972	2.0%	0.007684	0.007530	-2.0%	\$10,785,433	\$10,943,121	1.5%	\$157,688	1,403,626,800	1,453,208,000	3.5%
Mixed Use	332	360	8.4%	0.004112	0.004194	2.0%	\$742,388	\$813,855	9.6%	\$71,467	180,541,000	194,041,000	7.5%
Farm-(with Rebate)	1,025	1,013	-1.2%	0.002739	0.002794	2.0%	\$2,517,982	\$2,538,963	0.8%	\$20,981	1,532,275,200	1,514,652,200	-1.2%
Cultural & Rec	63	53	-15.9%	0.001924	0.001962	2.0%	\$243,063	\$217,786	-10.4%	-\$25,277	126,332,000	110,975,000	-12.2%
Automobile Manufacture Land*	2	0	-100.0%	0.008294	0.007530	-9.2%	\$302,820	\$0	-100.0%	-\$302,820	36,510,000	0	-100.0%
Petroleum Production Land	1	1	0.0%	0.008294	0.007530	-9.2%	\$1,128,008	\$1,106,204	-1.9%	-\$21,804	136,000,000	146,900,000	8.0%
Municipal Charge	117,350	119,763	2.1%	\$96.65	98.55	2.0%	\$11,341,878	\$11,803,003	4.1%	\$461,125			
Total of Rates Inc. MC							\$172,574,644	\$180,208,089		\$7,633,445			
Garbage Charge	105,136	108,041	2.8%	\$270.50	\$278.05	2.79%	\$28,438,959	\$30,040,800	5.6%	\$1,601,841			
Total	117,354	119,766	2.06%				\$201,013,602	\$210,248,889	4.6%	\$9,235,287	51,002,474,401	52,214,601,301	2.4%

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

* Automobile Manufacture Land differential has been discontinued from 2017-18, with no qualifying properties and is shown for comparison purposes only.

OTHER STRATEGIES

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

BORROWING STRATEGY

Loan Balance History

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

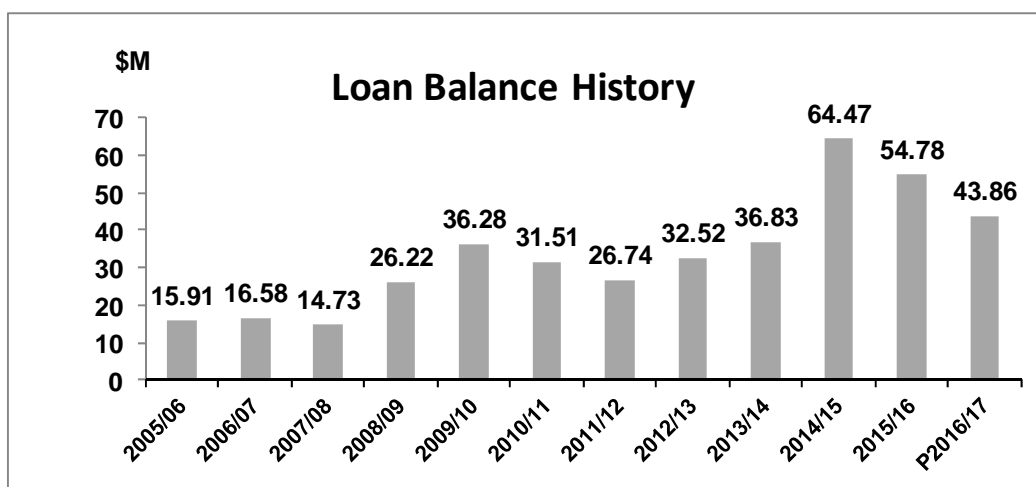
Loan borrowings are project specific and current loan balances include the following loans:

Funding for the Bellarine Aquatic Centre in June 2008 required a \$3.125m loan. In June 2009 a \$12.675m loan was taken out for funding of the Leisurelink Facility Replacement, followed by a final loan of \$12.5m in February 2010. A loan of \$10.85m was taken out in May 2013 to fund Community Facilities and commence funding of the new Geelong Library & Heritage Centre. A loan of \$11.8m was taken out in October 2013 to fund Unfunded Superannuation payment and Lara Town Centre project. In September 2014 a loan of \$16.5m (deferred from 2013-14) was taken out to fund Community Facilities, Geelong Library and Heritage Centre and the Drysdale Landfill Cells. 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 2014-15 budgeted loans of \$4.2m, 2015-16 budgeted loans of \$9.1m and 2016-17 budgeted loans of \$22.7m have been deferred until 2017-18 \$28.9m and 2018-19 \$7.1m.

New Loans of \$10.4m are included in the 2017-18 Budget to fund Rosewall Community Hub, Drysdale Landfill Cell 5, Cloverdale Community Hub, Drysdale Integrated Children's Centre, Armstrong Creek Projects and Elcho Channel SRC.

The following table tracks the outstanding loan balance since 2005-06.



Capital Funding Gap Analysis 2017-18

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	59.18
Loan Repayments	(11.49)
Recurrent Operating Surplus (75%) * excluding early receipt Grants Commission	0.68
Internal Funding Available for Capital	48.37
2017-18 Net Capital Program	70.27
Property Asset Sales	(5.07)
Developer Contributions	(6.46)
Total Funding Required for Capital	58.74
Difference required to be funded by loan in 2017-18	10.37
Deferred Loans from 2016-17	28.94
Total Borrowings for 2017-18	39.31

The 2017-18 program includes \$62.0m of capital works carried over from 2016-17 and \$29.0m of works carried over to 2018-19.

The following table shows the total borrowings and available cash and investments over the last ten 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 %
2007-08 Actual	14.73	30.16	1.36	4.30	0.40
2008-09 Actual	26.22	53.13	1.82	1.71	0.38
2009-10 Actual	36.28	58.64	1.79	3.56	0.79
2010-11 Actual	31.51	66.30	1.74	4.86	0.80
2011-12 Actual	26.74	74.20	1.64	4.51	0.67
2012-13 Actual	32.52	71.40	1.63	4.85	0.65
2013-14 Actual	36.63	75.27	1.41	4.50	0.63
2014-15 Actual	64.47	91.92	1.33	6.88	0.87
2015-16 Actual	54.78	87.24	1.28	6.49	0.96
2016-17 Projection	43.86	77.96	1.40	5.72	0.71
2017-18 Budget	71.69	62.62	1.15	6.87	0.95
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 Armstrong Creek, Jetty Rd, Community Facilities and Landfill Cell Construction as projects to be funded by loans.

Classifications	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
DCP Fully Funded	182	9,530	5,770	5,450
DCP Other	2,498	14,976	4,900	10,150
Community Asset Projects	3,350	12,850	16,690	4,300
General	4,336	0	0	0
Deferred Loans from 2016-17	28,946	7,104	0	0
Total Loans	39,312	44,460	27,360	19,900

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 2017. 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
2016-17	0	(9,293)	(2,356)	45,481	22,456
2017-18	39,312	(11,486)	(3,086)	73,306	(11,115)
2018-19	44,460	(12,181)	(3,916)	105,585	(42,730)
2019-20	27,360	(13,151)	(4,956)	119,794	(57,187)
2020-21	19,900	(15,657)	(5,396)	124,037	(55,635)

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.

2017-18 Budget Initiatives

As part of the 2017-18 Budget, Council has continued to increase spending on infrastructure maintenance and renewal. Capital renewal includes an additional \$1.50m of renewal expenditure for priority Road Surfacing \$0.40m, Kerb & Channel \$0.20m, Road Rehabilitation \$0.30m, Drainage Renewal \$0.10m and Building Renewal \$0.50m. Recurrent renewal increases include an additional \$0.53m for Water Sensitive Urban Design Assets Maintenance, \$0.15m for Building Maintenance and \$0.50m for Civil Infrastructure and Parks Growth maintenance. Federal funding for Roads to Recovery will decrease by \$2.0m to \$3.0m in 2017-18.

Other related infrastructure includes allocation for:

	\$'000
Ritchie Blvd Baywalk Rebuild	450
Eastern Beach Seabaths Shark Bars Replacement	166
Kardinia and Lara Pool Blanket Renewal	100

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 2015-16 \$'000	Budget 2016-17 \$'000	Budget 2017-18 \$'000
Parks & Roads Routine Maintenance	40,272	40,788	42,210
Road and Footpath Renewal Works			
Road Rehabilitation Program	6,344	8,508	6,844
Kerb & Channel Program	2,106	2,306	2,506
Footpath Program	3,616	3,616	3,616
Bicycle Path Program	90	90	90
Asphalt Overlay Program	4,000	4,400	4,700
Reseal Program	1,642	1,642	1,742
Drainage	1,071	1,271	1,371
Other Road Infrastructure	2,375	2,400	2,400
	21,244	24,233	23,269
Building Renewal & Maintenance	6,042	6,198	6,854
Recreation Infrastructure			
Recreation Reserves	167	167	167
Playgrounds	638	638	601
Irrigation Upgrade	271	271	277
Hard Surface Program	253	253	270
Ground Renovation Upgrade	219	219	225
Recreation Facilities Maintenance	1,538	1,546	1,555
	3,086	3,094	3,095
Community Development	249	264	149
Program Totals	70,893	74,577	75,577

Parks & Roads Routine Maintenance \$42.2m - (Increased by \$1.4m)

The general routine maintenance of Council's Roads and Parks assets has increased by \$1.4m. 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 2017-18 Budget are:

- An increase of \$0.50m 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 \$23.3m - (Decreased by \$0.9m)

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

The 2017-18 Budget includes additional funds of \$1.00m for renewal programs - in particular Road Surfacing (\$0.40m), Kerb & Channel (\$0.20m), Road Rehabilitation (\$0.30m) and Drainage Renewal (\$0.10m) in recognition of the continuing need to renew ageing infrastructure.

Federal funding for Roads to Recovery projects will be decreased by \$2.0m to \$3.0m for 2017-18. Increased funding for 2016-17 was a one-off increase.

Building Renewal & Maintenance \$6.9m - (Increased by \$0.7m)

Building renewal provisions have increased by \$0.5m to \$2.0m. The Budget for building maintenance includes essential maintenance \$0.8m, 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.

	2015-16 Budget	2016-17 Budget	2017-18 Budget
	\$'000	\$'000	\$'000
Capital Renewal Expenditure	29,233	32,340	32,010
Capital Upgrade Expenditure	9,960	5,146	9,895
Assets Used (Depreciation)	54,038	55,311	59,179
Renewal Gap Measure - Renewal Expenditure / Depreciation	54%	58%	54%
Upgrade and Renewal Gap Measure - Upgrade and Renewal Expenditure / Depreciation	73%	68%	71%

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, Budget Guidelines requested management 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 2017-18.

Key Services

Landfill Sites / Transfer Stations

Commercial fees for Drysdale landfill and the transfer stations have increased by 2.4% to cover authorised cost increases, plus a further \$1.96 per tonne increase in the EPA Levy. Work has commenced on creation of Cell 5 at Drysdale and will be completed in 2017-18.

Waste Collection

The cost for collection and disposal of recyclable waste, green waste and garbage will increase in 2017-18 by \$0.45m from \$19.48m to \$19.93m. This increase includes effect of EPA Levy increase of \$1.96 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 \$2.75m, Unsealed Roads Maintenance \$2.83m, Footpath Kerb & Channel Maintenance \$0.87m, Drainage Works \$1.63m and City Cleansing \$4.35m in 2017-18.

Aged & Disability Services

Government funding for Aged and Disability Services is expected to decrease by approximately (\$0.49m) in total for 2017-18. This includes General Care, Personal Care, Respite Care and Meals. Funding towards Care Services has decreased by (\$0.68m), offset by reduction in salaries \$1.46m, due to the transition to NDIA. Funding for Preventative Health project has increased (\$0.68m). The net cost of Aged Care Services is budgeted to be \$4.95m an increase of \$0.28m.

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 \$10.7m.

Arts & Culture

Council is actively committed to promoting heritage and cultural programs for community benefit including cost of support for the National Wool Museum \$1.38m and sponsorship for many community and youth arts programs. In 2017-18 Council is to provide increased contribution to the Geelong Regional Library \$0.26m and Geelong Gallery \$0.03m. Overall, net increased cost to Council is \$0.81m.

Aquatics

Decreased net operational costs of \$0.67m are anticipated in 2017-18 from existing aquatic centres and include an increase in fees and charges of \$1.84m, partly offset by a (\$1.17m) increase in costs to maintain service levels.

Family Services

Childcare fees are increasing by \$70 per week from July to cover cost increases for the service resulting from staffing ratio and quality standards changes. Overall Childcare income has increased \$0.56m as a result of an increase from Federal contributions and user charges. Offset by \$0.88m increase in costs to deliver new service increments to comply with Children's Services Regulations. Net Child Care cost to Council for 2017-18 is \$3.29m. Government support of \$0.67m will continue in 2017-18 for Family Service initiatives - Best Start, Playgroup Support, Family Relationship Services Program, Regional Parenting Service and Family Coaching.

Events

Council proactively sponsors and promotes major sporting and cultural events within the region which provides ongoing tourism and economic benefits to the community. In 2017-18 major events include: Cadel Evans Cycling Race, Ironman 70.3, Victorian Open Golf, Festival of Sails, Carols by the Bay and National Celtic Festival. Total funding is \$1.53m.

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 \$2.05m.

Planning Strategy

The importance of statutory planning function to the community continues to be recognised by Council and is a high priority area for service enhancements. Net cost for business unit is budgeted to be \$3.27m.

ENVIRONMENTAL MANAGEMENT

The ongoing impact of changes in our environment places an array of pressures and threats on management of our natural resources. 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 \$0.41m has been allocated in 2017-18.

Reserves and Waterways

- **Environment Reserves Capital Improvement Program** - Cost \$0.41m for adopted conservation and environment reserves management plans.
- **Ramblers Road Foreshore Resilience** - Cost \$0.10m to raise low lying sand with imported fill at the eastern end of the foreshore, revegetate these areas and the sand berm at the top of the beach and extend the offshore breakwater.
- **Coastal Adaptation Program** - Cost \$0.07m to support the delivery of Councils Climate Change Adaptation Strategy.
- **Griggs Creek Rehabilitation and Revegetation** - Cost \$0.20m 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 2017-18 are as follows:

- **Ground Renovation Program** - Cost \$0.22m for improvements to sports fields.
- **Council Recreation Reserves and Parks Water Saving Initiatives** - Cost \$0.28m 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 construction began in 2016-17 and will be completed in 2017-18.

Drysdale

Council has budgeted in 2017-18 \$0.10m for Drysdale Landfill Stockpile Relocation, \$0.18m for Drysdale Landfill Cell Surcharge Protection Layer Construction and \$0.04m for Drysdale Landfill Surface Water Treatment. An additional \$0.20m has been budgeted for Leachate Management at Drysdale Landfill.

Closed Landfill Project

A further \$0.15m has been budgeted in 2017-18 for a continuation of risk assessments and monitoring works on disused landfills.

2017-18 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net \$
BUILDINGS					
C02622	Building Design - Core Program	Emergency design requirements for safety and emerging priorities, specifications for sports floodlighting.			
C09203	Roof Safety Access Program	Provide safe roof access systems on Council buildings.			
C18207	Infrastructure Upgrade - Council	Infrastructure requirements for return of Council.			
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.			
Total Building & Facility Management			569,970	20,520	549,450
C17231	Disability Access	Identification and completion of works, designs, plans and estimates of community facilities that currently do not provide equal accessibility to people with disabilities.			
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.			
C17239	Community Halls Upgrade	Upgrades to major halls to maintain a standard of venue delivery.			
C18401	Senior Citizens Kitchen Upgrade	Kitchen upgrade for 3 Seniors Citizen clubs.			
C18407	Geelong West Town Hall Accessible Toilet	Installation of new, DDA compliant entry point for the Supper Room and accessible toilet for Geelong West Town Hall.			
C09201	Office Alteration / Improvement Program	Ongoing program of minor office alterations and improvements.			
C10206	Toilet Block Renewal / Replacement Program	Ongoing program of public toilet refurbishment ensuring they meet community needs and expectations.			
C12202	Building Renewals	Annual building renewals funding for roof replacements and switchboard upgrades.			
C18202	Skylight protection	Install covers to skylights as per Worksafe direction following fall from heights incident.			
C18203	Lightning Protection	Install compliant lightning protection ring mains to recently completed shelters.			
C18804	Beach House Landlord works	Installation of disability access and immediate safety repairs to the Beach House facility at Eastern Beach as contribution to Landlord fit out.			
C18601	Animal Pound Reconfiguration	Physical separation between Council pound and animal shelter.			
Total Building Renewals			4,471,500	0	4,471,500

2017-18 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net \$
C15851	Hendy St Children's & Family Centre	Project funding in 2016-17. Additional funds required due to site and building requirements.			
C16804	Rosewall Community Hub	Rosewall Community Hub - stage 2. Following detailed design, stage 2 involves construction of the new facility.			
C16805	Drysdale Integrated Children's Centre design	Funding for design of Drysdale ICC.			
C17233	Cloverdale Community Hub	Second year of project. Design has been completed, funding will enable construction of the Cloverdale Community Hub.			
C18414	Geelong Botanic Garden Sustainable Visitor Facility	Construction of new visitor Facilities for Geelong Botanic Gardens including architecturally designed facility with shelter, group space and accessible toilet, renovation of office toilet facilities, sewage infrastructure & landscaping.			
C18502	Northern ARC Project Concept and Schematic Design	The Northern ARC project includes the planning for the future development of Waterworld, Corio Library and Centenary Hall. The Concept and Schematic Design is stage 3 of the project that follows the Master Plan that was endorsed by Council in 2015 and the recently completed Feasibility and Business Case.			
C18507	Geelong Arena Chairs	With ever increasing events the chair assets of the Geelong Arena have been assessed as well past their used by date and are unsafe to transport and not meet the needs of customers and events. Require the purchase of 1,400 banquet chairs to meet needs of business.			
C18803	Geelong Gallery - Archibald Prize Gallery Refurbishment	Re-design of the Gallery foyer and entrance to Johnstone Park to facilitate delivery of the Archibald Prize in October 2017. The refurbishment of the Gallery foyer would be permanent and is being designed to transform front-of-house Gallery operations.			
C18805	Mineral Spa & Wellness Centre	Funding is sought towards the cost for the delivery of basic services infrastructure to the MSWC site on Hearne Pde. An application has been made to RDV to fund approximately 50% of the cost. The total project cost is estimated at \$1,903,200.			
C18602	Upgrade telephone system Council Animal Pound	Upgrade and increase the amount of phone lines into the pound facility including reception and multiple buildings.			
Total Community Facilities			5,277,537	100,000	5,177,537
TOTAL BUILDINGS			10,319,007	120,520	10,198,487

2017-18 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net \$
LAND ACQUISITION					
C05508	Open Space Networks Study and Acquisitions Plan Implementation	To implement the recommendations of these plans which will be funded out of the Open Space Reserve Fund. Income is from previously collected developer contributions.			
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.			
C18604	Griggs Creek Ped Bridge - East Bank Land Acquisition	Land acquisition or carriageway easement to facilitate Ped Bridge construction and shared path along eastern bank of Griggs Creek. The ped bridge abutment and shared path are located on Department of Education Land.			
C18605	ACWP - Open Space Land Acquisition	Landowner requests to advance the purchase of the caravan park on Torquay Rd. Reserved for Local Active Open Space - Playing Fields.			
C68154	DCP - ACWP - Acquisition of Drainage Reserve DI_LA_3	DCP FORWARD FUNDED PROJECT Land required for drainage in accordance with Armstrong Creek West stormwater management strategy (Whites Road, Mt Duneed)			
C68204	DCP - HBP Barwon Heads Rd to Harriot Rd - DI_LA_18	DCP FORWARD FUNDED PROJECT Land acquisition project to facilitate the delivery of a future drainage retarding basin and drainage channel to service the southern catchment of the Horseshoe Bend Precinct (Armstrong Creek). Require allocated budget to cater for land purchase, legal costs, solarium and appropriate contingency.			
C68205	DCP - HBP - Reserve Rd Retarding Basin DI_LA_14	DCP FORWARD FUNDED PROJECT Hardship purchase request for property along south side of Reserve Rd, Charlemont. Property is impacted by DCP drainage infrastructure, VicRoads road widening and future DET school site.			
C68351	Armstrong Creek Town Centre - Community Facility Site	FORWARD FUNDED DCP/ OPEN SPACE PROJECT (45%). 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.			
C68401	DC - ACSP - Armstrong Creek Deviation Channel - Land	DCP FORWARD FUNDED PROJECT Land acquisition project funded via development contributions from the Armstrong Creek South Precinct (developer funding agreement - S173). Land to be compulsory acquired to facilitate the delivery of the Armstrong Creek South Precinct and allow broader benefits for the Armstrong Creek catchment.			
TOTAL LAND ACQUISITION			8,188,000	0	8,188,000

2017-18 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net \$
OTHER CORPORATE					
C14322	Maintenance Management System Integration	This project will integrate the Maintenance Management System (fieldGO) with the Asset Management System (Infor Public Sector), Customer Request System (Infor Pathway), and RMP (Road Management Plan) Inspection System, providing a common platform for the delivery of City Services Parks and Gardens, and Infrastructure maintenance tasks.			
C18204	Customer/business online authentication	As part of the Digital Geelong strategy to create a safe and secure online platform for people to interact with council, this project would link Council's current myGeelong portal login to third party State/Federal Government agencies to enable Council to improve authentication of customer or business identity when using online services.			
C18205	Smart City Infrastructure Opportunities	Opportunities to invest in additional infrastructure to connect optical fibre and other digital infrastructure to planned initiatives, particularly in Central Geelong area.			
C18206	Single View of Customer Project	There are nine customer databases in the organisation serving line of business requirements. This project would define and implement the best fit technology to consolidate these disparate databases into a cohesive, single view of customer platform.			
C05207	Minor Acquisitions Program - Core Program	Funding of minor items below \$20K via IT Steering Committee for hardware, software and minor infrastructure items.			
C05208	IT Asset Replacement Program - Core Program	Based on cycle replacement.			
C06210	Capital Program Project Management - Capitalised Salaries	Annual allowance for salaries associated with delivering the Capital Projects Program - based on current approved headcount.			
C09202	Furniture Replacement	Annual capital allocation for furniture and equipment replacement.			
C17801	Public Art Strategy Project Delivery	To deliver public art strategy, which is the key driving document for commissioning new public art across the municipality which will enhance public amenity through the arts. The project will continue to respond to internal capital projects, community lead and developer projects and also create the capacity for leveraging additional funding from other funding partners. Recurrent core funding will ensure that Council can continue to support and deliver a range of Public Art initiatives including sculptural works, high quality mural projects, and temporary installations.			
C18801	Johnstone Park improvements	To build on the State's investment aligned with Masterplan.			
C18809	Ryrie St CBD Amenity Upgrade	Public realm upgrade to Ryrie Street centre median (Gheringhap – Yarra) Works include Astroturf to median installed up to, and around, existing street trees and new understory planting at key pedestrian crossing points and intersections.			
TOTAL OTHER CORPORATE			6,199,283	42,500	6,156,783

2017-18 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net \$
PARKS & LEISURE					
C09811	Concourse Renewal and Safety Program	This project is the annual planned replacement program to address the aging infrastructure of the concrete and concrete surfaces at the leisure centres and aquatic centres. This program addresses customer safety with slipping and tripping near water and provides surfaces that can be cleaned to reduce bacterial concerns. Concrete support for buildings and pool structure are also addressed.			
C10850	Gymnasium Equipment Changeover Program	The annual replacement program for gymnasium equipment to maintain membership and remain competitive in a commercial setting. Replacement of gymnasium equipment inline with warranties, service commitments and technology advancements. Equipment is replaced at the end of its lifespan ensuring maintenance costs remain within warranties and breakdowns are limited.			
C17504	Aquatic Play Equipment Maintenance and Upgrade Program	The project is the maintenance and upgrade of aquatic play activities at the Leisure Centres. The activities are heavily used and provide an integral component of the aquatic area operation with fun and enjoyment for children. Regular maintenance reduces breakdowns and ensures the safety of children.			
C18503	Splashdown Administration/Office/First Aid Compliance	To develop the administration office and first aid areas at Splashdown to improve the work environment and meet OHS requirements. The improvements require no external construction and will realignment existing internal space. The new office configuration will also improve community social interaction space and provide better consultation areas for the Live Well program. Development will also make the first aid area compliant.			
C18504	Waterworld Outdoor Area and Activities Upgrades	Due to the development of Barwon Health North in the adjacent land some of the Waterworld facilities are being decommissioned and the interphase infrastructure between the two services needs development. The Waterworld slide, outdoor children's pool, storage and lawn area will be decommissioned and this area will now form part of the Barwon Health North development. New play activities, storage, fencing, access and activity areas need to be constructed to compensate for the loss of facilities.			
C18505	Kardinia Pool lighting compliance upgrade – old 50 metre pool	The Kardinia Pool only has security lighting around the centre. Portable lighting is hired each year to allow the 50m pools to remain operational when the light is poor. The portable lighting while improving vision in the area do not provide sufficient lux levels to meet legislation and to safely monitor the pools. The new lighting will allow the centre to operate within Life saving Victoria guidelines for safe pool operation and provide lighting lux levels to legislative requirements.			

2017-18 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net \$
C18508	Kardinia and Lara Pool Blanket renewal	The pool blankets at Kardinia and Lara pools have come to the end of their effective life span and are currently not providing the energy saving required. The pool blankets for main 50m and Dive pools at Kardinia and the main 50m and learner pools at Lara have lost their thermal capabilities and do not maintain the water temperature in the evenings. The blankets are also deteriorating and breaking down leaving material partials in the pools.			
Total Aquatics			1,249,650	0	1,249,650
C18303	Ramblers Road foreshore resilience	Raise low lying land with imported fill at the eastern end of the foreshore that becomes inundated during storm tide events, vegetate these areas, revegetate the sand berm at the top of the beach and extend the offshore breakwater.			
C18802	Underwater Sculpture park	Complete final planning, design and commence construction of an artificial reef and underwater sculpture park as a major tourism attraction and environmental initiative to help mitigate against erosion from storm tide events.			
C18807	Eastern Beach Swimming Enclosure Ladders	Replacement of corroded metal sea ladders around the promenade swimming enclosure.			
C18808	Eastern Beach Seabaths Shark Bars	Replacement of bars to protect swimmers from sharks and sting rays.			
Total Foreshores			456,000	0	456,000
C18413	Ocean Grove Memorial Reserve Fencing Removal	Removal of 6ft high chain mesh fencing and reinstatement with low timber barriers to the external perimeter of the reserve.			
C18417	Herne Hill Reserve Upgrades	Delivery of Stage 1 Herne Hill Reserve Master Plan upgrades.			
C08308	Environment Reserves Capital Improvement Program	A program of priority capital works as identified in adopted conservation and environment reserves management plans.			
Total Parks			499,000	0	499,000
C17240	Playground Development Program Implementation - Core Program	Playground development program to bring existing playgrounds up to required legislative standards and to meet the needs of the community.			
C18418	Functionality upgrade of Leopold Child and Family Centre playground	Redevelopment of playgrounds to ensure they provide suitable and safe play spaces that meet the requirements of the National Quality Standards.			
Total Playgrounds			601,450	0	601,450

2017-18 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net \$
C16846	Anakie Recreation Reserve, Anakie Football Netball Club, Club room Upgrade	Funding to enable the upgrade to the pavilion change rooms at Anakie Reserve. The upgrade will provide modern, accessible and unisex facilities to support participation.			
C17203	Leisuretime Synthetic Pitch Construction	Construction of full size synthetic pitch with associated floodlighting and supporting infrastructure at existing Council owned and managed Leisuretime Centre, Norlane.			
C17241	Ground Renovation Program - Core Program	Improvements to the playing surface of various sports fields in response to drought conditions.			
C18402	Burdoo Reserve, Grovedale Football & Netball Club, Federal Election Commitment	Grovedale Football & Netball Club scoreboard and storage facility upgrade.			
C18403	McDonald Reserve, South Barwon Football & Netball Club, Change Room Upgrade	Upgrade to the change rooms at McDonald Reserve.			
C18404	Winter Reserve, Belmont Lions Football Netball Club & East Belmont Cricket Club, Change Facility Upgrade	Upgrade to the Winter Reserve change rooms to modern, accessible and unisex facilities. This project has an existing Federal Government Election Commitment of \$580,000.			
C16807	Hendy St (Flinders Peak) Reserve Development	Construction of a new pavilion to accommodate rugby union, gridiron and cricket at Flinders Peak Reserve. This is a continuation of a 2015-16 project which delivered two new playing fields and associated infrastructure to replace those to be lost with the State's disposal of the former Flinders Peak Secondary College site. The additional funds are required to enable the pavilion to be multi-use. Pavilion design and QS has been undertaken from the existing project budget.			
C18408	St Albans Football Netball Club, netball court upgrade	The upgrade to the second netball court at St Albans Recreation Reserve.			
C18409	Goldsworthy Reserve Track Replacement - Planning	Planning and detailed background work in preparation for the replacement of the athletics track at Goldsworthy Reserve.			
C18411	Stead Park Softball Pavilion Upgrade	Upgrade of the Stead Park Softball Pavilion. Works will ensure the facility is welcoming and accessible facilities to support growth in the sport. Project is supported by the Stead Park Master Plan.			
C18419	South Barwon Recreation Reserve, Geelong Target Rifle Club, Accessible Toilet	Provide accessible/disability compliant toilets for the Geelong Target Rifle Club clubrooms.			
C18501	Lara Golf Course Upgrade Disability Access	Improve the disability access to the Lara Golf course club rooms and surrounding area. To bring the building and surrounding area up to current building code.			

2017-18 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net \$
C18506	Queens Park Irrigation - 10 Year Plan	This project is part of the Queens Park master plan and is the first year of a 10 year irrigation plan to maintain the greens and fairways. The current irrigation system is old and does not adequately irrigate the course. Without this upgrade the golf course cannot be maintained into the future and there will be increased maintenance and water cartage costs.			
C18509	Unified Grants Scheme - Capital Grants	Funding available for Capital Grants for Council owned assets. Competitive scheme for community organisation.			
Total Sportsgrounds			7,438,305	1,130,000	6,308,305
TOTAL PARKS & LEISURE			10,244,405	1,130,000	9,114,405
PLANT & EQUIPMENT					
C18201	Vehicle - Mayor	Provision of vehicle as per Mayor's entitlements.			
C18101	Safety Management System (CitySafe)	Best practice review of the City's Safety Management System.			
C18304	Commercial Waste Trucks - Route Mapping	Retro-fitting of GPS location systems to the current fleet of commercial waste vehicles will allow accurate mapping of the routes taken by commercial waste vehicles. GPS mapping will allow for the optimisation of truck routes, reducing the overall number of kilometres travelled - thereby reducing operating costs and fuel requirements.			
C02313	Light Fleet Program	Light Fleet Replacement Program.			
C02314	Heavy and Dedicated Plant Replacement - Core Program	Heavy and dedicated plant replacement program.			
C02320	Minor Plant & Equipment - Replacements - Core Program	Fund from which minor plant and equipment replacement can be purchased.			
C18306	Waste Services - Fleet Vehicles	Purchase of vehicles to support waste field operations, including bin inspections, repairs and collection of damaged bins.			
C18603	Upgrade infringement issuing devices	Replacement of 22 infringement issuing devices for parking, animal management, local laws, fire prevention & environmental health.			
C18606	Tourist Animal Registration Tag	Provide temporary registration tag for pet owners holidaying within the municipality.			
C18607	License Plate Recognition Trial	Introduce new technology for the enforcement and compliance of road rules and provide transition platform for fully integrated system.			
C18608	Civic Centre Car Park CCTV Cameras	Purchase and installation of CCTV cameras in the Civic Centre Car Park that link in with current City of Greater Geelong live monitoring camera system.			
TOTAL PLANT & EQUIPMENT			5,880,537	1,683,768	4,196,769

2017-18 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net \$
ROADS, FOOTPATHS, DRAINAGE & WASTE					
C02309	Drainage Renewal Program - Core Program	Renewal of drainage infrastructure to reduce the likelihood of property flooding.			
C02315	Design & Investigation Sub Program - Drainage Projects - Flood & Drainage Management - Core Program	Investigation and design of drainage projects identified through the program of drainage catchment studies.			
C02316	Design & Investigation Sub Program - Catchment Augmentation - Flood & Drainage Management - Core Program	Drainage catchment studies to identify drainage system augmentation, flood mapping and structural flood mitigation measures to manager drainage related flooding.			
C02317	Drainage Construction Sub Program - Flood & Drainage Management - Core Program	Construction of drainage related works including upgrading main drainage infrastructure.			
C17812	Gheringhap Street Pipe	The project delivers an outlet pipe from Johnstone Park to Corio Bay including pollutant traps and outfall Structure. Design commenced in 2016-17.			
Total Drainage			4,430,000	0	4,430,000
C02307	Footpath Renewal Program - Core Program	Replacement of footpaths in full block sections.			
C18301	Ocean Grove Principal Pedestrian Network year 2 - Infrastructure Design	A Principal Pedestrian Network for Ocean Grove as 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 and commence the special rate and charge scheme administration prior to construction.			
C09805	Cycle Strategy - Implementation	This project aims to continue development works to assist cyclists and the sport of cycling throughout the City. The project will continue the work previously carried out according to the implementation schedule of the Cycle Strategy.			
C18806	Ritchie Blvd Baywalk	Rebuilding of the Baywalk from the Sailing School to Eastern Beach Reserve. This section of the Baywalk is at the end of its lifecycle and has been deteriorating for a number of years. Sections are now considered dangerous from a tripping perspective.			
C18610	Griggs Creek Ped Bridge - East Bank Shared Pa	Shared path connection along the east side of Griggs Creek, connecting the school and further north to the new Ped Bridge.			
Total Footpaths/Bikepaths			3,686,500	0	3,686,500
C02308	Kerb and Channel Renewal Program - Core Program	Replacement of kerb and channel in full block sections.			
Total Kerb & Channel			2,156,000	0	2,156,000

2017-18 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net \$
C02310	Road Rehabilitation Program - Core Program	Renewal / replacement of road pavements in full block sections including streetscape works.			
C02311	Roads Other - Core Program	Renewal / Replacement of bridges, major culverts, bus shelters, laneways, carparks and street furniture and other sundry street related infrastructure.			
C02321	Design & Investigation Program - Capital Projects - Core Program	Investigation and design of road construction projects.			
C03301	Major Culvert Guardrail Replacement / Installation - Core Program	Replacement or installation of guardrail over major culverts or on road reserves to improve safety for road users.			
C08302	Traffic Major Works	Construction of Major Traffic Works including provision of roundabouts, traffic signals and intersection treatments.			
C08320	Design & Investigation Program - Traffic Management Projects - Road & Street Management - Core Program	Investigation and design of traffic management treatments to improve safety for all road users.			
C09303	Bridge Upgrades - Major Renewal Works	Major construction works on road and pedestrian bridges.			
C14306	Capital Renewal of Civil Assets in Parks	Construction of new roads and footpaths, and replacement of Gravel Surfaced Car Parks with sealed pavements in recreation reserves.			
C17310	Community, Leisure & Recreation Carparks	Upgrade of existing carparks at Community, Leisure and Recreation facilities. Initial assessment required to assess the condition and prioritise these works.			
C18302	Street Lighting Upgrade Planning Project	This project is to plan and prepare for a project involving the upgrade of the existing street lights to an LED equivalent including the capacity to have smart technology included.			
C18609	Drysdale Town Square Upgrade - Final Design & Costing	The Drysdale UDF was adopted by Council in August 2012 & seeks to improve the functionality & appearance of the Town Centre, including a redevelopment of the Woolworths supermarket and new speciality shops. Consultation with the community on a draft town square concept has occurred. Detailed design and costing's for the town square concept will ensure Council is able to apply for future funding to deliver a unified scheme for the square.			
C68906	DCP - JR Griggs Creek Ped Bridge to Clifton Springs Primary School	DCP FORWARD FUNDED PROJECT Design and construction of new pedestrian bridge structure over Griggs Creek (Curlewis), connecting the Curlewis Growth Area and Clifton Springs Primary School. The project is included within the Jetty Road DCP and has an indicative trigger of 2017/18 or 1,050 lots.			
Total Roads Other			6,989,000	0	6,989,000

2017-18 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net \$
C02306	Asphalting - Road Surfacing Program - Core Program	Resurfacing of sealed road surfaces with asphalt to maintain a waterproof surface and ensure the long term integrity of the road pavement.			
C02323	Local Roads Construction Sub Program - Road & Street Management - Core Program	Construction of local road works including road widening, provision of roundabouts, other works to support new developments and streetscapes.			
C02340	VicRoads Funded Works	VicRoads funded projects on Council's road network.			
C02342	Reseal - Road Surfacing Program - Core Program	Resurfacing of sealed road surfaces with spray seal or scrap rubber reseal to maintain a waterproof surface and ensure the long term integrity of the road pavement.			
C08321	Traffic Management Construction Sub Program - Road & Street Management - Core Program	Traffic management and road safety works including contributions to development projects associated with new subdivisions for signage, speed reduction treatments and pedestrian safety projects.			
C15320	Federal Roads Program (Roads to Recovery)	Construction of roads and road related assets that connect communities and improve the freight network.			
Total Roads Sealed			10,956,446	3,522,446	7,434,000
C15825	Capital Projects Design Program	Funds for design work on minor Capital projects.			
C18406	Manzene Pedestrian Connection	Creation of a pedestrian link to the new 'Manzene Village' residential estate. Project includes construction of footpaths and landscaping to create a pedestrian and cycle link to the neighbouring residential estate.			
C18412	Geelong Entrance Project	Project will enhance and highlight Geelong's main entrance by providing a sense of arrival through landscape treatments including new tree plantings and re-establish of green ground zones.			
Total Streetscapes			284,753	0	284,753
C02301	Street Construction Sub Program - Special Rates & Charges - Core Program	Construction of road and drainage projects funded via Special Rates and Charges Schemes.			
C02303	Footpath Construction Sub Program - Special Rates & Charges - Core Program	Construction of new footpath projects funded via Special Rates and Charges Schemes.			
C02334	Design & Investigation Sub Program - Special Rates & Charges - Core Program.	Design, consultation and administration of road and drainage projects funded via Special Rates and Charges Schemes.			
C17301	Stage 2 Elcho Channel Special Charge Scheme	Construction of wetland including planting and outfall structure. Widening of Elcho Channel and construction of underground storm water pipes.			
Total Special Rates & Charges			6,759,000	4,289,000	2,470,000

2017-18 CAPITAL PROJECTS BY CATEGORY

Project Number	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net \$
C17201	Drysdale Landfill - Construction of Waste Disposal Cell 5	Funding for construction of waste disposal cell 5 at Drysdale landfill.			
C04308	New Property Mobile Bins - Core Program	Ongoing supply of mobile bins to new and additional occupancy residential properties and for new commercial customers.			
C15304	Drysdale landfill - leachate management - variation	Construction of a pipe connection between Drysdale landfill and Barwon Water sewer infrastructure to remove leachate from the landfill.			
C16303	Greenwaste Site Establishment	Construction of a site to enable the processing of green organic material collected via Councils waste programs, including residential kerbside collection.			
Total Waste Collection			4,970,000	0	4,970,000
TOTAL ROADS, FOOTPATHS, DRAINAGE & WASTE			40,231,699	7,811,446	32,420,253
TOTAL EXPENDITURE - CAPITAL PROJECTS			81,062,931	10,788,234	70,274,697

2017-18 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net Expenditure \$
CHIEF EXECUTIVE					
Chief Executive	Culture Change Management	Funds for 30 years vision work, transformation project and Complaint Review Panel.	200,000	0	200,000
Communications & Marketing	Multimedia Production Officer (1 x EFT)	This position would fill a much-needed void in the Corporate Communications and Marketing Services team for a dedicated FT officer to produce high-quality video and other content to satisfy a growing demand for in-house and online content.	70,000	0	70,000
Communications & Marketing	Graphic Design Officer (0.4 EFT)	This PT position (2 days per week) would help address a growing need for additional in-house graphic design capacity for a range of corporate activities that are currently contracted to external providers at high cost.	35,000	0	35,000
Communications & Marketing	Better Corporate Writing Project	Part time position 0.6 EFT to continue work on the Better Corporate Writing project.	65,000	0	65,000
Legal Services & Governance	Council General Election	Conduct Council General Election - VEC.	815,000	0	815,000
Legal Services & Governance	Council Induction Program	Develop a comprehensive induction program for the return of Councillors.	50,000	0	50,000
Legal Services & Governance	Civic Leadership Program	Develop a leadership program that attracts quality candidates for the return of Councillors.	75,000	0	75,000
Legal Services & Governance	Return of Council Costs	Cost to be incurred due to return of Council.	20,000	0	20,000
People & Organisation Development	HRIS interface for Recruitment & On-boarding & Performance Management	With the introduction of a contemporary online performance management and recruitment system, some interface work is required with the existing HRIS.	33,000	0	33,000
People & Organisation Development	Organisational Rostering Solution	The Organisation requires a fully integrated Rostering solution to provide the time and attendance data to the HR Assist area to remove the current paper based system which is inefficient and costly to maintain.	60,000	0	60,000
People & Organisation Development	Fusion5 Interface - e3 Learning	Interface work required with the existing HRIS and our online E Learning platform.	8,000	0	8,000
People & Organisation Development	Senior Leadership Development Program	In line with (Good Governance, Commission of Enquiry Report) 6.4 Skilled People, all senior leaders with undertake a professional development program.	100,000	0	100,000
People & Organisation Development	Diversity & Inclusion Strategy Implementation	In accordance with the Commission of Enquiry Framework 2.1, 2.2 & 2.4 the implementation of the organisational Diversity and Inclusion Strategy.	120,000	0	120,000
People & Organisation Development	Enterprise Agreement (EA) Printing	Mandatory communication requirements for the Enterprise Agreement 2017.	30,000	0	30,000

2017-18 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net Expenditure \$
People & Organisation Development	Leadership Capability Framework	In line with Commission of Enquiry Report, Good Governance Framework 7.12 Checks and Balances. Leadership competency framework model and Leadership Academy to be developed.	100,000	0	100,000
People & Organisation Development	Gender Equality & The Prevention of Violence Against Women & Children	People & Organisation Development have committed to strategies to increase education, awareness and support throughout the organisation on Gender Equality issues.	70,000	0	70,000
People & Organisation Development	Complaints Management Framework	A triage framework to be developed regarding the handling of all H&B, conduct and performance related matters. A panel constructed of a suitably qualified independent chairperson, the CEO, and a GM be established to review all bullying and harassment complaints.	60,000	0	60,000
People & Organisation Development	Online Incident Management System	Implementation of an online incident management system for CoGG. This will allow an employee or contractor to report an incident as soon as it occurs from any computer or mobile device with internet access. The online incident management system will provide accurate reporting and automated notifications of incidents to the relevant managers and the risk team, allowing for immediate investigation and intervention of the incident by the Risk team.	90,000	0	90,000
People & Organisation Development	Contractor Management	OH&S Contractor Management System to ensure appropriate inductions and contractor pre-qualifications have been established. This will assist CoGG with meeting our due diligence obligations. This funding will also establish appropriate mechanisms to audit, coach and mentor people in performing work safely.	30,000	0	30,000
People & Organisation Development	Building Safety Management - Emergency Wall Plans & Evacuation Drills	Emergency management obligations for our physical building assets across the municipality.	65,000	0	65,000
People & Organisation Development	OH&S Compliance Training	To provide a dedicated budget to meet our legal obligations for various training, this incorporates but is not limited to: HSR training, First Aid training (incorporating CPR) online OH&S awareness training, Traffic Management, Working at Heights, Confined Space, Asbestos Awareness, Dangerous Goods & Hazardous Substances, Sun Smart and ICAM training.	215,000	0	215,000
People & Organisation Development	Health Monitoring	To implement a health monitoring program that conducts periodic testing of employees who may be exposed to hazardous products whilst performing the inherent requirements of their position.	25,000	0	25,000
People & Organisation Development	Safety Leadership Training	Safety Culture: Develop leadership capabilities through the provision of safety leadership training to inform leaders of their roles, responsibilities and ways to manage hazards and risk in their workplace.	25,000	0	25,000
People & Organisation Development	Move4Life Program	The Move4Life System is a suite of training programs and consulting services that will dramatically reduce the risk, incidence and severity of sprain & strain injuries in any manual handling environment.	60,000	0	60,000

2017-18 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net Expenditure \$
People & Organisation Development	Risk Management Seminars	To improve our organisations "risk maturity" and reduce insurance premiums CoGG must ensure that staff capability continues to be enhanced.	20,000	0	20,000
People & Organisation Development	Enterprise Risk Reporting Software	Implement Enterprise Risk reporting and management system.	50,000	0	50,000
CITY SERVICES					
Capital Projects	Floating Christmas Tree - annual costs	Annual maintenance, storage, install, dismantle of Floating Christmas Tree and sound and light show.	400,000	0	400,000
Capital Projects	Pakington Street Beautification Design	Pakington Street Streetscape Concept Design.	100,000	0	100,000
Environment & Waste	Additional Bins - Phase 2	Funding for project implementation of a User pay system for additional bins.	252,500	449,000	-196,500
Environment & Waste	Drysdale Landfill - Stockpile Relocation	EPA inspectors and industry experts have advised Council to reduce potential sedimentation of collected surface waters by relocating a clay/soil stockpile away from its current location (near a waterway).	100,000	0	100,000
Environment & Waste	Coastal Adaptation Program	Support the delivery of the City of Greater Geelong Climate Change Adaptation Strategy by continuing community engagement and participation in the Our Coast program that was initiated through funding from the Victorian Government through the Future Coasts Program. This will be achieved by continuing to employ a program coordinator until the end of March 2018.	71,500	21,500	50,000
Environment & Waste	Purchase of Carbon Offsets to meet Greenhouse Target	Council's Zero Carbon Emissions Strategy contains a 50% reduction target by 2020. The purchase of carbon offsets will offset remaining emissions that cannot be achieved through energy efficiency and renewable energy generation programs at this stage.	85,000	0	85,000

2017-18 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net Expenditure \$
COMMUNITY LIFE					
Aged & Disability	Disability Action Plan	Project Includes evaluation of the existing CoGG DAP with audit of key actions against Disability Discrimination Act (DDA) 1992 and Premises Standards . Extensive consultation with be carried out with internal and external stakeholders, and draft of a new 4 year DAP 2017-2020 produced incorporating CoGG actions and responsibilities, meeting legislative requirements. Following public comment, the plan will be ready for registration with the Australian Human Rights Commission (AHRC).	18,000	0	18,000
Aged & Disability	Braille Embosser (Printer)	The project is to purchase a Braille Embosser and Acoustic Hood. This will enable the production of embossed documents for Braille readers in the municipality, including Council rate notices, general ratepayer information and plain print flyers. Embossed pages also be provided to the public in limited amounts as a public service.	10,120	0	10,120
Aged & Disability	Aged Care Consultancy	To engage consultancy to review our department's options in response to significant changes to aged care system/funding/industry.	60,000	0	60,000
Aged & Disability	Health Plan for Geelong	Requirement of the MPHWP planning process is to undertake a Municipal scan, this is required every 4 years, this includes internal and external engagement to understand the current health and wellbeing needs. it will be important to ensure the consultation and data gathered in the "Our Future" process is incorporated in relation to health and wellbeing.	30,000	0	30,000
Aged & Disability	Healthy Choices for our community	Develop a cross-council approach to the implementation of the 'Healthy Choice' guidelines. Key outcome will include: A plan for all CoGG facilities to remove sugar sweetened beverages (SSB's) by 2017-18. A communication strategy to improve the health literacy of stakeholders . A plan to implement the Healthy Choice guidelines in contracted recreation centre canteens . Development of a Health Choices' kit for sporting clubs. Establish a 0.6 FTE position to implement these actions.	150,000	0	150,000
Community Development	Mentoring - Aboriginal traineeships	Mentoring Aboriginal traineeships, support the Aboriginal trainees as part of the employment at the City of Greater Geelong.	90,000	0	90,000
Community Development	Implement directions Gender Equity	This project will include appointing a consultant or partner to develop an evaluation tool and practice. This will assist the organisation to identify the key elements of our understanding about gender equity, gender equality, and gender inequality as a key driving factor to violence against women and children. This will provide a foundation for the organisation to have baseline data and evidence of where we are now and the ability to track and monitor progress.	40,000	0	40,000

2017-18 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net Expenditure \$
Community Development	Pivot Connect Festival	Hosting a Pivot Connect festival in 2017, to build on the success of the Pivot Connect festival in 2016. This festival is an opportunity for the Geelong community to experience, try and have exposure to all things digital. This festival would include numerous external organisations and stakeholders and cater for people of all ages, abilities and culture.	20,000	0	20,000
Community Development	2017 Digital Inclusion Engagement	A range of activities and events to support communities to have access to information about digital technology and decrease the digital divide among so many communities in the Geelong region. Activities would take information out to local communities to engage with them in their local setting and where they feel comfortable.	20,000	0	20,000
Community Development	Greater Geelong Social Equity Strategy	Develop a Greater Geelong Social Equity Strategy. The City of Greater Geelong's vision is that in 2030, Geelong is internationally recognised as one of the world's most resilient cities. Local and international research has established a relationship between resilient cities, that focus on sustainability, liveability and productivity, and a commitment to social equity.	70,000	0	70,000
Community Development	Youth Space Little Malop Central	Youth Space Shop Front model to provide a more permanent base for CoGG staff and other youth service providers to run programs, and outreach to young people. It would enable the YDU to work from a proactive and solution focused, developmental and preventative framework rather than a reactive position. This would be a pilot and there would be a research and evaluation component which would feed into higher level discussions about the activation of central Geelong.	50,000	0	50,000
Leisure Services	Kardinia 50m FINA Pool shell - maintenance condition audit	The 50m prefabricated liner pool at Kardinia is now 10 years old and is showing signs of wear. The side walls are lifting due substructure movement and the liner has past its expected lifespan. The plan is to employ the services of an aquatic engineer to investigate the condition of the pool, pool liner and sub structure and development a long term maintenance plan.	40,000	0	40,000
Sport & Recreation	Geelong Arena Programmed Maintenance 9th year	9th year of an agreed 10 year plan for venue maintenance program to manage the compliance and ageing facility upon purchase with State Government. Funding is increased 3% annually. Activities are guided by 2001 Hunt report while SPM, Council's Asset Management software guides continued review and relevance to current status and activities.	134,406	0	134,406
Sport & Recreation	Beacon Point Reserve beach access investigation	Investigation into the construction of beach access from the cliff top at Beacon Point Reserve, between Beacon Point and Scarborough Creek, which was identified as a high priority in the Beacon Point Reserve Master Plan (2013). Geotechnical, flora, fauna and cultural heritage investigations are required.	35,000	0	35,000

2017-18 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net Expenditure \$
Sport & Recreation	Queens Park - design and planning	Planning and design to address the entry to Queens Park - a regional level open space reserve. The existing asset is showing signs of significant failure, highlighted by sub-path surface erosion at the entry pillar and along side the walking path on the eastern side of the path. A make shift stair entry on the western side is also well due for upgrading.	15,000	0	15,000
Sport & Recreation	Electronic Booking System	The project enables customers to easily identify what activities require a booking request on which parcel of council owned land. Currently activities such as Casual access, seasonal access, maintenance, Access over land, building works, commercial operators and events, require a customer to speak with different people and different departments. This project aims to streamline processes and create an all-encompassing system for booking of council land.	150,000	0	150,000
Sport & Recreation	Dog Exercise and Socialisation Plan	To prepare a strategic plan that provides clear direction for the future provision of dog off-leash exercise and socialisation areas (both confined and unstructured) . It will identify current and future needs and provide a framework for the future development and operation of these areas.	30,000	0	30,000
FINANCE & STRATEGY					
Property & Procurement	GREP Housekeeping	Fencing repairs, road barriers, removal of containers, grass slashing.	30,000	0	30,000
Strategy & Program Delivery	Implementation of the Vision Project (Our Future)	Implementation of the Vision project post formal adoption.	100,000	0	100,000
Strategy & Program Delivery	Child Safe Standards Implementation	Finalisation of development and implementation of Child Safety Standards in conjunction with roll-out of mandatory training to all staff, volunteers and contractors.	100,000	0	100,000

2017-18 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net Expenditure \$
PLANNING & DEVELOPMENT					
Planning Strategy & Urban Growth	Future Proofing Geelong Projects	Fund projects delivered by FPG including: Cleantech Innovations Geelong (partnership between Council & Geelong Manufacturing Council), Smarter Homes Smarter Living program to encourage home builders across Geelong to build more sustainable homes, and the Business and Commercial Building program.	170,000	0	170,000
Planning Strategy & Urban Growth	Land Supply Monitoring Program	Continuation of the existing program of housing development and land supply activity monitoring.	8,000	0	8,000
Planning Strategy & Urban Growth	Activity Centres Urban Design Frameworks Program - Year 2	This project will promote investment and renewal in activity centres throughout the municipality. Urban Design Frameworks (UDF) focusing on activity centres in urban Geelong.	70,000	0	70,000
Planning Strategy & Urban Growth	Structure Planning	Review and update of its Structure Plans for townships and places to ensure currency including housing capacity and diversity, urban character, environment issues and infrastructure needs. The Anakie Structure Plan and Leopold Structure Plan are due for a review in 2017-18 along with Increased Housing Diversity Areas.	150,000	0	150,000
Planning Strategy & Urban Growth	Armstrong Creek PSP Reviews	Mandatory 4-5 year review of incorporated documents with the Greater Geelong Planning Scheme, specifically Precinct Structure Plans and Development Contribution Plans within the Armstrong Creek Growth Area.	70,000	0	70,000
Planning Strategy & Urban Growth	Municipal Strategic Statement Review	Undertake a review of the MSS (to coincide with revised City Plan and Our Future Vision) and implement key planning policy currently being prepared including Settlement Strategy, Employment Land Strategy and Avalon Corridor Strategy.	80,000	0	80,000
Planning Strategy & Urban Growth	Municipal Heritage Strategy	Development of a Municipal Heritage Strategy for inclusion into the planning scheme and a first phase of implementation (existing heritage study reviews or heritage gap studies).	80,000	0	80,000
Planning Strategy & Urban Growth	Northern & Western Geelong Growth Areas (NWGGA)	Completion of a Framework Plan and Integrated Infrastructure Delivery Plan for the Future Investigation Areas identified in the G21 Regional Growth Area.	250,000	0	250,000
Planning Strategy & Urban Growth	Marshall PSP / ICP	Prepare a Precinct Structure Plan, Infrastructure Contribution Plan, supporting technical documents and amendment documentation for Marshall Precinct, within the Armstrong Creek Growth Area.	50,000	0	50,000
Planning Strategy & Urban Growth	Masterplan for Gaol/Hospital Precinct	Masterplan for Gaol/Hospital Precinct.	80,000	0	80,000
Planning Strategy & Urban Growth	DCP - Sparrowvale Wetlands Mgt Plan	DCP FORWARD FUNDED PROJECT (This is the second year of the project). The objective of the project is to facilitate the early planning and design of the Sparrowvale Wetlands Project to allow timely delivery of this critical drainage and environmental asset.	125,000	0	125,000
Planning Strategy & Urban Growth	DCP - JR - Griggs Creek - Rehab and Revegetation	DCP FORWARD FUNDED PROJECT Delivery of a 2-3 year rehab and revegetation program along the creek corridor.	200,000	0	200,000

2017-18 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net Expenditure \$
INVESTMENT & ATTRACTION					
Arts & Culture	OH&S Manual Handling Equipment Upgrades - NWM	Purchase, install and implement new and/or upgraded manual handling equipment in the National Wool Museum and offsite store. This project will include a detailed audit of current and required equipment and staff training. Upgrades and new purchases will include: items such as flat tray trolleys, foot stools, increased shelving, battery operated pallet jacks, dollies and safety ladders, Specialist training such as forklift licence and working at heights also required.	15,000	0	15,000
Arts & Culture	Cultural Strategy	Following on from Our Geelong and the broad strategic directions established, an Arts, Culture and Heritage strategy will provide more specific directions for our renewed creative industry aspirations.	50,000	0	50,000
Arts & Culture	Renew Geelong	The project seeks to revitalise the city centre of Geelong by working with the key stakeholders to fill the more than 60 vacant shopfronts and associated offices with arts and creative industries bringing back vibrancy and community pride to the city.	150,000	75,000	75,000
Arts & Culture	Geelong Gallery Archibald Prize Exhibition Manager	The highest priority in human resources associated with this project is a qualified and experienced Exhibitions Manager to successfully develop and deliver the Exhibition.	35,000	0	35,000
Arts & Culture	Audience Resolution Collaborative Marketing	Facilitation of several collaborative marketing exercises to activate the findings of the "Audience Resolution" Geelong Shared Market research exercise undertaken in 2016 by the Arts & Culture Department in partnership with Creative Victoria and Geelong's major cultural facilities.	9,000	4,000	5,000
Arts & Culture	Courthouse Outgoings Gap	Shortfall of commercial outgoings payable by commercial tenant at Courthouse Building due to severe environmental changes of the building from capital works.	33,650	6,500	27,150
Central Geelong & Waterfront	Business Presentation Incentive Program	Matched business incentive program to increase on street activation and appeal in Central Geelong.	50,000	0	50,000
Central Geelong & Waterfront	Mineral Spa & Wellness Centre EOI RFT	Funding for commercial and legal specialists to undertake and advise and the appointment of a preferred developer for the Mineral Spa and Wellness Centre at Eastern Beach. Cost estimate for this phase is \$600,000. Funding of \$300,000 has been sought from Tourism Demand Driver Infrastructure program. This funding, if received, needs to be matched by Council.	250,000	0	250,000
Enterprise Geelong & Events	Corporate Christmas Program - Safety Operations	Providing operational support, public safety requirements, opening weekend events and evaluation to the annual the Christmas program.	60,000	0	60,000
Enterprise Geelong & Events	Geelong Small Business Festival	The Festival in August will deliver over 45 events to support small businesses including Business Development, Business Advice, Marketing and Social Media and Networking events.	25,000	0	25,000
Enterprise Geelong & Events	Agribusiness Sector Development	The development of identified strategic opportunities to support projects that will generate investment and jobs in the Agribusiness sector.	60,000	0	60,000

2017-18 NON CAPITAL PROJECTS PROGRAM

Business Unit	Project Name	Description	2017-18		
			Expenditure \$	Income \$	Net Expenditure \$
Enterprise Geelong & Events	Business Incubator/Entrepreneurial Support	Provide support and leadership to foster growth in the Startup/Entrepreneurial community. The program will assist local businesses to participate in incubation and mentoring programs, so they are ready to attract venture and startup capital in order to grow in Geelong.	100,000	0	100,000
Enterprise Geelong & Events	Cadel Evans Great Ocean Road Race annual hosting support	Annual hosting sponsorship and support of the Cadel Evans Great Ocean Road Race.	150,000	0	150,000
Tourism	Study Geelong - Think Geelong Program	Study Geelong - Think Geelong is an initiative headed by Tourism. Think Geelong is formed through the collaboration of various educational institutions that market to and enrol international students. TGGB has secured a State Government Grant of \$50,000 to focus on the profiling of Geelong as an attractive, welcoming and high quality international education destination. This additional funding will leverage and extend the current program to increase international visiting friends and relatives.	40,000	15,000	25,000
NON CAPITAL PROJECTS TOTAL			7,053,176	571,000	6,482,176

2017-18 FEES & CHARGES MAJOR PRICE CHANGES

Description	Charge 2016-17 \$ per unit	Charge 2017-18 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
City Services					
Geelong Saleyards					
Sheep/Lamb Sale	1.00	1.00	0.00	0.0%	
Beef/Stores/Dairy Cattle	10.20	10.40	0.20	2.0%	
Calves	1.65	1.70	0.05	3.0%	
Truck Wash	1.50	2.00	0.50	33.3%	
Saleyards Weighing Charges	3.40	3.50	0.10	2.9%	
Subdivisions					
Subdivision Building Site Access Permit	130.00	135.00	5.00	3.8%	
Subdivision Property Information Fees	85.00	90.00	5.00	5.9%	Partly legislated with building regulations, fee has been increased by CPI and then rounded to the nearest \$5.
Subdivision Road Opening Permit	130.00	135.00	5.00	3.8%	
Reinstatements					
Up to 10m ² Deep Strength Asphalt	263.90	273.20	9.30	3.5%	All reinstatement fees have been increased by 3.5%.
Up to 10m ² Asphalt Path	150.80	156.10	5.30	3.5%	
Up to 10m ² Concrete Path - 75mm	175.40	181.60	6.20	3.5%	
Up to 10m ² Concrete Kerb	185.90	192.50	6.60	3.6%	
Up to 10m ² Segmental Block Pavers	179.50	185.80	6.30	3.5%	
Transfer Stations					
Car Boot	21.00	21.50	0.50	2.4%	Overall increase of 2.4% which includes an estimated EPA Levy increase.
Utilities, Vans, Single Axle trailers	41.50	42.50	1.00	2.4%	Overall increase of 2.4% which includes an estimated EPA Levy increase.
Single axle trailers (heaped) min	54.00	55.50	1.50	2.8%	Overall increase of 2.4% which includes an estimated EPA Levy increase.
Tandem Trailers (waterline)	54.00	55.50	1.50	2.8%	Overall increase of 2.8% which includes an estimated EPA Levy increase.
Tandem Trailers (heaped) min	108.00	111.00	3.00	2.8%	Overall increase of 2.8% which includes an estimated EPA Levy increase.
Tandem Caged Trailer	173.00	166.00	-7.00	-4.0%	Error in the 16/17 price - currently only charging \$162 therefore actual increase is 2.5%.
Commercial Collection - Extra Bins	147.80	162.60	14.80	10.0%	
Other Recycling Service	121.80	137.30	15.50	12.7%	
Green Waste Service	118.40	133.50	15.10	12.8%	
Waste Disposal					
Poultry	182.30	187.00	4.70	2.58%	
Animal Carcass (single)	46.50	47.50	1.00	2.15%	

Description	Charge 2016-17 \$ per unit	Charge 2017-18 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
Industrial Waste	137.10	140.50	3.40	2.48%	
Seaweed	116.10	119.00	2.90	2.50%	
Mattresses	22.50	23.00	0.50	2.22%	
Fish Waste	182.30	187.00	4.70	2.58%	
Green Waste (clean)	124.30	127.50	3.20	2.57%	
Tyres	10.00	10.00	0.00	0.00%	Recycled - No EPA levy applicable.
Finance and Strategy					
Revenue					
Debt Collection - Field Call	55.00	55.00	0.00	0.0%	No change in fee in last 3 financial years.
Debt Collection - Listing Fee	11.00	11.00	0.00	0.0%	No change in fee in last 3 financial years.
Electoral Roll Search	22.00	22.00	0.00	0.0%	
Property & Valuations Rate Search over 7 years	65.00	66.50	1.50	2.3%	
Renumbering Charge to Subdividers	75.00	80.00	5.00	6.7%	
Planning & Development					
Statutory Planning					
Change of Use	502.00	1,240.70	738.70	147.2%	Fee change - set by State Government.
Amend a Permit - change statement or conditions	502.00	1,240.70	738.70	147.2%	Fee change - set by State Government.
Written request for information	92.00	110.00	18.00	19.6%	
Building Services					
1519 - Build - Hoarding & scaffold over gantry permit fee	200.00	250.00	50.00	25.0%	Building permit fees have been increased to reflect the complexity of work associated with the permit.
1523 - Build - Alimaks, chutes, fixed crane base permit fee	200.00	250.00	50.00	25.0%	
1539 - Build - road/lane closures space occup fee (per lane, per day)	210.00	250.00	40.00	19.0%	
1560 - Build Permits - Regd Build - Alterations & Additions - \$10,001 - \$25,000	770.00	830.00	60.00	7.8%	
1572 - Build Permits - Own Build - Alterations & Additions - \$10,001 - \$25,000	880.00	945.00	65.00	7.4%	
1606 - Build Permits - Regd Builder - Reclad/re-roof/restump - Up to \$5,000	500.00	1,200.00	700.00	140.0%	
1609 - Build Permits - Own Builder - Reclad/re-roof/restump - Up to \$5,000	585.00	1,500.00	915.00	156.4%	
1619 - Build Permits - Regd Build - Swimming Pools/Spas/Decks - \$10,001 - \$25,000	800.00	1,600.00	800.00	100.0%	
1622 - Build Permits - Own Build - Swimming Pools/Spas/Decks - \$10,001 - \$25,000	880.00	1,720.00	840.00	95.5%	

Description	Charge 2016-17 \$ per unit	Charge 2017-18 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
1644 - Build Permit - Regd build - relocation of dwelling (inc alts & adds) - up to \$10k	1,100.00	2,200.00	1,100.00	100.0%	
1650 - Build Permit - Own build - relocation of dwelling (inc alts & adds) - up to \$10k	1,200.00	2,400.00	1,200.00	100.0%	
Building Permit - Places of Public Entertainment - 0 to 1,000 people	600.00	700.00	100.00	16.7%	Flat fee has previously been charged. New structure implemented to take into account the size of the event and the complexity of the permit.
Building Permit - Places of Public Entertainment - 10,000 to 15,000 people	600.00	3,125.00	2,525.00	420.8%	Flat fee has previously been charged. New structure implemented to take into account the size of the event and the complexity of the permit.
Local Laws & Traffic					
Street Parking Fees per hour	2.70	2.80	0.10	3.7%	
Reserve Car Park Space - metered	41.80	42.75	0.95	2.3%	
Reserve Car Park Space - unmetered	22.45	22.95	0.50	2.2%	Increase due to exclusive reserved parking.
Busport reserved space	2,248.80	2,473.00	224.20	10.0%	Increase in fee to be comparative with industry fees after benchmarking.
Busport unreserved permit	1,668.00	1,834.00	166.00	10.0%	Increase in fee to be comparative with industry fees after benchmarking.
Civic centre car park reserved space	2,248.80	2,473.00	224.20	10.0%	Increase in fee to be comparative with industry fees after benchmarking.
Civic centre car park unreserved permit	1,668.00	1,834.00	166.00	10.0%	Increase in fee to be comparative with industry fees after benchmarking.
Civic centre casual parking	2.70	2.80	0.10	3.7%	
Wesley car parking permits	1,386.60	1,456.00	69.40	5.0%	Increase in fee in line with industry benchmark.
Wesley casual Parking	2.70	2.80	0.10	3.7%	
Little Ryrie OSCP Parking Permits	1,813.50	2,040.00	226.50	12.5%	Increase in fee in line with industry benchmark.
Haymarket month permit	1,367.40	1,455.00	87.60	6.4%	
Haymarket day parking	9.50	10.50	1.00	10.5%	
Brougham Street Office Permits	1,386.60	1,455.00	68.40	4.9%	Increase in fee in line with industry benchmark.
Corio Street Casual Parking	6.10	10.70	4.60	75.4%	Increase in fee in line with industry benchmark.
Corio Street Permit Parking	1,386.60	1,455.00	68.40	4.9%	Increase in fee in line with industry benchmark.
Animal Registrations					
Dog Registration - Full	175.40	182.85	7.45	4.2%	CPI & \$3.50 State Government levy.
Dog over 10 years old	58.40	63.20	4.80	8.2%	CPI & \$3.50 State Government levy.
Dangerous Dog (Guard Dog)	175.40	182.85	7.45	4.2%	As per the Domestic Animals Act - this fee must align with the fee for a Full Dog.
Dog Breeder	58.40	63.20	4.80	8.2%	
Dog Working Dog	58.40	63.20	4.80	8.2%	
Dog Member Canine Association	58.40	63.20	4.80	8.2%	

Description	Charge 2016-17 \$ per unit	Charge 2017-18 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
Dog Obedience Trained	58.40	63.20	4.80	8.2%	
Dog Microchipped (registrations after 2014)	175.40	182.85	7.45	4.2%	Laws changed in 2014 - the only registrations to attract a discounted fee are desexed animals - applicable for new registrations only.
Dog Desexed	52.10	56.75	4.65	8.9%	CPI & \$3.50 State Government levy.
Dog Desexed and Microchipped	40.00	40.40	0.40	1.0%	
Dog Pensioner Desexed	26.05	28.38	2.33	8.9%	50% of full fee category as per legislation.
Dog Pensioner Microchipped (registrations after 2014)	87.70	91.43	3.73	4.3%	50% of full fee category as per legislation.
Dog Pensioner Microchipped and Desexed	20.00	20.20	0.20	1.0%	
Dog Pensioner Fee - Full	87.70	91.43	3.73	4.3%	50% of full fee category as per legislation.
Cat Registration - Full	134.30	139.30	5.00	3.7%	Legislation no longer allows this category.
Cat Desexed	44.80	47.80	3.00	6.7%	CPI & \$2 State Government fee.
Cat Pensioner Desexed	22.40	23.90	1.50	6.7%	50% of full fee category as per legislation.
Cat Desexed and Microchipped	28.40	31.05	2.65	9.3%	CPI & \$2 State Government fee.
Cat Pensioner Microchipped and Desexed	14.20	15.50	1.30	9.2%	50% of full fee category as per legislation.
Cat Microchipped	51.00	54.15	3.15	6.2%	CPI & \$2 State Government fee.
Release Fee - Dog	45.00	180.00	135.00	300.0%	New pricing structure - reduction in fines issued to enable more 1st offence warnings to be issued - offset is increase in release fees.
Release Fee - Cat	30.00	180.00	150.00	500.0%	New pricing structure - reduction in fines issued to enable more 1st offence warnings to be issued - offset is increase in release fees.
Health Check	16.80	-	(16.80)	(100.0%)	Now included in the release fee.
Worm, Flea and Vaccinations	35.00	-	(35.00)	(100.0%)	Now included in the release fee.
Food and Health Act					
Food Vending Machines	13.00	64.00	51.00	392.3%	Work associated with this type of permit is complex.
Food Act - Fast Track Inspection Fee	89.00	200.00	111.00	124.7%	Reflects actual cost for a fast track fee.
Busking (month)	18.00	18.50	0.50	2.8%	
Health Temporary Premises 1 - Oper (High Risk)	75.00	167.00	92.00	122.7%	
Health Temporary Premises - (High Risk)	167.00	457.00	290.00	173.7%	
Health Class 1 Premises - Child Care Facility	268.00	457.00	189.00	70.5%	
Community Life					
Childcare/Integrated Children's Centres					
Occasional Care Fee - 4 hours	47.00	49.00	2.00	4.3%	
Occasional Care Fee - 5 hours	53.00	56.00	3.00	5.7%	
School Holiday Program	55.00	58.00	3.00	5.5%	
Long Day Care					

Description	Charge 2016-17 \$ per unit	Charge 2017-18 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
Ariston Child Care, Boorai Integrated Children's Centre, Leopold Integrated Children's Centre	Weekly \$470 Daily \$100 Sessions \$69	Weekly \$540 Daily \$115 Sessions \$79.50	Weekly \$70 Daily \$15 Sessions \$10.5	Weekly 14.9% Daily 15% Sessions 15.22%	Fees set to match State Government Fee Subsidy.
City Learning & Care Belmont, Drysdale	Weekly \$465 Daily \$97 Sessions \$63	Weekly \$534.50 Daily \$111.50 Sessions \$72.50	Weekly \$69.50 Daily \$14.50 Sessions \$9.50	Weekly 15% Daily 15% Sessions 15.1%	Fees set to match State Government Fee Subsidy.
City Learning & Care Corio, Trudy Moritz, Whittington	Weekly \$459 Daily \$97 Sessions \$63	Weekly \$528 Daily \$111.50 Sessions \$72.50	Weekly \$69 Daily \$14.5 Sessions \$9.5	Weekly 15% Daily 15% Sessions 15.1%	Fees set to match State Government Fee Subsidy.
Kindergarten Development Services					
4 Yr Old Kindergarten Fees - Jul to Dec	1,386.00	1,433.00	47.00	3.4%	Fees set to match State Government Fee Subsidy. Fees are calendar year not financial year
4 Yr Old Kindergarten Fees - Jan to Jun	1,433.00	1,505.00	72.00	5.0%	Fees set to match State Government Fee Subsidy. Fees are calendar year not financial year.
3 Yr Old Kindergarten Fees 3.5 hrs - Jul to Dec	1,080.00	1,124.00	44.00	4.1%	
3 Yr Old Kindergarten Fees 3.5 hrs - Jan to Jun	1,124.00	1,169.00	45.00	4.0%	
3 Yr Old Kindergarten Fees 5 hrs - Jan to Jun	0.00	1,670.00	1,670.00	0.0%	New fee structure for 2017-18.
3 Yr Old Kindergarten Fees 6 hrs - Jul to Dec	1,916.00	1,929.20	13.20	0.7%	
3 Yr Old Kindergarten Fees 6 hrs - Jan to Jun	1,929.20	2,004.00	74.80	3.9%	
3 Yr Old Kindergarten Fees 7 hrs - Jan to Jun	0.00	2,505.00	2,505.00	0.0%	New fee structure for 2017-18.
Aged Care					
Personal Care	5.20	5.80	0.60	11.5%	
Personal Care - Hardship Fee	2.60	2.90	0.30	11.5%	Required by DH for clients experiencing financial hardship.
General Care	6.00	6.20	0.20	3.3%	
General Care - Hardship Fee	2.60	3.00	0.40	15.4%	Required by DH for clients experiencing financial hardship.
Respite Care	3.50	4.40	0.90	25.7%	
Meal Charges to Clients	9.00	9.05	0.05	0.6%	
Meal Charges to Agencies	20.54	21.05	0.51	2.5%	
Food Services - Hardship Fee	3.60	3.70	0.10	2.8%	Required by DH for clients experiencing financial hardship.
Home Maintenance	12.30	12.35	0.05	0.4%	
Community Aged Care Packages	43.00	43.00	0.00	0.0%	Based on a client contribution that can't be more than 17.5% of the pension - fee is agreed by the Home Care Packages Barwon Alliance.

Description	Charge 2016-17 \$ per unit	Charge 2017-18 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
Income Tested Fee for Home Care Packages Program	30.00	30.00	0.00	0.0%	Based on a means test by the Govt - has to be a zero bottom line with income and expenditure.
Various NDIS Fees	Various	0.00		0.0%	All fees removed in 2017-18 for NDIS.
Community Development					
Virginia Todd Hall Hourly Rate	34.50	35.00	0.50	1.4%	New structure in place for Hall hire - now an hourly rate rather than 2hr, 4hr, 6hr, 8hr hire.
Centenary Hall Whole Venue Weekend Hourly Rate	118.50	121.00	2.50	2.1%	New structure in place for Hall hire - now an hourly rate rather than 2hr, 4hr, 6hr, 8hr hire.
South Barwon Civic Centre Whole Venue Weekend Hourly Rate	169.50	173.00	3.50	2.1%	New structure in place for Hall hire - now an hourly rate rather than 2hr, 4hr, 6hr, 8hr hire.
Cobbin Farm Whole Venue Weekday Hourly Rate	84.50	86.00	1.50	1.8%	New structure in place for Hall hire - now an hourly rate rather than 2hr, 4hr, 6hr, 8hr hire.
Cobradah House Hourly Rate	30.50	31.00	0.50	1.6%	New structure in place for Hall hire - now an hourly rate rather than 2hr, 4hr, 6hr, 8hr hire.
Geelong West Town Hall Whole Venue Weekend Hourly Rate	169.50	173.00	3.50	2.1%	New structure in place for Hall hire - now an hourly rate rather than 2hr, 4hr, 6hr, 8hr hire.
Lara Hall Hourly Rate	34.50	35.00	0.50	1.4%	New structure in place for Hall hire - now an hourly rate rather than 2hr, 4hr, 6hr, 8hr hire.
Wandana Heights Hall Hourly Rate	30.50	31.00	0.50	1.6%	New structure in place for Hall hire - now an hourly rate rather than 2hr, 4hr, 6hr, 8hr hire.
St Leonards Reserve Hall Hourly Rate	30.50	31.00	0.50	1.6%	New structure in place for Hall hire - now an hourly rate rather than 2hr, 4hr, 6hr, 8hr hire.
Mt Duneed Hall Hourly Rate	20.00	20.50	0.50	2.5%	New structure in place for Hall hire - now an hourly rate rather than 2hr, 4hr, 6hr, 8hr hire.
12 Seater Community Bus Hire - per hr	9.00	9.50	0.50	5.6%	
km rate over 400 kms	0.70	0.75	0.05	7.1%	Increase of 0.05 cents.
Youth Services					
Ramp Delivery	10.00	11.00	1.00	10.0%	
Ramp Hire	165.00	174.00	9.00	5.5%	
Instructors	33.00	34.00	1.00	3.0%	
Swim, Sport & Leisure					
Waterworld, Splashdown, Leisurelink, BASC					
Monthly membership	88.00	90.00	2.00	2.3%	
3 months membership	445.00	480.00	35.00	7.9%	
12 months membership	1,056.00	1,080.00	24.00	2.3%	12 x direct debit monthly fee - no joining fee incentive for upfront payment.
Family monthly debit	125.00	140.00	15.00	12.0%	
Family 3 months	775.00	0.00	(775.00)	-100.0%	Product not to be offered in 2017-18.

Description	Charge 2016-17 \$ per unit	Charge 2017-18 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
Family 12 months	1,500.00	1,680.00	180.00	12.0%	12 x direct debit monthly fee - no joining fee incentive for upfront payment.
Corporate Adult Monthly Membership	79.00	81.00	2.00	2.5%	
Corporate Adult 12 mths	948.00	972.00	24.00	2.5%	12 x direct debit monthly fee - no joining fee incentive for upfront payment.
Corporate Adult Renew 12 mths	800.00	810.00	10.00	1.3%	
Corporate Family monthly debit	112.00	126.00	14.00	12.5%	
Corporate Family 12 month	1,344.00	1,512.00	168.00	12.5%	12 x direct debit monthly fee - no joining fee incentive for upfront payment.
Active Adults monthly debit	47.00	55.00	8.00	17.0%	
Active Adults Joining Fee	49.00	59.00	10.00	20.4%	
Active Adults Membership 3 months	141.00	165.00	24.00	17.0%	
Active Adults Membership 12 months	564.00	660.00	96.00	17.0%	
Gym Adult	16.00	17.00	1.00	6.3%	
Gym Concession	12.80	14.00	1.20	9.4%	20% discount on the Gym adult fee.
Gym Adult x 10 visits	144.00	153.00	9.00	6.3%	Buy 9, get 1 free.
Swimming Adult	6.00	8.00	2.00	33.3%	Fee has not increased for the last 3 years, increased to offset gas price increase.
Swimming Concession	4.40	6.00	1.60	36.4%	
School Swimming	3.50	3.80	0.30	8.6%	Fee was not increased in 2016-17.
Learn to Swim	14.00	15.90	1.90	13.6%	Inefficient resource heavy product. Priced higher to encourage transition to Webstar Swim School (direct debit), approx 15% of families on this product.
Casual 25m Lane Hire	35.00	36.00	1.00	2.9%	
Club 25m Lane Hire	12.00	18.00	6.00	50.0%	50% discount on casual rate.
Webstar Learn to Swim	24.50	26.50	2.00	8.2%	
Webstar Private Lesson	84.90	90.00	5.10	6.0%	
Creche Casual visit 30 mins (member)	0.00	3.00	3.00	0.0%	New product.
Creche Casual visit 30 mins (non member)	0.00	5.00	5.00	0.0%	New product.
Occasional care 3 hr	25.00	26.60	1.60	6.4%	
Kardinia / Lara Pool					
Kardinia Pool Hire Diving Pool (per hr)+entry fee	112.00	120.00	8.00	7.1%	
Kardinia Pool Hire Learner's Pool (per hr)+entry fee	73.00	80.00	7.00	9.6%	
Season ticket (adult)	297.00	395.00	98.00	33.0%	
Season ticket (concession)	210.00	286.00	76.00	36.2%	
Season ticket (family)	580.00	771.00	191.00	32.9%	
Golf					
Queens Park Adult Green Fee	28.00	28.00	0.00	0.0%	
Queens Park Memberships Adult 12mths	525.00	550.00	25.00	4.8%	

Description	Charge 2016-17 \$ per unit	Charge 2017-18 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
Queens Park Memberships Pensioner 12mths	414.00	430.00	16.00	3.9%	
Queens Park Student Green Fee	14.50	16.00	1.50	10.3%	
Elcho Adult Green Fee	28.00	28.00	0.00	0.0%	
Elcho Park Memberships Adult 12mths	463.00	550.00	87.00	18.8%	
Elcho Park Memberships Pensioner 12mths	367.00	430.00	63.00	17.2%	
Elcho Park Student Green Fees	14.00	16.00	2.00	14.3%	
Balyang Adult Membership	335.00	360.00	25.00	7.5%	
Balyang Adult Green Fee	15.00	15.00	0.00	0.0%	
Balyang Concession Adult Green Fee	11.00	12.00	1.00	9.1%	
Arena					
Function Room - Community Rate	225.00	235.00	10.00	4.4%	
Function Room - Private/Commercial Rate	370.00	390.00	20.00	5.4%	
Annex Hire - Community Group	3,720.00	3,950.00	230.00	6.2%	
Annex Hire - Commercial use - per day	6,200.00	6,600.00	400.00	6.5%	
Auditorium Hire - Community Group per day	2,730.00	2,950.00	220.00	8.1%	
Auditorium Hire - Commercial use per day	4,550.00	4,850.00	300.00	6.6%	
Auditorium Hire - Promoter Rate (concerts only)	5,685.00	6,000.00	315.00	5.5%	
Auditorium Hire - Basketball court per hour	80.00	85.00	5.00	6.3%	
Auditorium Hire - Basketball court per hour community rate	48.00	51.00	3.00	6.3%	
Corio Leisure Time Centre					
Futsal Stars Development & Transition (per player)	9.00	10.00	1.00	11.1%	
Meeting Room - after 5pm	22.70	26.00	3.30	14.5%	
Sports Club (per Child)	7.80	9.50	1.70	21.8%	
Squash Casual before 5pm	10.00	10.00	0.00	0.0%	Rates held to encourage more participation and improve the utilisation of the courts.
Squash After 5pm	17.00	17.00	0.00	0.0%	Rates held to encourage more participation and improve the utilisation of the courts.
Synthetic Pitch Hire Affiliate Half Pitch before 4pm	0.00	51.00	51.00	0.0%	New Fee for the synthetic pitch - various new fees added for the pitch in 2017-18.
Synthetic Pitch Hire Local Tournaments & Events Per Day	0.00	640.00	640.00	0.0%	New Fee for the synthetic pitch - various new fees added for the pitch in 2017-18.
BVAC					
Badminton	7.50	8.50	1.00	13.3%	
Badminton Casual User	14.90	15.50	0.60	4.0%	
Sunday Market Outdoor Stall	17.00	23.00	6.00	35.3%	
Sunday Market Online Booking Outdoor Stall	17.00	18.00	1.00	5.9%	Reduced Fee for payments made via the online booking system to encourage online bookings.
Sunday Market Indoor Stall	23.00	30.00	7.00	30.4%	

Description	Charge 2016-17 \$ per unit	Charge 2017-18 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
Sunday Market Indoor Booking Indoor Stall	23.00	20.00	(3.00)	-13.0%	Reduced Fee for payments made via the online booking system to encourage online bookings.
Sports Club (per Child)	7.50	9.00	1.50	20.0%	
Court Three Cricket Casual Hire	50.50	55.00	4.50	8.9%	
BVAC Meeting Room	20.60	23.00	2.40	11.7%	
Investment & Attractions					
National Wool Museum					
NWM General Admission	9.00	9.00	0.00	0.0%	Biennial rate - increased in 2016-17.
NWM General Admission Child	5.00	5.00	0.00	0.0%	Biennial rate - increased in 2016-17.
NWM General Admission Family	30.00	30.00	0.00	0.0%	Biennial rate - increased in 2016-17.
NWM General Admission School	4.50	4.50	0.00	0.0%	Biennial rate - increased in 2016-17.
NWM Membership Adult	35.00	35.00	0.00	0.0%	Biennial rate - increased in 2016-17.
NWM Membership Family	60.00	60.00	0.00	0.0%	Biennial rate - increased in 2016-17.
Commercial Kitchen rental - day rate	450.00	450.00	0.00	0.0%	Biennial rate - increased in 2016-17.
Security & Out of Hours Costs - Museum Staff 5pm-9am Hourly Rate	80.00	80.00	0.00	0.0%	Biennial rate - increased in 2016-17.
NWM Strachan Room - Hourly Rate	200.00	200.00	0.00	0.0%	Biennial rate - increased in 2016-17.
NWM Auction and Multifunction Room - Hourly Rate	200.00	200.00	0.00	0.0%	Biennial rate - increased in 2016-17.
NWM Gen Admission Pre-School Program	8.00	8.00	0.00	0.0%	Biennial rate - increased in 2016-17.
Potato Shed					
Facility Hire - Community Rate - All areas daily	900.00	900.00	0.00	0.0%	Biennial rate - increased in 2016-17.
Facility Hire - Community Rate - All areas weekly	4,000.00	4,000.00	0.00	0.0%	Biennial rate - increased in 2016-17.
Facility Hire - Community Rate - All areas weekend	1,800.00	1,800.00	0.00	0.0%	Biennial rate - increased in 2016-17.
Facility Hire - Community Rate - Auditorium weekend	400.00	400.00	0.00	0.0%	Biennial rate - increased in 2016-17.
Facility Hire - Community Rate - Multipurpose	25.00	25.00	0.00	0.0%	Biennial rate - increased in 2016-17.
Facility Hire - Corporate Rate - All areas daily	2,250.00	2,250.00	0.00	0.0%	Biennial rate - increased in 2016-17.
Facility Hire - Corporate Rate - All areas weekly	8,000.00	8,000.00	0.00	0.0%	Biennial rate - increased in 2016-17.
Facility Hire - Corporate Rate - Foyer	80.00	80.00	0.00	0.0%	Biennial rate - increased in 2016-17.
Facility Hire - Corporate Rate - Studio	70.00	70.00	0.00	0.0%	Biennial rate - increased in 2016-17.
Facility Hire - Corporate Rate - Multipurpose	70.00	70.00	0.00	0.0%	Biennial rate - increased in 2016-17.
Carousel					
Wedding - Ceremony 1 hour	420.00	440.00	20.00	4.8%	
Private Booking 4-6 hours	1,480.00	1,760.00	280.00	18.9%	
Admission - Child	4.40	4.80	0.40	9.1%	
Admission - Adult	4.90	5.30	0.40	8.2%	
Admission - Concession	4.40	4.80	0.40	9.1%	

Description	Charge 2016-17 \$ per unit	Charge 2017-18 \$ per unit	Movement in price per unit Inc/(Dec) \$	% Movement Inc/(dec)	Comment
Multiride x 10 ticket	39.00	42.00	3.00	7.7%	
Group Booking 10 - 19	3.90	4.30	0.40	10.3%	
Group Booking 20 - 49	3.80	4.20	0.40	10.5%	
Group Booking 50 plus	3.60	4.00	0.40	11.1%	

KEY STRATEGIC ACTIVITIES

The Annual Budget converts the activities and initiatives identified in the plan into financial terms to ensure that there are sufficient resources for their achievement. Listed below are the detailed financial commitments included in the 2017-2018 Budget.

1. COMMUNITY WELLBEING

2017-2018	
Gross Expenditure	
\$	
Annual City Plan Actions 2017-2018	
Priority: Healthy lifestyles	
Healthy Choice Guidelines implementation throughout the community	150,000
Municipal Public Health and Wellbeing Plan development	30,000
Priority: Healthy environments	
Toilet Block renewal and replacement program	256,000
Animal Pound reconfiguration	115,000
Dog exercise and socialisation plan	30,000
Eastern Beach works	
Beach House disability access and safety repairs	500,000
Ritchie Boulevard Baywalk rebuild	450,000
Eastern Beach Seabaths Shark Bar replacements	166,000
Eastern Beach Swimming Enclosure Ladder replacement	30,000
Footpaths	
Footpath Renewal Program	2,944,000
Griggs Creek Pedestrian Bridge to Clifton Springs Primary School	1,250,000
Griggs Creek Pedestrian Bridge - East Bank Land Acquisition	150,000
Manzene Pedestrian Connection link	70,000
Griggs Creek Pedestrian Bridge - East Bank Shared Path	50,000
Ocean Grove Principal Pedestrian Network second year - Infrastructure Design	40,000
Leisure Centre upgrades	
Leisuretime Centre synthetic pitch construction	1,360,000
Gymnasium Equipment Changeover Program	409,650
Waterworld outdoor area and activities upgrades	250,000
Kardinia Pool lighting compliance upgrade	140,000
Geelong Arena Programmed Maintenance 9th year	134,406
Splashdown Administration and First Aid areas compliance	130,000
Aquatic Play Equipment Maintenance and upgrade program	120,000
Concourse Renewal and Safety Program	100,000
Kardinia and Lara Pool blanket renewal	100,000
Kardinia 50m FINA Pool shell - maintenance condition audit	40,000
Playgrounds	
Playground development program implementation	551,450
Functionality upgrade of Leopold Child and Family Centre playgrounds	50,000
Recreation reserve and facility upgrades	
Hendy St (Flinders Peak) Reserve, construction of a new pavilion	1,888,830
Winter Reserve, Belmont Lions Football Netball Club and East Belmont Cricket Club, change room facility upgrade	1,152,000
Anakie Recreation Reserve, Anakie Football Netball Club, Club room upgrade	500,000
St Albans Football Netball Club, netball courts upgrade	328,000
Open Space Networks Study and Acquisitions Plan implementation	328,000
Stead Park softball pavilion upgrade	300,000
Capital Renewal of civil assets in parks	255,000
Ground renovation program	224,475
South Barwon Recreation Reserve, Geelong Target Rifle Club, accessible toilet construction	220,000
McDonald Reserve, South Barwon Football and Netball Club, change room upgrade	168,000
Burdoo Reserve, Grovedale Football and Netball Club, scoreboard and storage facility upgrade	100,000
Community, leisure and recreation car parks renewal and upgrade	50,000

Herne Hill Reserve upgrades	50,000
Lara Golf Course upgrade disability access	47,000
Ocean Grove Memorial Reserve fencing removal	35,000
Goldsworthy Reserve track replacement planning	30,000
Queens Park - design and planning	15,000
Priority: Connected, creative and strong communities	
Geelong Regional Library contribution	11,576,878
Unified Grants Scheme - provision of capital grants to the community	1,000,000
Mentoring - Aboriginal traineeships program	90,000
Municipal Heritage Strategy development	80,000
Youth Space in Little Malop Central pilot project	50,000
Disability Action Plan development	18,000
Community facility upgrades	
Building Renewals program	2,025,000
Children Services facilities upgrades	405,000
Disability access upgrade program	328,000
Community Halls upgrade	219,000
Senior Citizens kitchen upgrade	200,000
Geelong West Town Hall accessible toilet	123,000
Community Hubs	
Rosewall Community Hub construction	1,750,000
Cloverdale Community Hub construction	1,000,000
Northern ARC Project Concept and Schematic Design	1,000,000
Drysdale Integrated Children's Centre design	600,000
Hendy St Children's and Family Centre additional funding	200,000

2. GROWING OUR ECONOMY

Support existing businesses and encourage new and emerging growth sectors

Pakington Street beautification design	100,000
Drysdale Town Square upgrade - final design and costing	75,000
Agribusiness Sector development	60,000
Geelong Small Business Festival	25,000

Facilitate major infrastructure and investment to enable economic growth

Geelong Ring Road Employment Precinct - Stage Two Elcho Channel	4,200,000
Northern and Western Geelong Growth Areas Framework Plan and Integrated Infrastructure Delivery Plan	250,000
Geelong Entrance Project - landscape treatments	170,753
Structure Planning - Anakie and Leopold reviews	150,000
Municipal Strategic Statement review	80,000
Activity Centres Urban Design Frameworks Program - Year two	70,000
Marshall Precinct Structure Plan and Infrastructure Contribution Plan development	50,000
Land Supply Monitoring Program	8,000
Armstrong Creek	
Armstrong Creek Town Centre - Community facility site	2,880,000
Horseshoe Bend Precinct Barwon Heads Rd to Harriot Rd	1,700,000
Armstrong Creek West Precinct - Acquisition of Drainage Reserve	1,200,000
Horseshoe Bend Precinct - Reserve Rd Retarding Basin	1,000,000
Armstrong Creek West Precinct - Open Space Land Acquisition	500,000
Armstrong Creek South Precinct - Deviation Channel Land acquisition	350,000
Armstrong Creek Precinct Structure Plan reviews	70,000
Mineral Springs Spa	
Mineral Spa and Wellness Centre Expression of Interest process	250,000
Mineral Spa and Wellness Centre provision of services and infrastructure	100,000

A prosperous and innovative Geelong

Business Incubator/Entrepreneurial support	100,000
Smart City Infrastructure opportunities	90,000
Study Geelong - Think Geelong Program	40,000
2017 Digital Inclusion Engagement	20,000
Pivot Connect Festival	20,000

A successful and vibrant city centre

Johnstone Park completion of rain garden	1,215,000
Gheringhap Street Pipe	350,000
Renew Geelong project	150,000
Ryrie St Public realm upgrade	100,000
Master plan for Geelong Gaol/Hospital Precinct	80,000
Business Presentation Incentive Program	50,000
Civic Centre Car Park CCTV Cameras	12,000

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

Provision of major events across the municipality	1,636,000
Geelong Art Gallery funding	1,345,605
Floating Christmas Tree - annual costs	400,000
Geelong Gallery - Archibald Prize Gallery refurbishment	200,000
Underwater Sculpture park design and construction	160,000
Cadel Evans Great Ocean Road Race annual hosting support	150,000
Arts, Culture and Heritage Strategy development	50,000
Public Art Strategy Project delivery	50,000
Arts and Culture Audience Resolution - Collaborative Marketing	9,000

3. SUSTAINABLE BUILT AND NATURAL ENVIRONMENT

Enhance and protect natural areas and ecosystem health

Environment Reserves Capital improvement program	414,000
Geelong Botanic Garden Sustainable Visitor Facility	348,537
Griggs Creek - Rehabilitation and Revegetation program	200,000
Sparrowvale Wetlands Management Plan implementation	125,000
Ramblers Road foreshore resilience	100,000
Beacon Point Reserve beach access investigation	35,000

Support our community to live sustainably

Cycle Strategy implementation	202,500
Future Proofing Geelong projects	170,000
Coastal Adaptation Program	71,500

Minimise our environmental footprint

Queens Park irrigation 10 year plan	120,000
Street Lighting upgrade planning project	100,000
Purchase of Carbon Offsets to meet Greenhouse Targets	85,000
Landfill	
Drysdale Landfill - Construction of Waste Disposal Cell five	3,285,000
Composting site set up works year two	1,000,000
Drysdale landfill - leachate management additional costs	200,000
Drysdale Landfill - stockpile relocation	100,000

4. HOW WE DO BUSINESS

Lead by advocating and collaborating on issues important to the Greater Geelong

Council General Election	815,000
G21 contribution	472,658
Diversity and Inclusion Strategy Implementation	120,000
Implementation of the Vision Project (Our Future)	100,000
Civic Leadership Program	75,000
Gender Equality and The Prevention of Violence Against Women and Children	70,000
Greater Geelong Social Equity Strategy	70,000
Council Induction Program	50,000
Implement directions Gender Equity	40,000

Efficient and customer focused organisation

Roads - construction and design including local roads, Federal Roads Program and VicRoads funded works	15,038,446
Drainage design and construction program	4,080,000
Special rates and charges programs to carry out roads, footpaths and drainage works	2,559,000
Kerb and Channel Renewal Program	2,156,000
Traffic management - investigation, design and construction projects	752,000
Bridge Upgrades - Major Renewal Works	425,000
Single View of the Customer Project	200,000
Electronic booking system	150,000
Child Safe Standards Implementation	100,000
Maintenance Management System integration with other Council platforms	88,280
Organisational rostering solution	60,000
Customer/business online authentication project	50,000
Commercial Waste Trucks - route mapping	40,000
License Plate recognition trial	10,000

Motivated and skilled staff in a safe work environment

OHS Compliance Training	215,000
Culture Change Management program	200,000
Leadership Capability Framework	100,000
Senior Leadership Development Program	100,000
Online Incident Management System	90,000
Complaints Management Framework	60,000
Move4Life Program	60,000
Enterprise Risk Reporting Software	50,000
Fusion5 Interfaces for Recruitment, On-boarding and Performance Management	33,000
Contractor Management system	30,000
Safety Leadership Training	25,000

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 year.
Capital expenditure	Capital expenditure is relatively large (material) expenditure that produces economic benefits expected to last for more than 12 months. A pre determined 'threshold' may be used which indicates the level of expenditure deemed to be material in accordance with Council's policy. Capital expenditure includes renewal, expansion and upgrade. Where capital projects involve a combination of renewal, expansion and upgrade expenditures, the total project cost needs to be allocated accordingly.
Capital works program	A detailed list of capital works expenditure that will be undertaken during the 2017-2018 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, planning 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 2017-2018 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.