LODDON SHIRE COUNCIL

ANNUAL BUDGET 2026/27

LODDON
SHIRE

CONTENTS

An Introduction from the Mayor

Welcome to Loddon Shire Council's 2026/27 Annual Budget, representing the first full year of implementation of Council's new Council Plan 2025–2029. The Budget is an important part of translating the aspirations of our community into practical actions that work towards our shared vision of thriving communities where everyone is welcome and all have the opportunity to live, work and create experiences.

This Budget has been developed during a period of continuing financial pressure for local government. Like councils across Victoria, we face rising costs, increasing community expectations and the ongoing challenge of maintaining and renewing significant infrastructure assets within a rate-capped environment. Despite these challenges, Council has remained focused on delivering the priorities identified by our community.

The Budget supports a broad range of initiatives aligned with the Council Plan's five strategic directions of Thriving, Welcome, Live, Work and Experience. It invests in the services and infrastructure that support healthy and connected communities, maintains a strong focus on roads and community assets, advances economic development opportunities, strengthens community participation and volunteerism, and supports the continued growth of Loddon's visitor economy.

Importantly, this Budget has been developed as part of an integrated planning framework. The services, major initiatives and capital works funded through the Budget directly support delivery of the Annual Action Plan and Council Plan objectives, ensuring that resources are targeted toward achieving the outcomes that matter most to our community.

Council remains dedicated to balancing community expectations with responsible financial stewardship. While the financial environment remains challenging, this Budget demonstrates a practical and measured approach that protects essential services, invests in priority infrastructure and positions Council to continue delivering positive outcomes for the Loddon community.

In the face of ongoing forecast deficits, Council maintains an ongoing commitment to arresting this unsustainable position. We continue to work with the organisation and the community to find ways to carefully navigate the decisions ahead and bring Council's operating position into a more sustainable trajectory.

On behalf of Council, I thank our community for its ongoing engagement and contribution to shaping our future. We look forward to working together throughout 2026/27 to deliver the commitments outlined in this Budget.

Cr Dan Straub
Mayor

An Introduction from the Chief Executive Officer

The 2026/27 Budget has been prepared to support the delivery of Council's services, infrastructure program and strategic priorities while maintaining a strong focus on financial sustainability and operational performance.

The operating environment for local government continues to present significant challenges. Cost escalation across labour, materials, contractors, information technology and regulatory compliance continues to outpace the growth in Council's primary revenue source, which remains in line with the Victorian Government's rate-capping framework. At the same time, Council is responsible for maintaining an extensive network of roads, bridges, buildings and community infrastructure across a large geographic area.

In developing this Budget, careful consideration has been given to balancing service delivery expectations, asset renewal requirements and long-term financial sustainability. The result is a Budget that continues to fund essential community services, delivers a practical capital works program and maintains its long-standing, positive cash position, while also recognising the ongoing structural financial pressures facing the sector.

A key focus during 2026/27 will be the delivery of actions that improve organisational efficiency, service performance and long-term planning. This includes progressing service reviews, strengthening customer experience systems, improving asset management practices, advancing waste management planning, implementing new technology solutions and continuing to refine how Council delivers services to achieve value for money for our community.

The Budget also reflects Council's commitment to accountability and continuous improvement. Service performance indicators, major initiatives and Annual Action Plan commitments have been aligned to provide clear measures of progress and ensure that resources are directed toward achieving tangible outcomes.

I would like to acknowledge the contribution of Councillors, staff, community members and stakeholders who have helped inform the development of this Budget. Delivering services across a rural municipality requires adaptability, collaboration and careful stewardship of community resources. The 2026/27 Budget provides a practical framework for achieving these outcomes while continuing to support the wellbeing and prosperity of our communities.

Lincoln Fitzgerald
Chief Executive Officer

Executive Summary

The Annual Budget 2026/27 outlines Council's financial plan for the year ahead and the projected outlook over the following three years. It has been developed to support delivery of core services, maintain and renew community assets, and manage Council's finances sustainably. This Executive Summary highlights the key budget settings for the operating position, rates and charges, financial position, operating result, cash and investments, and capital works program.

Operating result
The Annual Budget 2026/27 forecasts an operating deficit of $6.224 million. This reflects the impact of significant non-cash costs (particularly depreciation), along with escalating cost pressures and constrained revenue due to rate capping. Despite the operating deficit, Council maintains a positive cash position and continues to deliver its capital works program.

The operating result can also be affected by the accounting treatment and timing of grants. Council has prepared the 2026/27 budget to continue delivering essential services while managing costs, maintaining positive cash and investing in the renewal and upkeep of community assets.

Key movements underlying the operating result compared with 2025/26 include: Operating grants are projected to increase by 75.29% (or $5.898 million), largely due to the timing of Financial Assistance Grants for 2025/26 being received early and recognised in 2024/25, partly offset by the completion of several one-off project grants. Capital grants are budgeted to decrease by 13.27% (or $0.658 million), reflecting the completion of projects supported by capital grants in 2025/26. Expenditure is forecast to decrease, with employee costs budgeted to reduce by 4.35% (or $0.669 million) and materials and services by 7.58% (or $1.088 million) compared with 2025/26. A reconciliation of the budgeted operating result is provided in Section 2.5.

Rates and charges
In line with the State Government's Fair Go Rates System (FGRS), Council's average general rate and municipal charge are budgeted to increase by 2.75% for 2026/27 (the rate cap). Individual rate notices may vary from 2.75% as a result of property revaluations. The change in rates for any property depends on both the average rate increase (2.75%) and how that property's valuation has changed relative to the municipal average. Properties with valuations increasing above the average may see increases greater than 2.75%, while properties increasing below the average may see smaller increases or, in some cases, a reduction compared with the previous year.

Council continues to have the lowest average rates per annum of all 79 councils in Victoria. While this is a positive for ratepayers in Loddon Shire, it places further pressure on Council when maintaining and renewing its extensive asset base and delivering key services. A significant increase above forecast rate caps would be required before Council's position as Victoria's lowest rating Council would materially change.

Council provides weekly and fortnightly kerbside collections across the Shire. Following a review of the standard annual fees for 2026/27, the kerbside collection charge is to increase by 15%. The standard annual fee for a residential kerbside service (garbage and recycling) will be $673 per annum, or $12.94 per week, compared with $585 per annum in 2025/26 for the same collection service. This represents an increase of $88 per annum, or $1.69 per week.

Total rates and charges to be raised in 2026/27 are budgeted at $14,383,426. Council's rating structure maintains the current differentials, with rural properties rated at 88% of the general rate and a differential split of 12%.

Financial position
Council is reporting a deficit financial position; however, this is underpinned by strong cash balances and, supported by a substantial asset base comprising land, buildings and infrastructure assets (including the road network). Council does not have any borrowings and does not intend to borrow in 2026/27 or across the forward estimates. Borrowing may, however, be considered in future years where funding is required for significant capital projects, in accordance with the adopted Budget Management and Principles Policy, the Revenue and Rating Plan and Council's Borrowing Policy. Total equity represents Council's net assets and includes the asset revaluation reserve, other reserves set aside for specific future purposes, and accumulated surplus built up over time.

Cash and investments
Council continues to maintain a positive unrestricted cash position. Cash and cash equivalents are budgeted to total $28.333 million at 30 June 2027, including $12.287 million allocated to discretionary reserves, all of which are fully cash-backed and $0.470 million held for trust funds and deposits. These reserve funds have been committed to community priorities adopted by Council. Net cash outflows from investing activities, primarily capital works, are budgeted at $9.896 million for 2026/27. No financing cash flows are budgeted for 2026/27, as Council has no existing borrowings and has not budgeted for borrowings in 2026/27.

Capital works
Council's 2026/27 capital works program supports the delivery of planned infrastructure and renewal across the Shire. The program includes works funded through a mix of operating cash flows, capital grants and other contributions, and is presented by expenditure type and funding source in Section 4.5. The program reflects a focus on renewal to maintain safe and reliable infrastructure, particularly within Council's extensive road and asset network. Projects carried forward from 2025/26 that did not commence in that year are identified in the program and have been budgeted to commence in 2026/27 for transparency.

In conclusion, the Annual Budget 2026/27 aims to balance affordability for ratepayers with the continued delivery of essential services and investment in community assets, consistent with Council's long-term financial planning and sustainability objectives. Key priorities in the 2026/27 budget include maintaining core service delivery within a rate-capped revenue base, prudent management of operating costs, and a continued focus on asset renewal and delivery of priority capital works across the Shire.

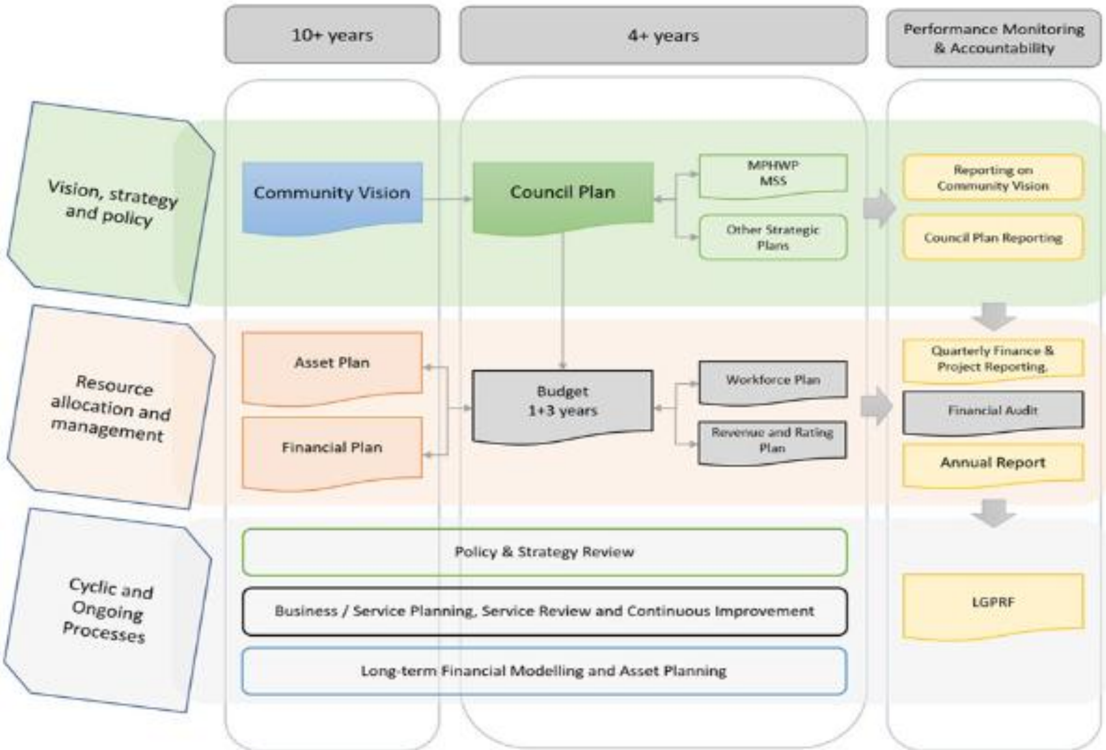
Council's long-term financial position remains constrained and will require ongoing action to improve financial sustainability. While the 2026/27 Budget is supported by positive unrestricted cash, no borrowings, and a $10.215 million capital works program that delivers essential infrastructure and community outcomes, Council will need to continue pursuing strategies that strengthen its financial capacity over the longer term.

1 Integrated Strategic Planning and Reporting Framework

This section describes how the Budget links to the achievement of the Community Vision and Council Plan within an overall integrated strategic planning and reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Community Vision, Financial Plan and Asset Plan), medium term (Council Plan, Workforce Plan, and Revenue and Rating Plan) and short term (Budget) and then holding itself accountable (Annual Plan)

1.1 Legislative planning and accountability framework

The Budget is a rolling four-year plan that outlines the financial and non-financial resources that Council requires to achieve the strategic objectives described in the Council Plan. The diagram below depicts the integrated strategic planning and reporting framework that applies to local government in Victoria. At each stage of the integrated strategic planning and reporting framework there are opportunities for community and stakeholder input. This is important to ensure transparency and accountability to both residents and ratepayers.



Source: Department of Government Services

The timing of each component of the integrated strategic planning and reporting framework is critical to the successful achievement of the planned outcomes.

Although councils have a legal obligation to provide some services – such as animal management, local roads, food safety, and statutory planning – most council services are not legally mandated, including some services closely associated with councils, such as libraries, building permits and sporting facilities. Further, over time, the needs and expectations of communities can change. Therefore, councils need to have robust processes for service planning and review to ensure all services continue to provide value for money and are in line with community expectations. In doing so, councils should engage wit communities to determine how to prioritise resources and balance service provision against other responsibilities such as asset maintenance and capital works. Community consultation needs to be in line with a council's adopted Community Engagement Policy and Public Transparency Policy.

1.2 Our purpose

Community Vision – *Thriving communities where everyone is welcome and all have the opportunity to live, work and create experiences.*

The Community Vision describes what everyone wants for our region and community over a 10-year period. It highlights what the community values and sets out its long-term vision and key priorities.

Our values
Loddon Shire Council is committed to the delivery of a high standard of professional conduct that is underpinned by our organisational values.

- We Respect: We practice respect
- We Communicate: We communicate openly and honestly
- We Collaborate: We leverage off others
- We Innovate: We adapt and innovate to ensure success
- We Deliver: We deliver positive outcomes for our community

1.3 Strategic direction and objectives

The following table reflects Council's strategic direction and objectives. These are Council's long-term aspirations for our community that reflect the Community Vision, with the strategic objectives identifying the priorities that Council aims to achieve under each strategic direction.

Strategic Direction	Strategic Objectives
Thriving	- We will deliver efficient and financially sustainable services that are regularly reviewed and improved to ensure value for money, relevance and effectiveness - We will strengthen economic and environmental sustainability through the provision of planned infrastructure and services designed for long term viability - We will strengthen community capacity to withstand the impacts of adverse climate events through effective environmental management and infrastructure - We will promote community health and wellbeing in partnership with our community and service organisations, and through the delivery of our services
Welcome	- We will provide good governance to the municipal community by delivering inclusive, transparent and engaging policies, strategies and practices for the community and council operations - We will foster an inclusive, connected community by improving access and participation through inclusive planning, accessible infrastructure and recognition of diverse groups - We will work in partnership with Registered Aboriginal Parties to deliver projects and programs which are mutually beneficial - We will strengthen community participation and sustainability by using contemporary methods to attract support and empower volunteers

Strategic Direction	Strategic Objectives
Live	- We will strengthen community outcomes through coordinated strategic advocacy - We will build thriving, liveable townships through diverse housing, supporting local enterprise and vibrant community experiences that make us unique - We will activate public spaces and recreational infrastructure to support community connection, active lifestyles and inclusive participation through a broad range of programs and events - We will identify, preserve and promote environmental and heritage assets as foundations for wellbeing and economic growth
Work	- We will support sustainable and innovative agriculture and industry through protection of productive land, development of local networks, water planning, circular economy practices and supply chain collaboration - Loddon Shire will deliver exceptional service to the community
Experience	- We will grow Loddon's visitor economy through authentic local experiences, strong local and regional partnerships, quality visitor services and community-led initiatives

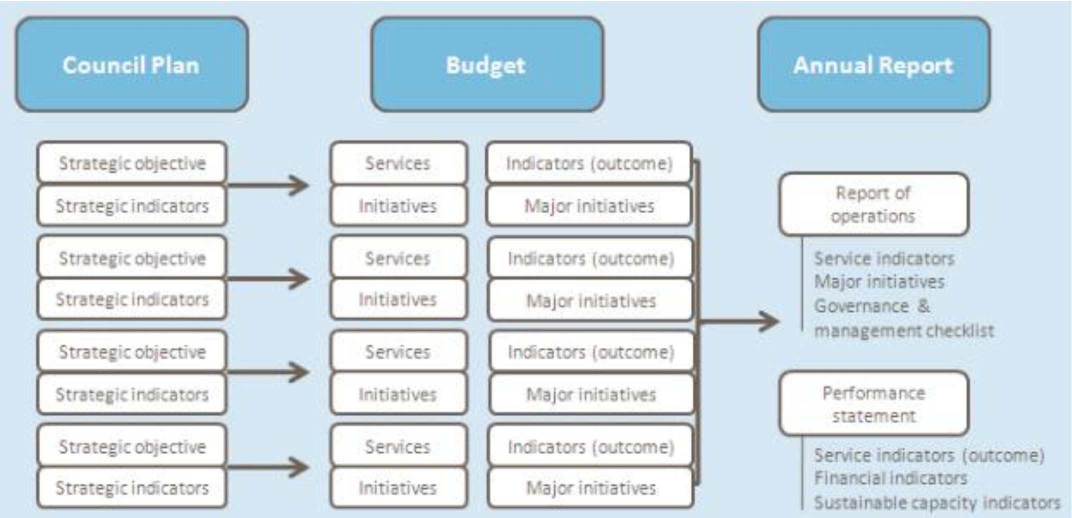
2 Services, initiatives and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2026/27 year and how these will contribute to achieving the strategic directions outlined in the Council Plan with each service profile identifying which strategic direction they work towards:

1. Thriving	2. Welcome	3. Live	4. Work	5. Experience

The section also describes service initiatives and performance outcome indicators for key areas of Council's operations.

Council is required by legislation to identify major initiatives, initiatives and service performance outcome indicators in the Budget and report against them in their Annual Report to support transparency and accountability. The relationship between these accountability requirements in the Council Plan, the Budget and the Annual Report is shown below.



Source: Department of Government Services

2.1 Community Wellbeing

2.1.1 Services

Strategic Directions: 1. Thriving | 2. Welcome | 3. Live | 4. Work | 5. Experience

Service area	Council Plan Themes 1	2	3	4	5		2024/25 Actual $'000	2025/26 Forecast $'000	2026/27 Budget $'000
Community Wellbeing	✓	✓	✓			Exp	3,763	1,598	564
						Inc	5,276	74	70
						Net	**(1,513)**	**1,524**	**494**
To support a healthy, safe and connected community through delivery of community wellbeing programs, emergency management planning and preparedness, inclusive communities' initiatives, and municipal public health and wellbeing planning in partnership with local services and stakeholders.									
Local Laws and Animal Management	✓					Exp	364	289	372
						Inc	137	79	128
						Net	**227**	**210**	**244**
Through education and enforcement of local laws, including animal management, the compliance team helps maintain a safe community for everyone.									
Early Years	✓	✓				Exp	1,475	1,754	1,482
						Inc	1,394	1,102	1,023
						Net	**81**	**652**	**459**
To deliver early years services that support children's learning, development and wellbeing, including preschool and kindergarten programs, family services, and partnership initiatives that strengthen outcomes for children and families.									
Community Services	✓	✓				Exp	481	584	686
						Inc	16	69	-
						Net	**465**	**515**	**686**
To support community compliance, inclusion and wellbeing through coordinated community services, information and referral, and engagement with local partners.									
Public Health	✓					Exp	137	179	167
						Inc	80	72	67
						Net	**57**	**107**	**100**
To deliver a range of public health programs, including food safety, across the community, with a preventative focus that minimises future health issues.									
Community Partnerships	✓	✓	✓			Exp	2,431	3,412	2,321
						Inc	84	57	80
						Net	**2,347**	**3,355**	**2,241**
To work with community organisations and service partners to strengthen community wellbeing through community support services, community planning, and recreation and aquatic initiatives that improve access, participation, inclusion and local outcomes.									
Net cost to Council for Community Wellbeing						**Net**	**1,664**	**6,363**	**4,224**

Major Initiatives
- Finalise the 2026-2030 Volunteer Strategy.

Other Initiatives
- Implement outcomes of the Aquatics Service Review.
- Complete service review on school crossings

2.2 Operations

2.2.1 Services

Strategic Directions: 1. Thriving | 2. Welcome | 3. Live | 4. Work | 5. Experience

Service area	Council Plan Themes 1	2	3	4	5		2024/25 Actual $'000	2025/26 Forecast $'000	2026/27 Budget $'000
Assets, roads and maintenance	✓	✓	✓	✓		Exp	9,691	10,490	10,581
						Inc	594	430	462
						Net	**9,097**	**10,060**	**10,119**
To manage and maintain Council's assets and road network, including routine and reactive maintenance, inspections, asset management planning, and delivery of renewal works to support safe, reliable infrastructure across the Shire.									
Parks and townships	✓	✓	✓	✓		Exp	970	1,552	1,516
						Inc	87	85	87
						Net	**883**	**1,467**	**1,429**
To maintain and improve Council's parks, gardens, open spaces and township amenity, including landscaping, street and public-space presentation, and the upkeep of key recreational and community areas.									
Waste management	✓		✓	✓		Exp	2,069	2,506	2,615
						Inc	2,226	2,347	2,707
						Net	**(157)**	**159**	**92**
To manage Council's waste and resource recovery services, including kerbside collection, transfer stations and waste disposal, to support clean communities, regulatory compliance and increased waste diversion.									
Development and compliance		✓	✓	✓		Exp	669	1,014	954
						Inc	320	173	178
						Net	**349**	**841**	**776**
To provide statutory planning, building and regulatory compliance services, including permits, inspections and enforcement, to support safe development, protect community amenity and ensure compliance with relevant legislation.									
Net cost to Council for Operations						**Net**	**10,172**	**12,527**	**12,232**

Major Initiatives

- Construct the Little Lake Boort Foreshore Activity space and nearby lighting and fencing projects.
- Construct new footpath along Brooke Street, Inglewood.
- Replace Mt Kerang Road bridge with floodway.
- Review actions and update Waste Management Strategy.
- Investigate transition planning and requirements for the EPA-regulated household waste and recycling services model, including food/garden organics and a glass bin collection service.
- Implement the Bridgewater and Inglewood Structure Plans

Other Initiatives

- Undertake a service review of gravel road maintenance and renewal services to assess efficiency, effectiveness, and alignment with service standards.
- Complete and implement the Wedderburn Flood Management Plan.
- Undertake a Circular Economy Feasibility study to identify opportunities for local material flows, address supply chain gaps and return local economic benefits.
- Implement E-planning portal to increase the efficiency of the planning permit application process.

Service Performance Outcome Indicators *(*mandatory)*

Domain	Indicator	2024/25 Actual	2025/26 Forecast	2026/27 Budget
Environment	*Roads – Sealed local roads below intervention	99.58%	99%	99%
Environment	Roads - Population density per length of road	1.64	1.64	1.64
Environment	*Waste management	N/A	0.36	0.37
Responsiveness	*Statutory Planning – Applications decided within relevant required time	94.05%	95%	95%
Responsiveness	Statutory planning – time taken to decide planning applications	32	30	25
Financial Forecasting	*Asset renewal and upgrade	67.33%	103%	72%

2.3 Executive Services

2.3.1 Services

Strategic Directions: **1. Thriving** | **2. Welcome** | **3. Live** | **4. Work** | **5. Experience**

Service area	Council Plan Themes 1	2	3	4	5		2024/25 Actual $'000	2025/26 Forecast $'000	2026/27 Budget $'000
Tourism and Economic Development	✓		✓	✓	✓	Exp	1,597	1,337	1,695
						Inc	462	460	484
						Net	**1,135**	**877**	**1,211**
To grow the Shire's visitor economy and support local business and investment through destination marketing, industry development, tourism services, partnerships, and initiatives that attract visitors, create jobs and strengthen township vitality.									
Net cost to Council for Executive Services							**1,135**	**877**	**1,211**

Major Initiatives
- Implement Council directions for a new Loddon Shire Visitor Information Centre.
- Prepare a Business Support Package proposal involving modest financial support for businesses needing investment incentives.

Other Initiatives
- Plan and develop the Loddon Business to Business (B2B) Expo.

2.4 Corporate

2.4.1 Services

Strategic Directions: 1. Thriving | 2. Welcome | 3. Live | 4. Work | 5. Experience

Service area	Council Plan Themes 1	2	3	4	5		2024/25 Actual $'000	2025/26 Forecast $'000	2026/27 Budget $'000
Financial Services	✓	✓		✓		Exp	1,099	1,416	1,079
						Inc	2,102	1,362	1,573
						Net	**(1,003)**	**54**	**(494)**
To ensure Council's resources are planned, allocated and managed responsibly, guided by the Long-Term Financial Plan and supporting the Shire's ongoing financial sustainability.									
Information Technology	✓			✓		Exp	1,901	2,038	2,378
						Inc	97	0	0
						Net	**1,804**	**2,038**	**2,378**
To deliver reliable, high-quality technology services and support in a cost-effective way that enables Council to provide services to the community.									
Human Resources and Customer Experience		✓		✓		Exp	1,591	2,262	1,525
						Inc	156	50	50
						Net	**1,435**	**2,212**	**1,475**
To support a capable and engaged workforce and deliver a positive customer experience through people and culture initiatives, recruitment and payroll support, workplace relations, learning and wellbeing, and responsive customer service.									
Governance and Risk		✓		✓		Exp	878	1,114	950
						Inc	315	182	193
						Net	**563**	**932**	**757**
We support strong governance by developing and embedding policies and procedures that promote informed, consistent decision-making.									
Net cost to Council for Corporate							**2,799**	**5,236**	**4,116**

Other Initiatives

- Finalise the review and update of the Complaint Handling Framework.
- Implement improvements to community engagement practices, including a review of the Community Engagement Policy.

Service Performance Outcome Indicators *(*mandatory)*

Domain	Indicator	2024/25 Actual	2025/26 Forecast	2026/27 Budget
Governance	*Community Engagement	51	52	53
Governance	Financial decisions – total unpaid rates and charges	7.60%	7.39%	7.09%
Governance	Financial Decisions - Capital Works Planning	89.06%	90%	90%
Governance	Strategic Planning - Staff turnover	22.20%	21%	21%
Financial Management	Expenditure and Revenue – Average rate per property assessment	$1,353	$1,392	$1,437
Financial Management	Operating position – Adjusted underlying surplus/(deficit)	5.61%	-56%	-20%
Financial Management	Rates Collection – rates and charges debt	4.49%	4.32%	4.24%
Financial Management	*Liquidity – working capital	1117%	580%	569%
Financial Management	*Rates concentration	29.54%	49%	41%
Financial Management	*Expenditure and revenue – Expenses per property assessment	$5,203	$5,297	$5,139

2.5 Service performance outcome indicators

These are standard service performance indicators as mandated by State Legislation.

Domain	Indicator	Performance Measure	Computation
Governance	Community Engagement	Satisfaction with the opportunities offered by Council to be consulted on or engaged in Council decisions (community satisfaction rating out of 100 with the consultation and engagement efforts of Council)	Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement
Environment	Roads	Sealed local roads below the intervention level (percentage of sealed local roads that are below the renewal intervention level set by Council and not requiring renewal)	[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100
Environment	Waste Management	Kerbside collection waste to landfill per serviced property (amount of waste collected from kerbside waste collection services that is sent to landfill per serviced property)	Amount of waste in tonnes (t) collected from kerbside waste collection services that is sent to landfill / Number of serviced properties
Responsiveness	Food safety	Critical and major non-compliance outcome notifications. (Percentage of critical and major non-compliance outcome notifications that are followed up by Council)	[Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about food premises] x100
Responsiveness	Statutory planning	Planning applications decided within the relevant required time (percentage of regular and VicSmart planning application decisions made within the relevant required time)	[Number of planning application decisions made within 60 days for regular permits and 10 days for VicSmart permits / Number of planning application decisions made] x100
Financial Forecasting	Asset Renewal and asset upgrade	Asset Renewal and asset upgrade compared to depreciation	[Asset renewal and asset upgrade expense / Asset depreciation] x 100
Financial Management	Rates Concentration	Rates compared to adjusted underlying revenue	[Rate Revenue / Adjusted underlying revenue] x 100
Financial Management	Expenditure and revenue level	Expenses per property assessment	[Total expenses / Number of property assessments]

2.6 Reconciliation with budgeted operating result

Operating result reconciliation

Directorate	Net Cost $'000	Expenditure $'000	Revenue $'000
Executive Services	1,211	1,695	484
Community Wellbeing	4,224	5,592	1,368
Corporate	4,116	5,932	1,816
Operations	12,232	15,666	3,434
Total	**21,783**	**28,885**	**7,102**
Expenses added in:			
Depreciation	13,088		
Deficit before funding sources	**34,871**		
Funding sources added in:			
Rates and charges	11,724		
Victorian Local Government Grants Commission	12,457		
Capital Grants	4,296		
Gain on disposal of assets	170		
Total Funding Sources	**28,647**		
Operating surplus / (deficit) for the year	**(6,224)**		

3 Financial Statements

This section presents information in regard to the Financial Statements and Statement of Human Resources. The budget information for the year 2026/27 has been supplemented with projections to 2029/30.

This section includes the following financial statements prepared in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

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

3.1 Comprehensive Income Statement

For the four years ending 30 June 2030

	NOTES	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Projections 2027/28 $'000	2028/29 $'000	2029/30 $'000
Income / Revenue						
Rates and charges	4.1.1	13,664	**14,383**	14,814	15,257	15,714
Statutory fees and fines	4.1.2	327	**371**	382	393	405
User fees	4.1.3	282	**316**	325	335	345
Grants - operating	4.1.4	7,834	**13,732**	14,322	14,937	15,580
Grants - capital	4.1.4	4,954	**4,296**	5,710	5,710	4,775
Net gain (or loss) on disposal of property, infrastructure, plant and equipment		294	**170**	181	145	223
Other income	4.1.5	2,642	**2,481**	2,310	2,041	1,872
Total income / revenue		29,996	**35,749**	38,044	38,818	38,914
Expenses						
Employee costs	4.1.6	15,399	**14,730**	15,172	15,628	16,096
Materials and services	4.1.7	14,343	**13,256**	13,601	13,954	14,317
Depreciation	4.1.8	12,832	**13,088**	13,350	13,617	13,889
Allowance for impairment losses		-	**30**	30	30	30
Other expenses	4.1.9	810	**868**	888	909	929
Total expenses		43,384	**41,973**	43,041	44,137	45,262
Surplus/(deficit) for the year		(13,388)	**(6,224)**	(4,997)	(5,319)	(6,348)
Other comprehensive income						
Items that will not be reclassified to surplus or deficit in future periods						
Net asset revaluation gain /(loss)		-	**-**	-	-	-
Total other comprehensive income		-	**-**	-	-	-
Total comprehensive result		(13,388)	**(6,224)**	(4,997)	(5,319)	(6,348)

3.2 Balance Sheet

For the four years ending 30 June 2030

	NOTES	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Projections 2027/28 $'000	2028/29 $'000	2029/30 $'000
Assets						
Current assets						
Cash and cash equivalents		31,943	**28,333**	26,896	26,093	23,376
Trade and other receivables		1,766	**1,795**	1,812	1,830	1,848
Prepayments		30	**30**	30	30	30
Non-current assets classified as held for sale		-	**787**	-	-	-
Other assets		746	**746**	746	746	746
Total current assets	4.2.1	34,485	**31,691**	29,484	28,699	26,000
Non-current assets						
Investments in associates, joint arrangement and subsidiaries		307	**307**	307	307	307
Property, infrastructure, plant & equipment		440,162	**436,353**	433,565	429,016	425,431
Intangible assets		2,593	**2,593**	2,593	2,593	2,593
Total non-current assets	4.2.1	443,062	**439,253**	436,465	431,916	428,331
Total assets		477,547	**470,944**	465,949	460,615	454,332
Liabilities						
Current liabilities						
Trade and other payables		2,018	**1,850**	1,853	1,838	1,902
Trust funds and deposits		682	**470**	470	470	470
Contract and other liabilities		762	**762**	762	762	762
Provisions		2,486	**2,486**	2,486	2,486	2,486
Total current liabilities	4.2.2	5,948	**5,568**	5,571	5,556	5,621
Non-current liabilities						
Provisions		1,504	**1,504**	1,504	1,504	1,504
Total non-current liabilities	4.2.2	1,504	**1,504**	1,504	1,504	1,504
Total liabilities		7,452	**7,072**	7,075	7,060	7,124
Net assets		470,096	**463,871**	458,874	453,555	447,207
Equity						
Accumulated surplus		102,107	**95,722**	91,386	86,067	79,719
Reserves		367,988	**368,149**	367,488	367,488	367,488
Total equity		470,096	**463,871**	458,874	453,555	447,207

3.3 Statement of Changes in Equity

For the four years ending 30 June 2030

	NOTES	Total $'000	Accumulated Surplus $'000	Revaluation Reserve $'000	Other Reserves $'000
2026 Forecast Actual					
Balance at beginning of the financial year		483,484	100,990	355,862	26,632
Surplus/(deficit) for the year		(13,388)	(13,388)	-	-
Net asset revaluation gain/(loss)		-	-	-	-
Transfers to other reserves		-	(3,183)	-	3,183
Transfers from other reserves		-	17,688	-	(17,688)
Balance at end of the financial year		**470,096**	**102,107**	**355,862**	**12,126**
2027 Budget					
Balance at beginning of the financial year		470,096	102,107	355,862	12,126
Surplus/(deficit) for the year		(6,224)	(6,224)	-	-
Transfers to other reserves	4.3.1	-	(1,168)	-	1,168
Transfers from other reserves	4.3.1	-	1,008	-	(1,008)
Balance at end of the financial year	4.3.2	**463,871**	**95,722**	**355,862**	**12,287**
2028					
Balance at beginning of the financial year		463,871	95,722	355,862	12,287
Surplus/(deficit) for the year		(4,997)	(4,997)	-	-
Transfers to other reserves		-	-	-	-
Transfers from other reserves		-	661	-	(661)
Balance at end of the financial year		**458,874**	**91,386**	**355,862**	**11,626**
2029					
Balance at beginning of the financial year		458,874	91,386	355,862	11,626
Surplus/(deficit) for the year		(5,319)	(5,319)	-	-
Transfers to other reserves		-	-	-	-
Transfers from other reserves		-	-	-	-
Balance at end of the financial year		**453,555**	**86,067**	**355,862**	**11,626**
2030					
Balance at beginning of the financial year		453,555	86,067	355,862	11,626
Surplus/(deficit) for the year		(6,348)	(6,348)	-	-
Transfers to other reserves		-	-	-	-
Transfers from other reserves		-	-	-	-
Balance at end of the financial year		**447,207**	**79,719**	**355,862**	**11,626**

3.4 Statement of Cash Flows

For the four years ending 30 June 2030

	Notes	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Projections 2027/28 $'000	2028/29 $'000	2029/30 $'000
		Inflows (Outflows)	**Inflows (Outflows)**	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities						
Rates and charges		13,584	**14,355**	14,797	15,240	15,696
Statutory fees and fines		327	**371**	382	393	405
User fees		282	**316**	325	335	345
Grants - operating		7,936	**13,732**	14,322	14,937	15,580
Grants - capital		5,614	**4,296**	5,710	5,710	4,775
Interest received		1,700	**1,500**	1,300	1,000	800
Trust funds and deposits taken		-	**(212)**	-	-	-
Other receipts		942	**981**	1,010	1,041	1,072
Employee costs		(15,399)	**(14,730)**	(15,172)	(15,628)	(16,096)
Materials and services		(13,428)	**(13,423)**	(13,598)	(13,969)	(14,253)
Other payments		(810)	**(898)**	(918)	(939)	(959)
Net cash provided by/(used in) operating activities	4.4.1	748	**6,286**	8,157	8,120	7,365
Cash flows from investing activities						
Payments for property, infrastructure, plant and equipment		(13,555)	**(10,215)**	(9,924)	(9,157)	(10,454)
Proceeds from sale of property, infrastructure, plant and equipment		294	**319**	330	234	372
Net cash provided by/ (used in) investing activities	4.4.2	(13,261)	**(9,896)**	(9,594)	(8,923)	(10,082)
Net increase/(decrease) in cash & cash equivalents		(12,513)	**(3,610)**	(1,437)	(803)	(2,717)
Cash and cash equivalents at the beginning of the financial year		44,456	**31,943**	28,333	26,896	26,093
Cash and cash equivalents at the end of the financial year		31,943	**28,333**	26,896	26,093	23,376

3.5 Statement of Capital Works

For the four years ending 30 June 2030

	NOTES	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Projections 2027/28 $'000	2028/29 $'000	2029/30 $'000
Property						
Buildings		1,143	**458**	405	405	405
Total property		1,143	**458**	405	405	405
Plant and equipment						
Plant, machinery and equipment		1,390	**1,655**	1,348	656	1,944
Computers and telecommunications		44	**115**	115	115	115
Total plant and equipment		1,434	**1,770**	1,463	771	2,059
Infrastructure						
Roads		7,710	**4,382**	6,262	6,296	6,549
Bridges		-	**829**	161	164	-
Footpaths and cycleways		375	**443**	548	552	554
Drainage		1,107	**474**	350	350	350
Recreational, leisure and community facilities		1,367	**1,760**	735	619	537
Parks, open space and streetscapes		420	**100**	-	-	-
Total infrastructure		10,979	**7,987**	8,055	7,981	7,990
Total capital works expenditure	4.5.1	13,555	**10,215**	9,924	9,157	10,454
Represented by:						
New asset expenditure		383	**845**	-	-	-
Asset renewal expenditure		9,662	**8,385**	9,924	9,157	10,454
Asset upgrade expenditure		3,511	**985**	-	-	-
Total capital works expenditure	4.5.1	13,555	**10,215**	9,924	9,157	10,454
Funding sources represented by:						
Grants		4,954	**4,296**	5,710	5,710	4,775
Contributions		294	**344**	330	234	372
Council cash		8,307	**5,575**	3,884	3,214	5,306
Total capital works expenditure	4.5.1	13,555	**10,215**	9,924	9,157	10,454

3.6 Statement of Human Resources

For the four years ending 30 June 2030

	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Projections 2027/28 $'000	2028/29 $'000	2029/30 $'000
Staff expenditure					
Employee costs - operating	15,399	**14,730**	15,172	15,628	16,096
Employee costs - capital	-	**1,046**	1,077	1,110	1,143
Total staff expenditure	15,399	**15,776**	16,250	16,737	17,239
	FTE	**FTE**	FTE	FTE	FTE
Staff numbers					
Employees	142.4	**137.7**	137.5	137.5	137.5
Total staff numbers	142.4	**137.7**	137.5	137.5	137.5

A summary of human resources expenditure categorised according to the organisational structure of Council is included below:

Directorate	Budget 2026/27 $'000	Comprises: Permanent Full Time $'000	Permanent Part time $'000	Casual $'000	Temporary $'000
Executive	**1,220**	971	249	-	-
Community Wellbeing	**2,857**	1,250	1,472	136	-
Corporate	**3,120**	2,696	340	54	29
Operations	**8,434**	7,866	569	-	-
Total permanent staff expenditure	**15,631**	12,782	2,630	190	29
Other employee related expenditure	**144**				
Capitalised labour costs	**(1,046)**				
Total expenditure	**14,730**				

A summary of the number of full time equivalent (FTE) Council staff in relation to the above expenditure is included below:

Directorate	Budget 2026/27	Comprises: Permanent Full Time	Permanent Part time	Casual	Temporary
Executive	**8.2**	6.0	2.2	-	-
Community Wellbeing	**24.8**	9.0	14.3	1.5	-
Corporate	**25.3**	21.0	3.4	0.7	0.3
Operations	**79.4**	75.0	4.4	-	-
Total staff	**137.7**	111.0	24.3	2.2	0.3

Summary of Planned Human Resources Expenditure

For the four years ending 30 June 2030

	2026/27 $'000	2027/28 $'000	2028/29 $'000	2029/30 $'000
EXECUTIVE				
Permanent - Full time	**971**	**1,000**	**1,030**	**1,061**
Women	224	231	238	245
Men	747	770	793	817
Persons of self-described gender	-	-	-	-
Permanent - Part time	**249**	**256**	**264**	**272**
Women	115	118	122	125
Men	66	68	70	72
Persons of self-described gender	-	-	-	-
Vacant positions	68	70	72	74
Total Executive	**1,220**	**1,257**	**1,294**	**1,333**
COMMUNITY WELLBEING				
Permanent - Full time	**1,250**	**1,284**	**1,319**	**1,356**
Women	711	732	754	777
Men	434	447	460	474
Persons of self-described gender	-	-	-	-
Vacant position	105	105	105	105
Permanent - Part time	**1,472**	**1,516**	**1,561**	**1,608**
Women	1,093	1,126	1,159	1,194
Men	319	329	339	349
Persons of self-described gender	-	-	-	-
Vacant position	59	61	63	65
Total Community Wellbeing	**2,721**	**2,800**	**2,881**	**2,964**
CORPORATE				
Permanent - Full time	**2,696**	**2,777**	**2,860**	**2,946**
Women	1,777	1,830	1,885	1,942
Men	563	580	597	615
Persons of self-described gender	-	-	-	-
Vacant position	356	366	377	389
Permanent - Part time	**340**	**351**	**361**	**372**
Women	340	351	361	372
Men	-	-	-	-
Persons of self-described gender	-	-	-	-
Total Corporate	**3,036**	**3,127**	**3,221**	**3,318**
OPERATIONS				
Permanent - Full time	**7,866**	**8,116**	**8,374**	**8,638**
Women	621	640	659	679
Men	6,843	7,062	7,289	7,521
Persons of self-described gender	-	-	-	-
Vacant position	401	413	426	438
Permanent - Part time	**569**	**586**	**604**	**622**
Women	228	234	241	249
Men	341	352	362	373
Persons of self-described gender	-	-	-	-
Total Operations	**8,434**	**8,702**	**8,978**	**9,260**
Casuals, temporary and other expenditure	364	364	364	364
Total staff expenditure	**15,776**	**16,249**	**16,737**	**17,239**
Of which:				
Capitalised labour costs	(1,046)	(1,077)	(1,110)	(1,143)

Continued:

	2026/27 FTE	2027/28 FTE	2028/29 FTE	2029/30 FTE
EXECUTIVE				
Permanent - Full time	**6.0**	**6.0**	**6.0**	**6.0**
Women	2.0	2.0	2.0	2.0
Men	4.0	4.0	4.0	4.0
Persons of self-described gender	-	-	-	-
Permanent - Part time	**2.2**	**2.2**	**2.2**	**2.2**
Women	1.0	1.0	1.0	1.0
Men	0.5	0.5	0.5	0.5
Persons of self-described gender	-	-	-	-
Vacant positions	0.6	0.6	0.6	0.6
Total Executive	**8.2**	**8.2**	**8.2**	**8.2**
COMMUNITY WELLBEING				
Permanent - Full time	**9.0**	**9.0**	**9.0**	**9.0**
Women	5.0	5.0	5.0	5.0
Men	3.0	3.0	3.0	3.0
Persons of self-described gender	-	-	-	-
Vacant position	1.0	1.0	1.0	1.0
Permanent - Part time	**14.3**	**14.3**	**14.3**	**14.3**
Women	11.2	11.2	11.2	11.2
Men	2.5	2.5	2.5	2.5
Persons of self-described gender	-	-	-	-
Vacant position	0.6	0.6	0.6	0.6
Total Community Wellbeing	**23.3**	**23.3**	**23.3**	**23.3**
CORPORATE				
Permanent - Full time	**21.0**	**21.0**	**21.0**	**21.0**
Women	14.0	14.0	14.0	14.0
Men	4.0	4.0	4.0	4.0
Persons of self-described gender	-	-	-	-
Vacant position	3.0	3.0	3.0	3.0
Permanent - Part time	**3.4**	**3.4**	**3.4**	**3.4**
Women	3.4	3.4	3.4	3.4
Men	-	-	-	-
Persons of self-described gender	-	-	-	-
Total Corporate	**24.4**	**24.4**	**24.4**	**24.4**
OPERATIONS				
Permanent - Full time	**75.0**	**75.0**	**75.0**	**75.0**
Women	6.0	6.0	6.0	6.0
Men	66.0	66.0	66.0	66.0
Persons of self-described gender	-	-	-	-
Vacant position	3.0	3.0	3.0	3.0
Permanent - Part time	**4.4**	**4.4**	**4.4**	**4.4**
Women	1.9	1.9	1.9	1.9
Men	2.5	2.5	2.5	2.5
Persons of self-described gender	-	-	-	-
Total Operations	**79.4**	**79.4**	**79.4**	**79.4**
Casuals and temporary staff	2.4	2.2	2.2	2.2
Total staff numbers	**137.7**	**137.5**	**137.5**	**137.5**
Of which:				
Capitalised labour	9.1	9.1	9.1	9.1

4 Notes to the Financial Statements

This section presents detailed information on material components of the financial statements. Council needs to assess which components are material, considering the dollar amounts and nature of these components.

4.1 Comprehensive Income Statement

4.1.1 Rates and charges

Rates and charges are required by the Act and the Regulations to be disclosed in Council's budget.

As per the *Local Government Act 2020*, Council is required to have a Revenue and Rating Plan which is a four-year plan for how Council will generate income to deliver the Council Plan, program and services and capital works commitments over a four-year period.

In developing the Budget, rates and charges were identified as an important source of revenue. Planning for future rate increases has therefore been an important component of the financial planning process. The Fair Go Rates System (FGRS) sets out the maximum amount councils may increase rates in a year. For 2026/27 the FGRS cap has been set at 2.75%. The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges.

The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the community.

To achieve these objectives while maintaining service levels and a strong capital expenditure program, the average general rate and the municipal charge will increase by 2.75% in line with the rate cap.

This budget will raise total rates and charges for 2026/27 of $14,383,426.

4.1.1 (a) *The reconciliation of the total rates and charges to the Comprehensive Income Statement is as follows:*

	2025/26 Forecast Actual $'000	2026/27 Budget $'000	Change $'000	%
General rates*	9,813	**10,120**	307	3.13%
Municipal charge*	1,515	**1,569**	54	3.58%
Service rates and charges	2,301	**2,660**	359	15.60%
Interest on rates and charges	35	**35**	-	0.00%
Total rates and charges	13,664	**14,383**	**720**	**5.27%**

**These items are subject to the rate cap established under the FGRS*

4.1.1 (b) *The rate in the dollar to be levied as general rates under section 158 of the Act for each type or class of land compared with the previous financial year*

Type or class of land	2025/26 cents/$CIV	2026/27 cents/$CIV*	Change
General rate for rateable general properties	0.18536100	**0.18507500**	**-0.15%**
General rate for rateable rural properties	0.16315600	**0.16286600**	**-0.18%**

4.1.1 (c) *The estimated total amount to be raised by general rates in relation to each type or class of land, and the estimated total amount to be raised by general rates, compared with the previous financial year*

Type or class of land	2025/26 $'000	2026/27 $'000	Change $'000	%
General	2,466	**2,502**	37	1.49%
Rural	7,347	**7,618**	271	3.69%
Total amount to be raised by general rates	9,812	**10,120**	**308**	**3.14%**

4.1.1 (d) *The number of assessments in relation to each type or class of land, and the total number of assessments, compared with the previous financial year*

Type or class of land	2025/26 Number	2026/27 Number	Change Number	%
General	4,476	**4,502**	26	0.58%
Rural	3,604	**3,633**	29	0.80%
Total number of assessments	8,080	**8,135**	**55**	**0.68%**

4.1.1 (e) *The basis of valuation to be used is the Capital Improved Value (CIV)*

4.1.1 (f) *The estimated total value of each type or class of land, and the estimated total value of land, compared with the previous financial year*

Type or class of land	2025/26 $'000	2026/27 $'000	Change $'000	%
General	1,330,202	**1,352,066**	21,864	1.64%
Rural	4,502,893	**4,677,319**	174,426	3.87%
Total value of land	5,833,095	**6,029,385**	**196,290**	**3.37%**

4.1.1 (g) *The municipal charge under Section 159 of the Act compared with the previous financial year*

Type of Charge	Per Rateable Property 2025/26 $	Per Rateable Property 2026/27 $	Change $	%
Municipal	250	**257**	7	2.80%

4.1.1 (h) *The estimated total amount to be raised by municipal charges compared with the previous financial year*

Type of Charge	2025/26 $'000	2026/27 $'000	Change $'000	%
Municipal	1,516	**1,569**	53	**3.51%**

4.1.1 (i) *The rate or unit amount to be levied for each type of service rate or charge under Section 162 of the Act compared with the previous financial year and detailed disclosure of the actual service/s rendered for the amount levied*

Type of Charge	Per Rateable Property 2025/26 $	Per Rateable Property 2026/27 $	Change $	%
Garbage collection (140 litre)	425	**489**	64	15.06%
Kerbside recycling (240 litre)	160	**184**	24	15.00%
Commercial garbage collection (240 litre)	578	**665**	87	15.05%

***4.1.1 (j)** The estimated total amount to be raised by each type of service rate or charge, and the estimated total amount to be raised by service rates and charges, compared with the previous financial year*

`	2025/26 $'000	2026/27 $'000	Change $'000	 %
Garbage collection (140 litre)	1,431	**1,656**	225	15.75%
Kerbside recycling (240 litre)	592	**684**	92	15.49%
Commercial garbage collection (240 litre)	278	**320**	42	15.07%
Total	2,301	**2,660**	**359**	**15.60%**

***4.1.1 (k)** The estimated total amount to be raised by all rates and charges compared with the previous financial year*

	2025/26 $'000	2026/27 $'000	Change $'000	 %
General	2,466	**2,502**	37	1.49%
Rural	7,347	**7,618**	271	3.69%
Municipal charge	1,516	**1,569**	53	3.51%
Interest on rates and charges	35	**35**	-	0.00%
Garbage collection (140 litre)	1,431	**1,656**	225	15.75%
Kerbside recycling (240 litre)	592	**684**	92	15.49%
Commercial garbage collection (240 litre)	278	**320**	42	15.07%
Total Rates and charges	**13,664**	**14,383**	**720**	**5.27%**

***4.1.1 (l)** Fair Go Rates System Compliance*

Loddon Shire Council is fully compliant with the State Government's Fair Go Rates System (FGRS). The table below details the budget assumptions consistent with the requirements of the Fair Go Rates System.

	2025/26	2026/27
Total Rates (prior year annualised)	$ 10,997,973	$ 11,377,941
Number of rateable properties	8,080.00	8,135.00
Base Average Rate	$ 1,361.14	$ 1,398.64
Maximum Rate Increase (set by the State Government)	**3.00%**	**2.75%**
Capped Average Rate	$ 1,401.97	$ 1,436.86
Maximum General Rates and Municipal Charges Revenue	$ 11,327,912	$ 11,688,856
Budgeted General Rates and Municipal Charges Revenue	$ 11,327,912	$ 11,688,826
Budgeted Supplementary Rates	$ -	$ -
Budgeted Total Rates and Municipal Charges Revenue	$ 11,327,912	$ 11,688,826

4.1.1 (m) *Any significant changes that may affect the estimated amounts to be raised by rates and charges*

There are no known significant changes which may affect the estimated amounts to be raised by rates and charges. However, the total amount to be raised by rates and charges may be affected by:

- The making of supplementary valuations (2026/27: estimated $4,000)
- The variation of returned levels of value (e.g. valuation appeals)
- Changes of use of land such that rateable land becomes non-rateable land and vice versa

- Changes of use of land such that residential land becomes business land and vice versa.

4.1.1 (n) *Differential rates*

The existing rate structure comprises one differential rate (rural properties) and a rate for general properties (residential and commercial). These rates are structured in accordance with the requirements of Section 161 Differential Rates of the *Local Government Act 1989*.

The rate and amount of rates payable in relation to land in each category of differential are:

- A general rate of 0.185075% (0.185075 cents in the dollar of CIV) for all rateable general properties
- A rural rate of 0.162866% (0.162866 cents in the dollar of CIV) for all rateable rural properties.

Each differential rate will be determined by multiplying the capital improved value of the rateable land by the relevant cents in the dollar indicated above.

Council considers that each differential rate will contribute to the equitable and efficient carrying out of council functions. There are no changes to rating differentials proposed in the 2026/27 budget. Comprehensive details on rates can be found in the Revenue and Rating Plan 2025-2029.

For the 2026/27 Budget, Council has defined a differential rate split of 12%, with rural rates having a rate in the dollar of 88% of the general rate. Council considers this as a fair allocation of rates across property types.

Under the Cultural and Recreation Lands Act 1963, provision is made for a Council to grant a rating concession to any “recreational lands” which meet the test of being “rateable land” under the *Local Government Act 1989*. Council has exempted all rateable recreation land from the payment of rates.

4.1.2 Statutory fees and fines

	Forecast Actual 2025/26 $’000	Budget 2026/27 $’000	Change $’000	%
Infringements and costs	8	**9**	0	3.00%
Permits	70	**66**	(4)	-5.02%
Registration fees	151	**196**	45	29.55%
Planning fees	84	**87**	3	3.00%
Other fees and fines	13	**13**	(1)	-5.74%
Total statutory fees and fines	327	**371**	**43**	**13.22%**

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include Public Health and Wellbeing Act 2008 registrations, Planning and Environment Act 1987 registrations, Building Act 1993 registrations, the Country Fire Authority Act 1958 registrations, and Domestic (Feral and Nuisance) Animals Act 1994 registrations. Increases in statutory fees are made in accordance with legislative requirements.

4.1.3 User fees

	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Change $'000	%
Assets and infrastructure	60	**62**	2	3.00%
Waste management services	42	**43**	1	3.00%
Works	175	**206**	31	17.85%
Other fees and charges	5	**5**	(0)	-1.20%
Total user fees	282	**316**	**34**	**12.14%**

User fees relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include gravel pit fees and royalties, private works and transfer station use. User charges are forecast to increase by 12.1% (or $34,000) in 2026/27, mainly due to higher fees and royalties from gravel pits reflecting market value expectations.

4.1.4 Grants

Grants are required by the Act and the Regulations to be disclosed in Council's budget.

	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Change $'000	%
Grants were received in respect of the following:				
Summary of grants				
Commonwealth funded grants	9,368	16,098	6,730	71.84%
State funded grants	3,420	1,930	(1,489)	-43.55%
Total grants received	12,788	**18,028**	**5,241**	**40.98%**
(a) Operating Grants				
Recurrent - Commonwealth Government				
Financial Assistance Grants - General	3,419	7,313	3,894	113.88%
Financial Assistance Grants - Local Roads	2,455	5,144	2,689	109.53%
Recurrent - State Government				
School crossing supervisors	16	16	0	2.30%
Early Years	747	708	(39)	-5.26%
Maternal and child health	315	315	1	0.25%
Community safety	85	87	2	2.30%
Emergency Management	60	61	1	2.30%
Other	75	86	11	14.67%
Total recurrent grants	7,173	**13,732**	**6,559**	**91.45%**
Non-recurrent - Commonwealth Government				
Emergency Management	569	-	(569)	-100.00%
Non-recurrent - State Government				
Early Years	42	-	(42)	-100.00%
Recreation	50	-	(50)	-100.00%
Total non-recurrent grants	661	**-**	(661)	-100.00%
Total operating grants	7,834	**13,732**	**5,898**	**75.29%**
(b) Capital Grants				
Recurrent - Commonwealth Government				
Roads to recovery	2,924	3,640	716	24.50%
Total recurrent grants	2,924	**3,640**	**716**	**24.50%**
Non-recurrent - State Government				
Recreation	-	656	656	0.00%
Infrastructure	2,030	-	(2,030)	-100.00%
Total non-recurrent grants	2,030	**656**	**(1,374)**	**-67.68%**
Total capital grants	4,954	**4,296**	**(658)**	**-13.27%**
Total grants	12,788	**18,028**	**5,241**	**40.98%**

Operating grants comprise funding received from State and Commonwealth sources to support the delivery of Council services to ratepayers. Overall, operating grants are projected to increase by 75.29 per cent (or $5.898 million) compared with 2025/26. This increase reflects the expectation that Financial Assistance Grants will be received in the relevant financial year, rather than paid in advance as occurred in the previous year. The increase is partly offset by the completion of several one-off, project-specific grants received in prior years, which are not required to be budgeted for in 2026/27. A detailed list of grants, by type and source and categorised as recurrent and non-recurrent, is provided above.

Capital grants are State and Commonwealth funds received to help deliver Council's capital works program. Overall, capital grants are budgeted to decrease by 13.27 per cent (or $0.658 million) compared with 2025/26, reflecting the completion in 2025/26 of projects that were supported by capital grant funding. Further detail on the capital grants expected to be received in 2026/27 is provided in Section 4.5, “Capital works program”.

Recurrent (ongoing) grants are budgeted to increase by $7.275 million to $17.372 million, driven mainly by the full-year impact of the Financial Assistance Grants.

4.1.5 Other income

	Forecast Actual 2025/26 $’000	Budget 2026/27 $’000	Change $’000	%
Investment interest	1,700	**1,500**	(200)	-11.76%
Reimbursements	520	**545**	25	4.85%
Rental income	422	**436**	14	3.29%
Total other income	2,642	**2,481**	**(161)**	**-6.09%**

Other income relates to a range of items such as interest revenue on investments, cost recoveries, and rental income from various Council-owned properties across the Shire. Interest revenue is projected to decline in future years as Council’s cash balances reduce.

4.1.6 Employee costs

	Forecast Actual 2025/26 $’000	Budget 2026/27 $’000	Change $’000	%
Wages and salaries	13,272	**12,616**	(656)	-4.94%
WorkCover	375	**330**	(45)	-12.08%
Superannuation	1,595	**1,640**	44	2.77%
Fringe Benefits Tax	156	**144**	(12)	-7.71%
Total employee costs	15,399	**14,730**	**(669)**	**-4.35%**

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, WorkCover premium and fringe benefits tax.

Employee costs are budgeted to decrease by 4.35 per cent (or $0.669 million) compared with 2025/26, largely due to a reduction in the staffing complement, which offsets pay increases and band progression in accordance with Council’s approved Enterprise Agreement.

A summary of human resources expenditure, aligned to Council’s organisational structure, is provided in the Statement of Human Resources (Section 3.6).

4.1.7 Materials and services

	Forecast Actual 2025/26 $’000	Budget 2026/27 $’000	Change $’000	%
Contract and consultant payments	3,005	**3,389**	385	12.81%
Materials and maintenance	8,325	**6,373**	(1,952)	-23.45%
Utilities	669	**737**	68	10.20%
Office administration	357	**343**	(14)	-3.91%
Information technology	1,135	**1,480**	345	30.38%
Insurance	852	**933**	81	9.48%
Total materials and services	14,343	**13,256**	**(1,088)**	**-7.58%**

Materials and services include the purchase of consumables, payments to contractors for the provision of services and utility costs. Materials and services are budgeted to decrease by 7.58 per cent (or $1.088 million) compared to 2025/26. The decrease in costs is largely due to one-off or grant supported projects carried forward in the 2025/26 budget ($1.58 million), and a $0.57 million flood support budget that is not required in 2026/27. These reductions are partially offset by cost pressures in information technology and contractor costs.

4.1.8 Depreciation

	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Change $'000	%
Property	2,052	**2,093**	41	2.00%
Plant & equipment	1,310	**1,336**	26	2.00%
Infrastructure	9,470	**9,659**	189	2.00%
Total depreciation	12,832	**13,088**	**257**	**2.00%**

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains.

4.1.9 Other Expenses

	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Change $'000	%
Auditors remuneration - VAGO	51	**58**	7	13.28%
Auditors remuneration - Internal	46	**56**	10	21.56%
Councillors allowances	270	**255**	(16)	-5.85%
Community grants	403	**429**	26	6.57%
Others	40	**70**	30	75.42%
Total other expenses	810	**868**	**58**	**7.10%**

Other expenses relate to a range of unclassified items including contributions to community groups, audit expenses, Councillor allowances and other miscellaneous expenditure items.

4.2 Balance Sheet

4.2.1 Assets

	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Change $'000	%
Assets				
Current assets				
Cash and cash equivalents	31,943	**28,333**	(3,610)	-11.30%
Trade and other receivables	1,766	**1,795**	29	1.63%
Non-current assets held for resale	-	**787**	787	100.00%
Other assets	777	**777**	-	0.00%
Total current assets	34,485	**31,691**	**(2,794)**	**-8.10%**
Non-current assets				
Investments in associates	307	**307**	-	0.00%
Property, infrastructure, plant & equipment	440,162	**436,353**	(3,810)	-0.87%
Intangible assets	2,593	**2,593**	-	0.00%
Total non-current assets	443,062	**439,253**	**(3,810)**	**-0.86%**
Total assets	477,547	**470,944**	**(6,604)**	**-1.38%**

Cash and cash equivalents include cash on hand and in bank accounts (including petty cash), as well as investments such as deposits and other highly liquid investments with original maturities of up to 12 months.

Trade and other receivables represent amounts owed to Council, including rates and charges, the Emergency Services Volunteers Fund, and GST receivable. Other assets include items such as prepayments (expenses paid in advance of receiving the service), inventories held for sale or for use in Council services, and other revenue expected to be received within the next 12 months.

Property, infrastructure, plant and equipment include Council's land, buildings, vehicles, plant, information technology, roads, bridges, recreational assets and other infrastructure. These non-current assets are shown at their written-down values, being either cost less accumulated depreciation or, where applicable, a current valuation following an asset revaluation.

Investments in associates and joint ventures (classified as Other Financial Assets) represent Council's equity interest in the North Central Regional Goldfields Library. As movements in equity have varied from year to year, the budget assumes no change to this balance. Non-current assets held for resale are land and/or buildings that Council expects to sell within a short period of time.

4.2.2 Liabilities

	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Change $'000	%
Liabilities				
Current Liabilities				
Trade and other payables	2,018	**1,850**	(168)	-8.31%
Trust funds and deposits	682	**470**	(212)	-31.08%
Unearned income	762	**762**	-	0.00%
Provisions	2,486	**2,486**	-	0.00%
Total current liabilities	5,948	**5,568**	**(380)**	**-6.38%**
Non-current liabilities				
Provisions	1,504	**1,504**	-	0.00%
Total non-current liabilities	1,504	**1,504**	-	**0.00%**
Total liabilities	7,452	**7,072**	**(380)**	**-5.09%**

Trade and other payables include amounts owing to suppliers for goods and services, as well as other accrued expenses. Trust funds and deposits are deposits and retention amounts held by Council until they are returned, transferred in accordance with the purpose for which they were received, or forfeited. Provisions include liabilities for accrued employee benefits and for landfill and gravel pit rehabilitation.

4.2.3 Borrowings

The table below shows information on borrowings specifically required by the Regulations

	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Projections 2027/28 $'000	2028/29 $'000	2029/30 $'000
Amount borrowed as at 30 June of the prior year	-	-	-	-	-
Amount proposed to be borrowed	-	-	-	-	-
Amount projected to be redeemed	-	-	-	-	-
Amount of borrowings as at 30 June	-	-	-	-	-

Council currently has no borrowings and does not intend to borrow in 2026/27 or over the following three-year period. Borrowing may be considered in future years if funding is required to deliver significant capital projects.

4.3 Statement of changes in equity

4.3.1 Reserves

	Total $'000	Accumulated Surplus $'000	Revaluation Reserve $'000	Other Reserves $'000
2027 Budget				
Balance at beginning of the financial year	470,096	102,107	355,862	12,126
Surplus/(deficit) for the year	(6,224)	(6,224)	-	-
Transfers to other reserves	-	(1,168)	-	1,168
Transfers from other reserves	-	1,008	-	(1,008)
Balance at end of the financial year	**463,871**	**95,722**	**355,862**	**12,287**

Although not restricted by statutory purpose, Council has made decisions regarding the future use of discretionary reserve funds as described below:

	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Change $'000	%
Asset revaluation reserve	355,862	**355,862**	-	**0.00%**
Discretionary Reserves				
Capital expenditure	308	**-**	(308)	-100.00%
Caravan park development	782	**800**	18	2.36%
Community planning	3,038	**3,788**	750	24.69%
Flood restoration	2,500	**2,500**	-	0.00%
Gravel and sandpit	398	**398**	-	0.00%
Land and buildings	1,559	**1,559**	-	0.00%
Waste management	393	**443**	50	12.71%
Unspent grants	1,361	**661**	(700)	-51.43%
Urban drainage	1,787	**2,137**	350	19.58%
Total Discretionary Reserves	12,126	**12,287**	**161**	**1.33%**
Total Reserves	367,988	**368,149**	**161**	**0.04%**

4.3.2 Equity

	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Change $'000	%
Equity				
Accumulated surplus	102,107	**95,722**	(6,385)	-6.25%
Reserves	367,988	**368,149**	161	0.04%
Total Equity	470,096	**463,871**	**(6,224)**	**-1.32%**

Total equity represents Council's net assets and comprises the following components:

- The asset revaluation reserve reflects the movement between the previously recognised carrying value of assets and their current valuation.
- Other reserves are amounts Council has set aside for a specific future purpose where no current liability exists. These balances are transferred from Council's surplus and disclosed separately.
- Accumulated surplus is the net value of Council's assets after deducting all liabilities and reserves, built up over time.

4.4 Statement of cash flows

4.4.1 Net cash flows provided by/used in operating activities

	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Change $'000	%
	Inflows (Outflows)	**Inflows (Outflows)**		
Rates and charges	13,584	14,355	770	5.67%
Statutory fees and fines	327	371	43	13.22%
User fees	282	316	34	12.10%
Grants - operating	7,936	13,732	5,796	73.04%
Grants - capital	5,614	4,296	(1,318)	-23.47%
Interest received	1,700	1,500	(200)	-11.76%
Trust funds and deposits taken	-	(212)	(212)	100.00%
Other receipts	942	981	39	4.15%
Employee costs	(15,399)	(14,730)	668	-4.34%
Materials and services	(13,428)	(13,423)	4	-0.03%
Other payments	(810)	(898)	(88)	10.83%
Net cash provided by/(used in) operating activities	748	**6,286**	**5,538**	**740.47%**

Cash flow from operating activities is the cash generated or used in Council's day-to-day service delivery. Any cash remaining after meeting operating costs may be available to fund capital works or, where applicable, to repay debt.

4.4.2 Net cash flows provided by/used in investing activities

	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Change $'000	%
	Inflows (Outflows)	**Inflows (Outflows)**		
Payments for property, infrastructure, plant and equipment	(13,555)	(10,215)	3,341	-24.64%
Proceeds from sale of property, infrastructure, plant and equipment	294	319	24	8.28%
Net cash provided by/(used in) investing activities	(13,261)	**(9,896)**	**3,365**	**-25.37%**

Cash flows from 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 other financial assets including terms deposits greater than 90 days maturity.

The 2026/27 budget for net cash used in investing activities is $9.896 million, which is $3.302 million less than 2025/26. This is reflective of large-scale capital projects being completed in the current financial year and the focus on a renewal program of capital works in 2026/27. This excludes any potential carry forward of capital works from 2025/26 to 2026/27.

4.4.3 Net cash flows provided by/used in financing activities

Cash flows from the financing activities refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayments of the principal component of loan repayments for the year.

It is noted that Council has no net cash flows provided by/used in financing activities to be considered.

4.5 Capital works program

This section presents a listing of the capital works projects that will be undertaken for the 2026/27 year, classified by expenditure type and funding resources.

4.5.1 Summary

	Forecast Actual 2025/26 $'000	Budget 2026/27 $'000	Change $'000	%
Property	1,143	**458**	(685)	-59.93%
Plant and equipment	1,434	**1,770**	336	23.46%
Infrastructure	10,979	**7,987**	(2,992)	-27.25%
Total	13,555	**10,215**	**(3,341)**	**-24.64%**

	Project Cost	Asset expenditure types			Summary of Funding Sources			
		New	Renewal	Upgrade	Grants	Contributions	Council cash	Borrowings
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Property	**458**	-	458	-	-	-	458	-
Plant and equipment	**1,770**	-	1,770	-	-	319	1,451	-
Infrastructure	**7,987**	845	6,157	985	4,296	25	3,666	-
Total	**10,215**	**845**	**8,385**	**985**	**4,296**	**344**	**5,575**	**-**

4.5.2 Capital works program

Capital Works Area	Project Cost $'000	Asset expenditure types: New $'000	Renewal $'000	Upgrade $'000	Summary of Funding Sources: Grants $'000	Contributions $'000	Council cash $'000	Borrowings $'000
PROPERTY								
Buildings	458	-	458	-	-	-	458	-
Boort Bowls Club								
Inglewood Preschool								
Inglewood Public Toilets								
Pyramid Hill Historical Society								
TOTAL PROPERTY	**458**	**-**	**458**	**-**	**-**	**-**	**458**	**-**
PLANT AND EQUIPMENT								
Plant, Machinery and Equipment								
Vehicle and Plant Replacement	**1,655**	-	1,655	-	-	319	1,336	-
Computers and Telecommunications								
IT Hardware Renewal Program	**115**	-	115	-	-	-	115	-
TOTAL PLANT AND EQUIPMENT	**1,770**	**-**	**1,770**	**-**	**-**	**319**	**1,451**	**-**

Capital Works Area	Project Cost $'000	Asset expenditure types: New $'000	Renewal $'000	Upgrade $'000	Summary of Funding Sources: Grants $'000	Contributions $'000	Council cash $'000	Borrowings $'000
INFRASTRUCTURE								
Roads	4,382	-	4,382	-	2,864	-	1,518	-
Asset Preservation								
Gravel Resheet								
Road Construction - Safety								
Road Reseals								
Shoulder Resheet								
Bridges	829	-	385	444	447	-	382	-
Mt Kerang Road - Floodway replacement								
Webbs Lane - Bridge replacement								
Minor culvert replacements								
Footpaths and Cycleways	443	93	350	-	-	-	443	-
Brooke Street, Inglewood - Footpath								
Inglewood and Wedderburn - Footpath								
Drainage	474	352	122	-	330	-	144	-
Bertoli Street, Boort - Stormwater Pit								
Gladstone Street, Tarnagulla - Table Drainage								
High Street, Wedderburn - Culvert								
Sunnyside Court, Boort - Drainage								
Recreational, Leisure & Community Facilities	1,760	400	819	541	656	25	1,079	-
Little Lake Boort Foreshore Activity Space								
Boort Lawn Tennis Club Lights								
Boort Foreshore - Fencing								
Boort Swimming Pool *								
Boort Park - Female Friendly Changerooms *								
Inglewood Swimming Pool *								
Soldiers Memorial Park Toilets *								
Recreation Open Space & Aquatic								
Parks, Open Space and Streetscapes	100	-	100	-	-	-	100	-
Commercial Road, Tarnagulla - Landscaping								
Tree replacement - Various								
TOTAL INFRASTRUCTURE	**7,987**	**845**	**6,157**	**985**	**4,296**	**25**	**3,666**	**-**
TOTAL NEW CAPITAL WORKS	**10,215**	**845**	**8,385**	**985**	**4,296**	**344**	**5,575**	**-**

Projects marked with an asterisk (*) were included in the 2025/26 budget but did not commence in that financial year. These projects have been budgeted to commence in 2026/27 and are included in this budget for transparency.

4.5.3 Summary of planned capital works expenditure

For the years ended 30 June 2028, 2029, and 2030

2027/28	Asset Expenditure Types				Funding Sources			
	Total	New	Renewal	Upgrade	Total	Grants	Contributions	Council Cash
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Property								
Buildings	405	-	405	-	405	-	-	405
Total Property	**405**	**-**	**405**	**-**	**405**	**-**	**-**	**405**
Plant and Equipment								
Plant, machinery and equipment	1,348	-	1,348	-	1,348	-	330	1,018
Computers and telecommunications	115	-	115	-	115	-	-	115
Total Plant and Equipment	**1,463**	**0**	**1,463**	**-**	**1,463**	**-**	**330**	**1,133**
Infrastructure								
Roads	6,262	-	6,262	-	6,262	5,444	-	818
Bridges	161	-	161	-	161	161	-	-
Footpaths and cycleways	548	-	548	-	548	105	-	443
Drainage	350	-	350	-	350	-	-	350
Recreational, leisure and community facilities	735	-	735	-	735	-	-	735
Total Infrastructure	**8,055**	**-**	**8,055**	**-**	**8,055**	**5,710**	**-**	**2,346**
Total Capital Works Expenditure	**9,924**	**-**	**9,924**	**-**	**9,924**	**5,710**	**330**	**3,884**

2028/29	Asset Expenditure Types				Funding Sources			
	Total	New	Renewal	Upgrade	Total	Grants	Contributions	Council Cash
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Property								
Buildings	405	-	405	-	405	-	-	405
Total Property	**405**	**-**	**405**	**-**	**405**	**-**	**-**	**405**
Plant and Equipment								
Plant, machinery and equipment	656	-	656	-	656	-	234	422
Computers and telecommunications	115	-	115	-	115	-	-	115
Total Plant and Equipment	**771**	**-**	**771**	**-**	**771**	**-**	**234**	**537**
Infrastructure								
Roads	6,296	-	6,296	-	6,296	5,439	-	857
Bridges	164	-	164	-	164	164	-	-
Footpaths and cycleways	552	-	552	-	552	107	-	445
Drainage	350	-	350	-	350	-	-	350
Recreational, leisure and community facilities	619	-	619	-	619	-	-	619
Total Infrastructure	**7,981**	**-**	**7,981**	**-**	**7,981**	**5,710**	**-**	**2,272**
Total Capital Works Expenditure	**9,157**	**-**	**9,157**	**-**	**9,157**	**5,710**	**234**	**3,214**

2029/30	Asset Expenditure Types				Funding Sources			
	Total	New	Renewal	Upgrade	Total	Grants	Contributions	Council Cash
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Property								
Buildings	405		405	-	405	-	-	405
Total Property	**405**	**-**	**405**	**-**	**405**	**-**	**-**	**405**
Plant and Equipment								
Plant, machinery and equipment	1,944	-	1,944	-	1,944	-	372	1,572
Computers and telecommunications	115	-	115	-	115	-	-	115
Total Plant and Equipment	**2,059**	**-**	**2,059**	**-**	**2,059**	**-**	**372**	**1,687**
Infrastructure								
Roads	6,549	-	6,549	-	6,549	4,775	-	1,773
Footpaths and cycleways	554	-	554	-	554	-	-	554
Drainage	350	-	350	-	350	-	-	350
Recreational, leisure and community facilities	537	-	537	-	537	-	-	537
Total Infrastructure	**7,990**	**-**	**7,990**	**-**	**7,990**	**4,775**	**-**	**3,214**
Total Capital Works Expenditure	**10,454**	**-**	**10,454**	**-**	**10,454**	**4,775**	**372**	**5,306**

4.6 Proposals to lease Council land

This section presents a summary of Council's proposals to lease council land to external parties in the 2026/27 financial year.

For 2026/27 there are no new leases to be reported.

For 2026/27 there are no lease renewals to be reported.

There was one new lease entered into during late 2024/25 which followed the principle set out in the Community Engagement Policy.

5 Targeted performance indicators (Council selected)

The following tables highlight Council's current and projected performance across eight targeted performance indicators selected by Council from the range of prescribed performance measures contained in the *Local Government (Planning and Reporting) Regulations 2020*. These indicators provide a useful analysis of Council's intentions and performance and should be interpreted in the context of the organisation's objectives. Results against these indicators and targets will be reported in Council's Performance Statement included in the Annual Report.

Domain / Indicator	Measure	Notes	Actual 2024/25	Forecast 2025/26	Target 2026/27	Target Projections 2027/28	2028/29	2029/30	Trend +/o/-
Financial management									
Expenditure and revenue level (resources are used efficiently in the delivery of services)	**Average rate per property assessment** General rates and municipal charges / no. of property assessments	1	$1,353	$1,392	$1,437	$1,479	$1,522	$1,567	+
Financial management									
Operating position (an adjusted underlying surplus is generated in the ordinary course of business)	**Adjusted underlying surplus (or deficit)** Adjusted underlying surplus (deficit) / Adjusted underlying revenue	2	5.61%	-55.72%	-19.70%	-13.20%	-13.75%	-16.41%	+
Financial management									
Rates collection Rates and charges are being responsibly collected	**Rates and charges debt** Sum of unpaid rates and charges / Sum of all rates and charges (for the financial year)	3	4.49%	4.32%	4.24%	4.19%	4.19%	4.20%	o
Governance									
Total unpaid rates and charges Assessment of the long-term financial affordability of rates and charges on the community and their capacity to pay	**Total unpaid rates and charges** Sum of unpaid rates and charges and unpaid interest on rates and charges for all financial years / Sum of all rates and charges for the financial year	4	7.60%	7.39%	7.09%	6.95%	6.82%	6.68%	-
Governance									
Capital works planning Assessment of the extent to which council delivered its planned Capital Works program	**Capital works planning** Actual capital works expenditure / Budgeted capital works expenditure	5	89.06%	90.00%	90.00%	90.00%	90.00%	90.00%	o
Governance									
Workforce turnover Resourcing is planned and resources are used efficiently in the delivery of services	**Permanent staff turnover** Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year	6	22.20%	20.70%	21.08%	21.09%	21.09%	21.09%	o
Environment									
Roads (population density per length of road)	**Population per kilometre of local road** Population / Kilometres of local roads	7	1.64	1.64	1.64	1.64	1.64	1.64	o
Responsiveness									
Statutory Planning Assessment of council efficiency in decision-making	**Time taken to decide planning applications** Median number of days between receipt of a planning application and a decision on the application	8	32	30	25	25	25	25	-

Key to target trend:
+ increase in Council's overall targets
o maintaining Council's overall targets
- decrease in Council's overall targets

6 Targeted performance indicators (Mandatory)

The following tables highlight Council's current and projected performance across a selection of targeted service and financial performance indicators. These indicators provide a useful analysis of Council's intentions and performance and should be interpreted in the context of the organisation's objectives.

The targeted performance indicators below are the prescribed performance indicators contained in Schedule 4 of the *Local Government (Planning and Reporting) Regulations 2020*. Results against these measures and targets will be reported in Council's Performance Statement included in the Annual Report.

6.1 Targeted service performance indicators – Mandatory

Domain / Indicator	Measure	Notes	Actual 2024/25	Forecast 2025/26	Target 2026/27	Target Projections 2027/28	Target Projections 2028/29	Target Projections 2029/30	Trend +/o/-
Governance									
Community engagement (council decisions made and implemented with community input)	**Satisfaction with the opportunities offered by Council to be consulted on or engaged in Council decisions** Community satisfaction rating out of 100 with the consultation and engagement efforts of Council	9	51	52	53	53	53	53	+
Environment									
Roads (sealed local roads are maintained and renewed to ensure a safe network)	**Sealed local roads below the intervention level** Number of kms of sealed local roads below the renewal intervention level set by Council / Kms of sealed local roads	10	99.58%	99.00%	99.00%	99.00%	99.00%	99.00%	o
Responsiveness									
Statutory planning (Councils decide on planning applications and fulfill their legislative duties in a timely manner)	**Planning applications decided within the relevant required time** Number of planning application decisions made within the relevant required time / Number of planning application decisions made	11	94.05%	95.00%	95.00%	95.00%	95.00%	95.00%	+
Environment									
Waste management (waste is minimised and sustainability is promoted)	**Kerbside collection waste to landfill per serviced property** Waste in tonnage collected from kerbside waste collection services sent to landfill / Number of serviced properties	12	N/A	0.36	0.37	0.37	0.37	0.37	+

6.2 Targeted financial performance indicators – Mandatory

Domain / Indicator	Measure	Notes	Actual 2024/25	Forecast 2025/26	Target 2026/27	Target Projections 2027/28	Target Projections 2028/29	Target Projections 2029/30	Trend +/o/-
Financial management									
Liquidity (sufficient working capital and cash is available to cover expenses)	**Current assets compared to current liabilities** Current assets / current liabilities	13	1117.15%	579.77%	569.12%	529.23%	516.53%	462.59%	-
Financial forecasting									
Asset renewal and upgrade (renewal and upgrade of assets is planned and delivered)	**Asset renewal and upgrade compared to depreciation** Asset renewal and upgrade expenses / Asset depreciation	14	67.33%	102.66%	71.59%	74.33%	67.25%	75.26%	-
Financial management									
Rates concentration (revenue is generated from a range of sources)	**Rates compared to adjusted underlying revenue** Rate revenue / adjusted underlying revenue	15	29.54%	49.38%	41.19%	39.13%	39.45%	40.61%	-
Financial management									
Expenditure and revenue level (resources are used efficiently in the delivery of services)	**Expenses per property assessment** Total expenses / no. of property assessments	16	$5,203	$5,297	$5,139	$5,265	$5,401	$5,526	+

7 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 interpreted in the context of the organisation's objectives.

The financial performance indicators below are the prescribed financial performance indicators contained in Part 2 of Schedule 3 of the *Local Government (Planning and Reporting) Regulations 2020.* Results against these indicators will be reported in Council's Performance Statement included in the Annual Report.

Domain / **Indicator**	**Measure**	Notes	Actual 2024/25	Forecast 2025/26	Budget 2026/27	Projections 2027/28	2028/29	2029/30	Trend +/o/-
Financial forecasting									
Indebtedness (level of long term liabilities is appropriate to the size and nature of a Council's activities)	**Non-current liabilities compared to own-source revenue** Non-current liabilities / own source revenue		8.53%	8.89%	8.57%	8.43%	8.34%	8.20%	-
Loans and borrowings (level of interest bearing loans and borrowings is appropriate to the size and nature of Council's activities)	**Loans and borrowings compared to own-source revenue** Interest bearing loans and borrowings / own-source revenue		0%	0%	0%	0%	0%	0%	o
	Loans and borrowings repayments compared to own-source revenue Interest and principal repayments on interest bearing loans and borrowings / own-source revenue		0%	0%	0%	0%	0%	0%	o
Population (population is a key driver of a Council's ability to fund the delivery of services to the community)	**Expenses per head of population** Total expenses/ Population		$5,434	$5,594	$5,412	$5,550	$5,691	$5,837	+
	Infrastructure per head of population Value of infrastructure / Population		$54,021	$56,759	$56,267	$55,908	$55,321	$54,859	-
Revenue and grants (revenue is generated from a range of sources to fund the delivery of services to the community)	**Own-source revenue per head of population** Own source revenue / Population		$2,273	$2,219	$2,285	$2,323	$2,343	$2,393	+
	Recurrent grants per head of population Recurrent grants / Population		$2,766	$1,302	$2,240	$2,583	$2,662	$2,625	+
Financial management									
Liquidity (sufficient working capital and cash is available to cover expenses)	**Cash compared to current liabilities** Cash / current liabilities		1117.15%	579.77%	569.12%	529.23%	516.53%	462.59%	-
Operating position (an adjusted underlying surplus is generated in the ordinary course of business)	**Adjusted underlying surplus (or deficit)** Adjusted underlying surplus (deficit) / Adjusted underlying revenue		5.61%	-55.72%	-19.70%	-13.20%	-13.75%	-16.41%	+
Rates effort (rating level is set based on the community's capacity to pay)	**Rates compared to property value** Rate revenue / CIV of rateable properties in the municipal district		0.24%	0.23%	0.24%	0.24%	0.24%	0.25%	o
Expenditure and revenue level (resources are used efficiently in the delivery of services)	**Average rate per property assessment** General rates and municipal charges / no. of property assessments		$1,353	$1,392	$1,437	$1,479	$1,522	$1,567	+
Rates collection (rates and charges are being responsibly collected)	**Rates and charges debt** Unpaid rates and charges / all rates and charges (for the financial year)		4.49%	4.32%	4.24%	4.19%	4.19%	4.20%	o

Key to target trend:
+ increase in Council's overall targets
o maintaining Council's overall targets
- decrease in Council's overall targets

Notes to Indicators

Target Performance Indicators – Council Selected

1. Average rate per property assessment
This target supports efficient use of resources to deliver services and prudent financial management to meet current requirements. The marginal increase reflects Council's relatively low average rate.

2. Adjusted underlying surplus/(deficit)
This indicator measures Council's underlying operating performance by excluding one-off, non-recurrent and capital-related items. It shows whether ongoing revenue is sufficient to support ongoing service delivery. The negative trend reflects continued cost pressures, limited revenue growth and ongoing investment in service delivery and asset renewal, highlighting the need for ongoing focus on financial sustainability.

3. Rates and charges debt
Assesses the affordability of rates and charges for the community and their capacity to pay. A lower proportion of unpaid rates and charges suggests council is managing its rates revenue. It compares unpaid rates and charges to total rates and charges raised for the financial year.

4. Total unpaid rates and charges
Assesses the long-term affordability of rates and charges for the community and their capacity to pay. It compares total unpaid rates and charges from all financial years to total rates and charges raised for the financial year.

5. Capital works planning
This measure provides an assessment of the extent to which council has delivered its planned Capital Works program. A higher proportion of actual capital expenditure relative to budgeted capital expenditure indicates commitment by council to improving infrastructure and assets.

6. Permanent staff turnover
The target supports efficient service delivery through planned resourcing and effective use of resources. A lower level of workforce turnover may indicate greater organisational efficiency and staff engagement.

7. Population per kilometre of local road
This indicator recognises the impact of population on Council's ability to provide services to the community. Council's low ratio reflects a high infrastructure burden and greater reliance on government infrastructure grants than general rates revenue alone.

8. Time taken to decide planning applications
Assesses Council's efficiency in statutory decision-making. A higher proportion of planning applications decided within expected timeframes indicates a more effective planning service. The measure is based on the median number of days between receipt of an application and decision.

Target Performance Indicators – Mandatory

9. Satisfaction with consultation and engagement
This demonstrates the community's perception of whether Council decisions were made and implemented with community input, and aligns with Council's Community Engagement Policy and Council Plan objective to strengthen community participation and engagement in decision-making.

10. Sealed local roads below intervention level
Measures how well councils maintain infrastructure quality, based on asset condition data and planned investment levels.

11. Planning applications decided within required time
Assesses Council's efficiency in planning decision-making by measuring the percentage of planning applications decided within the required timeframe. A higher percentage indicates a more effective statutory planning service.

12. Kerbside collection waste to landfill
Assesses the extent to which Council promotes environmental sustainability by measuring the amount of kerbside waste sent to landfill per serviced property. Council has a relatively low volume of waste sent to landfill and aims to maintain this target.

13. Current assets compared to current liabilities
The target supports a strong liquidity position for Council and aligns with Council's long-term financial plan. A higher asset-to-liability ratio indicates a stronger financial position.

14. Asset renewal and upgrade compared to depreciation
This indicator measures whether Council assets are being renewed or upgraded as planned by comparing renewal and upgrade expenditure to depreciation expense. It indicates whether Council is maintaining the condition, functionality and service potential of its asset base over time, in line with the Asset Plan.

15. Rates compared to adjusted underlying revenue
The target aligns with rate capping legislation, Council's Revenue and Rating Plan, and 10-year Financial Plan, and reflects Council's ongoing reliance on rate revenue to fund services.

16. Expenses per property assessment
This indicator measures how efficiently resources are being used to deliver services. The target is informed by anticipated cost pressures and expected service levels, consistent with the assumptions in the Annual Budget and 10-year Financial Plan.

Glossary

Term	Definition
Act	The *Local Government Act 2020*
Annual Report	A report of Council's operations of the previous financial year and contains a report of operations, audited financial statements and an audited performance statement.
Asset renewal	Expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to original capability.
Asset upgrade	Expenditure that enhances an existing asset to provide a higher level of services; or that will increase the life of the asset beyond its original life.
Australian Accounting standards	The accounting standards published by the Australian Accounting Standards Board.
Balance Sheet	Provides a snapshot of Council's financial position at a specific point in time. It details what council owns (assets), what it owes (liabilities), and its net worth (equity).
Better practice	In the absence of legislation or a relevant Australian Accounting Standard this commentary is considered by Local Government Victoria to reflect better practice reporting.
Budget	A four-year rolling plan setting out the services and initiatives to be funded and how they will contribute to achieving the strategic outcomes in the Council Plan.
Capital Improved Value (CIV)	The value of the land plus the buildings on it and any other capital improvements.
Comprehensive Income Statement	Measures Council's total financial performance. It outlines the revenue earned and operational expenses incurred over a financial year, providing an all-round view of council's financial health. Capital expenditure is excluded; however, the reduction in the value of Council assets is recognised through depreciation.
Council Plan	A plan setting out the medium-term strategic outcomes, strategic priorities, strategic indicators and resources reflecting vision and aspirations of the community for the next four year.
Financial Plan	A plan of the financial and non-financial resources for at least the next ten years required to achieve the Council Plan and other strategic plans of Council. The Financial Plan defines the broad fiscal boundaries for the Council Plan, Asset Plan, other subordinate policies and strategies and budget processes.
Financial Statements	The financial statements and notes prepared in accordance with the Local Government Model Financial Report, Australian Accounting Standards and other applicable standards as they apply to the general purpose financial reports and statement of capital works, included in the annual report.
Financial Year	The period of 12 months ending on 30 June each year.
Forecast	The predicted outcome for the financial year based on available information.
Integrated Strategic Planning and Reporting Framework	The key statutory planning and reporting documents that are required to be prepared by councils to ensure accountability to local communities in the performance of functions and exercise of powers under the Act.
Major Initiative	A significant initiative that Council has identified as a priority and that directly contributes to the achievement of the Council Plan 2025-2029 during the current financial year and has a major focus in the budget.
Minister	The Minister for Local Government

Term	Definition
New asset expenditure	Capital spending on infrastructure or property that provides a new service or function to the community, rather than replacing or maintaining an existing one. It expands council's asset base and future service capacity.
Non-recurrent grants	A grant obtained on the condition that it be expended in a specified manner within a defined timeframe and is not expected to recur in future council budgets.
Own-source revenue	Revenue generated from council operations excluding revenue that is not under the control of Council, e.g. government grants.
Performance Statement	A statement including 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.
Projections	A financial forecast of future revenues and expenses for the three financial years subsequent to the annual budget year.
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*.
Recurrent grant	Ongoing, predictable funding provided to a council by federal or state governments, renewed annually or on a continuous multi-year basis to assist councils in meeting operational and service-delivery costs.
Statement of capital works	The statement 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.
Statement of cashflows	The statement shows the expected net cash inflows and outflows in the forthcoming year in the form of reconciliation between opening and closing balances of total cash and investments for the year. Comparison is made to the current year's expected inflows and outflows.
Statement of changes in equity	The statement shows the expected movement in accumulated surplus and reserves for the year.
Statement of human resources	A statement which shows all Council staff expenditure and the number of full time equivalent (FTE) Council staff.