Benalla Rural City Council

Financial Plan 2025/26 to 2034/35

Draft

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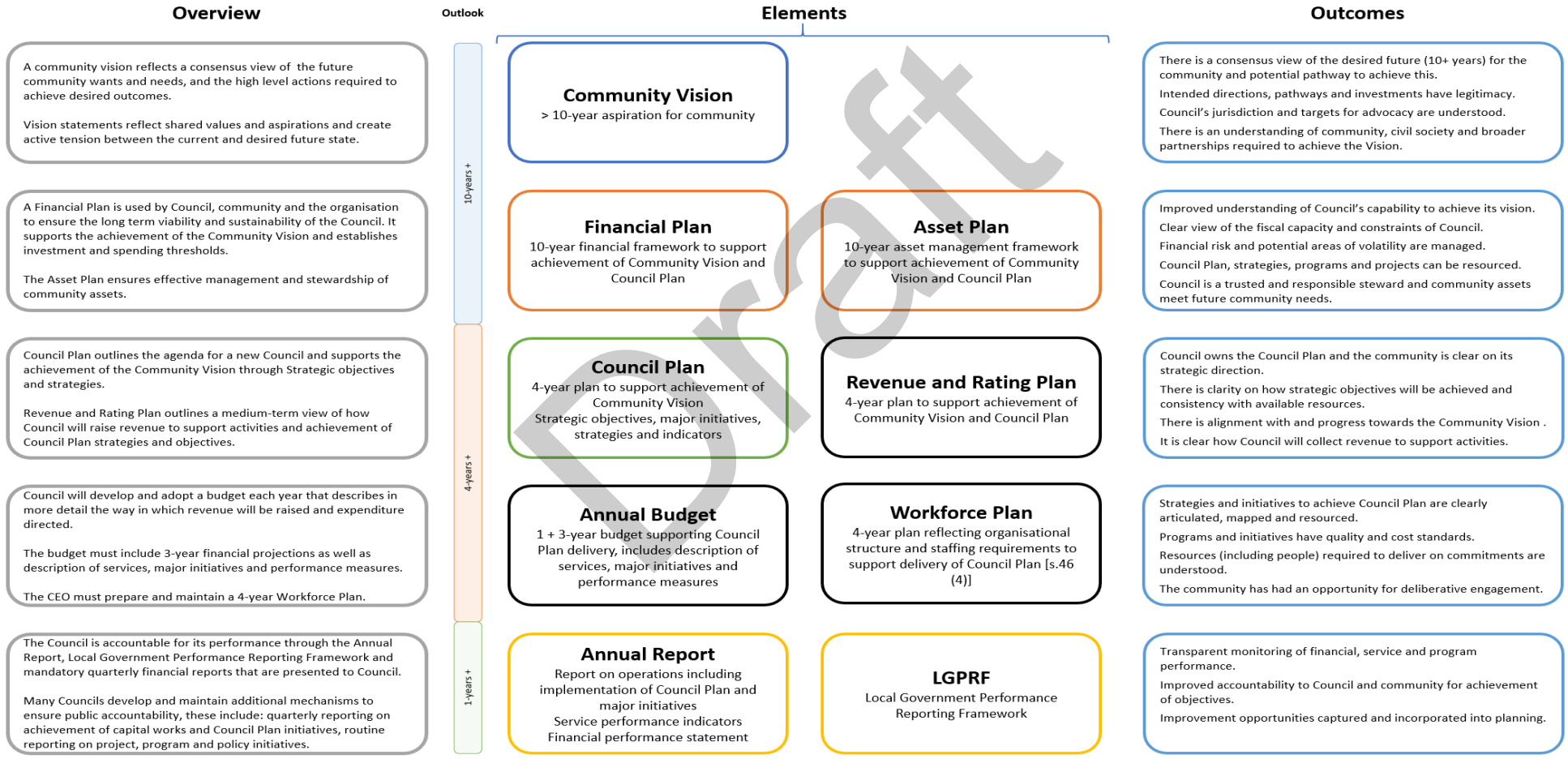
1. Legislative Requirements

The Financial Plan links to the achievement of the Community Vision and the Council Plan within the Integrated Strategic Planning and Reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Community Vision), medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Annual Report). The following diagram provides an overview of the core legislated elements of an integrated strategic planning and reporting framework and outcomes.



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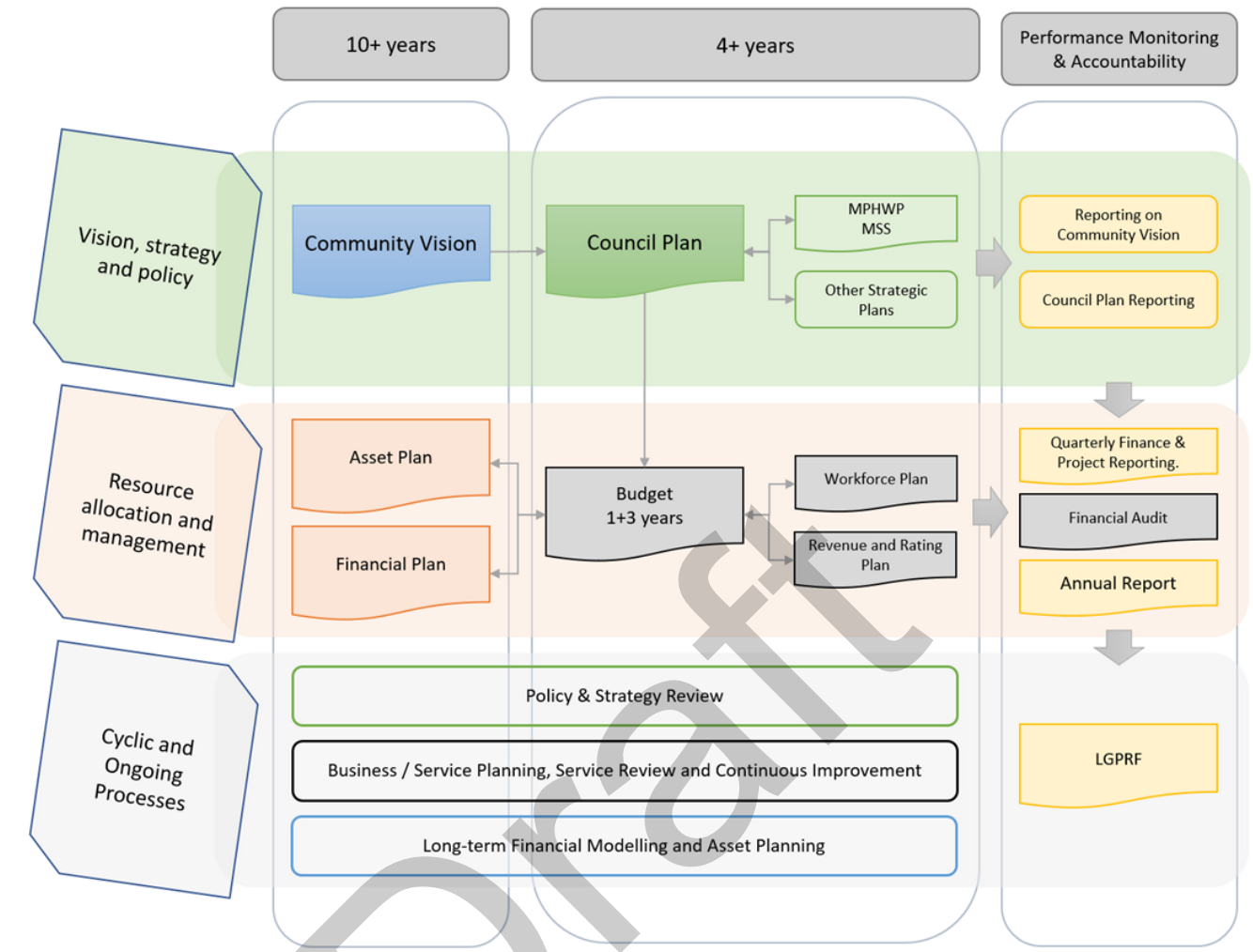
The diagram below demonstrates how each element might inform or be informed by other parts of the integrated framework.



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1.1 Strategic Planning Principles

The Financial Plan provides a 10 year financially sustainable projection regarding how the actions of the Council Plan may be funded to achieve the Community Vision. The Financial Plan is developed in the context of the following strategic planning principles:

a. Council has an integrated approach to planning, monitoring and performance reporting.

b. Council financial plan addresses the Community Vision by funding the aspirations of the Council Plan. The Council Plan aspirations and actions are formulated in the context of the Community Vision.

c. The Financial Plan statements articulate the 10-year financial resources necessary to implement the goals and aspirations of the Council Plan to achieve the Community Vision.

d. Council's strategic planning principles identify and address the risks to effective implementation of the Financial Plan. The financial risks are included at section 1.2.2 below.

e. The Financial Plan provides for the strategic planning principles of progress monitoring of progress and reviews to identify and adapt to changing circumstances.

1.2 Financial Management Principles

The Financial Plan demonstrates the following financial management principles:

1.2.1 Revenue, expenses, assets, liabilities, investments and financial transactions are managed in accordance with Council's financial policies and strategic plans.

1.2.2 Management of the following financial risks:

- **a.** the financial viability of the Council (refer to section 2.1 Financial Policy Statements).
- **b.** the management of current and future liabilities of the Council. The estimated 10 year-liabilities are disclosed in section 3.2 Balance Sheet projections.
- **c.** the beneficial enterprises of Council (where appropriate).

1.2.3 Financial policies and strategic plans are designed to provide financial stability and predictability to the community.

1.2.4 Council maintains accounts and records that explain its financial operations and financial position (refer section 3 Financial Statements)

1.3 Engagement Principles

Community engagement on the Financial Plan will be undertaken in accordance with the Council's Community Engagement Framework. Engagement will be undertaken in the 'Consult' spectrum of the IAP2 Public Participation Spectrum.

Engagement techniques include:

- Public reports to the Council.
- 28-day public exhibition period.
- Promotion via advertising, media and social media.
- Hearing and consideration of submissions.

1.4 Services Performance Principles

Council services are designed to be purpose, targeted to community needs and value for money. The service performance principles are listed below:

a. Services are provided in an equitable manner and are responsive to the diverse needs of the community. The Council Plan is designed to identify the key services and projects to be delivered to the community. The Financial Plan provides the mechanism to demonstrate how the service aspirations within the Council Plan may be funded.

b. Services are accessible to the relevant users within the community.

c. Council provides quality services that provide value for money to the community. The Local Government Performance Reporting Framework (LGPRF) is designed to communicate council's performance regarding the provision of quality and efficient services.

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1.5 Asset Plan Integration

Integration to the Asset Plan is a key principle of the Council's strategic financial planning principles. The purpose of this integration is designed to ensure that future funding is allocated in a manner that supports service delivery in terms of the plans and the effective management of Council's assets into the future.

The Asset Plan identifies the operational and strategic practices which will ensure that Council manages assets across their life cycle in a financially sustainable manner. The Asset Plan, and associated asset management policies, provide council with a sound base to understand the risk associated with managing its assets for the community's benefit.

The Asset Plan is designed to inform the 10-year Financial Plan by identifying the amount of capital renewal, backlog and maintenance funding that is required over the life of each asset category. The level of funding will incorporate knowledge of asset condition, the risk assessment issues as well as the impact of reviewing and setting intervention and service levels for each asset class.

In addition to identifying the operational and strategic practices that ensure that Council manages assets across their life cycle in a financially sustainable manner, the Asset Plan quantifies the asset portfolio and the financial implications of those practices. Together the Financial Plan and Asset Plan seek to balance projected investment requirements against projected budgets.

1.6 Revenue and Rating Plan Integration

Integration to the Revenue and Rating Plan is a key principle of the Council's strategic financial principles. The purpose of the integration is to ensure that revenue is raised to support the Council's financial plans and the Council Plan.

Revenue raised by a local government is to deliver services and infrastructure to benefit those providing the revenue the local community. The Revenue and Rating Plan is therefore linked to planned expenditure in the annual budget and strategic financial planning. They cannot be separated as any increase in spending by a council must be matched by revenue.

The Revenue and Rating Plan provides the framework for the setting of fees and charges, statutory charges, rates, and other Council income sources. It also makes assumptions regarding the levels of non-controlled revenues that the Council expects to generate over the four-year period, such as grants, subsidies, and contributions.

Additionally, it defines the amounts of rates to be generated either through a uniform rate, or from different ratepayer/property classes through municipal charges, differential rates, service rates and charges, and special rates and charges (where they have been adopted).

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2 Financial Plan Context

This section describes the context and external/internal environment and consideration in determining the 10-year financial projections and assumptions.

2.1 Financial Policy Statements

This section defines the policy statements, and associated measures, that demonstrates Council's financial sustainability to fund the aspirations of the Community Vision and the Council Plan.

Financial Performance Indicators

Indicator	Measure	Target	Budget 2026	Forecast 2026	Budget 2027	Budget 2028	Budget 2029	Budget 2030	Budget 2031	Budget 2032	Budget 2033	Budget 2034	Budget 2035
Adjusted underlying result	Adjusted underlying surplus-deficit/Adjusted underlying revenue	>5%	-1.6%	-1.6%	0.6%	0.5%	0.2%	-0.1%	-1.1%	-0.2%	-0.4%	-0.7%	-0.9%
Liquidity	Current assets/Current liabilities	>100	300%	300%	328%	338%	378%	404%	427%	460%	491%	498%	543%
Indebtedness	Non-current liabilities/own source revenue	<40%	45.4%	45.4%	43.6%	42.1%	41.0%	39.8%	39.4%	38.7%	37.7%	36.8%	35.8%
Renewal Gap	Renewal and upgrade expenditure/Depreciation	>100	128.6%	128.6%	82.9%	88.8%	65.0%	72.9%	71.7%	71.9%	66.3%	65.5%	59.9%

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2.2 Strategic Actions

Council has identified the following strategic actions that will support the aspirations of the Council Plan:

- Meeting service needs of the community (now and in the future) while remaining financially sustainable.
- Adherence to the State Government's Fair Go Rates system with no provision for a rating increases beyond the rate cap.
- Grants are sought and advocated for from other levels of government.
- Accessible services are provided in an equitable manner and are responsive
- Loan borrowings are able to be serviced and maintained at a prudent level.
- Maintaining a strong cash position and positive liquidity ratios.
- Aim to achieve an operating surplus.
- Ensuring decisions are made having regard to their financial effects on future generations.
- Strategic consideration of the appropriate use of surplus cash as the cash position becomes stronger.
- Capital expenditure focuses on asset renewal projects.
- Maintenance of low/medium risks against the Victorian Auditor-General's Office financial indicators.

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2.3 Assumptions to the Financial Plan Statements

This section presents information regarding the assumptions to the Comprehensive Income Statement for the 10 years from 2025/26 to 2034/35. The assumptions comprise the annual escalations/movement for each line item of the Comprehensive Income Statement.

Revenue		Budget 2026	Forecast 2026	Budget 2027	Budget 2028	Budget 2029	Budget 2030	Budget 2031	Budget 2032	Budget 2033	Budget 2034	Budget 2035
Rates & chargers – general	%			2.50	2.50	2.50	2.70	2.70	2.70	2.70	2.70	2.70
CIV of rateable properties	$	5,613,511	5,613,511	5,669,646	5,726,343	5,783,606	5,841,442	5,899,856	5,958,855	6,018,444	6,078,628	6,139,414
Number of property assessments	No.	8,600	8,600	8,686	8,773	8,861	8,949	9,039	9,129	9,220	9,313	9,406
Rates & chargers – supplementary	$	0	0	0	0	0	0	0	0	0	0	0
Rates & chargers – municipal charge	%			2.50	2.50	2.50	2.70	2.70	2.70	2.70	2.70	2.70
Rates & chargers – service charges	%			12.25	2.50	2.50	2.70	2.70	2.70	2.70	2.70	2.70
Rates & chargers – revenue in lieu	$			436,650	436,650	436,650	436,650	436,650	436,650	436,650	436,650	436,650
Rates & chargers – interest	$			56,375	60,000	60,000	60,000		60,000	60,000	60,000	60,000
Statutory fees and fines	%			2.50	2.50	2.50	2.70	2.70	2.70	2.70	2.70	2.70
User fees	%			2.50	2.50	2.50	2.70	2.70	2.70	2.70	2.70	2.70
Grant operating – recurrent	%			2.50	2.50	2.50	2.70	2.70	2.70	2.70	2.70	2.70
Grant operating – non recurrent	%			2.50	2.50	2.50	2.70	2.70	2.70	2.70	2.70	2.70
Contributions – monetary	$	208,504	208,504	257,161	257,161	257,161	257,161	257,161	257,161	257,161	257,161	257,161
Interest income – investments	$	0	0	0	0	0	0	0	0	0	0	0
Other income	$	0	0	0	0	0	0	0	0	0	0	0
Expenditure (%+/- change or $ absolute)		Budget 2026	Forecast 2026	Budget 2027	Budget 2028	Budget 2029	Budget 2030	Budget 2031	Budget 2032	Budget 2033	Budget 2034	Budget 20235
Employee costs	%			3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
Employee numbers	FTE	126.0	126.0	125.0	124.0	124.0	124.0	124.0	124.0	124.0	124.0	124.0
Materials and services	%			2.50	2.50	2.50	2.70	2.70	2.70	2.70	2.70	2.70
Bad and doubtful debts	$			14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Other expenses	$			2.50	2.50	2.50	2.70	2.70	2.70	2.70	2.70	2.70

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2.3.1 Rates and charges

The *Benalla Rural City Council Revenue and Rating Plan 2025-2029* applies to the 2025/26 Budget figures. General Rates and Municipal Charge – revenue target as per Minister's Rate Cap declaration for 2025-2026 at 3 per cent. Future increases applied at 2.5 per cent 2026 -2029 and 2.7 per cent 2030–2035 (based on RBA inflation forecast).

2.3.2 Statutory fees and fines

The Financial Plan indexes statutory fees, set by legislation, according on the estimated annual rate of CPI. This is often a best case scenario given some fees are outside of the control by Council and therefore may be subject to changes different to CPI.

2.3.3 User fees

The *Benalla Rural City Council Revenue and Rating Plan 2025-2029* applies to the 2025/2026 Budget figures. General Rates and Municipal Charge – revenue target as per Ministers Rate Cap declaration for 2025-2026 at 3 per cent. Future increases applied at 2.5 per cent 2026 -2029 and 2.7 per cent 2030–2035 (based on RBA inflation forecast).

2.3.4 Grants

Council currently receives grants for tied (specific purpose grants) and un-tied Financial Assistance grant funding received via the Victorian Local Government Grants Commission.

Operating grants are expected to increase on an annual basis by between 2.5 per cent for 2025-2029 and 2.7 per cent 2030–2035 (based on RBA inflation forecast).

Capital grants are not forecast past the 2030/35 financial year. However, it is expected that the Australian Government's Roads to Recovery funding program of approximately $1.86 million per annum will continue for the life of the Financial Plan. Once confirmed, the funding will be included in future versions of the plan.

2.3.5 Employee costs

The 2025-26 year includes a 3.25 per cent increase for employee costs that mainly reflects the salary increase for all staff pursuant to the Enterprise Agreement, Working for Victoria temporary employees and other costs such as end of band payments. The 1 October 2024 Agreement is yet to be finalised.

The ensuing years, from 2027-2036, reflect annual increases of 3.25 per cent per annum to provide for annual EBA increases and other costs.

2.3.6 Depreciation and amortisation

Depreciation estimates have been based on the projected capital spending contained within the Financial Plan. Depreciation has been further increased by the indexing of the replacement cost of Council's fixed assets.

2.3.7 Borrowing cots

Borrowing costs comprise the interest expense to service Council's loan portfolio that is described in Section 5.1 Borrowing Strategy.

2.3.8 Other expenses

Other expenses include administration costs such as Councillor allowances, election costs, sponsorships, partnerships, community grants, lease expenditure, fire services property levy, audit costs and other costs associated with the day to day running of Council.

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3 Financial Plan Statements

This section presents information regarding the Financial Plan Statements for the 10 years from 2026 to 2036.

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

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3.1 Comprehensive Income Statement

	Budget 2026	Forecast 2026	Budget 2027	Budget 2028	Budget 2029	Budget 2030	Budget 2031	Budget 2032	Budget 2033	Budget 2034	Budget 2035
Income											
Rates and charges	24,013	24,013	25,049	25,667	26,296	26,993	27,708	28,443	29,197	29,972	30,768
Statutory fees and fines	457	457	468	480	492	505	519	533	547	562	577
User fees	2,973	2,973	3,048	3,124	3,202	3,288	3,377	3,468	3,562	3,658	3,757
Grants – operating	7,621	7,621	7,812	8,007	8,207	8,429	8,656	8,890	9,130	9,376	9,630
Grants – capital	5,940	5,940	1,853	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950
Contributions – monetary	209	209	257	257	257	257	257	257	257	257	257
Contributions – non-monetary	0	0	0	0	0	0	0	0	0	0	0
Net gain/-loss on disposal of property, infrastructure, plant &equipment	0	0	0	0	0	0	0	0	0	0	0
Other income	620	620	620	620	620	620	620	620	620	620	620
Total income	41,832	41,832	39,107	40,104	41,024	42,042	43,087	44,161	45,263	46,396	47,559
Expenses											
Employee costs	14,914	14,914	15,398	15,899	16,416	16,949	17,500	18,069	18,656	19,262	19,888
Materials and services	14,393	14,393	14,753	15,122	15,500	15,919	16,348	16,790	17,243	17,709	18,187
Depreciation	7,201	7,201	7,463	7,648	7,799	7,931	8,076	8,225	8,369	8,545	8,716
Amortisation - intangible assets	236	236	36	60	78	0	0	0	0	0	0
Amortisation – right of use assets	337	337	206	142	142	244	579	142	142	142	142
Bad and doubtful debts	14	14	14	14	14	14	14	14	14	14	14
Borrowing costs	119	119	100	84	71	59	49	0	0	0	0
Finance costs - leases	16	16	15	13	13	13	13	13	13	13	0
Other expenses	623	623	639	655	671	689	708	727	747	767	788
Total expenses	37,853	37,853	38,625	39,637	40,704	41,818	43,287	43,980	45,183	46,451	47,734
Surplus/-deficit for the year	3,979	3,979	481	468	320	224	-200	181	80	-55	-175
Other comprehensive income											
Items that will not be classified to surplus or deficit in future periods											
Net asset revaluation increment/-decrement	0	0	0	0	0	0	0	0	0	0	0
Total comprehensive results	3,979	3,979	481	468	320	224	-200	181	80	-55	-175

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3.2 Balance Sheet

	Budget 2026	Forecast 2026	Budget 2027	Budget 2028	Budget 2029	Budget 2030	Budget 2031	Budget 2032	Budget 2033	Budget 2034	Budget 2035
Assets Current assets											
Cash and cash equivalents	21,525	21,525	22,106	22,915	25,555	27,819	30,034	32,308	34,930	36,259	39,509
Trade and other receivables	5,718	5,718	5,785	5,825	5,866	5,911	5,958	6,005	6,054	6,105	6,156
Inventories	36	36	36	36	36	36	36	36	36	36	36
Non-current assets classified as held for resale	0	0	0	0	0	0	0	0	0	0	0
Other assets	198	198	198	198	198	198	198	198	198	198	198
Total current assets	27,476	27,476	28,125	28,973	31,655	33,964	36,225	38,547	41,218	42,597	45,899
Non Current Assets Trade and other receivables	0	0	0	0	0	0	0	0	0	0	0
Property, infrastructure, plant and equipment	324,838	324,838	323,912	323,357	320,680	318,581	316,374	314,111	311,338	309,875	306,432
Right of use assets	414	414	590	700	847	847	847	988	1,179	1,370	1,228
Intangible assets	2,606	2,606	2,570	2,510	2,432	2,432	2,432	2,432	2,432	2,432	2,432
Total non-current assets	327,858	327,858	327,072	326,568	323,959	321,860	319,654	317,531	314,950	313,677	310,092
Total Assets	355,334	355,334	355,197	355,541	355,614	355,824	355,879	356,079	356,168	356,274	355,991
Liabilities Current Liabilities Trade and other payables	3,402	3,402	2,932	3,010	2,880	2,974	3,014	3,060	3,069	3,231	3,123
Trust funds and deposits	926	926	926	926	926	926	926	926	926	926	926
Unearned income	290	290	290	290	290	290	290	290	290	290	290
Provision	3,996	3,996	3,996	3,996	3,996	3,996	3,996	3,996	3,996	3,996	3,996
Interest-bearing liabilities	355	355	296	248	190	190	152	0	0	0	0
Lease liabilities	190	190	135	104	93	28	97	111	111	111	111
Total current liabilities	9,159	9,159	8,576	8,574	8,376	8,405	8,476	8,383	8,392	8,554	8,446
Non Current Liabilities Provisions	11,442	11,442	11,617	11,792	11,967	12,142	12,317	12,492	12,492	12,492	12,492
Interest-bearing liabilities	1,075	1,075	779	532	342	152	0	0	0	0	0

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	Budget 2026	Forecast 2026	Budget 2027	Budget 2028	Budget 2029	Budget 2030	Budget 2031	Budget 2032	Budget 2033	Budget 2034	Budget 2035
Lease liabilities	235	235	321	272	238	209	370	307	307	307	307
Total non-current liabilities	12,752	12,752	12,717	12,595	12,546	12,503	12,686	12,798	12,798	12,798	12,798
Total Liabilities	21,911	21,911	21,292	21,169	20,922	20,908	21,162	21,181	21,190	21,352	21,244
Net Assets	333,423	333,423	333,904	334,372	334,692	334,916	334,717	334,898	334,978	334,922	334,747
Equity											
Accumulated Surplus	165,703	165,703	166,185	166,653	166,973	167,197	166,997	167,178	167,258	167,203	167,028
Reserves	167,719	167,719	167,719	167,719	167,719	167,719	167,719	167,719	167,719	167,719	167,719
Total Equity	333,423	333,423	333,904	334,372	334,692	334,916	334,717	334,898	334,978	334,922	334,747

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3.3 Statement of Changes in Equity

	Total $000	Accumulated Surplus $000	Revaluation Reserve $000	Other Reserves $000
2026				
Balance at beginning of the year	329,444	161,725	166,556	1,164
Surplus/-deficit for the year	3,979	3,979	0	0
Net asset revaluation increment/-decrement	0	0	0	0
Transferred to other reserves	0	0	0	0
Transfers from other reserves	0	0	0	0
Balance at the end of the year	333,423	165,703	166,556	1,164
Forecast 2026				
Balance at beginning of the year	329,444	161,725	166,556	1,164
Surplus/-deficit for the year	3,979	3,979	0	0
Net asset revaluation increment/-decrement	0	0	0	0
Transferred to other reserves	0	0	0	0
Transfers from other reserves	0	0	0	0
Balance at the end of the year	333,423	165,703	166,556	1,164
2027				
Balance at beginning of the year	333,423	165,703	166,556	1,164
Surplus/-deficit for the year	481	481	0	0
Net asset revaluation increment/-decrement	0	0	0	0
Transferred to other reserves	0	0	0	0
Transfers from other reserves	0	0	0	0
Balance at the end of the year	333,904	166,185	166,556	1,164
2028				
Balance at beginning of the year	333,904	166,185	166,556	1,164
Surplus/-deficit for the year	468	468	0	0
Net asset revaluation increment/-decrement	0	0	0	0
Transferred to other reserves	0	0	0	0
Transfers from other reserves	0	0	0	0
Balance at the end of the year	334,372	166,653	166,556	1,164
2029				
Balance at beginning of the year	334,372	166,653	166,556	1,164
Surplus/-deficit for the year	320	320	0	0
Net asset revaluation increment/-decrement	0	0	0	0
Transferred to other reserves	0	0	0	0
Transfers from other reserves	0	0	0	0
Balance at the end of the year	334,692	166,973	166,556	1,164
2030				
Balance at beginning of the year	334,692	166,973	166,556	1,164
Surplus/-deficit for the year	224	224	0	0
Net asset revaluation increment/-decrement	0	0	0	0
Transferred to other reserves	0	0	0	0

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	Total $000	Accumulated Surplus $000	Revaluation Reserve $000	Other Reserves $000
Transfers from other reserves	0	0	0	0
Balance at the end of the year	334,916	167,197	166,556	1,164
2031				
Balance at beginning of the year	334,916	167,197	166,556	1,164
Surplus/-deficit for the year	-200	-200	0	0
Net asset revaluation increment/-decrement	0	0	0	0
Transferred to other reserves	0	0	0	0
Transfers from other reserves	0	0	0	0
Balance at the end of the year	334,717	166,997	166,556	1,164
2032				
Balance at beginning of the year	334,717	166,997	166,556	1,164
Surplus/-deficit for the year	181	181	0	0
Net asset revaluation increment/-decrement	0	0	0	0
Transferred to other reserves	0	0	0	0
Transfers from other reserves	0	0	0	0
Balance at the end of the year	334,898	167,178	166,556	1,164
2033				
Balance at beginning of the year	334,898	167,178	166,556	1,164
Surplus/-deficit for the year	80	80	0	0
Net asset revaluation increment/-decrement	0	0	0	0
Transferred to other reserves	0	0	0	0
Transfers from other reserves	0	0	0	0
Balance at the end of the year	334,978	167,258	166,556	1,164
2034				
Balance at beginning of the year	334,978	167,258	166,556	1,164
Surplus/-deficit for the year	-55	-55	0	0
Net asset revaluation increment/-decrement	0	0	0	0
Transferred to other reserves	0	0	0	0
Transfers from other reserves	0	0	0	0
Balance at the end of the year	334,922	167,203	166,556	1,164
2035				
Balance at beginning of the year	334,922	167,203	166,556	1,164
Surplus/-deficit for the year	-175	-175	0	0
Net asset revaluation increment/-decrement	0	0	0	0
Transferred to other reserves	0	0	0	0
Transfers from other reserves	0	0	0	0
Balance at the end of the year	334,747	167,028	166,556	1,164

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3.4 Statement of Cash Flows

	Budget 2026 $000	Forecast 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000	Budget 2032 $000	Budget 2033 $000	Budget 2034 $000	Budget 2035 $000
Cash flows from operating activities											
Receipts											
Rates and charges	23,963	23,963	24,982	25,627	26,255	26,947	27,661	28,395	29,148	29,922	30,716
Statutory fees and fines	457	457	468	480	492	505	519	533	547	562	577
User fees	2,973	2,973	3,048	3,124	3,202	3,288	3,377	3,468	3,562	3,658	3,757
Grants - operating	7,621	7,621	7,812	8,007	8,207	8,429	8,656	8,890	9,130	9,376	9,630
Grants - capital	5,940	5,940	1,853	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950
Contributions - monetary	209	209	257	257	257	257	257	257	257	257	257
Interest received	0	0	0	0	0	0	0	0	0	0	0
Net trust funds and deposits paid/refunded	0	0	0	0	0	0	0	0	0	0	0
Net GST refund/payment	0	0	0	0	0	0	0	0	0	0	0
Other receipts	620	620	620	620	620	620	620	620	620	620	620
Payments											
Employee costs	-14,746	-14,746	-15,223	-15,724	-16,241	-16,774	-17,325	-17,894	-18,656	-19,262	-19,888
Materials and services	-14,363	-14,363	-15,223	-15,045	-15,630	-15,824	-16,308	-16,744	-17,234	-17,547	-18,294
Other payments	-638	-638	-653	-669	-685	-703	-722	-741	-761	-781	-802
Net cash provided by/-used in operating activities	12,036	12,036	7,940	8,627	8,427	8,695	8,685	8,734	8,563	8,756	8,523
Cash flows from investing activities											
Payments for property, infrastructure, plant &equipment	-12,629	-12,629	-6,537	-7,093	-5,122	-5,832	-5,869	-5,962	-5,596	-7,081	-5,273
Payments for intangible assets	0	0	0	0	0	0	0	0	0	0	0
Proceeds from sale of property, infrastructure, plant &equipment	0	0	0	0	0	0	0	0	0	0	0
Net loans and advances made/repaid	0	0	0	0	0	0	0	0	0	0	0

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	Budget 2026 $000	Forecast 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000	Budget 2032 $000	Budget 2033 $000	Budget 2034 $000	Budget 2035 $000
Net cash provided by/-used in investing activities	-12,629	-12,629	-6,537	-7,093	-5,122	-5,832	-5,869	-5,962	-5,596	-7,081	-5,273
Cash flows from financing activities											
Finance costs	-119	-119	-100	-84	-71	-59	-49	0	0	0	0
Proceeds from borrowings	0	0	0	0	0	0	0	0	0	0	0
Repayment of borrowings	-410	-410	-355	-296	-248	-190	-190	-152	0	0	0
Interest paid - lease liability	-16	-16	-15	-13	-13	-13	-13	-13	-13	-13	0
Repayment of lease liabilities	-338	-338	-351	-332	-334	-337	-350	-333	-333	-333	0
Net cash provided by/-used in financing activities	-883	-883	-822	-725	-665	-599	-601	-498	-346	-346	0
Net increase / -decrease in cash held	-1,476	-1,476	581	809	2,640	2,264	2,215	2,274	2,622	1,329	3,250
Cash and cash equivalents at the beginning of the year	23,001	23,001	21,525	22,106	22,915	25,555	27,819	30,034	32,308	34,930	36,259
Cash and cash equivalents at the end of the year	21,525	21,525	22,106	22,915	25,555	27,819	30,034	32,308	34,930	36,259	39,509

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3.5 Capital Works Projects

	Budget 2026 $000	Forecast 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000	Budget 2032 $000	Budget 2033 $000	Budget 2034 $000	Budget 2035 $000
Property											
Land	46	46	0	0	0	0	0	0	0	0	0
Buildings	2,222	2,222	101	157	80	72	242	50	50	50	50
Total property	2,268	2,268	101	157	80	72	242	50	50	50	50
Plant and Equipment											
Artworks	0	0	0	0	0	0	0	0	0	0	0
Plant, machinery and equipment	860	860	850	990	480	790	680	930	670	590	550
Fixtures, fittings and furniture	195	195	304	71	64	47	271	52	47	40	40
Computers and telecommunications	180	180	180	180	180	180	180	180	180	180	180
Library books	96	96	96	96	96	96	96	96	96	96	96
Total plant and equipment	1,331	1,331	1,430	1,337	820	1,113	1,227	1,258	993	906	866
Infrastructure											
Roads	4,178	4,178	3,268	3,564	3,413	3,577	3,427	3,592	3,592	3,592	3,592
Bridges	191	191	150	150	250	400	400	400	400	400	400
Footpaths and cycleways	252	252	150	150	150	150	150	150	150	150	150
Drainage	718	718	888	630	359	470	348	462	361	495	165
Recreational, leisure and community facilities	1,000	1,000	0	0	0	0	0	0	0	0	0
Waste management	2,226	2,226	500	250	0	0	26	0	0	1,438	0
Parks, open spaces and streetscapes	160	160	50	50	50	50	50	50	50	50	50
Aerodromes	305	305	0	805	0	0	0	0	0	0	0
Offstreet carparks	0	0	0	0	0	0	0	0	0	0	0
Total infrastructure	9,030	9,030	5,006	5,599	4,222	4,647	4,401	4,654	4,553	6,125	4,357
Total capital works expenditure	12,629	12,629	6,537	7,093	5,122	5,832	5,869	5,962	5,596	7,081	5,273
Represented by:											
New asset expenditure	3,370	3,370	350	300	50	50	76	50	50	1,488	50

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	Budget 2026 $000	Forecast 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000	Budget 2032 $000	Budget 2033 $000	Budget 2034 $000	Budget 2035 $000
Asset renewal expenditure	8,259	8,259	5,712	6,459	4,872	5,572	5,583	5,692	5,326	5,368	5,163
Asset upgrade expenditure	1,000	1,000	475	334	200	210	210	220	220	225	60
Asset expansion expenditure	0	0	0	0	0	0	0	0	0	0	0
Total capital works expenditure	12,629	12,629	6,537	7,093	5,122	5,832	5,869	5,962	5,596	7,081	5,273
Funding sources represented by:											
Grants	5,940	5,940	1,853	1,950	1,950	1,950	1,950	1,950	1,950	1,950	1,950
Contributions	0	0	0	0	0	0	0	0	0	0	0
Council cash	6,689	6,689	4,684	5,143	3,172	3,882	3,919	4,012	3,646	5,131	3,323
Borrowings	0	0	0	0	0	0	0	0	0	0	0
Total capital works expenditure	12,629	12,629	6,537	7,093	5,122	5,832	5,869	5,962	5,596	7,081	5,273

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3.6 Statement of Human Resource

	Budget 2026 $000	Budget 2026 $000	Budget 2027 $000	Budget 2028 $000	Budget 2029 $000	Budget 2030 $000	Budget 2031 $000	Budget 2032 $000	Budget 2033 $000	Budget 2034 $000	Budget 2035 $000
Staff expenditure											
Employee Costs	14,914	14,914	15,398	15,899	16,416	16,949	17,500	18,069	18,656	19,262	19,888
Total staff expenditure	14,914	14,914	15,398	15,899	16,416	16,949	17,500	18,069	18,656	19,262	19,888
Staff numbers											
Employees (FTE)	126	126	125	124	124	124	124	124	124	124	124
Total staff number	126	126	125	124	124	124	124	124	124	124	124

	Budget 2026 FTE	Forecast 2026 FTE	Budget 2027 FTE	Budget 2028 FTE	Budget 2029 FTE	Budget 2030 FTE	Budget 2031 FTE	Budget 2032 FTE	Budget 2033 FTE	Budget 2034 FTE	Budget 2035 FTE
Female	63	63	62	62	62	62	62	62	62	62	62
Male	63	63	63	62	62	62	62	62	62	62	62
Self-described gender	0	0	0	0	0	0	0	0	0	0	0
Total (FTE)	126	126	125	124	124	124	124	124	124	124	124

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4 Financial Performance Indicators

The following table highlights Council's projected performance across a range of key financial performance indicators.

Indicator	Measure	Budget 2026	Budget 2026	Budget 2027	Budget 2028	Budget 2029	Budget 2030	Budget 2031	Budget 2032	Budget 2033	Budget 2034	Budget 2035
Operating position												
Adjusted underlying result	Adjusted underlying surplus-deficit/Adjusted underlying revenue	-1.6%	-1.6%	0.6%	0.5%	0.2%	-0.1%	-1.1%	-0.2%	-0.4%	-0.7%	-0.9%
Liquidity												
Working capital	Current assets/Current liabilities	300%	300%	328%	338%	378%	404%	427%	460%	491%	498%	543%
Unrestricted cash	Unrestricted cash/Current liabilities	209%	209%	230%	240%	277%	303%	326%	357%	388%	396%	440%
Obligations												
Loans and borrowings	Interest bearing loans and borrowings/rate revenue	6.0%	6.0%	4.3%	3.0%	2.0%	1.3%	0.5%	0.0%	0.0%	0.0%	0.0%
Loans and borrowings commitments	Interest and principal repayments on interest bearing loans and borrowings/rate revenue	2.2%	2.2%	1.8%	1.5%	1.2%	0.9%	0.9%	0.5%	0.0%	0.0%	0.0%
Indebtedness	Non-current liabilities/own source revenue	45.4%	45.4%	43.6%	42.1%	41.0%	39.8%	39.4%	38.7%	37.7%	36.8%	35.8%
Asset renewal	Asset renewal and upgrade expense/Asset depreciation	128.6%	128.6%	82.9%	88.8%	65.0%	72.9%	71.7%	71.9%	66.3%	65.5%	59.9%
Stability												
Rates concentration	Rate revenue/Adjusted underlying revenue	64.5%	64.5%	64.5%	64.4%	64.5%	64.6%	64.7%	64.8%	64.9%	65.0%	65.0%
Rates Effort	Rate revenue/CIV of rateable properties in the municipality	0.4%	0.4%	0.4%	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Efficiency												
Expenditure level	Total expenses/Number of property assessments	$4,402	$4,402	$4,447	$4,518	$4,594	$4,673	$4,789	$4,818	$4,900	$4,988	$5,075
Revenue level	Total rate revenue/Number of property assessments	$2,792	$2,792	$2,884	$2,926	$2,968	$3,016	$3,065	$3,116	$3,167	$3,218	$3,271

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5 Strategies and Plans

This section describes the strategies and plans that support the 10-year financial projections included in the Financial Plan.

5.1 Borrowing Strategy

5.1.1 Current Debt Position

The total amount borrowed as at 30 June 2026 is $1.95 million.

5.1.2 Future Borrowing Requirements

There are no new borrowings in the 10-year plan. However, future council's will have this option.

5.2 Reserves Strategy

Council maintains both Statutory and Discretionary Reserves that acknowledge the receipt of funds from particular sources to be applied on programs that are consistent with the purpose of that Reserve fund.

Reserve Account	Purpose	Balance 30 June 2025
Resort and Recreation	Contributions made by developers for recreation purposes (minimum of 5 per cent for any new developments for open space).	$391,000
Benalla Urban Growth Headworks Charge	Contributions made by developers for connection to Benalla Urban Growth drainage system.	$78,000
Lake Mokoan Inlet Channel	Compensation received from Goulburn Murray Water in relation to transfer of assets of the decommissioned Lake Mokoan Inlet Channel.	$695,000

As financial intelligence increases, the creation two new reserves will be considered:

- Waste Management Reserve: Council contributions to help fund waste related capital projects, such as, cell construction.
- Defined Benefits Superannuation Future Call-Up Reserve: Council contributions to help fund potential future calls under the Local Government Defined Benefits Superannuation scheme.

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