

### 9.3 *Benalla Rural City Council Financial Plan 2023 to 2032*

SF/1489-07

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#### PURPOSE OF REPORT

The report presents for consideration and adoption the *Benalla Rural City Council Financial Plan 2023 to 2032*.

#### BACKGROUND

The Council at its meeting on Wednesday 20 April 2022 resolved:

1. *That the draft Benalla Rural City Council Financial Plan 2023 to 2032 be endorsed for public exhibition for a period of 28 days from 21 April 2022.*
2. *That submissions relating to the draft Benalla Rural City Council Financial Plan 2023 to 2032 be heard at a meeting of the Finance and Operations Committee on 25 May 2022.*
3. *That the Council consider submissions relating to the draft Benalla Rural City Council Financial Plan 2023 to 2032 at a Council meeting on 15 June 2022.*
4. *That the Council consider the adoption of the Benalla Rural City Council Financial Plan 2023 to 2032 at a meeting of the Council on Wednesday 29 June 2022.*

Public notice of the draft *Benalla Rural City Council Financial Plan 2023 to 2032* (Financial Plan) was given on the Council's website on 21 April 2022 and in the *Benalla Ensign* on Wednesday 27 April 2022.

Feedback was also sought via the Council's website and promoted on social media.

A community information session on the draft *Financial Plan 2022 to 2032* was held on Tuesday 3 May 2022 at the Benalla Civic Centre.

The submission period closed 5pm Thursday 19 May 2022.

At the close of the submission period one submission had been received. No changes have been made as a result of the submission.

The Financial Plan has been provided under separate cover and is available for download from the Council website.

## DISCUSSION

The Financial Plan has been updated with final figures from the *2022/23 Budget*, key financial results in the Financial Plan include:

- Ongoing accounting deficits from 2024, however, the cash position continues to improve throughout the life of the plan peaking in 2032 at \$29 million.
- An improving liquidity ratios, with the Working Capital ratio reaching 496 per cent in 2032.
- Decreasing indebtedness. Only one loan of \$1 million is projected over the 10-year term of the plan.
- Increasing renewal gap. The Asset Renewal ratio is below 50 per cent for most future years. With an improving cash position, there is an opportunity for the Council to increase asset renewal and upgrade capital works expenditure.

## **COUNCIL PLAN 2021-2025 IMPLICATIONS**

### **Leadership**

- *Good governance.*
- *High performance culture.*
- *Engaged and informed community.*

## **LEGISLATIVE AND STATUTORY IMPLICATIONS**

It is considered that the report is consistent with the *Charter of Human Rights and Responsibilities Act 2006* and *Gender Equality Act 2020*.

## **FINANCIAL IMPLICATIONS**

Costs associated with the development of the *Financial Plan 2023 to 2032* were met from existing budget allocations.

The Financial Plan is prepared as part of the Council's integrated approach to reporting. It supports the Community Vision and Council Plan by guiding how the community's needs and aspirations will be financially resourced.

## **OFFICER DECLARATION OF CONFLICT OF INTEREST**

No officers involved in the preparation of this report have any general or material conflicts of interest in this matter.

**CONCLUSION**

While every attempt is made to produce accurate forecasts, the Council recognises the Financial Plan is a rolling plan.

There are a number of dynamic variables that may influence the outcomes expressed in the Financial Plan, including the rate capping framework, grants received and growth in property numbers.

As such, the financial statements and indicators in the Financial Plan will be regularly reviewed post adoption to re-assess the Council's ongoing financial sustainability with up-to-date information.

**Recommendation:**

**That the *Benalla Rural City Council Financial Plan 2023 to 2032* be adopted.**