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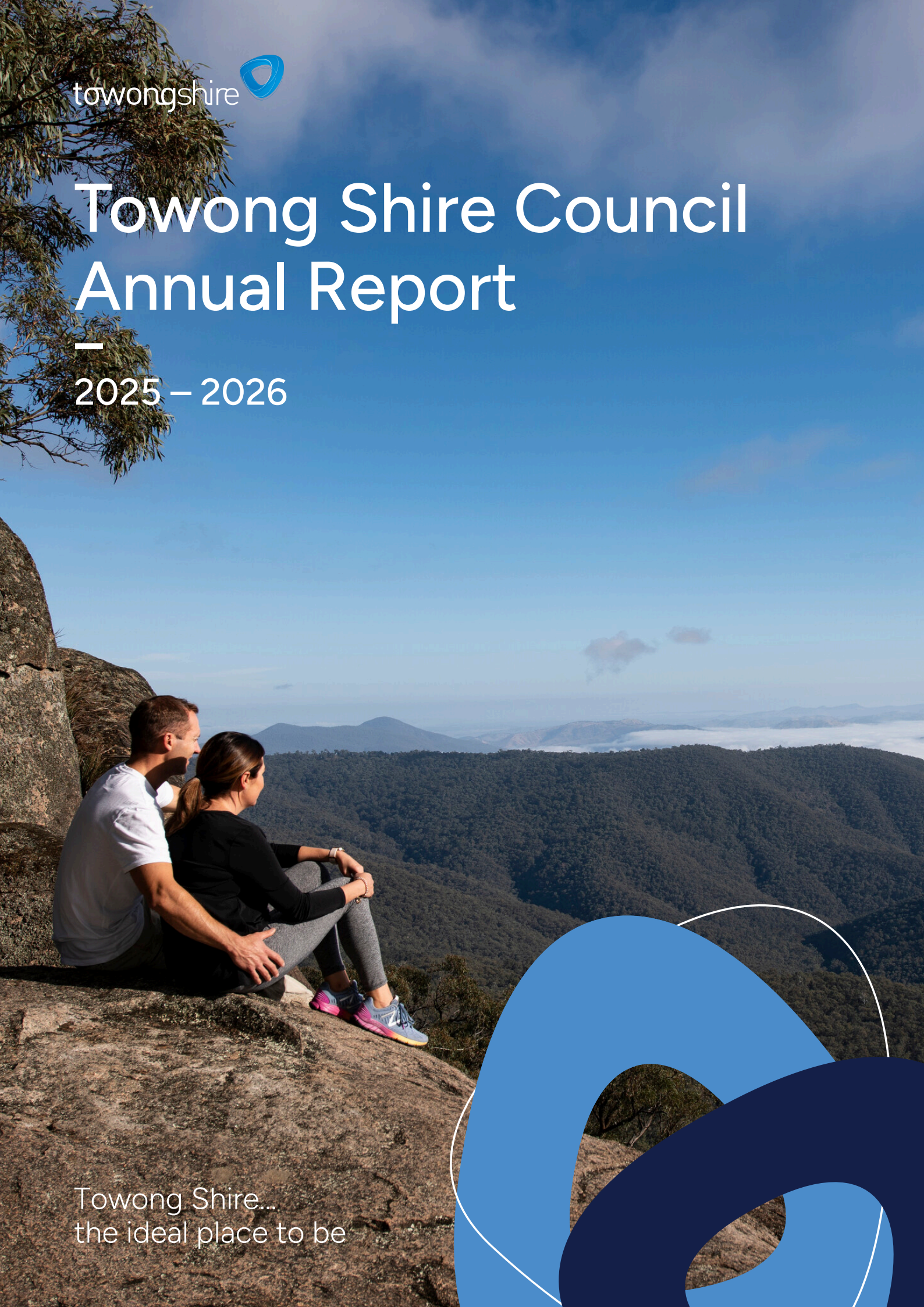
Towong Shire Council Annual Report

2025 – 2026



Towong Shire...
the ideal place to be

Front Cover: Conic Rocks before the January 2026 bushfire

Located in the Mt Lawson State Park the Conic Rocks area was heavily impacted by the January 2026 bushfires. At the time of publication Mt Lawson State Park and the Conic Range Walking Track remain closed whilst Parks Victoria undertake recovery operations.

Acknowledgement of Country

Towong Shire Council acknowledges all the Traditional Custodians throughout the Shire, we recognise their continued care of lands and waters, their living knowledges and wisdom. We pay our respect to Elders past and present, we honour their stories, leadership and strength. We understand that their voice holds the knowledges that has carried them for thousands of years, we are committed to listening and working together to help build a stronger and more inclusive society.

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Introduction

Welcome

Council is committed to transparent reporting and accountability to the community. This Annual Report provides a summary of Council's operations and performance for 2025-26, including a summary of financial performance as well as progress against the strategic objectives set out in the Council Plan 2025-2029:

1. Community Wellbeing
2. Asset Management
3. Economic and Tourism Development
4. Land Use
5. Environmental Sustainability
6. Organisational Improvement

This report also contains a snapshot of significant events, achievements and changes that occurred throughout the year together with audited financial statements, performance indicators and other information as prescribed by the Local Government Act 2020 and the Local Government (Planning and Reporting) Regulations 2020.

Towong Shire Council acknowledges with appreciation the support of the Australian Government and the Victorian Government.

Australian Government

VICTORIA State Government

About Towong Shire



Towong Shire, in far North-East Victoria, enjoys some of Australia's most pristine environments. Our unique wilderness areas, lakes, rivers and streams create diverse landscapes that are enjoyed by around 6,223* residents and many more visitors across an area of 6,675 square kilometres.

Our municipality includes many diverse townships and localities including Bellbridge, Bullioh, Berringama, Bethanga, Biggara, Burrowye, Corryong, Cudgewa, Dartmouth, Eskdale, Granya, Guys Forest, Koetong, Lucyvale, Mitta Mitta, Mt Alfred, Nariel, Old Tallangatta, Shelley, Talgarno, Tallandoon, Tallangatta, Tallangatta Valley, Thologolong, Tintaldra, Towong and Walwa.

The economy of the region revolves around a strong agricultural sector, tourism, and timber production. Approximately two-thirds of businesses in the Shire are in the agricultural and forestry industries.

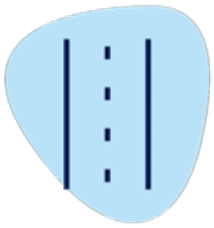
*ABS statistics

Facts, statistics, characteristics



Population

Population[1] – 6,223
Area[1] – 6,675 km²
Private dwellings – 3,098



Roads & Transport

Council roads – 1,183 km
Arterial roads – 483 km
Number of registered vehicles – 4,696
People living near public transport – 5.3%



Individuals & Households

Median age[1] – **52**
Average household size[1] – **2.2**
Access to internet at home[1] – **74.2%**



Economy

Businesses[1] – **925**
Employment participation rate[1] – **88.8%**
Median weekly household income[1] – **$1,282**



Social & Health

People who rated their community as a pleasant environment[2] – 85%
Children fully immunised between 24 and 27 months[4] – 91.3%
Kindergarten participation[3] – 88.9%
People who are members of a sports group[1] – 58.5%

1 Australian Bureau of Statistics 2021 (https://dbr.abs.gov.au)
2 Vic Health (https://www.vichealth.vic.gov.au/sites/default/files/Vic161_Towong_indicator_v5.pdf)
3 State Government of Victoria (https://discover.data.vic.gov.au/dataset/the-child-children-andyoung-people-participate-in-learning-and-education/resource/3809bb4d-0c67-440c-927cf5486e54fd25)
4 Australian Government Department of Health (https://www.health.gov.au/topics/immunisation/immunisation-data/childhood-immunisation-coverage/current-coverage-data-tables-for-all-children)
Unless otherwise indicated, statistics are taken from the latest year available.

About our organisation

Community Vision

The Community Vision 2031 was first developed in 2021 based on the feedback received during our previous Council Plan engagement. To determine if we should refine or change our community vision, we asked the community if the statement was still relevant to them. We conducted a survey in the first half of 2025 where 70.5 per cent of respondents indicated our Community Vision was still relevant.

"Towong Shire will be the ideal place to be: welcoming, vibrant and diverse communities with quality facilities and services."

Council Mission

The Council Mission expresses the core purpose of the Council and guides our Councillors and staff in the pursuit of the Community Vision. It is underpinned by our Values which guide how we work with one another, our communities and stakeholders.

"To provide strong leadership and to work with our communities to enhance their social, economic and environmental wellbeing."

Council Values



Teamwork
We will help others to achieve by being positive, enthusiastic and confident.



Integrity
We will be honest with strong moral principles.



Pride
We will always take care in what we do.



Respect
We will listen and consider other perspectives and treat each other with courtesy.

Message from the Mayor and CEO

It is with pleasure that we present the 2025-26 Towong Shire Council Annual Report.

This report outlines the significant progress that has been made in delivering the initiatives from the Council Plan 2025-2029.

We are very proud of what has been achieved over the past twelve months, despite the many unexpected challenges our organisation and our communities have faced.

It would be an understatement to say that our progress was tested by both nature and economic factors throughout 2025-26.

Our communities faced multiple trials:

- an extended period of drought
- the January bushfire event
- storms and isolated flash flooding
- the terrible condition of state roads across the Shire, and
- cost-of-living pressures facing our ratepayers and businesses - particularly those that are reliant on road travel and have been feeling so much pain at the bowser.

Despite these considerable challenges we completed several major projects including the Bullioh-Wyeeboo Female Friendly Facility, the Cudgewa Recreation Reserve Lighting project, and the Tallandoon Tennis Courts Redevelopment.

After an extensive internal renovation, the Corryong Elyne Mitchell Library was officially reopened in March and is contributing greatly to our ambition of establishing and promoting our libraries as places for educational resources and community connection.

Library-centred events across the year in Corryong and Tallangatta were well supported by the community and will continue in 2026-27 and beyond.

In March work commenced on the $3 million Bethanga Sports Pavilion which will be completed by the end of this year. This project will deliver a modern, accessible and environmentally sustainable facility that will support a wide range of user groups and benefit the entire Bethanga community - and wider Peninsula area - for many years to come.

During the year Council also completed the Resilient Buildings Project with $1 million in total spent on communication, power and water storage upgrades to our community facilities. This project was initiated following the 2019-20 Bushfire event, and provides a lasting benefit for our communities now and into the future, as these facilities enable community connection and social wellbeing, emergency preparedness as well as recovery following natural disasters.

After adopting our Youth Strategy 2025-2029 last year, Council appointed a dedicated Youth Officer for the Upper Murray, and we continued to host and deliver a range of youth-focused events, programs, and activities across Towong Shire during the year.

This included the incredibly popular No Limits Day at the Tallangatta Memorial Hall in September that featured a live performance from First Nations artist JK47. Also, very popular during the year were the six Skate Park events.

The total amount of garbage and recyclables collected by Council in 2025-26 was 2,246 tonnes up 3.7 per cent from the previous year. Total waste diverted from landfill totalled 58.71 per cent which was also a slight increase on the prior year's result.

We also invested a significant amount of time and resources advocating for our community on issues of importance to our communities. These included:

- organising the community rally in Corryong in July in support of a new hospital on a greenfield site in Albury Wodonga

- lobbying the Parliament of Victoria to hold a public hearing in Towong Shire as part of their summer bushfires inquiry after it had initially planned not to do so
- continually drawing attention to the poor condition of state-managed roads in our Shire.

Across the year our Councillors worked tirelessly on behalf of the communities they serve including, and especially, during the summer bushfire emergency in early 2026.

The emergency response placed heavy demands on Councillors' time whether it be to attend community meetings, meeting impacted residents, fulfilling the significant needs of local media, and visiting relief and recovery centres.

We would like to take this opportunity to acknowledge and thank our Councillors for their contributions in what has been another very challenging year for our communities.

Finally, we would like to acknowledge the hard-working team of Council staff who continued to deliver high-quality results for our communities across the year.

The dedication, commitment and hard work by all staff to deliver quality services and facilities to the communities we serve, is a critical factor in our ability to deliver on our vision of Towong Shire being the ideal place to be.





Cr Peter Tolsher
Mayor

Juliana Phelps
Chief Executive Officer

Our Councillors



Cr Peter Tolsher | Mayor

Cr Peter Tolsher has been a resident of Tallangatta since 1976. He is married to Joanne, who was the Librarian at Tallangatta for 35 years, and has two children and two grandchildren. His professional career spanned 40 years including a senior management role at North East Water before retiring in 2022. His dedication extended beyond his professional role, actively contributing to the Water Industry Operators Association as a voluntary board member for over 10 years. Cr Tolsher previously served as a Councillor on Towong Shire Council from 2016 to 2020. He is passionate about improving local infrastructure and services for ratepayers and residents across the Shire.



Cr Denise Anderson | Deputy Mayor

Cr Denise Anderson was elected to Council on 24 October 2020 for her first term. She has been a resident of Towong Shire for 28 years and has lived in the region all her life. Together with her husband Bill, she has three adult children. Cr Anderson has owned a small business and has experience working in the banking and medical industries in the areas of customer service and management. She has been involved with a variety of school and community organisations such as Community Recovery Committees and has been a strong voice advocating for her community on Local, State and Federal Government issues.



Cr David Wortmann

Cr David Wortmann has a long history of service to Towong Shire Council. He was first elected to Council in November 2008 and re-elected for a fifth term in November 2024. He has served six terms as Mayor and is Council's representative to the peak body for Local Government, the Municipal Association of Victoria. A lifelong resident of Granya, Cr Wortmann is married with two adult children and runs a beef and sheep farm as well as operating a school bus service. He has been a CFA volunteer for 45 years and is also Secretary of the Granya Cemetery Trust.



Cr Andrew Whitehead

Cr Andrew Whitehead was first elected to Council in October 2016 and was re-elected for his third term on Council and fourth term as Mayor in November 2024. Cr Whitehead has been an active volunteer in the Upper Murray for over 40 years. He grew up in the Upper Murray and after completing school at Corryong High School, was a mechanic for 30 years as well as working on the family beef and sheep farm at Towong Upper. Cr Whitehead is married to Brenda and they have four children, and he now works full-time on the family farm.



Cr Jon Pitman

Cr Jon Pitman is married to Caz and is the proud father of four boys. Since moving to Corryong in 2001, he has been involved in the community in many ways from the Man from Snowy River Bush Festival to Sacred Heart School, as well as being a long-term member of the local CFA brigade. He has been on the committee of the Corryong Recreation Reserve and a member of a number of other local community groups. Cr Pitman's career experience covers domestic and civil construction and maintenance, tourism, education, small project and site management. Cr Pitman's focus is on bringing community together and a sustainable legacy for our future.

Our Senior Management Team

Juliana Phelps | Chief Executive Officer

Juliana is passionate about the sustainability of rural communities and small rural councils and is committed to ensuring that the residents and ratepayers of Towong Shire have access to quality services and infrastructure. Juliana has served as Chief Executive Officer since 2009, having previously held the position of Director of Community and Corporate Services. She is a graduate of the Australian Institute of Company Directors and a Chartered Accountant, with experience auditing private and public organisations. Juliana holds a Master of Business Administration from Charles Sturt University and a Bachelor of Business (Accounting and Economics). Before joining Council, Juliana held a senior management position in the manufacturing sector in Albury-Wodonga and Melbourne. In 2020, Juliana was recognised as one of the Top 50 Public Sector Women in Victoria.

Jamie Heritage | Director Infrastructure and Environment

Jamie has a passion for civil works and has been the Director of Infrastructure and Environment since 2024. With a background in Mechanical Engineering, he brings extensive experience from both the private and public sectors, having held operational and engineering roles in local government. Throughout his career, Jamie has been committed to delivering practical, innovative solutions that benefit communities. He is guided by his motto: *"Find reasons why we can, not reasons why we can't."*

Narelle Taylor | Director Corporate and Organisational Development

Narelle has served as Director of Corporate and Organisational Development since 2023 and is passionate about the future direction and sustainability of towns in local and rural areas. With a background in the accounting industry, she specialises in audit and compliance while also bringing extensive operational and strategic leadership skills. She holds a Bachelor of Business (Accounting) and a Graduate Diploma of Chartered Accounting from the Institute of Chartered Accountants Australia.

Mark Florence | Director Community and Planning

Mark is dedicated to fostering community wellbeing and development. He works to enhance community services, ensuring that families and residents in Towong Shire have better access to support and facilities. Mark has held the position of Director of Community and Planning since August 2024, having previously worked within local government and the education sector. He has experience in youth services, recreation, community development, and planning. Mark is a graduate of the LG Pro Executive Leadership Program and holds a range of diplomas in education and management.

Organisational structure

Chief Executive Officer

Juliana Phelps

Director Infrastructure and Environment

Jamie Heritage

Works
- Infrastructure maintenance
- Parks and open spaces

Projects
- Construction and development

Asset
- Assets management
- Capital projects

Regulatory control
- Building services
- Environmental health

Environment
- Waste management
- Wastewater and water supply
- Forest industry support

Director Community and Planning

Mark Florence

Community
- Kindergartens
- Maternal and child health
- Recreation and swimming pools
- Libraries
- Youth, family and senior programs
- Emergency management
- Relief and recovery

Land Use and Planning
- Planning and building services
- Environmental health services

Economic and Tourism Development
- Business support
- Agricultural diversity
- Visitor information services
- Event support

Director Corporate and Organisational Development

Narelle Taylor

Finance
- Accounting
- Rates and property
- Payroll

Communications and Engagement

Customer service

Corporate
- Information technology
- Risk management and insurance
- Human resources
- Governance
- Records management

Ranger and Local Laws

Workforce statistics

A summary of the number of full time equivalent (FTE) council staff, as at 30 June 2026, by key result area, employment type and gender is set out below.

Key Result Area	Employment Type	Female FTE	Male FTE	Non-Binary FTE	Total FTE
Asset Management	Casual	0	0.53	0	**0.53**
	Full Time	3	32	0	**35**
	Part Time	0	1.47	0	**1.47**
Community Wellbeing	Casual	0.58	0	0	**0.58**
	Full Time	11.68	3.95	0	**15.63**
	Part Time	23.26	0	0.63	**23.89**
Economic and Tourism Development	Full Time	1	0	0	**1**
	Part Time	1.32	0	0	**1.32**
Environmental Sustainability	Full Time	1	12	0	**13**
	Part Time	0.77	1.29	0	**2.06**
Organisational Improvement	Full Time	7	7	0	**14**
	Part Time	10.11	1.68	0	**11.79**
Relief and Recovery	Casual	0.26	0.21	0	**0.47**
	Full Time	1	1	0	**2**
	Part Time	0.84	0	0	**0.84**
Total		**61.82**	**61.13**	**0.63**	**123.58**

A summary of the number of full time equivalent (FTE) council staff, as at 30 June 2026, by employment classification and gender is set out below.

Employment Classification	Female	Male	Non-Binary	Total
Band 1	1.63	0	0	**1.63**
Band 2	0.7	0.45	0	**1.14**
Band 3	6.5	20.53	0	**27.03**
Band 4	10.44	9.84	0	**20.28**
Band 5	14.84	4.05	0.63	**19.53**
Band 6	16.01	6.84	0	**22.86**
Band 7	7.17	12	0	**19.17**
Band not applicable	4.52	7.42	0	**11.94**
Total	**61.82**	**61.13**	**0.63**	**123.58**

Equal employment opportunity

Council has a Discrimination, Harassment, Bullying, Equal Employment Opportunity and Diversity policy that is reviewed and adopted each year. The policy reflects our desire to enjoy a workplace free of discrimination where each person has the opportunity to progress to the extent of their abilities.

Discrimination relating to sex, marital status, parenthood, race, colour, national origin, physical or mental impairment, religious or political affiliation is not tolerated. Selection of individuals for employment is on the basis of merit and flexible arrangements are available to support employees to balance work and family responsibilities.

The year in review

A snapshot

Tallangatta Visitor Information Centre

July 2025

The Tallangatta Visitor Information Centre underwent a significant refurbishment including new signage, brochure racks, an external screen featuring the destination website, informative videos and displays of historical artefacts – all designed to give visitors a deeper connection to the stories of Tallangatta and the Towong region. The Sandy the Warhorse Committee and the Tallangatta Heritage Group made vital contributions to delivering this new community asset.

Community rally in Corryong

August 2025

Almost three hundred Corryong residents and members of neighbouring North East communities as well as representatives from nearby Councils and local media filled the Corryong Memorial Hall on Sunday 15 August in support of a new hospital on a new greenfield site in Albury Wodonga. Those who attended the rally also signed a petition in support of better healthcare in the North East with Council collecting more than 750 signed petitions overall. The event generated significant media and profile-raising for better healthcare outcomes in the North East.

New $3 million sports pavilion for Bethanga announced

September 2025

Council announced that a new Sports Pavilion will be built at the Bethanga Recreation Reserve. Council committed $2 million to the $3 million project. The Victorian State Government is contributing $1 million to the project with local community groups including the Bethanga Cricket Club, Bethanga Tennis Club, Gymkhana Committee, and SR5000 Committee also pledging financial contributions to help make the project a reality. Q1 Constructions was announced as the project builder in March 2026, with completion expected in Spring 2026.

Works commence on the Corryong library transformation

October 2025

The upgrade and renovation of the Elyne Mitchell Corryong Library commenced after Council was successful in securing $320,000 through the Victorian Government's 2024–25 Living Libraries Infrastructure Program to facilitate this major upgrade. This was one of just eight grants made by the State Government in 2024–25 to support library upgrades across all of Victoria. A temporary library and customer service centre was opened in Davis Cottage whilst the library underwent renovations.

Community walks support 16 Days of Activism

November 2025

On 18 November, two community walks were held in Tallangatta and Corryong as part of the global 16 Days of Activism Against Gender-Based Violence. These events brought together residents, local school children and Council staff to start conversations, and show support for a future free from violence. Also in November, Council engaged Wellbeing Practice Co to commence a LGBTIQA+ Youth Social and Advisory Group.

Bellbridge Café and Walking Trail officially opened

December 2025

The Bellbridge Cafe and new 4.2km Walking Trail were officially opened in December and are now providing new ways for the Bellbridge community to come together to connect, relax, and exercise whilst taking in the world class views of Lake Hume. Not only are the local community enjoying the benefits of these two new attractions, importantly they are attracting visitors, tourists and potential investors to Bellbridge and provide a gateway to the many other attractions throughout Towong Shire.

Bushfire response

January 2026

The January 2026 bushfires significantly impacted a number of Towong Shire communities, affecting safety, wellbeing, access, and social connection. Council directed significant resources to work with emergency services in responding to the bushfire emergency and keeping communities informed. This included standing up emergency relief centres, hosting community meetings and ensuring online access to these meetings via Council's Facebook page.

Bushfire Recovery Hubs open in Corryong and Tallangatta, Relief and Recovery newsletter launched

February 2026

Council opened Bushfire Recovery Hubs in Corryong and Tallangatta to support residents impacted by the 2026 bushfires with the Recovery Hubs providing a single point of contact where multiple agencies could offer information, advice and assistance related to bushfire recovery. Council's Relief and Recovery newsletter provided key updates, support services, and practical information in one place and shared with the community up-to-date relief and recovery information including available assistance, service changes, community support, and important contacts.

Elyne Mitchell Corryong Library re-opens

March 2026

After an extensive $320,000 internal renovation, the Corryong Elyne Mitchell Library was officially reopened. The library proudly carries the name of Elyne Mitchell OAM, the much-loved local author best known for the *Silver Brumby* series and her deep connection to the Upper Murray. Elyne lived at Towong Hill and drew inspiration from the surrounding landscapes and mountains for much of her writing. Fittingly Mrs Honor Auchinleck, daughter of Elyne Mitchell, was present at the reopening ceremony.

Community opens new Tallandoon Tennis Courts

April 2026

The new Tallandoon Tennis Courts were officially opened following the first major upgrade to facilities since the courts were built in the 1960's. The $600,000 project included a contribution of $32,000 from Council and was delivered with support from the Victorian Government, and in partnership with the Tallandoon Tennis Club and the Recreation Reserve Committee. The Tennis Club and the Reserve Committee – with the help of residents – oversaw the demolition of the old courts, the fencing around the courts, and the lights, clearing the way for the redevelopment.

Council advocacy – bushfires

May 2026

Following considerable advocacy efforts by Council, the Parliament of Victoria's Bushfire Inquiry agreed to hold an online open mic session with Towong communities on 6 May providing local communities with the opportunity to register their concerns and recommendations directly with the Committee. Council also lodged a formal submission to the Parliament of Victoria's Inquiry into the 2026 summer fires across Victoria.

Upgrades at the Cudgewa and Bullioh-Wyeeboo Recreation Reserves officially open

June 2026

The new lights at the Cudgewa Football and Netball Club were made possible by Council securing $250,000 in funding from the Victorian Government's Country Football and Netball Program, together with a Council contribution of $48,000 and funds from the Cudgewa Football Netball Club. A few days after the new lights were officially turned on, the official Opening of the Bullioh-Wyeeboo Female Friendly Facility took place. This new and modern pavilion was also funded with a $325,000 Council contribution, $250,000 from the Country Football and Netball Program, as well as a contribution from the Bullioh Football Netball Club.

Major capital works

Corryong Elyne Mitchell Library Upgrade

Total Project Cost: $320,000

The Corryong Elyne Mitchell Library was upgraded utilising $320,000 in funding secured through the Victorian Department of Government Services under the Living Libraries Infrastructure Program 2024-25. The upgrade commenced in November 2025 and was completed in February 2026 delivering a modern, flexible and inclusive community facility for Corryong and the wider Upper Murray region that will support a wide range of community uses.

Benefits of the library upgrade include:

- A new reading room and quiet study spaces
- Improved access to learning and technology
- An early years area with flexible, child-friendly furniture
- A small private meeting room for telehealth and confidential use
- Improved acoustic treatment, layout and lighting
- Integration with the existing rear meeting space to support training and events
- Upgraded technology, including RFID self-service and return equipment
- Furniture and fittings that support collaboration, learning and inclusion.

Bullioh-Wyeeboo Female Friendly Facility

Total Project Cost: $690,000

The previous players amenities for netballers at the Bullioh-Wyeeboo Recreation Reserve presented significant game day challenges for participants: being so far away from the netball courts meant there was perennially an inadequate amount of time during breaks in matches for players, umpires and officials to use the amenities. This resulted in regular delays in start times and overall scheduling disruption.

The new Female Friendly Facility was constructed adjacent and close to the netball courts and close to the football oval with a veranda along the eastern and western sides of the building creating much needed undercover spectator areas for both the netball courts and football oval, benefitting all user groups.

This project was developed through strong partnerships between Council who committed $325,000 towards the project, the Bullioh-Wyeeboo Recreation Reserve Committee of Management, the Bullioh Football Netball Club, Sport and Recreation Victoria, and Netball Victoria.

Opened in June 2026 the new Facility has transformed the game-day experiences for players, volunteers and spectators alike whilst providing modern infrastructure that will support local sport and community connection for future generations.

Construction of the Bethanga Recreation Reserve Pavilion

Total Project Cost: $3,000,000

The ageing and increasingly inadequate condition of the existing facility at the Bethanga Recreation Reserve had become a barrier to participation and club growth in cricket and tennis, restricted community use, and discouraged local schools from hosting sporting events there. For many years these limitations have prevented the Reserve from being the accessible and welcoming space the community needs.

Construction on the new Pavilion commenced in March 2026 shortly after Q1 Constructions Pty Ltd – an award-winning North East Victoria construction company – was announced by Council as the successful tenderer for the Project. Council's commitment to the project is $2 million and $1 million has been secured from the Victorian State Government's Regional Community Sports Infrastructure Fund. Local community organisations will also contribute $32,000 to the project.

This project will deliver a new, fully accessible Sports Pavilion with modern changerooms and amenities for players, officials, volunteers and spectators. It will support existing activities such as cricket, tennis and football, and enable broader community use including for fitness programs, events and emergency training.

The project was shaped by several years of community consultation and collaboration between Council, the Bethanga Recreation Reserve Committee, the Sports Pavilion Project Reference Group, Sport and Recreation Victoria, Cricket Albury Wodonga, Tennis Victoria and Four18 Architecture.

The new Bethanga Recreation Reserve Pavilion will open in Spring 2026.

Lake Road Reconstruction

Total Project Cost: $741,000

The Lake Road Reconstruction Project is a strategic investment in regional connectivity and safety. Spanning 7km through Jarvis Creek the upgrade will deliver enhanced travel between Bellbridge, Bethanga, and Tallangatta, while supporting agricultural operations and recreational access along Lake Hume.

Key benefits include:

- Bulk earthworks to reshape and stabilise the road corridor
- Drainage upgrades to improve stormwater management and reduce erosion
- Subgrade preparation to support long-term pavement performance
- Road sealing to provide a durable, low-maintenance surface that improves ride quality and reduces dust
- Widening and realignment to enhance sight distances and overtaking opportunities
- Signage and safety improvements to support all road users

This project is aimed at connecting communities, supporting local productivity, and unlocking economic and recreational opportunities across the region.

Stage 1 – Bellbridge/Bethanga End

Stage 1 focused on the eastern section of Lake Road, where crews have:

- Completed bulk earthworks and subgrade preparation
- Commenced laying the first layer of road pavement
- Upgraded drainage infrastructure to improve stormwater management
- This stage sets the foundation for the broader reconstruction effort and is expected to be completed in 2026.

Delivering the Lake Road upgrade in stages will allow Council:

- Upgrade unsealed sections of Lake Road in line with our Council Plan
- Minimise traffic disruption and maintain access for agricultural vehicles
- Coordinate work with seasonal conditions and contractor availability
- Apply learnings from each stage to improve delivery efficiency
- This strategic investment supports regional connectivity, enhances safety, and unlocks economic and recreational opportunities across the Lake Hume corridor.

Cudgewa Lighting Upgrade

Total Project Cost: $345,000

Upgrading the lighting at the Cudgewa Recreation Reserve was the highest priority project identified in the Cudgewa Recreation Reserve Master Plan, developed in 2022.

The much-needed lighting upgrade was made possible by Council securing $250,000 in funding from the Victorian Government's Country Football and Netball Program as well as funding from the Cudgewa Football Netball Club and $48,000 from Council.

The Cudgewa Lighting Project aligned with several initiatives and objectives in Towong Shire's Council Plan 2025-2029 specifically; enhancing our community's access to safe, modern recreation facilities and strengthening the vibrancy of our smaller townships.

The upgrade was officially completed in June 2026 and has delivered:

- Four 28-metre light poles that will deliver 100 lux lighting
- Infrastructure now in place that has the capacity to upgrade to 200 lux if required in the future
- Lighting that meets AFL-standard training requirements, ensuring the oval can be used safely and effectively by all teams.
- Reduced running costs with modern LED lighting that is more energy-efficient and lowers long-term expenses.
- An increase in usable training space through brighter and more consistent lighting that allows the entire oval to be used.
- Much needed support of higher participation by enabling more players to train at the same time and encouraging greater community involvement.

Importantly, this upgrade will deliver benefits beyond sport with the Cudgewa Recreation Reserve designated as a bushfire 'Place of Last Resort', these new lights will also enhance emergency preparedness and response, providing added safety and reassurance for the community.

Tallandoon Tennis Courts Redevelopment

Total Project Cost: $593,599

Despite being a community meeting place for generations, the tennis courts at Tallandoon had not had a significant upgrade since they were built in the 1960's.

Council delivered this project with support from the Victorian Government, and in partnership with the Tallandoon Tennis Club and the Recreation Reserve Committee. The project received $456,771 of State Government funding through the Regional Community Sports Infrastructure Funding program, $32,000 from Council, and community contributions.

The Tennis Club and the Reserve Committee – with the help of residents – oversaw the demolition of the old courts, the fencing around the courts, and the lights, clearing the way for the redevelopment to begin. In their place has been built two high-quality acrylic courts accompanied by installation of club competition standard lighting. New fencing and an accessible path linking the courts to the clubrooms have also been constructed as part of the redevelopment.

Planning and delivering this project was a team effort with local Tallandoon contributors including the Tallandoon Tennis Club, Tallandoon Recreation Reserve Committee of Management, Tallandoon Hall Assembly, Mighty Mitta Muster Committee, Noorongong Fire Brigade, and members of the Mitta Valley community. The new courts were officially opened in April 2026.

Corryong Circuit Trail

Total Project Cost: $750,000

The Corryong Circuit Trail Project has delivered a 4.7km shared walking and cycling trail, connecting points of cultural, natural, and historical significance while providing valuable recreation opportunities for the community.

Previously, Corryong's footpath network did not provide the necessary connections to support off-road community recreation and exercise. This project addressed that gap by looping the township through a combination of existing footpaths, new concrete and sealed pathways, and key infrastructure upgrades, including a pedestrian bridge and boardwalk.

The project has delivered:

- A pedestrian boardwalk and bridge along sections of Cemetery Creek.
- Approximately 975m of new sealed paths along Cemetery Creek.
- Approximately 2.2km of new concrete paths along township roads.
- Interpretive and wayfinding signage along the full 4.7km trail.
- Landscaping enhancements to improve amenity and trail user experience.

Funding for the project has been provided by the Victorian Government's Regional Infrastructure Fund, the Australian Government's Local Roads and Community Infrastructure Program, and the Australian Government's Local Economic Recovery Fund.

The project was completed when new signage was installed on the trail in September 2025. The Trail supports Council's strategy of creating safe, clean open spaces and playgrounds that allow for passive and active recreation activities outlined in the Council Plan 2025-2029.

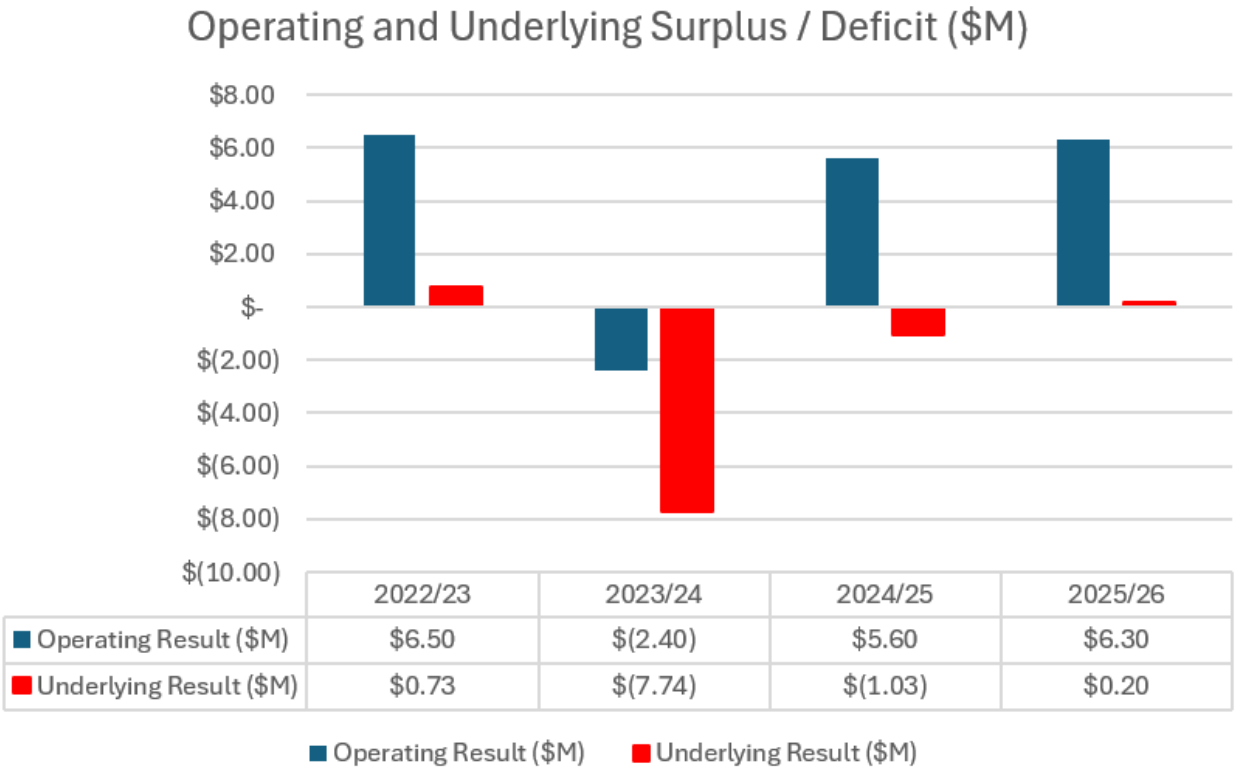
Financial Summary

Operating result

Council achieved an operating surplus of $6.3 million in 2025-26 against a budget surplus of $4 million, while the underlying result was a surplus of $20,000 against a budgeted deficit of $2.4 million. This was primarily due to:

- Reimbursements from disaster relief funding arrangements (DRFA) being $3.5 million due to completion of works from prior years as well as unforeseen disaster related works during the year.
- $5.5 million (or 80 per cent) of 2026-27 Financial Assistance Grants paid early in June 2026.
- $1 million reduction in depreciation expense following external valuation reviews, which resulted in revisions to the useful lives of several major assets.

A comparison of operating results from the prior four years is provided in the graph below.



	2022/23	2023/24	2024/25	2025/26
Operating Result ($M)	$6.50	$(2.40)	$5.60	$6.30
Underlying Result ($M)	$0.73	$(7.74)	$(1.03)	$0.20

The rate capping environment

The Victorian Government introduced the Fair Go Rates System from 1 July 2016 to contain the cost of living for ratepayers, with annual rate increases limited by the 'rate cap' set by the Minister for Local Government. If a council has a strong requirement to raise rates in excess of the cap, an exemption request for a higher rate cap can be lodged to the Essential Services Commission for formal approval. The approval process is extremely rigorous and includes a consideration of community views and other funding options. During the 2025-26 financial year, the rate increase adopted by Council was 2.75 per cent (consistent with the rate cap).

Financial sustainability challenges

Like other small councils across rural Victoria, Towong Shire's large geographic area and small population present significant challenges to adequately fund the maintenance and renewal of community assets and deliver responsive services that meet the needs of the community. Low population, vast distances between communities and an economy that largely revolves around climatic conditions (particularly agriculture, forestry and tourism) are further factors that impact our financial sustainability. In addition, Council does not have the option to raise revenue through other avenues like larger councils do, such as parking fees, development contributions and levies.

Sustainability outlook

Maintaining services and infrastructure at the standard our communities expect presents considerable challenges, particularly as recent inflation has far outpaced the State Government's rate cap. Over several years, we have worked hard to secure substantial grant funding to support a wide range of capital works benefiting our communities. Councillors and Council officers have actively advocated for the needs of ratepayers and residents, submitting many well-considered applications to both State and Federal Governments. This work has delivered results over the past few years. Whilst we have been successful in securing funds through competitive grant processes, the majority of this funding is tied to specific, one-off projects. Reliance on such grants is not sustainable, and without ongoing support from Federal and State governments, our ability to meet future community needs could be compromised. We also acknowledge the rising ongoing costs associated with new infrastructure and the impact these have on our long-term financial sustainability.

Council continues to advocate to State and Federal Governments for more reliable funding to support long-term infrastructure renewal. This advocacy includes direct engagement with government representatives, the submission of formal proposals, and collaborative campaigns alongside other small rural councils. In the absence of more dependable funding, it may become necessary to reduce services or limit the maintenance and renewal of existing infrastructure.

Long-term response

Council's long-term approach to sustainability focuses on increasing the number of rateable properties across Towong Shire. This strategy enables better use of existing rural infrastructure and allows costs to be distributed across a broader ratepayer base. Council has demonstrated its commitment to this approach through the ongoing delivery of several key strategic projects, including:

- Master planning exercises in key communities (Our Town Towards 2030 for Tallangatta, Mitta Mitta, Bellbridge, Corryong, Bethanga)
- Construction of new recreational facilities and multi-purpose centres throughout the Shire (Corryong, Cudgewa, Mitta Mitta, Tallangatta, Tallangatta Valley and Walwa)

- Assisting the applications for residential subdivisions in growth areas around Tallangatta and Bellbridge.

Other measures include a continued focus on opportunities to reduce the cost-of-service delivery, including the development of shared services with other councils.

Without adequate funding to provide essential services and infrastructure, residents may relocate to larger shires and regional cities where their needs can be met. A declining local population creates a downward spiral for rural towns, with fewer residents contributing to the community and sharing the costs of local services and infrastructure. This, in turn, places increased financial pressure on rural councils.

Rates and charges

Rates and charges increased by $290,000, supported by a 2.75 per cent rise in general rates and the municipal charge, in line with the State Government mandated rate cap approved as part of the 2025-26 Budget. Adhering to the rate cap continues to place considerable strain on Council's financial sustainability. We also recognise that higher inflation and slower wage growth are impacting our residents and have determined that the rate increase aligns appropriately with their capacity to pay.

Fees and fines

Statutory fees were up by $12,000 on the prior year and down $106,000 on budget due to a lower than expected level of building permits, fees and charges. With the planned residential developments in Tallangatta and Bellbridge, we expect revenue from building and planning permits to increase over the years.

Grant income

Net grant income was $21 million, in line with prior year and, well up on budget ($15.9 million). The key factors that contributed to this result included the timing related to the receipt of the Financial Assistance Grants and Local Roads Fundings, both of which 50 per cent of the current year allocation, plus 80 per cent ($5.5 million) of the next year allocation was paid. The completion of a number of specific purpose grants, such as community projects, meant that we recognised higher income as a result of these being carried forward from the prior year.

Other Income

Other income was higher at $5.6 million, above budget of $4.4 million. Other income primarily reflects one-off events, including higher interest on investments resulting from slower-than-planned capital expenditure, which allowed more funds to remain invested. Additional income was also received through insurance claims and disaster recovery funding.

Expenses

Expenditure increased by 14 per cent over budget, contributed by higher expenditure related to community projects that were largely grant funded and not awarded at time of budget. Material costs exceeding the budget were driven by the increase in capital-related works.

Capital expenditure

Capital works expenditure was down on prior year by $2 million, reaching $10.2 million for the year. Significant natural disasters contributed to a slowdown in capital expenditure in the back half of the year as works were prioritised towards those damaged. We expect to exceed our expenditure levels on capital works in the following year. Despite the underbudget, $3 million was incurred on roads, $2 million on plant and equipment replacements and $2.6 million on property.

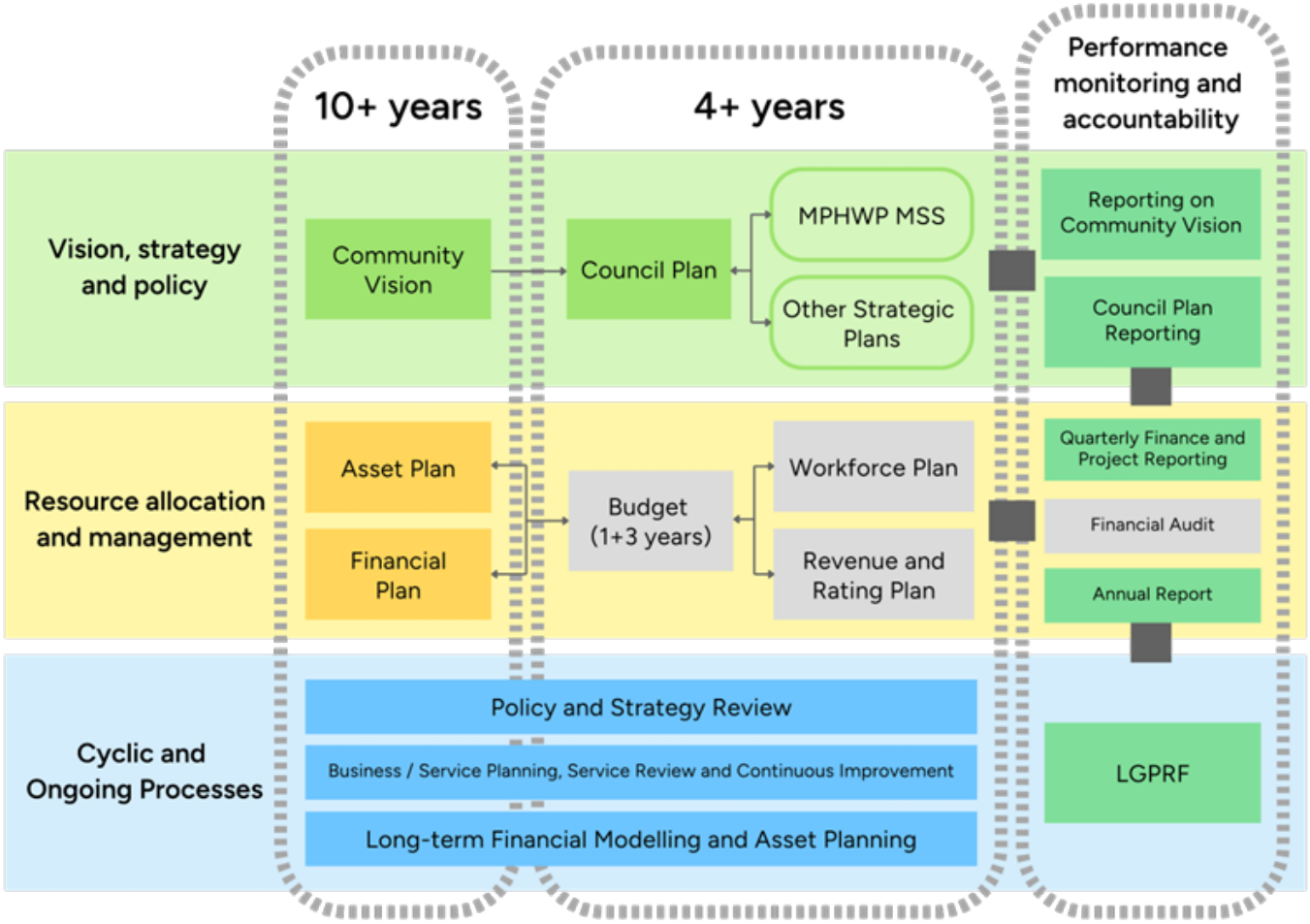
The carried forward amounts on capital projects now see budgeting for a capital spending program in the 2026-27 financial year of $23 million which include works relating to:

- Bridge replacements that were damaged in March storm/floods
- Galleon Park reconstruction, Corryong
- Evans Street, Corryong
- Hanson Street, Corryong
- Yabba Road Bridge Renewals
- Road restorations that were damaged in February storm/floods
- Playground equipment renewals
- Mitta Mitta Streetscape – Stage 2
- Various Renewal Programs

Our performance

Planning and reporting framework

The following diagram shows the relationships between the key planning and reporting documents that make up the planning and reporting framework for local government, as well as other key strategic plans of Council. There are opportunities for community and stakeholder engagement at each stage of the planning and reporting cycle.



*Adapted from the Department of Jobs, Precincts and Regions. (2021). Local Government Better Practice Guide 2021–2022 (p. 10).

Reporting on the delivery of the Council Plan

The following pages detail Council's performance for the 2025-26 year against the six strategic objectives and the associated initiatives and measures detailed within the Council Plan 2025-2029.

1. Community Wellbeing

Strategic objective

Encourage and support all people in our Shire to be healthy, happy, connected and resilient.

Strategies

- Enhance the health and wellbeing of all residents and communities through access to a range of inclusive and culturally diverse activities, programs, and facilities.
- Improve the opportunities for residents and communities to participate in physical activity and recreation.
- Maintain and develop quality and efficient Early Years services.
- Maintain Emergency Management Co-ordination and activities to strengthen community preparation and resilience for future emergency events.

Highlights	• Council's Reconciliation Action Plan (RAP) was adopted at the September 2025 Council meeting and endorsed by Reconciliation Australia. • Completion of the Resilient Buildings Project. • Council was successful in receiving state government funding for upgraded lighting of the Corryong Recreation Reserve ($240,000). • Successful completion of the Corryong Elyne Mitchell Library refurbishment with a re-opening event held in March 2026. • The commencement and progress of the Bethanga Sports Pavilion project. • Increased library visitation and membership. • Council's Municipal Health and Wellbeing Plan 2025-2029 was adopted in October 2025 and implementation commenced. • Youth events have continued through initiatives such as the North East Skate Series. Council has also delivered creative craft and storytelling workshops, providing opportunities for young people to build skills, express creativity and strengthen community connections. • Following the wind up of the Corryong Neighbourhood Centre (CNC), Council received funding from DFFH for scoping of Neighbourhood House options for the Upper Murray and from Border Trust for the employment of a Youth Officer based in Corryong. • Completion of the Tallandoon Tennis Courts upgrade, Bullioh-Wyeeboo Female Friendly Facility and Cudgewa lighting projects and successful opening events held for all three projects. • Further support for the arts through collaboration and support from Murray Arts and Regional Arts Victoria to support art groups within the Shire. • Successful swimming pool season including support for emergency support organisations and personnel during the January 2026 fires. • Relocation of the Walwa Early Years Centre to the Walwa Primary School. • Continued provision of Early Years Services including childcare, Kindergarten, and Maternal Child Health.

Challenges	• Emergency Management planning, collaborations, and funded program delivery continued.
	• Volunteer sustainability across the board continues to be impacted by Towong Shire's ageing demographic. Council met and collaborated with Griffith University on National Volunteer mapping and vulnerability. • Provision of consistent levels of service and engagement due to the geographical population dispersion. • Limited success in recruitment of staff to our Early Years services. • January 2026 Bushfires – this required significant diversion of resources from a range of services to support our response to this emergency event.

Resilient Buildings Project

Finalisation of this project is one of the key achievements of this Annual Reporting Period. This project was initiated following the 2019-20 bushfires and whilst the bushfires caused significant devastation and destruction, this project has enabled us to position communities for emergency preparedness as well as improve day-to-day use of the facilities. If there is a silver lining in any of these disasters it is this legacy project that will have lasting benefit for the affected communities for many years to come. This project delivered upgrades to 28 community facilities with 23 facilities receiving UHF equipment to ensure communication is maintained in emergency events; 8 facilities had solar panels installed; 12 facilities had battery storage installed; 10 facilities received water tanks; and 16 had electrical generator inlet capability upgraded. The following facilities were recipients of upgrades:

Bethanga Hall
Biggara Hall
Corryong Youth Club
Cudgewa Rec. Reserve
Cudgewa Hall
Dartmouth Hall
Upper Murray Events Centre
Eskdale Sports Centre
Fernvale Hall
Tallangatta Valley-Wyeeboo Rec Reserve
Eskdale Hall
Granya Hall
Jarvis Creek Tennis Rec. Reserve
Mitta Public Hall
Magorra Park Rec. Reserve
Shelley Forest Camp
Talgarno Hall
Tallangatta Memorial Hall
Berringa Community Centre
Tallangatta Valley Hall
Thowgla Hall
Tintaldra Hall
Tintaldra Rec. Reserve
Towong Hall
Towong Turf Club
Walwa Hall
Walwa Rec. Reserve
Bullioh Hall

Despite ongoing challenges in staff recruitment in our Early Years services largely as a result of Towong Shire's remote location, Council continues to deliver valuable early years services across the Shire. The three-year-old kindergarten program has been successfully integrated with the four-year-old program and is now operational in Corryong, Tallangatta, Bellbridge, and Walwa. This integration has provided a consistent and enriching early education experience for children in these communities.

Council maintained strong performance in its Emergency Management efforts including training of staff, conducting scenario responses, linking with other response agencies, and collaborating with neighbouring Shires.

Strategic indicators

Indicator	Target	Result 25/26	Result 26/27	Result 27/28	Target Reached
Library memberships	30% of the population members of Library as per ALIA guidelines	20%			No
Visits per head of population	3.5 visits per capita as per ALIA guidelines	2.24 per capita			No
Percentage of all implementation actions achieved	25% implementation of actions	40%			Yes
Delivery of services at the former Corryong Junior Campus site	Implementation of community services	4 permanent			Yes
Successful completion of all recreation facility projects	Complete Tallandoon, Bullioh and Cudgewa projects	100%			Yes
Increase in visitation to Council pools	12,000 visits across the two pools	12,075			Yes
Delivery of a planned program of engagement with community sport and recreation groups	Engagement with clubs, groups and Committees of Management through several initiatives	100%			Yes
Continued reduction of numbers on Early Years services waiting lists	Limit time families spend on the waitlist to less than 12 months	90%			No
Permanent Early Years licence at Walwa Primary School achieved	Permanent licence to operate granted at Walwa Early Years	90%			No
Facility infrastructure priorities confirmed and delivery progress made	Unmet demand identified and catered to through infrastructure	50%			No
All Early Years Services rated at "meeting" required service quality and performance standards	Rating of "Meeting" the National Quality Framework awarded to each service	75%			No

100% participation in Maternal Child Health services by all relevant cohorts	All children attend at least one key age and stage visit	100%	Yes
Reduction in cost of Maternal Child Health Services	Align spending with State funding.	100%	Yes
Resilient Buildings project and rebuild program delivered	Project delivered	99%	Yes
All required MEMPC meetings and processes delivered	4 meetings per year	100%	Yes
Emergency Management resource allocations and training programs delivered	Attending all regional training and briefing opportunities Annual internal training delivered	100%	Yes

Le * Data source issued every 3 years.
D/U = Data unavailable at the time

Service performance indicators

Indicator	Result 2023/24	Result 2024/25	Result 2025/26	Comments
Utilisation *Utilisation of aquatic facilities* [Number of visits to aquatic facilities / Municipal population]	1.73	1.85	1.87	Council operates two outdoor seasonal swimming pools. There were 11,647 visits recorded in 2025-2026 including external user groups compared to 11,506 visits in 2024-25 and 10,804 in the prior year. The Tallangatta pool was closed for 5 days and the Corryong pool closed for 10 days due to the fires which also affected attendance.
Service cost *Cost of aquatic facilities* [Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]	$26.10	$26.50	$27.46	Despite rising industry costs, the service cost for Towong Shire Council is a solid result and was assisted by the minor increase in participation across the Tallangatta and Corryong Pools.

LIBRARIES				
Utilisation *Loans per head of population* [Number of physical library collection item loans / Population	NEW	2.79	2.97	The statistic increased slightly year-on-year representing an encouraging upward trend.
Resource standard *Recently purchased library collection* *[Number of library collection items purchased in the last 5 years / Number of library collection items] x100*	28.94%	24.10%	28.6%	The collection's average age increased following reduced purchasing between 2020–2023; however, refreshing and improving collection health became a priority for libraries in 2024-25.
Participation *Library membership* [Number of registered library members / Population] x100	17.99%	19.54%	20.17%	Library participation has shown a steady increase. Council operates two static libraries in its main centres of Corryong and Tallangatta, servicing a small, dispersed population across 6,635 square kilometres. Many residents live outside these centres and may access library services in neighbouring municipalities.
Service cost *Cost of library service per population* [Direct cost of the library service / Population]	$28.45	$39.97	$46.14	Library funding supports equitable access to essential community services, resources and programs, particularly for residents in a small and geographically dispersed community. Government grants significantly assist Council to maintain their library facilities.
MATERNAL AND CHILD HEALTH (MCH)				
Service standard *Infant enrolments in the MCH service* [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	100%	98%	98%	Almost all children born in the LGA during 2025-26 were enrolled in the MCH service.

Service cost *Cost of the MCH service* [Cost of the MCH service / Hours worked by MCH nurses]	$80.00	$101.69	$95.31	Family Support resources were committed into the MCH service compared to prior year which contributed to a greater per unit cost. The resources committed and activities conducted were not completed by nurse staff, therefore as a measure of cost / hours worked by MCH nurses, this has driven an increase in the service rate cost.
Participation *Participation in the MCH service* [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	84.89%	84.51%	87.55%	The participation rate has remained consistent across the past three years.

Council Plan progress report

Indicator	Status	Comment
1.1 Implement the actions from the Municipal Health and Wellbeing Plan 2025-2029.	Ongoing	The Towong Alliance has been re-established and meetings set for 2026. The Alliance will oversee implementation of the MHWP actions. The Vic Kids Eat Well program has been introduced at the Corryong and Tallangatta Pools whilst several events have been held to improve community connection and inclusion.
1.2 Promote opportunities for communities to access libraries as a community connection hub and educational resource.	Ongoing	Corryong library renovation completed in March 2026 and the new space offers more access for education, study, and community connection. Library programming has included pop-up services across several towns and also a new community library established in Bellbridge. Library visitation continues to increase and programming and cultural calendar events, community canvas, writing workshops are being delivered as part of the ALIA grant, Support of IDAHOBIT Day is being delivered in the library spaces.

1.3 Facilitate the Murray Arts partnership to support arts and culture groups, individuals and activities throughout the Shire.	Ongoing	Ongoing partnership with Murray Arts which has provided cultural and arts opportunities for several individuals and groups.
1.4 Implement the actions from the Youth Strategy 2025-2029.	Ongoing	Several youth events successfully completed, JK-47 youth concert Tallangatta, Art Classes Tallangatta and Corryong, Skate Park event Corryong. Funding secured for Youth Officer from Border Trust, Collaboration with NE Youth Network for Battle of the Bands. DFFH funding secured under Neighbourhood House for Youth events.
1.5 Advocate for the development of a variety of housing options to match community needs.	Ongoing	This work is ongoing as suitable opportunities arise.
1.6 Develop a housing strategy for the Upper Murray.	Ongoing	Council has committed funds to a Housing Strategy for the Upper Murray being coordinated by Upper Murray Incorporated.
1.7 Implement actions from the Reconciliation Action Plan.	Ongoing	90% of staff have completed Cultural Awareness training, First Nations training included in the staff induction program, Acknowledgment of Country introduced to Council meeting, email signatures developed, RAP document has now been endorsed by Council and approved by Reconciliation Australia.
1.8 Implement the recommendations from the LGBTIQA+ Inclusion and Wellbeing Consultation Report.	Ongoing	Council has established a youth LGBTIQA+ advisory group and IDAHOBIT Day events took place in May 2026.
1.9 Encourage and facilitate the use of the former Corryong Junior Campus site by agencies that provide services and support for children and families.	Ongoing	The licence agreement with the Department of Education has been finalised along with detailed plans for the Integrated Hub. Consultation is underway regarding additional opportunities for utilisation of the hub to deliver services to the community.
1.10 Advocate for the establishment of innovative and sustainable transport solutions for remote communities.	Ongoing	This is ongoing as advocacy opportunities arise.

1.11 Actively support programs, initiatives, policies and guidelines that promote a gender equal society.	Ongoing	Council actively participated in stakeholder opportunities that have presented and has been successful in obtaining funding for 16 Days of Activism events held within the Shire.
1.12 Participate in key networks to enhance social, economic and environmental wellbeing across the community.	Ongoing	Council actively participated in all stakeholder opportunities that presented including wellbeing networks, North East public health forums, youth networks, agencies, schools and community groups. Council officers attended AOD network meetings, Mental Health and Suicide postvention working group.
1.13 Actively participate and support networks, events, programs and secure funding for the wellbeing of seniors in the community.	Ongoing	Active participation across the year in a range of relevant networks.
1.14 Identify options for delivering the key strategic priorities from the adopted place plans.	Ongoing	This work will be included in the tasks to be undertaken by the newly formed leadership Group.
1.15 Seek funding for and deliver a Master Plan for the Tallangatta Showgrounds and Golf Course precinct across the four years.	Ongoing	This project has been listed as a priority in the projects pipeline document requested by Sport and Recreation Victoria (SRV) and discussions with Victorian Government staff has also taken place in relation to potential funding opportunities for the development of the plan.
1.16 Finalise funding and construction of a new cricket training facility at Bethanga Recreation Reserve.	Ongoing	Following an unsuccessful submission to the State Government's LSIF Program for this project in December another application was submitted to the same funding program in June.
1.17 Complete the Bethanga Recreation Reserve Pavillion Project.	Ongoing	Q1 Constructions was awarded the contract in January, works commenced in March and the project is expected to be completed in late 2026.
1.18 Complete the Tallandoon Tennis Courts Redevelopment project.	Completed	Project has been completed and a community led opening event was held in April with over 100 people in attendance and final Acquittal completed.

1.19 Implement the actions from the 2022-2033 Towong Shire Recreation Strategy.	Ongoing	Working through the various actions and prioritising them including support for COM's, sporting groups and reviewing 2022 Master Plans.
1.20 Assess and implement the preferred management model for the Corryong and Tallangatta Pools.	Completed	Following a joint tender process with Alpine and Indigo Shire Councils, Belgravia Leisure was awarded a new three-year contract for the management of the Corryong and Tallangatta Pools in June 2026.
1.21 Develop a detailed Asset Management Plan for Corryong and Tallangatta pools.	Completed	Independent aquatic engineer audit was completed on the pools in July 2025 to form the base of an Asset Management Plan.
1.22 Complete the Bullioh Recreation Reserve Female Friendly Facility project.	Completed	Project completed in April 2026 and officially opened at a community event in June 2026.
1.23 Complete the Cudgewa Recreation Reserve Lighting project.	Completed	The project has been completed and the opening event was held in late June 2026.
1.24 Actively engage with community sporting groups in planning and actioning initiatives to support sustainability and volunteer participation.	Ongoing	Council continued to engage with various sporting clubs across the Shire and organised Drop-In Session through Sport North East in both Corryong and Tallangatta.
1.25 Seek funding for the planning and construction of pump tracks across the Shire.	Ongoing	Investigation and consultation on pump tracks has been included in the scope for Open Space / Playground Strategy to commence in 2026.
1.26 Continue to implement the priority actions and processes from the 2024-25 Early Years Review.	Ongoing	Independent audit of the implementation of the 2024-25 review identified half of all compliance actions were implemented and effective, with the remainder deemed partially effective. An action plan is currently being developed to increase effectiveness.
1.27 Develop and implement a system to ensure compliance with all Early Years policy and operational requirements.	Completed	System developed and implemented from August 2025, with policy reviews ongoing.

1.28 Finalise and implement priorities from the Kindergarten Infrastructure Services Plan (KISP) and Childcare Demand Assessments.	Completed	Kindergarten Infrastructure Services Plan was submitted to State Government Department of Education in July 2025.
1.29 Undertake required actions to secure the permanent Early Years licence at Walwa Primary School.	Ongoing	Renovation works commenced in June 2026 and are anticipated to be completed in October 2026. The process to acquire a permanent licence through the Victorian Early Childhood Regulatory Authority (VECRA) commenced alongside this.
1.30 Develop options for a possible stand-alone kindergarten in Tallangatta to free up more childcare places.	Ongoing	Council is currently working through the preliminary steps to acquire data and begin compiling options.
1.31 Continue to plan for the mandatory provision of free 30 hours per week 4-year-old kindergarten and 15 hours per week 3-year-old kindergarten.	Ongoing	On track to meeting milestones of the ten-year rollout period.
1.32 Collaborate with the Victorian Department of Education to expand Kindergarten capacity in Corryong to meet increased operational demand.	Ongoing	Discussions continue with Department of Education to address Kindergarten capacity in Corryong are ongoing.
1.33 Develop options to improve the building used for Bellbridge Early Years services to better meet the needs of the service and secure funding to implement modifications.	Ongoing	Grant applied for in September 2025. Notified as unsuccessful in April 2026. Further planning is being conducted to review requirements of space.
1.34 Conduct a review of the Maternal Child Health Service.	Ongoing	Independent consultant engaged and review has commenced gathering input from stakeholders.

1.35 Chair and provide Secretariat support to the multi-agency Municipal Emergency Management Planning Committee (MEMPC).	Ongoing	The second meeting of the Committee in 2026 was held in June. The Committees workplan for 2026 was, however, impacted by the Walwa River Road between January and March. The MEMPC focused on health service engaged over the third quarter of the year.
1.36 Deliver the Emergency Recovery Victoria (ERV) funded Resilient Buildings Project.	Ongoing	This project is on track and has caught up from delays due to fire operations earlier in the year. The project is on schedule to be completed in 2026.
1.37 Complete the remaining elements of the bushfire related Rebuild program.	Ongoing	Council continued to work with ERV and Gateway Health to support remaining clients until June 2026 when funding ceased. Council's Emergency Management team will continue to deliver the final support to residents still to complete program.
1.38 Maintain and enhance Council readiness for future emergency events.	Ongoing	This has been an extremely busy period, and readiness was ongoing through the remainder of the bushfire season. Council has participated in multiple After-Action Reviews from the Walwa River Road Fire as well as conducting its own review program to assist further preparedness and readiness.
1.39 Continue to lead the delivery of community planning, preparedness, and resilience activities and programs.	Ongoing	This initiative was impacted by the new Recovery Program Council commenced for the Walwa River Road Fire 2026. Council has delivered "Community Hub" workshops (assisting communities to better uses their halls in an emergency) as well as doing the planning to roll out of 10 "First 72 hour" workshops supporting the community to prepare for the first 72 hours of an emergency.

2. Asset Management

Strategic objective

Maintain and improve our Shire's infrastructure to meet the levels of service established in consultation with our communities.

Strategies

- Maintain and improve our road and bridge network to meet the levels of service established in consultation with our communities.
- Create inviting, accessible town centres that provide excellent amenity for locals and visitors.
- Create safe, clean open spaces and playgrounds that allow for passive and active recreation activities.
- Manage our assets over the long term in a cost effective, sustainable way.

Highlights	• Completion of several temporary ford crossings and successful asset protection throughout the Burrowye area. • Completion of the Bellbridge Walking Trail. • Completion of the Corryong Library Refurbishment. • Completion of the Corryong, Talgarno and Roy Williams Park Public Toilet Blocks. • Completion of the retrofit of the Kurrajong Gap, Tallangatta, and Farrans Lookouts. • Completion and opening of the Bellbridge Container Cafe. • Completion of the Tallandoon Tennis Courts Redevelopment.
Challenges	• Significant increases in fuel, material and building costs. • Unavailability of civil contractors for capital projects due to commitments to storm damage remedial works. • Unavailability of design consultants to undertake project designs leading to delays. • Multiple natural disaster events impacting Towong Shire; January 2026 bushfire and Burrowye Flash Floods in February.

The Major Capital Works summary provides an overview of the significant projects undertaken during 2025-26.

Asset management remained a key priority, with Council continuing to maintain, renew and improve infrastructure to ensure it is safe, reliable and fit for purpose.

Despite the impacts of the January bushfires and Burrowye flash floods, Council delivered most of its planned asset renewal and capital works program. The road renewal and resealing program was delivered in line with forecast requirements, with independent condition assessments identifying an improvement in the overall condition of the local road network over recent years.

Council also progressed township road sealing, including Towong Hill Road, and completed a range of community infrastructure projects including the Bellbridge Walking Trail, Corryong Library refurbishment, public toilet upgrades, lookout retrofits, Bellbridge Container Café and Tallandoon Tennis Courts Redevelopment.

Delivery was impacted by increased construction and material costs, limited contractor and consultant availability, and the additional demands of natural disaster response and recovery.

Overall, Council continued to make solid progress in maintaining and improving its asset base, with ongoing investment in renewal, maintenance and condition assessment supporting the long-term sustainability of Council's infrastructure.

Strategic indicators

Indicator	Target	Result 25/26	Target 26/27	Target 27/28	Target Reached
Sealed local road requests	Reduction in number of requests	85			Yes
Unsealed local road requests	Reduction in number of requests	155			No*
Requests per 100km of sealed local roads	Reduction in number of requests	2.6			No*
Unsealed road condition	Improvement in condition	D/U*			No*
Fatal and non-fatal crash statistics across the shire attributable to road safety	Improvement in crash statistics	0			Yes
Completion of annual capital works projects	100% complete	81%			No
100% of annual renewal budget spent	100%	100%			Yes
Strategic disabled parking plan developed and adopted by Council	0%	20%			Yes
Open Space Strategy developed and adopted by Council	25%	20%			No

*Data unavailable at time of reporting

100% of required asset inspection activities completed as per requirements of the Road Management Plan	100%	75% (bushfire affected)	No

Service performance indicators

Indicator	Result 2023/24	Result 2024/25	Result 2025/26	Comments
ROADS ***Satisfaction of use*** *Sealed local road requests* [Number of sealed local road requests / kilometres of sealed local roads] x100	24.53	29.64	21.17	Despite the significant impacts of fires and floods across Towong Shire, maintenance requests for sealed roads have reduced considerably. This demonstrates the effectiveness of Council's response, with staff and local contractors continuing to actively manage and prioritise routine road maintenance throughout the disaster recovery period and across the year.
Condition *Sealed local roads maintained to condition standards* [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	97.52%	99.37%	100%	The improvement in percentage in sealed local roads that are below intervention level not requiring renewal is a result of the intervention level being increased from 6.5 to 7.0 and reflective of Council investing appropriate renewal funding maintaining the sealed road network.
Service cost *Cost of sealed local road reconstruction* [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	$65.50	$64.00	$66.51	This cost increase is largely attributed to the impact on road costs because of the fuel and material shortages.

Service Cost *Cost of sealed local road resealing* [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	$6.64	$7.00	$8.51	This cost increase is also largely attributed to the impact on road costs because of the fuel and material shortages.
Satisfaction *Satisfaction with sealed local roads* [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	38	42	50	Satisfaction with local roads has improved compared to the previous two years with additional resources put in place to strengthen the outdoor crew and allow for quicker turnaround.

Council Plan progress report

Initiatives and Priorities	Status	Comments
2.1 Deliver the annual Capital Works Program.	Ongoing	Council delivered 81% of the Capital Works planned in 2025-26 whilst planning and preparing for the 2026-27 program of works. Additional works were added to the existing 2025-26 program to repair critical infrastructure damaged by both the January 2026 bushfires and post bushfire and flash flooding event in early 2026.
2.2 Continue the upgrade of Georges Creek Road.	Ongoing	Further works have been proposed in 2026-27 as part of the Capital Works program.
2.3 Complete upgrades of Hanson Street, Corryong from Sugarloaf Road to Kiel Street in staged increments.	Ongoing	Stage 1: the upgrade of the section of Hanson Street between Kiell Street and McKay Street, as well as nearby side streets, including southern legs of Kiell Street and McKay commenced in December 2025 when community consultation was undertaken to inform future urban planting decisions.

2.4 Progressively deliver the upgrade of the unsealed sections of Lake Road.	Ongoing	Solid progress has been made, and works will continue on Lake Road as part of stage 2 once weather conditions allow in the second quarter of 2026-27.
2.5 Progressively deliver the upgrade of Flagstaff Road, Bethanga in staged increments.	Ongoing	Feature survey and native vegetation assessment quotes have recently been requested by Council staff for suitable survey expertise to be provided to Council to progress this project.
2.6 Seek funding to deliver a rolling program for the maintenance of identified limited access roads.	Ongoing	Council is working to identify all limited access roads have been identified in their entirety and funding opportunities are continuing to be explored.
2.7 Improve Lake Road – between Bellbridge and Kurrajong Gap Road Intersection.	Ongoing	Feature survey quotes have recently been requested by Council staff for suitable survey expertise to be provided to Council to progress this project.
2.8 Advocate for the upgrade of the Benambra–Corryong Road from Stacey's Bridge for 40km southward.	Ongoing	Discussions are continuing with relevant state and federal agencies for this upgrade.
2.9 Seek funding to deliver upgrades of key transport routes and hazardous road alignments to improve efficiency and safety.	Ongoing	Council worked with Mansfield Shire Council to develop and deliver the Ovens Murray Integrated Transport Strategy to State Government for review.
2.10 Seek funding to deliver upgrades of load limited bridges on strategic transport routes.	Ongoing	Due to the February flash floods, construction has been slightly delayed but is scheduled to begin in the near future along with the completion of prioritised Emergency Works.
2.11 Continue to deliver the upgrade of unsealed streets in urban areas program.	Ongoing	Works in Evans Street, Corryong has been programmed for the reseal project to begin. As part of the 2026-27 Capital Works program, several streets in Towong have also been identified to be sealed.

2.12 Complete streetscape upgrades in Mitta Mitta.	Ongoing	Solar streetlights have now been installed between Magorra Park and the town centre. Magorra Park entry works have been 95% completed with final asphalt works programmed for completion once temperatures become more suitable.
2.13 Implement streetscape upgrades in Towong, Tintaldra and Cudgewa.	Ongoing	Concrete kerb and footpath works are programmed to be undertaken in the second quarter of 2026-27 in front of the Tintaldra Hotel to assist drainage flows and to limit trip hazards.
2.14 Continue to deliver the strategic footpath network improvement program in urban areas including access and egress for the elderly, school children and other critical paths.	Ongoing	Works continue with a number of Safe Local Roads and Streets Program funded projects nearing detailed design completion. Procurement and award of construction contracts will follow shortly for projects in Bethanga, Corryong and Tallangatta.
2.15 Develop a strategic disabled parking plan that links to the strategic footpath plan for access and egress for older people throughout the Shire.	Ongoing	$100,000 in the 2026-27 budget has been allocated as part of the parking plan strategy. A consultant will be engaged to determine the scope of works.
2.16 Collaborate with schools, hospitals, and businesses to resolve parking issues throughout the Shire.	Ongoing	Council officers have engaged with several local schools and businesses to help address parking issues. It is anticipated that the future Strategic Parking Plan will provide a framework to strategically manage and resolve many of these concerns over time.
2.17 Develop and implement a Shire-wide Open Space and Playground strategy.	Ongoing	Development and implementation of a Shire-wide Open Space and Playground strategy is continuing.
2.18 Consider Koetong Recreation Reserve upgrades within the Open Space and Playground strategy.	Ongoing	The upgrade of Koetong Recreation Reserve will be carefully considered in the development of the Open Space and Playground Strategy once an appropriate project scope has been established. Master planning for this site has commenced, with community consultation ongoing. The importance of this upgrade was underlined by the impacts from recent fire events.
2.19 Investigate options for additional boat ramps.	Ongoing	Preliminary discussions with community groups have commenced, with initial feedback received to date being overall neutral.

2.20 Advocate for increased funding for enhanced access and recreational use at Lake Hume, Dartmouth Pondage, and Banimboola storage.	Ongoing	Council is currently assessing advocacy and funding opportunities to enhance access.
2.21 Undertake critical infrastructure upgrades at Colac Colac Caravan Park.	Completed	Remediation works have been completed.
2.22 Collaborate with schools, hospitals, and businesses to resolve parking issues throughout the Shire.	Ongoing	Council officers have engaged with a number of local schools and businesses to help address parking issues. It is anticipated that the future Strategic Parking Plan will provide a framework to strategically manage and resolve many of these concerns over time.
2.23 Implement an Asset Management system for all Council owned assets.	Ongoing	Council has coordinated with several Asset Management System providers to begin participating in tailored demonstrations. Further demonstrations were scheduled in July 2026.
2.24 Deliver annual asset inspection and renewal programs per asset management and Road Management Plan requirements.	Ongoing	Council has been working closely with Indigo Shire who have provided an additional Asset Inspector to assist with completing all relevant inspections post bushfires to return to “business as usual” operations as per Road Management Plan requirements.
2.25 Review the operation and ongoing maintenance of the Corryong Saleyards and consider options for the future of the Saleyards.	Ongoing	A request has been sent to North East Water for reassessment of the wastewater redesign application following concerns they raised over the wastewater pondage capacity with Council awaiting a reply or approval. Quotes for drawings and design have been requested.

3. Economic and Tourism Development

Strategic objective

Expand economic and employment opportunities across our Shire in a sustainable way.

Strategies

- Seek opportunities to develop tourism infrastructure and events to promote Towong Shire's attraction to visitors.
- Contribute to the economic sustainability of the Shire through enhanced business development opportunities.
- Support the agricultural industry with education, commercial partnerships and diversification opportunities.

Highlights	• Mitta Mountain Bike Park approved to commence construction. • Upper Murray Abattoir Feasibility Study funding secured. • Completion and opening of the Bellbridge Container Café. • Successful delivery of numerous events throughout the Shire.
Challenges	• Impacts of the January 2026 bushfire on tourism infrastructure, particularly the High Country Rail Trail trestle bridges, and subsequent effects on visitation. • Lack of State and Federal funding opportunities.

Council continued to strengthen the visitor economy through destination development, event support, industry engagement and strategic advocacy. During the year, Council successfully collaborated on the delivery of Run Upper Murray and Pub to Pelican, with participation in Pub to Pelican increasing by almost 100 per cent on the previous year. Council also worked closely with the Upper Murray community to support the Corryong 150 Years celebrations and assisted the Tallangatta community in commemorating the 70th anniversary of the township's relocation.

Further community partnership initiatives included working with the Man from Snowy River Tourism Association to deliver and install nine Upper Murray branded flags throughout Hanson Street, enhancing the presentation and identity of Corryong. Council also partnered with the Tourism Association and Upper Murray Inc. to showcase the region through a feature in Regional Lifestyle Magazine.

Council officers continued to keep tourism operators and stakeholders informed through the delivery of the Towong Tourism Industry Update and What's On newsletters, while regular social media activity promoted local businesses, events and visitor experiences. To strengthen destination marketing, Council expanded its tourism social media presence through the establishment of dedicated channels for Visit Lake Hume and Visit Mitta Valley, complementing existing destination marketing activities.

Maintaining and improving the region's online tourism presence remained a key focus. Following the completion of the Australian Tourism Data Warehouse (ATDW) campaign in February 2026, most tourism businesses within the Shire had been successfully onboarded, improving the quality and reach of tourism information available to prospective visitors. Additional investment in destination marketing included photography and videography projects undertaken across the Shire to support ongoing promotional campaigns.

The January 2026 bushfires had a significant impact on communities, tourism infrastructure and visitation across the shire. In response, Council undertook extensive advocacy with State and Federal Governments to secure support for recovery initiatives that would assist both economic and social recovery. A detailed report outlining bushfire impacts on the High Country Rail Trail and the staged investment required for restoration and extension was prepared to support advocacy efforts.

Council also commissioned a broader Towong Shire Bushfire Economic Impact Assessment of the fires. Due to the extensive stakeholder engagement required, this work remains in progress.

The loss of infrastructure at Shelley during the bushfires also created an opportunity to reimagine the site as a unified visitor hub connecting existing and future tourism assets. Council has continued to work collaboratively with stakeholders to develop this vision and identify opportunities for implementation.

Progress continued on the High Country Rail Trail Cultural Heritage Management Plan, although the appointed consultant advised that an additional complex assessment work was required, resulting in delays and increased project costs. The associated Native Vegetation Assessment was completed.

Council continued to pursue external funding opportunities to support tourism and economic development projects. Applications were submitted through the Victorian Government's Tiny Towns Fund for the Tallangatta Views and Vision project, which sought funding to develop a masterplan for the Tallangatta Foreshore, and to VicHealth for the Mitta Momentum project, which proposed the construction of a pump track to complement and strengthen the future Mitta Mountain Bike Park offering. While both applications were unsuccessful, they established strong foundations for future funding opportunities when they emerge.

On behalf of Upper Murray Inc. and Upper Murray Beef, Council prepared and submitted a successful application to the Victorian Government's Forestry Transition Fund for an Upper Murray Abattoir Feasibility Study. Council will auspice the project, which aims to investigate opportunities to strengthen local agricultural supply chains and support regional economic development.

Council also continued to support Mitta Valley Inc. in progressing the Mitta Mountain Bike Park project. Following extensive engagement with DEECA and project stakeholders, approval was secured to commence construction, representing a significant milestone in the development of a new tourism asset for the region.

The Bellbridge Container Café project was completed and became operational during the year. While the initial leaseholder did not continue with the business opportunity, a subsequent Expressions of Interest process resulted in a local social enterprise organisation being appointed and now successfully operating the facility. Council also initiated discussions with community members regarding the establishment of a parkrun event along the Bellbridge foreshore, which would support activation of the area, improve visitation during the quieter winter period and provide health and wellbeing benefits for residents and visitors alike.

The Eskdale Revitalisation Project commenced during the year, with works beginning on upgrades to the public toilets and improvements to the Visitor Information Centre. This included the development of new interpretive signage and visitor information materials, delivered in partnership with the local community to strengthen both the visitor experience and community pride.

Tourism North East continued to provide significant support to Towong Shire through regional destination marketing, industry development and business support initiatives. Support included securing $50,000 in Regional Events Fund funding for the Man From Snowy River Bush Festival, business mentoring and capability development programs for local operators, and promotion of Towong destinations through the *It's My High Country Thing* and *Ride High Country* campaigns. Towong Shire experiences, businesses and events received national exposure through media coverage highlighting cycling, rafting, nature-based tourism and regional events, while content capture activities for Run Upper Murray and other tourism assets will continue to support future destination marketing.

Council collaborated with Tourism North East on destination marketing initiatives, including participation in the Melbourne Boat Show and a feature on *The Australian Fishing Network* showcasing the Murray River, cod fishing and local businesses. The segment will air nationally on 7mate in October.

Beyond tourism, Council partnered with Riverine Plains to support the agricultural sector through the delivery of skills development workshops, dissemination of research and development findings, and opportunities for networking and collaboration. These initiatives reflect Council's ongoing commitment to strengthening the agricultural sector and fostering long-term economic resilience across Towong Shire.

Indicator	Target	Result 25/26	Result 26/27	Result 27/28	Target Reached
Mitta Mountain Bike Park project delivered	Construction over Years 1 and 2	50%			Yes
New tourism events and signage projects delivered	As required	100%			Yes
Container Cafe project at Bellbridge completed	Completion Year 1	100%			Yes
Eskdale Visitor Information Centre upgrade completed	Completion over Years 1 and 2	50%			Yes

Progress made on securing Committee of Management status of the Tallangatta Caravan Park	Secured over Term	N/A*	N/A*
Funding programs identified and grant applications submitted as approved by Council	3 submissions annually	4	Yes
Projects delivered or completed	As project plans determine	Multiple projects identified/ delivered	Yes
Business development events conducted	2 annually	0	No
Strategy for future use and development for Corryong Aerodrome completed	Completed by Year 4	0%	No

*Not a current opportunity due to GMW position on retention of park

Council Plan progress report

Initiatives and Priorities	Status	Comment
3.1 Seek funding for the implementation of the Mount Elliot Masterplan.	Ongoing	Appropriate funding programs did not present in 2025-26.
3.2 Continue to support Mitta Valley Inc plan and develop the Mitta Valley Mountain Bike Park.	Completed	Successfully progressed the project to commencement of construction.
3.3 Seek funding for the Shelley Wilderness Trail.	Ongoing	Limited funding programs presented and priority for applications was given to alternative projects. Opportunities are currently being explored in combination with the Shelley Camp redevelopment.
3.4 Seek funding to broaden the Pine Mountain Experience.	Ongoing	No appropriate funding program opened during the year.

3.5 Seek funding to extend the High Country Rail Trail from Berringama to Colac Colac.	Ongoing	Project priorities shifted following significant damage to the High Country Rail Trail during the January 2026 bushfires. Advocacy documentation was prepared to support applications for trail reconstruction funding and future extension opportunities.
3.6 Prioritise projects identified in the Activating Lake Hume Masterplan and seek funding for implementation.	Ongoing	Funding was sought through the Victorian Government's Tiny Towns Fund to support the development of a masterplan for the Tallangatta Foreshore.
3.7 Establish a new adventure tourism event in the Mitta Valley that supports economic development.	Ongoing	An event proponent has been identified, with opportunities within the Mitta Valley explored and an event plan developed to support future funding applications and event delivery.
3.8 Create a plan for the delivery of Shire entry, and town entry signage across the Shire and seek funding for implementation.	Ongoing	A comprehensive audit of tourism and gateway signage was completed across the Shire, with draft concepts for the Corryong and Tallangatta town entry signs currently being refined. No suitable external funding opportunities were identified during the reporting period.
3.9 Establish a container café and Council service hub in Bellbridge.	Completed	Completed.
3.10 Review the scope, scale, funding and location of a Bellbridge Project to deliver community and commercial facilities.	Ongoing	Revised project commenced, with priority opportunities that can be delivered within the available budget currently being investigated.
3.11 Seek opportunities to apply the destination brands across the Shire.	Ongoing	Branding was applied across a range of new and proposed signage and minor assets throughout the Shire, with the destination brands further embedded through the launch of new social media channels and the refreshed What's On campaign.
3.12 Revitalise the Eskdale Visitor Information Centre and amenities block.	Ongoing	Works commenced, with flooring, painting, tiling, plumbing and cabinetry completed. Development of the interpretive elements continues in collaboration with the community.
3.13 Collaborate with Goulburn Murray Water (GMW) to identify and realise opportunities for activation of GMW land.	Ongoing	Engaged with Goulburn-Murray Water on the Tallangatta Views and Vision (Foreshore) project, progressed lease discussions to support a community development initiative in Bellbridge, and secured support for the activation of events on GMW-managed land and assets.

3.14 Secure Committee of Management status of the Tallangatta Caravan Park.	Ongoing	Goulburn Murray Water advised a change in position for their commercial assets however discussions continue.
3.15 Expand the reach of tourism marketing and promotional materials, with a particular focus on the Lake Hume and Mitta Valley.	Ongoing	Council launched dedicated Visit Lake Hume and Visit Mitta Valley social media channels, supported by targeted photography and videography projects to strengthen destination marketing. Council also participated in a range of promotional opportunities, including Regional Lifestyle Magazine, the Melbourne Boat Show and a feature on The Australian Fishing Network.
3.16 Seek funding to deliver a range of public toilets on the High Country Rail Trail (HCRT).	Ongoing	An appropriate funding program has not presented as yet.
3.17 Collaborate with Lifecycle Upper Murray to seek funding for the development of a social enterprise business plan for the ongoing maintenance of the proposed HCRT extension, and Mount Elliot Adventure Park.	Ongoing	Delivery was considered in the budget for the High Country Rail Trail advocacy documentation.
3.18 Seek funding to provide assistance to Upper Murray Inc (UMI) in enabling the Towong to Corryong Walking Trail Project to be shovel ready.	Ongoing	Appropriate funding opportunities have not presented as yet.
3.19 Seek funding to develop plans for the secure exhibition and storage of Old Tallangatta assets.	Ongoing	Limited funding programs have presented. Priority for application was given to alternative projects.
3.20 Connect businesses to learning, development and networking opportunities to increase capacity.	Ongoing	Tourism operators were regularly informed of industry opportunities through the Towong Tourism Industry Update newsletter and Tourism North East communications, with one-on-one support also provided to assist businesses in strengthening their online presence.
3.21 Inspire and support small business through the delivery of motivational capacity building workshops.	Ongoing	The Upper Murray Expo scheduled for February 2026 was cancelled due to the January bushfires. Workshops on artificial intelligence and online marketing were subsequently developed for delivery in Tallangatta and Corryong early in the new financial year.

3.22 Seek funding to develop a Tallangatta Industrial Estate and explore other opportunities the Estate could offer for the future growth of the Township of Tallangatta.	Ongoing	A suitable funding program to commence the development of a plan has not yet presented.
3.23 Seek funding for a resource to facilitate business opportunity and development.	Ongoing	Appropriate funding programs have not presented.
3.24 Seek funding for a planning study for the future expansion and activation of the Corryong Aerodrome.	Ongoing	Appropriate funding programs have not presented.
3.25 Collaborate with other partners and stakeholders to support and strengthen existing and developing farming and agricultural industry groups across the Shire.	Ongoing	Riverine Plains engaged to support agricultural development initiatives and deliver priorities identified in the Towong Shire Agriculture Strategy.
3.26 Partner with key stakeholders to seek funding to strengthen the capability of developing or expanding agricultural innovations and initiatives.	Ongoing	Funding opportunities to strengthen capability will be considered by the agency onboarded to deliver on the 2026-27 agriculture framework.
3.27 Seek support for the growth of value-add product and diversification opportunities for the agriculture industry.	Ongoing	Successfully secured funding to undertake an Upper Murray Micro Abattoir Feasibility Study.

4. Land Use

Strategic objective

Ensure that Council's planning, building and environmental health services support all aspects of liveability and sustainable population growth.

Strategies

- To support the development and management of land and properties through the delivery of quality Land Use Planning, Building, and Environmental Health Services.
- To maximise waste management opportunities through recycling, education, and specific projects.
- Integrate sustainable environmental management practices into all of our activities.

Highlights	• Progress has been made on the Planning Scheme Amendment, inclusive of a draft Settlement Strategy to reflect the endorsed Structure Plans, rural zones changes, and other administrative elements. • Progressed engineering plans and road names requirements as part of compliance with the planning permit for the 155 lot Tallangatta Estate residential subdivision. • Adopted a Development Plan for a proposed 90-lot residential subdivision in Bellbridge and commenced finalisation and approval of engineering plans. • Successfully enhanced the management and compliance under Environmental Health legislation through year two of a contract with Kernow Environmental Health Services and entered a two-year extension of the contract. • Consolidated resources to coordinate and enhance the Building and Planning services. • Redeveloped Council website and the Greenlight Project portal to support an improved customer experience.
Challenges	• Consistent and timely advice and responses from referral authorities can be difficult to achieve which places pressure on the progress of important planning matters. • The processing and performance data measurements of a relatively low number of planning permits received can be impacted by one or two complex applications.

The Planning Scheme Amendment process has been slightly delayed by the state government introduction of a new Amendment to all Planning Schemes in Victoria relating to Bushfire Overlays, and Bushfire Prone Areas. Council is working through the implications of the changes and the impacts on the Settlement Strategy draft. The Tallangatta Estate and Bellbridge subdivisions continue to progress, albeit at a slower than expected rate.

The Greenlight project has delivered improved systems and processes behind the scenes which continue to underpin the experience of customers at the front end of the planning or building process.

Strategic indicators

Indicator	Target	Result 25/26	Result 26/27	Result 27/28	Target Reached
Planning applications decided within required time frames	80%	94%			Yes
Planning Scheme Amendments finalised	2	0			No
Building Shared Service Agreement finalised and implemented.	1	1			Yes
100% achievement of all food premises and health inspection and registration requirements	100%	100%			Yes
Greenlight System fully operational and satisfying customer needs	1	1			Yes

Service performance indicators

Indicator	Result 2023/24	Result 2024/25	Result 2025/26	Comments
STATUTORY PLANNING ***Timeliness*** *Time taken to decide planning applications* [The median number of days between receipt of a planning application and a decision on the application]	26	30	75	The time taken to decide planning applications is higher than the previous year attributed to several permits that were particularly challenging and time consuming which impacted the overall result.

Service standard *Planning applications decided within required time frames* [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100	89.23%	66.67%	92.45%	The percentage of applications decided within the required timeframe has increased compared to the previous year. This is a direct result of improved efficiencies and implementation of better systems and processes.
Service cost *Cost of statutory planning service* [Direct cost of the statutory planning service / Number of planning applications received]	$5,142.10	$8,191.15	$6,103.28	The cost of the planning service is consistent with the contracted resource and part-time employee.
Decision making *Council planning decisions upheld at VCAT* [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	0.00%	0.00%	0.00%	There were no VCAT planning decisions for 2025-26.
FOOD SAFETY ***Timeliness*** *Time taken to action food complaints* [Number of days between receipt and first response action for all food complaints / Number of food complaints]	1.00	1.00	1.50	Any complaints received in 2025-26 were responded to within 1.5 days.

Service standard *Food safety assessments* [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100	100%	100%	100%	During the reporting period, 100% of food premises requiring an assessment were completed. Food safety assessments have been undertaken for all registered premises across the reporting periods.
Service cost *Cost of food safety service* [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	$2,688.75	$2,556.54	$375.88	Methodology of calculating the cost of food safety service was amended in 2025-26 to be more in line with the technique used by comparative councils as previous years costs included those involved in maintaining compliance with measures other than just food safety.
Health and safety *Critical and major non-compliance outcome notifications*	100.00%	84.62%	100.00%	There were nineteen critical non-compliance outcome notifications issued. All were followed up.

Council Plan progress report

Initiatives and Priorities	Status	Comment
4.1 Facilitate the development and management of land and properties through the delivery of quality Land Use Planning, Building, Environmental Health, and Compliance Services.	Ongoing	Council continues to facilitate these initiatives and priorities.

4.2.1 Complete the authorised Planning Scheme Amendment process to deliver a Settlement Strategy that details growth opportunities and limitations in Rural zonings.	Ongoing	Delivery has been impacted by new statewide bushfire-related amendment to all Planning Schemes
4.2.2 Complete the authorised Planning Scheme Amendment process to deliver a Settlement Strategy that provides opportunity for second dwellings on farming properties to facilitate succession planning.	Ongoing	Council is progressing through the Planning Scheme Amendment process as described above.
4.3 Seek funding to extend the Heritage Study.	Ongoing	Funding has been sought but without success during the year.
4.4 Continue to update planning scheme overlays as identified and as funding allows.	Ongoing	Continuing as part of Planning Scheme Amendment process.
4.5 Maintain the service level standards prescribed in the Environmental Health contract.	Ongoing	Successfully delivered two years of contract with Kernow Environmental Services and entered a two-year extension.
4.6 Continue to implement and refine the Greenlight systems for Planning and Building Services	Ongoing	The Greenlight system has provided improved efficiencies and enhanced processes. The Greenlight system will be continually assessed and improved over coming months.
4.7 Establish and formalise a new agreement for the delivery of the Building Services Shared Service with Indigo Shire Council.	Completed	Completed in 2025-26.
4.8 Review the Domestic Wastewater Management Plan.	In progress	The development of a draft plan has commenced via the Department Infrastructure and Environment unit.
4.9 Advocate for funding for necessary civil and community infrastructure to achieve the State Government housing target of 550 by 2051 for Towong Shire.	Ongoing	Discussions were held with government agencies to develop scope.

5. Environmental Sustainability

Strategic objective

Integrate sustainable environmental management practices into all of our activities.

Strategies

- To maximise waste management opportunities through recycling, education, and specific projects.
- Integrate sustainable environmental management practices into all of our activities.

Highlights	• Continued the rollout of a three-stream waste model and included a food and garden organics kerbside collection service. • Land cell capping of Corryong Resource Recovery Centre (RRC) was finalised in the first quarter of 2025-26 as part of final remediation works for landfill closure. • Further upgrades to retaining walls at Corryong and Tallangatta Resource Recovery Centres. • Following the securing of $20,000 in funding to review Council's Domestic Wastewater Management Plan, Council created a map of the Shire's existing septic tanks and provided a framework for future planning overview.
Challenges	• Increasing waste produced per person. • Common waste contract terms create higher risks and expenses for councils, compounded by rising fuel prices. • Remoteness from recycling collection services and processing facilities creates increased exposure to higher transport expenses. • Limited landfill capacity throughout the region. • Continuing effects of closed landfill sites. • Limitations in transfer station facilities and workforce capacity. • Increasing e-waste volumes and expectations that councils recycle all e-waste without recouping costs. • Higher community expectations for waste services, including soft plastics collection.

In 2023-24, Council implemented a four-stream waste and recycling service in response to the Victorian Government's *Recycling Victoria* policy and the transition towards access to four waste and recycling streams across Victoria by 2030.

As part of the service transition, Cleanaway Pty Ltd was appointed to provide kerbside waste collection services, with a three-bin kerbside system introduced for garbage, mixed recycling and food and garden organics (FOGO). This service is complemented by separate glass drop-off facilities located across Towong Shire.

Garbage collected through the kerbside service is transported directly to the Albury Waste Management Centre (AWMC) for disposal to landfill with quantities recorded through the facility weighbridge.

The landfill cell within Corryong Resource Recovery facility was closed and rehabilitation of the site undertaken as part of Council's Aftercare Management Plan and in accordance with EPA guidelines.

Mixed recyclables are transported to Cleanaway's Materials Recovery Facility (MRF) in Albury, where materials are sorted, processed and baled for sale into recycling commodity markets. Contamination is removed as part of the MRF sorting process.

Organic material collected through the FOGO service is initially transported to the AWMC for screening before being transferred to an industrial composting facility for processing.

Glass drop-off facilities have been established at Council's Resource Recovery Centres and recycling sheds across the Shire providing residents with an additional recovery pathway for glass. These facilities operate alongside the Victorian Government's Container Deposit Scheme (CDS). Available program data previously indicated that more than 2.17 million containers had been returned within the Shire. Updated local return figures for 2026 were not available at the time of preparing this report.

To support the transition to the new waste service, Council undertook an extensive community education and information program. This included guidance on the correct use of each waste stream through Council's digital channels, social media and printed materials, supported by the distribution of magnetic collection calendars and bin identification stickers. Community education has continued following implementation to improve correct disposal practices and minimise contamination.

Operational planning and safety reviews have continued at the Tallangatta and Corryong Resource Recovery Centres to ensure both facilities remain safe and fit for purpose.

In 2026-27 works are proposed at the Tallangatta Resource Recovery Centre to upgrade the existing retaining wall with a new concrete block structure to improve its structural integrity. Additional safety improvements include the installation of slide-chute railing at bay entry points. Similar railing improvements are proposed for the Corryong Resource Recovery Centre to improve safety for facility users and employees.

Council continues to undertake its environmental compliance responsibilities associated with forestry activities on private land throughout the Shire. This includes inspections and auditing of relevant forestry activities and ongoing liaison with landowners and plantation operators.

During 2025-26, an increase in forestry harvesting activity was observed across the Shire as operators progressed harvesting programs following bushfires. Favourable weather conditions also supported the progression of planned forestry works with relatively limited disruption.

State Government funding was secured to support Council's roadside weed and pest management program. Through the program, approximately 1,500 kilometres of Council-managed roadsides were inspected and managed, supporting Council's broader biosecurity and environmental management objectives.

Implementation of Council's Tree Management Strategy also continued, including the planting of a range of suitable tree species across Council-managed areas. These works contribute to Council's objective of progressively increasing canopy cover, improving amenity and supporting longer-term environmental outcomes.

Strategic indicators

Indicator	Target	Result 25/26	Result 26/27	Result 27/28	Target Reached
Improvement to amount of waste diverted to landfill	Reduction in waste diverted from landfill	58.71%			Yes
Climate Variability Action Plan developed, adopted and implemented	Develop adaptation plan	Climate Adaptation plan draft has been prepared for Council consideration and adoption			No

Service performance indicators

Indicator	Result 2023/24	Result 2024/25	Result 2025/26	Comments
WASTE COLLECTION ***Service standard*** *Kerbside collection bins missed* [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	9.57	8.18	6.56	There were 110 garbage bins missed in 2025-26 which was comparable to prior year and notwithstanding increased bin lifts due to new three bin system. Council's kerbside collection service lifts 318,000 approximately individual bins each year. (Assumes 100% presentation of bins)
Service cost *Cost of kerbside garbage bin collection service* [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	$209.36	$219.87	$202.91	The cost of collecting garbage from kerbside bins has been maintained. Challenges with fuel prices impacted contractor costings and some planned projects were delayed which resulted in lower unit costs, however Council anticipates higher costs in the following year.

Service cost *Cost of kerbside recyclables collection service* [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	$120.57	$132.01	$147.28	The cost of collecting recyclables from kerbside bins was slightly higher due to increased unit costs and rising fuel prices.
Waste diversion *Kerbside collection waste diverted from landfill* [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	40.45%	57.47%	58.71%	The total amount of garbage and recyclables collected by Council in 2025-26 was 2,246, tonnes a 3.7% increase across 3225 households with kerbside collection bins. 1,317 tonnes of this waste was composed of recyclables and green organic waste – an increase of 5.86% on the previous year. Total waste diverted from landfill totalled 58.71% which was a slight increase on prior years result due to improved bin usage by households following the implementation of the three-bin system. Increased education around "*what items goes in what bin*" has been a significant contributing factor since initial roll out.
ANIMAL MANAGEMENT ***Timeliness*** *Time taken to action animal management requests* [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	1.14	1.60	1.10	The establishment of a full-time ranger coupled with the new Customer Request Management (CRM) system two years ago has led to an improvement in timeliness in 2025-26.
Service standard *Animals reclaimed* [Number of animals reclaimed / Number of animals collected] x100	10.00%	15.38%	28.57%	Seven claimed animals were collected and two were rehomed.

Animals rehomed [Number of animals rehomed / Number of animals collected] x100	22.22%	31.82%	20.0%	Five unclaimed animals were collected, and one was rehomed.
Service cost *Cost of animal management service per population* [Direct cost of the animal management service / Population]	$20.98	$21.81	$15.70	The cost of managing the animal management service reduced as a result of less animals being impounded across the year.
Health and safety *Animal management prosecutions* [Number of successful animal management prosecutions / Number of animal management prosecutions] x100	0.00%	0.00%	0.00%	There were no animal management prosecutions in 2025-26

Council Plan progress report

Initiatives and Priorities	Status	Comment
5.1 Continue to seek funding for integrated water management projects to maximise the use of recycled and raw water sources for public amenity and climate change mitigation.	Ongoing	Participating in the Regional Integrated Water Management Forums. Continuing to seek funding.
5.2 Continue to implement recycling service operations as per Victorian Government Circular Economy Strategy to deliver a system for waste and recycling collection including separation of glass, green waste and organics.	Completed	Rollout of 3-bin strategy occurred following appointment of a third-party contractor which commenced in July 2024. Glass collection effective through contractor MRF facility whilst glass bins are strategically placed at Resource Recovery Centres and outlying recycling sheds throughout the Shire.
5.3 Improve the use of recycled materials in infrastructure projects e.g. crushed concrete, glass and rubber.	Ongoing	Crushed concrete is used for road base initiatives whilst all other materials are dealt with by downstream operators into other recycled products

5.4 Seek funding to investigate options and feasibility for the establishment of a recycling industry within the Shire.	Ongoing	Council is a member of the Upper Murray Innovation Group and is also undertaking feasibility analysis on a potential Biomass facility within the area.
5.5 Invest in community education programs to improve waste and recycling separation.	Ongoing	Regular updates are being rolled out to community through Council digital platforms availing of State Government messaging tools.
5.6 Investigate options for hard waste, green waste and agricultural waste management.	Ongoing	Roll out of Bagmuster initiative to complement AGsafe's Drum Muster program to commence first quarter of 2026-27. Disposal of silage is still a statewide issue with no formal initiatives available at present. Biomass facilities are gradually coming online however transport costs will likely prove cost prohibitive.
5.7 Implement required measures to ensure management of closed landfills is compliant with EPA requirements.	Completed	Aftercare Management plans created with Corryong Landfill (the most recent following closure). Regular biannual reporting carried out by Council officers.
5.8 Investigate and implement options for the management of roadside vegetation.	Completed	A report was undertaken for Council by an external consultant. Limited options are available on arterial and link connector roads above current activities which includes blackberry spraying. Limited grant funding has been provided to support control efforts and cover actual costs. A request for additional funding under future grant rounds has been submitted to the Minister for consideration.
5.9 Continue to implement Climate Adaptation objectives to achieve increased coverage in urban streets.	In progress	Climate adaption policy has been renewed and subject to formalisation. Identified replacement trees or new plantings are carried out regularly.
5.10 Develop a Climate Variability Action Plan (including actions to reduce carbon emissions, electric vehicle charging, improve health and wellbeing impacts on our ageing population).	Ongoing	Council adopting hybrid vehicle cars as part of fleet replacement program. Full EV cars have been deemed unviable at present due to lack of supporting infrastructure by power companies to support. Council is seeking to explore carbon emission reduction opportunities.
5.11 Seek funding to establish a network of electric car charging stations.	In progress	Suitable opportunities have not yet emerged.
5.12 Explore the option of establishing a native vegetation offset site within the Shire.	Completed	Consultant engaged to explore offset with report finalised to Council. Identified sites are not currently considered feasible.

6. Organisational improvement

Strategic objective

Maintain a high performing customer-centred organisation that works with the community to develop and deliver priorities.

Strategies

- Be financially sustainable into the future to allow us to serve our communities.
- Embed a customer focused approach to customer service, advocacy, communication, consultation and engagement.
- Promote strong governance across the delivery of Council services, ensuring corporate knowledge is documented and enduring.
- Improve efficiency and compliance through adoption of business technology that promotes collaboration and integration.
- Attract and retain talented employees, through a whole of employment lifecycle management approach (preferred employer) and provide a safe and healthy environment for our staff to work

Highlights	• Significant progress has been made in the review and development of OHS legally prescribed policies and procedures ensuring there is a robust and compliant OHSMS underpinning organisational activity. • The Enterprise Risk Management framework has been developed, ensuring risk is considered in organisational decision making. • The Human Resource Information Management System (HRIS) has been successfully implemented. This technology has streamlined all aspects of the employment lifecycle from recruitment, development through to offboarding. • The backend of the safety information management software (Skytrust) was developed and successfully piloted. • The Drug and Alcohol Management program was successfully developed, consulted and implemented. Testing is underway. • Extensive media coverage of Council's most high-profile projects and advocacy initiatives such as the Corryong rally supporting a new hospital in Albury Wodonga, bushfire recovery and the poor condition of State Government managed roads in Towong Shire. • Implementation of a new financial reporting software was completed to improve the financial awareness for budget owners and allow for more informed decisions. • Steady progress was made in the roll out of the new SharePoint-based Records Management System, providing staff with a centralised and consistent approach to storing, managing and accessing corporate records. The new system strengthens information governance, improves collaboration and makes it easier to find reliable and up-to-date information, supporting more efficient service delivery and better protection of Council's records.

Challenges	• The January 2026 fires required considerable support and redirection of our people, IT, and communications teams. • The capacity of the People and Safety team to deliver key priorities and projects in a reasonable timeframe. • Creating the training assets for the procedural frameworks that have been developed and implemented. • Capacity to meet the emerging compliance needs of the organisation, such as Principal Contractor status and Early Years compliance. • The capacity of the People and Safety team to mature the risk management framework and build organisational capability in this area with competing priorities.

The Human Resource Information Management System (HRIS) went live as scheduled in March 2026 and has streamlined all aspects of the employment lifecycle from recruitment, development through to offboarding. Council has developed and implemented a HRIS based online training program to improve employee knowledge and capability.

Council performed well in the state-wide Community Satisfaction Survey 2026 with our Overall Performance indicator score exceeding the average for small Sires in Victoria. Council's performance improved considerably in Consultation and Engagement (which is seen as the single biggest driver of overall perceptions) in 2025-2026 and is now above the Small Shire average score of 54.

Council has made significant progress in migrating core business systems to cloud-based platforms, with the SharePoint migration ongoing and ArcGIS Online now in the configuration stage. These projects form a key part of Council's broader cloud adoption strategy and will improve accessibility, collaboration, resilience and service delivery.

Across 2025-26 significant advocacy activity was undertaken. After the January 2026 bushfires, Council worked successfully to get the Parliamentary summer fires inquiry to hold an "Open Mic" sessions in Towong Shire after the Shire was initially not given a dedicated session. Council was also very active, and continues to be, in advocating for a new hospital in Albury Wodonga and the condition of State-managed roads in the Shire.

Significant progress was made in implementing the SharePoint based Records Management System to ensure all Council records are managed in accordance with legislative requirements.

Strategic indicators

Indicator	Target	Result 25/26	Result 26/27	Result 27/28	Target Reached
Working capital	Above 200%	253%			Yes
Adjusted underlying result	Above $0	$20,000			Yes

Consultation and engagement score in Community Satisfaction Score	At or above State average for Small Shires	57	Yes
Customer service score in Community Satisfaction Survey	At or above State average for Small Shires	63	No
Community decision score in Customer Satisfaction Survey	At or above State average for Small Shires	55	Yes
New systems implemented	1 per year	2	Yes
Staff Satisfaction Score	>60%	70%	Yes

Service performance indicators

Indicator	Result 2023/24	Result 2024/25	Result 2025/26	Comments
Governance ***Transparency*** *Council decisions made at meetings closed to the public* [Number of Council resolutions made at meetings of Council, or at meetings of a delegated committee consisting only of Councillors, closed to the public / Number of Council resolutions made at meetings of Council or at meetings of a delegated committee consisting only of Councillors] x100	2.65%	1.82%	1.10%	The majority of Council decisions have been made in meetings accessible to the public, in line with transparency principles.

Consultation and engagement *Satisfaction with community consultation and engagement* [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]	46	47	57	Council's performance improved in this area – which is seen as the single biggest driver of overall perceptions – in 2025-26 and is now above the Small Shire average score of 54.
Attendance *Councillor attendance at council meetings* [The sum of the number of Councilors who attended each Council meeting / (Number of Council meetings) × (Number of Councillors elected at the last Council general election)] x100	95.00%	96.47%	96.25%	The result recognises Councillor attendance at Council meetings. Formal granting of leave of absence is obtained when a Councillor is unable to attend.
Service cost *Cost of elected representation*	$45,779	$46,848	$50,089	Local Government elected officials received an allowance increase effective 18 December 2025 as per the Victorian Tribunal Determination. The Determination provides for further scheduled annual increases to allowance values until 1 July 2026.
Satisfaction *Satisfaction with council decisions* [Community satisfaction rating out of one hundred with how council has performed in making decisions in the interest of the community]	44	47	55	Council's performance has improved each year for the past three years and is now above the Small Shire 2026 average of 51.

Council Plan progress report

Initiatives and Priorities	Status	Comment
6.1 Implement appropriate systems and processes for the regular review and reporting of budgets, long term financial plan and financial sustainability.	Ongoing	Implementation of Calxa Financial Reporting system went live in July 2026. The Council Budget 2027-28 will have a focus on the link with the Council plan priorities – this is to be launched in December quarter when the budget process starts.
6.2 Create a register of all leases and hire agreements for Council buildings, facilities and land, and policy for the consistent, fair and efficient management of these assets.	Ongoing	On track to commence in late 2026 with planning commencing in June 2026.
6.3 Implement and manage a comprehensive Grants Register that provides oversight for the progress and acquittal of all grant related activities.	Completed	Grants register is now live on Council's SharePoint site and staff training has been provided.
6.4 Review and refine the Communications and Engagement Strategy to ensure we achieve extensive reach and effective community engagement and information sharing.	Ongoing	To inform the Strategy, a Communications and Engagement survey was developed and opened to the community in September 2026. The survey closes on 1 November and was supported by a Communications Plan to ensure maximum community uptake.
6.5 Provide customer service, community consultation and engagement, and local government training to all staff.	Ongoing	Customer Service training was rolled out in December 2025. Communication and Engagement training has commenced with all staff provided with an overview of how Council's new Intranet works and its benefits. Introduction to Local Government training has been delivered.
6.6 Continue to improve the Customer Relationship Management system to enable timely response and resolution to enquiries and requests.	Ongoing	Continues through relationship with Datacom continuous release of training, instructions and Customer Service best practice. The January 2026 bushfires placed enormous pressure on the CRM system, but it performed well and learnings will be used to further enhance the system.

6.7 Advocate on behalf of our community and the local government sector on issues of importance, including but not limited to; telecommunications, power security, internet, health and emergency services.	Ongoing	During - and in the months since - the January bushfires, significant advocacy has been undertaken to ensure that the needs of impacted communities in Towong Shire are acknowledged and met. Council also worked successfully to get the Parliamentary summer fires inquiry to hold an "Open Mic" session in Towong Shire after the Shire was initially not given a dedicated session. Council has also been very active relating to the need for a new hospital in Albury Wodonga and the condition of State-managed roads in the Shire.
6.8 Implement the SharePoint based Records Management System to ensure all Council records are managed in accordance with legislative requirements.	Ongoing	Migration complete for Community and Planning team (excluding Early Years) Early Years role-based access control implementation is in progress and Early Years migration training is in progress. An audit schedule is in development for monitoring of SharePoint sites. Retention and Disposal instructions received and being assessed to inform implementation requirements.
6.9 Conduct a review of the functions and services delivered by Council and the organisational structure to ensure Council remains financially sustainable.	Ongoing	A high-level review was conducted during the budgeting process. This will continue throughout quarterly budget and long-term financial plan reviews.
6.10 Conduct a service review of every service (both internal and external) during the period of this Council Plan.	Ongoing	The first review of Customer Service and Libraries was completed in September resulting in several changes that will improve the delivery of these services for our communities.
6.11 Progressively create procedural documents to facilitate retention of corporate knowledge.	Ongoing	New procedures developed for key compliance areas including, but not limited to: Procurement, Recruitment, Respect at Work, Psychosocial Risk Management, Enterprise Risk Management, OHS Consultation, OHS Risk Management, OHS Incident Management and Reporting, OHS Emergency Management, Injury Management, Flexible Working Arrangements, Virtual credit card, IT Access Control and User Management, Public Transparency, and Complaints. Other procedures and manuals were developed by officers as required.

6.12 Improve service delivery and reduce costs through process improvement and shared services.	Ongoing	Collaboration, partnerships, and shared services opportunities being explored with Alpine and Indigo Shires e.g., delivery of shared services, IT systems and processes, Safety and Risk, and several others. The Building Shared Services agreement has been revised, providing for more clarity and direction for all staff involved in delivering that shared service arrangement.
6.13 Implement Occupational Health and Safety software to ensure we keep our staff, contractors and elected representatives safe and well.	Ongoing	The system build required to implement the Skytrust software has been completed. Hazard and Incident Reporting Training, Maintenance and Pre-Start Equipment Check Training Modules have been piloted and are now live. The system will be progressively implemented, in stages, across the organisation.
6.14 Implement a Human Resource Management system (HRIS) to ensure efficient and accurate management of the employment lifecycle.	Completed	The new HRIS went live as scheduled in March 2026 and Council has progressively added additional modules, the most recent of these being the training and development module. Training is being sourced and developed via the system and AI.
6.15 Implement an Asset Management system that manages Council-owned assets.	Not started	The scoping for an asset management system has recommenced, however resourcing a project of this scale is proving challenging, following the pressure on BAU resources to remediate and rebuild four bridges heavily impacted by flash flooding in early 2026.
6.16 Develop a strategy to migrate operatingsystems to the Cloud.	Ongoing	Council's SharePoint migration is continuing whilst a detailed investigation into a new GIS continues with progress adversely impacted by the 2026 summer bushfires. Council has made significant progress in migrating core business systems to cloud-based platforms, with the SharePoint migration ongoing and ArcGIS Online now in the configuration stage. These projects form a key part of Council's broader cloud adoption strategy and will improve accessibility, collaboration, resilience and service delivery.
6.17 Continuously monitor and identify opportunities for innovation, efficiency and process improvement through technology and artificial intelligence.	Ongoing	Council determined that an AI policy is required to provide appropriate boundaries around the use of AI prior to widescale uptake of AI across the organisation. Development of an AI policy is now in still in progress.

6.18 Develop and implement a People Plan to ensure we have a high performing, engaged and skilled workforce.	Ongoing	The People Plan has been developed, and the plan is in final consultation with Council's Senior Management Team.
6.19 Ensure all safety procedures, processes and systems are compliant with all legislative and regulatory requirements.	Ongoing	Progress on more than 100 work instructions, 33 System Procedures and 35 Operating Procedures for development has progressed. Legally prescribed procedures such as OHS Consultation, OHS Issue Resolution, Psychosocial Risk Management and Respect at Work Policies and Procedures have been finalised and adopted. Other important governance procedures such as OHS Incident Management and Reporting, OHS Risk Management and OHS Emergency Management are developed and in consultation.
6.20 Continue to provide training and skill development opportunities for staff to ensure the retention and attraction of staff in key service units.	Ongoing	The delivery of training to outdoor staff, as per the outdoor training matrix is continuous. Development of a training matrix for indoor staff has progressed. The induction matrix by title and role has been developed and an annual training schedule - utilising online modules -has been developed and delivery has commenced.

Governance

Towong Shire Council was established by an Order of the Governor in Council on 24 October 1996 and is a Body Corporate. Council's main office is located at 32 Towong Street, Tallangatta.

In accordance with Section 8 (1) of *Local Government Act 2020*, the role of Council:

is to provide good governance in its municipal district for the benefit and wellbeing of the municipal community.

In accordance with Section 9 of the *Local Government Act 2020*:

(1) A Council must in performance of its role give effect to the overarching governance principles.
(2) The following are the overarching governance principles:
(a) Council decisions are to be made and actions taken in accordance with the relevant law;
(b) Priority is to be given to achieving the best outcomes for the municipal community, including future generations;
(c) the economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted;
(d) the municipal community is to be engaged in strategic planning and strategic decision making;
(e) innovation and continuous improvement is to be pursued;
(f) collaboration with other Councils and Governments and statutory bodies is to be sought;
(g) the ongoing financial viability of the Council is to be ensured;
(h) regional, state and national plans and policies are to be taken into account in strategic planning and decision making;
(i) the transparency of Council decisions, actions and information is to be ensured.

Council recognises that effective governance is the key to ensuring that Council meets the community's priorities. Many formal decisions are made at Council Meetings, and some of Council's powers have been delegated to Council staff and are exercised in accordance with Council policies. The community has the opportunity to be involved in Council's decision-making processes through specific community engagement processes in line with our *Community Engagement Policy*, and 'Public Question Time' held in conjunction with Council's monthly meeting.

Council meetings

Council's ordinary meetings are held monthly, except for January when there may be no meeting if there is no business that needs to be addressed. These meetings are conducted in accordance with Council's *Governance Rules*.

For the 2025-26 year Council held the following meetings:

- Twelve (12) ordinary council meetings
- Five (5) special council meetings.

Committees

In 2025-26 Council had one Community Asset Committee, the Riverview Committee of Management. The Committee manages the operation of the Walwa Independent Living Units (self-contained accommodation).

Councillor Code of Conduct

The Councillor Code of Conduct outlines the standards of conduct expected to be observed by Councillors in the course of performing their duties and functions as Councillors. Council last adopted its Councillor Code of Conduct on 24 February 2021, and its Model Councillor Code of Conduct and Internal Resolution Procedure on 29 January 2025.

In accordance with the requirements of the *Local Government Act 2020*, the Councillor Code of Conduct is designed to:

- Provide for good governance and decision making across the municipality;
- Establish agreed high standards of behaviour and conduct;
- Create a common understanding of the different roles of Councillors and the administration;
- Clarify dispute resolution procedures; and
- Outline the treatment of breaches.

It provides a framework for robust debate in which legitimate differences in opinions, beliefs and values can be discussed constructively.

Councillor allowances

At 1 July 2021, Mayor and Councillor allowances were set in accordance with the relevant provisions of the *Local Government Act 1989*. Councils were able to set their allowances within the ranges determined by the Minister for Local Government.

Since the introduction of the *Local Government Act 2020,* the responsibility for determining allowances transitioned to the Victorian Independent Remuneration Tribunal during the course of 2021/22. The Tribunal's first Determination was made on 7 March 2022 and took effect from 18 December 2021. The Determination sets a single allowance for each role and council category inclusive of a superannuation guarantee contribution. Councils are required to pay the set allowance amounts with no ability to vary this at a council level. However individual Councillors may elect to receive the entire allowance, a specified part, or none of the allowance. The Tribunal also introduced a new allowance level for Deputy Mayors so that there are now separate allowance levels for Mayors, Deputy Mayors and Councillors.

Allowances applicable to Towong Shire Council as a 'Category 1' Council were as follows:

Role	1 July 2025 – 17 December 2025	18 December 2025 – 30 June 2026
Mayor	$89,323	$91,613
Deputy Mayor	$44,661	$45,807
Councillor	$28,110	$28,110

As at 1 July 2025, Councillors could also claim a remote area travel allowance of $48.90 per day for eligible travel to attend meetings held more than 50km from their place of residence. All allowances were paid pro-rata for the part of the year where the allowance applied.

Councillor expenses

The Councillor Support and Expenses Policy establishes the resources, facilities and administrative support provided to Councillors. It provides for Councillors to have out-of-pocket expenses, incurred while performing their official duties as a Councillor or member of a delegated committee, either reimbursed or paid directly by Council. The table below presents the expenses incurred by Council in 2025-26 on behalf of each Councillor.

Councillor	Conference and Training	ICT*	Travel^	Functions and Events	Total
Cr Andrew Whitehead	$945	$513		$1,615	**$3,073**
Cr David Wortmann	$2,350	$840	$2,498	$3,052	**$8,740**
Cr Denise Anderson		$164			**$164**
Cr Peter Tolsher	$945	$164	$343	$3,642	**$5,094**
Cr Jon Pitman		$164			**$164**
TOTAL	**$4,240**	**$1,845**	**$2,841**	**$8,309**	**$17,235**

*Information and Communication Technology.

^Inclusive of mileage and accommodation. It is noted that Cr Wortmann does not utilise a Council vehicle.

Audit and Risk Committee

The Audit Committee was established by resolution of Council on 19 January 1998 as an independent advisory committee to assist Council in the effective conduct of its responsibilities for financial reporting, management of risk, maintaining a reliable system of internal controls and facilitating the organisation's ethical development.

It was re-established as the Audit and Risk Committee in accordance with the requirements of the *Local Government Act 2020* at the Council Meeting on 1 September 2020.

During 2025-26 the Audit and Risk Committee met on four (4) occasions to discuss Council's Budget, finance reports, Council priorities, external and internal audits, OHS, performance reporting, finance systems, legal and compliance actions, risk management and policy development.

During 2025-26, the Audit and Risk Committee considered:

Committee Governance

- Audit and Risk Committee Work Plan
- Audit and Risk Committee Chair and Membership
- Audit and Risk Committee Self-Assessment
- Audit and Risk Committee Charter

Financial management and performance reporting

- Annual financial and performance statements
- Interim and annual external audits
- Budget development
- Quarterly financial reporting
- Long-term financial plan

Risk management

- Strategic Risk Register
- Significant operational changes
- Risk management framework and appetite
- Risk Management Action Plan
- Psychosocial Risk Management
- Fraud controls
- Occupational health and safety

Internal Audit

- Internal audit plan
- Payroll audit
- IT Security audit
- Early Years Audit

Compliance

- Legislative and regulatory reforms
- Councillor expense reimbursements
- CEO credit card expenditure
- Policy reviews.

Audit and Risk Committee Members

In 2025-26 the Audit and Risk Committee comprised the Mayor and four independent external members. The external members were as follows:

Ms Lisa Forsyth (Chair from 15 September 2023 to 15 September 2025)	Ms Forsyth was appointed to the Audit and Risk Committee in July 2022. She brings invaluable experience accumulated throughout various senior corporate and non-for-profit roles. The focus across these roles have included risk and compliance management, audit and assurance, quality management functions and best practice innovation. She is currently the Quality and Risk Manager at Mercy Connected Limited. Ms Forsyth's term expires on 31 July 2026.
Mr Parag Shah	Mr Shah was appointed to the Audit and Risk Committee in July 2023. With over 19 years of experience in cyber security and information technology, Mr Shah brings a unique skillset to the Committee in identifying cyber and information risks and subsequent opportunities for mitigation. Mr Shah currently works as an executive-level officer for the National Bank of Australia.

Ms Carolyn Rosetta-Walsh *(Chair from 22 October 2025 to 21 October 2026)*	Ms Rosetta-Walsh was appointed to the Audit and Risk Committee in August 2024. She brings valuable experience, currently serving on audit and risk committees in regional NSW. Ms Rosetta-Walsh is a Chartered Accountant and is a Director at C&N Audit Services, specialising in assurance and risk.
Mr Marcus Goonan	Mr Goonan was appointed to the Audit and Risk Committee in August 2024 and brings significant local government experience, currently working at Wangaratta City Council as the Director Community and Infrastructure. With engineering and leadership experience and qualifications, his experience in the application of risk in a local government setting is very valuable.

External audit

Council is externally audited by the Victorian Auditor-General's Office (VAGO). For the 2025-26 financial year the annual external audit of Council's financial statements and performance statement was conducted by VAGO's representative, Johnsons MME. The external auditors engage with Council's Audit and Risk Committee to present their independent audit report. The external audit management letter and responses are also provided to the Audit and Risk Committee.

Risk management

Council is committed to taking a best practice approach to managing risk. We recognise that risks are inherent in all our functions and understand that all systems and processes exhibit variability, impacting on predictability and performance.

Managing risk is not about finger pointing when things go wrong, rather it is a conscious decision to improve Council's systems and processes. The objectives of our risk management policy are to:

- Ensure we appropriately deal with risk;
- Safeguard our assets: people, financial, information and property;
- Create an environment where all our employees will assume responsibility for managing risk;
- Preserve our ability to deliver policy and performance objectives in a timely, efficient and effective manner; and
- Implement transparent and responsible risk management processes, which align with accepted best practice.

Governance and management checklist

Governance and management items	Assessment	Result
1 Community engagement policy Policy required by section 55 of the Act outlining Council's commitment to engaging with the community on matters of public interest	Adopted 23 August 2023	Compliant
2 Community engagement guidelines Guidelines to assist staff to determine when and how to engage with the community	Adopted 24 February 2021	Compliant
3 Financial Plan Plan required by section 91 of the Act describing the resources required to give effect to the Council Plan	Adopted 22 October 2025	Compliant
4 Asset Plan Plan required by section 92 of the Act describing information about each class of infrastructure under the control of Council	Adopted 25 January 2023	Compliant
5 Revenue and Rating Plan Plan required by section 93 of the Act describing Council's funding sources	Adopted 25 June 2025	Compliant
6 Annual Budget Required by section 94 of the Act including the financial statements, services and initiatives to be funded, and how much is to be raised by rates and charges	Adopted 24 June 2026	Compliant
7 Risk policy Policy outlining Council's commitment and approach to minimising the risks to Council's operations	Current policy in operation Adopted 25 February 2026	Compliant
8 Fraud policy Policy outlining Council's commitment and approach to minimising the risk of fraud	Current policy in operation Adopted 17 December 2025	Compliant

9 Municipal emergency management plan Plan under section 60ADB of the *Emergency Management Act 2013* for emergency mitigation, response and recovery	Prepared and maintained in accordance with section 60ADB of the *Emergency Management Act 2013* MEMP 2023-2026	Compliant
10 Procurement policy Policy under section 108A of the Act outlining the principles, processes and procedures that will apply to the purchase of goods and services	Current policy in operation Adopted 27 May 2026	Compliant
11 Business continuity plan Plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster	Current plan in operation 30 July 2018	Compliant
12 Disaster recovery plan Plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster	Current plan in operation 30 July 2018	Compliant
13 Risk management framework Framework outlining Council's approach to managing risks to the Council's operations	Risk Appetite Statement Adopted 24 June 2026 Enterprise Risk Management Policy Adopted 25 February 2026	Compliant
14 Audit and Risk Committee Advisory committee required by section 53 of the Act to monitor compliance with the Act, to monitor financial and performance reporting, to advise on risk management and fraud controls, and to oversee audit functions	Established 1 September 2020	Compliant
15 Internal audit Independent professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls	Early years internal audit conducted in 2025-26 Charter provides for internal audits to be conducted annually.	Compliant
16 Performance reporting framework A set of prescribed indicators required by section 98 of the Act measuring financial and non-financial performance	Current framework in operation	Compliant

17 Council Plan reporting Report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators	Conducted quarterly	Compliant
18 Financial reporting Quarterly report required by section 97 of the Act comparing actual and budgeted results to date with an explanation of variances	Conducted quarterly	Compliant
19 Risk reporting Six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies	Reported Quarterly	Compliant
20 Performance reporting Six-monthly reports of indicators measuring the results against financial and non-financial performance	Reported quarterly	Compliant
21 Annual report Annual report required by section 98 of the Act containing a report of operations of the Council, and audited performance and financial statements	Presented at a meeting of Council 22 October 2025	Compliant
22 Councillor Code of Conduct Code required by section 139 of the Act including the standards of conduct expected to be observed by Councillors	Reviewed and adopted in accordance with the requirements of the *Local Government Act 2020* 29 January 2025	Compliant
23 Delegations A document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff	Reviewed 24 January 2024	Compliant
24 Meeting procedures Governance Rules required by section 60 of the Act outlining the conduct of Council meetings	Current rules in operation Governance Rules Adopted 24 June 2026	Compliant

I certify that this information presents fairly the status of Council's governance and management arrangements.



Cr Peter Tolsher
Mayor



Juliana Phelps
Chief Executive Officer

Statutory information

Documents available for public inspection

The opportunity to access information about Council operations is a vital part of open and accountable government. Council's Public Transparency Policy outlines the following information for access by the public, except where the information is confidential in accordance with legislation:

- Plans, strategies, reports, policies and documents required by LGA 2020;
- Plans, strategies and policies otherwise adopted by Council;
- Local Laws; Council meeting agendas, minutes, and meeting recordings;
- Terms of reference or charters for Council committees;
- Application processes for approvals, permits, grants, and access to services.

Council will at minimum make the following information available to the public upon request, except where confidential in accordance with legislation:

- Plans, strategies, reports and documents required by any Act or which have been adopted by Council;
- Project and service plans which have been adopted by Council;
- Guidelines, manuals, policies and procedures;
- Technical reports and/or research used to inform decision making;
- Registers required by LGA 2020 or any other legislation;
- Newsletters, handbooks and promotional materials;
- Building approval registers as required by the Building Act 1993;
- Planning permit registers and documentation as required by the Planning and Environment Act 1987.

Council website

All Council information published for access by the community will be available on Council's website, which will be maintained for use on desktop computers, mobile phones and other devices, and which will be tested to work with most commonly used browsers and operating systems.

Inspection at Council Office

All Council information published for access by the community will also be available for inspection upon request at Council's Office, 32 Towong Street, Tallangatta or at 76 Hanson Street, Corryong.

Application to access information

Council will consider all requests for access to Council information made outside the Freedom of Information process in accordance with privacy principles. Information will be provided for free or at low cost, commensurate to the effort to provide it or in accordance with any relevant legislation. Information may be provided by email and requests for information to be provided in hard copy or mailed to the requestor will be considered.

Freedom of information (FOI)

The FOI Act provides the public with a general right to access documents in the possession of Council relating to their personal affairs or the activities of Council, except where those documents are deemed confidential under legislation. Council may request that a formal Freedom of Information request is submitted in order to access certain documents. In assessing a Freedom of Information request, Council may consult with third parties where documents contain related information that may be exempt from release under the FOI Act.

Social media

Council will, where beneficial to community engagement, make information publicly available through its social media platforms.

Content accessibility

The Disability Discrimination Act 1992 (Commonwealth) requires Council to ensure people with a disability have the same access to information and services as others in the community. Council recognises the diverse range of needs in its community and commits to making its written information accessible to everyone.

Information Privacy

Council values the treatment of personal and health information and acknowledges its obligations primarily under the Privacy and Data Act 2014 and Health Records Act 2001. The legislation prescribes numerous information privacy and data protection principles that Council is required to comply with to ensure information is safety collection, stored and disclosed through Council's administrative and operational processes. Council's Privacy Policy was revised and adopted in August 2023, which includes further detail of Council's privacy commitments and procedures.

Best value

Council seeks to achieve best value for its communities across all of its activities, by taking a proactive and systematic approach to keeping costs as low as possible while striving to deliver services to the standard expected by the community.

Council has been recognised as a leader in procurement and process efficiency in the local government sector. Council is also recognised for its innovative shared services arrangements which have resulted in improved service delivery and reduced costs through collaboration with neighbouring councils. Shared services have been established for the following services:

- Planning services
- Building control
- Rates and property
- Immunisations

Other best value initiatives include the implementation of a shared digital platform with Alpine Shire Council and Indigo Shire Council. The program aims to provide a frictionless customer experience and drive internal efficiencies across all three Councils. The collaborative approach has aided in driving best value in procurement and implementation of the program and continues to provide a strong foundation for further collaborative initiatives between the Councils. Additional best value initiatives include the Greenlight Project, which intends to improve the customer service experience for planning permit applications through better access to planning information whilst a permit is still being processed.

Contracts

A list of Contracts awarded at Council Meetings valued at $150,000 or over are supplied below for the 2025-26 financial year:

Project	Contract	Supplier	Value ($)
Corryong Elyne Mitchell Library internal refurbishment	2025-26-001	Q1 Constructions Pty Ltd	272,031
Storm damage priority works – Wises Creek Rd	2025-26-009	Tallangatta Construction & Maintenance Pty Ltd	979,139
Stabilisation of major patches	2025-26-019	Szabolics Construction Pty Ltd	700,000
Bethanga Sports Pavilion Development	2025-26-022	Q1 Constructions Pty Ltd	2,248,477
Flood Recovery Emergency Works	2025-26-035	Tallangatta Construction & Maintenance Pty Ltd	541,545

Domestic Animal Management Plan

Council adopted its Domestic Animal Management Plan 2025-2029 in October 2025. Its development was guided by the following principles:

- The belief that pets contribute to quality of life
- A requirement to balance the needs of those who own pets and those who do not
- Valuing responsible pet ownership

- Proactive animal management and education within the community
- Protection of the environment from any negative impacts of dogs and cats
- Working in partnership with others to achieve positive outcomes for the community
- Local Government plays a leadership role in animal management.

Council's Domestic Animal Management Plan 2025-2029 includes an Action Plan to assist Council to achieve the Plan's objectives over a four-year period. During the year many of the ongoing actions in the Plan were completed including:

- Review professional development against required skills and knowledge as part of regular work planning and in consultation with officers.
- Issue registration renewal reminder notices to pet owners prior to 10 April.
- Issue overdue registration reminder notices to pet owners who fail to register by 10 April.
- Ensure that seized and impounded animals are registered prior to release to their owner.
- Facilitate accessibility to registering animals within the Shire.
- Provide educational material and advice to pet owners where complaints are received.
- Maintain cat cages for hire to meet community demand.
- Maintain a dedicated animal management page including how to make a complaint.
- Update and distribute dog barking information packs to assist in timely resolution of complaints.
- Review the current cat curfew order.
- Investigate dog attacks and provide an appropriate compliance response.
- Maintain accurate information on Council's webpage about how to report a dog attack.
- Provide education regarding the consequences for dogs and their owners should the dog rush at or attack a person or animal.
- Proactively identify menacing dog behaviour.
- Provide education regarding dangerous, menacing and restricted breed dogs and how to report them.
- Enter all declared dangerous, menacing and restricted breed dogs into the Victorian Declared Dog Registry within seven days of registration.

Equality Action Plan

Council adopted its Gender Equality Action Plan in June 2026 in line with the gender equality principles outlined in the Gender Equality Act 2020. Since its adoption, in the spirit of the principles defined in section 6 of the Act, Council have to consider and promote gender equality and to take necessary and proportionate action towards achieving gender equality. This includes celebrating IDAHOBIT day on 17 May 2026.

Food Act Ministerial Directions

In accordance with section 7E of the Food Act 1984, Council is required to publish a summary of any Ministerial directions received during the financial year in its Annual Report. There were no Ministerial directions received during the last financial year.

Freedom of Information (FoI)

In accordance with section 7(4AA)(a) and 7(4AA)(b) of the Freedom of Information Act 1982, Council is required to publish certain statements in their Annual Report or separately (such as on its website) concerning its functions and information available.

Access to documents may be obtained through written request to the Freedom of Information Officer, as detailed in Section 17 of the Freedom of Information Act 1982 and in summary as follows:

- It should be in writing
- It should identify as clearly as possible which document is being requested
- It should be accompanied by the appropriate application fee (the fee may be waived in certain circumstances)

Access charges may also apply once documents have been processed and a decision on access is made (e.g. photocopying, search and retrieval charges). Further information regarding FOI can be found at ovic.vic.gov.au or on Council's website.

Public Interest Disclosures Procedures

In accordance with Section 69 of the Public Interest Disclosures Act 2012, Council must include in their Annual Report information about how to access the procedures established by the Council. It is also required to provide certain information about the number and types of public interest disclosures complaints investigated during the financial year.

The purpose of the Public Interest Disclosures Act 2012 is to encourage and facilitate the making of disclosures in relation to the improper conduct of Council and its employees and to provide protection for persons making disclosures against detrimental action. Procedures on how to make a disclosure are publicly available on Council's website or may be obtained by contacting Council on 1300 365 222 or info@towong.vic.gov.au.

During the 2025-26 year no disclosures were notified to Council officers appointed to receive disclosures or to the Independent Broad-based Anti-corruption Commission (IBAC).

Road Management Act Ministerial Direction

In accordance with Section 22 of the Road Management Act 2004 Council must publish a copy or summary of any ministerial direction in its Annual Report. No such ministerial directions were received by Council during the financial year.

Contact us:

Phone: 1300 365 222
Email: info@towong.vic.gov.au

Tallangatta Service Centre
33 Towong Street, Tallangatta VIC 3700

Corryong Service Centre
66-76 Hanson Street, Corryong VIC 3707

towong.vic.gov.au

towongshire

Towong Shire Council

ANNUAL FINANCIAL REPORT

For the Year Ended 30 June 2026

Towong Shire Council
Financial Report
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Towong Shire Council
Financial Report
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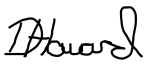
Certification of the Financial Statements

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 2020,* the *Local Government (Planning and Reporting) Regulations 2020,* the Australian Accounting Standards and other mandatory professional reporting requirements.



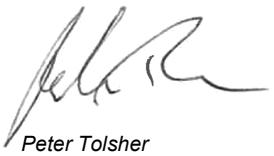
Dylan Howard CPA
Principal Accounting Officer

Dated : *07/10/2026*
Tallangatta

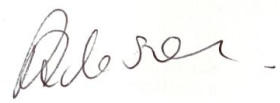
In our opinion, the accompanying financial statements present fairly the financial transactions of the Towong Shire Council for the year ended 30 June 2026 and the financial position of the Council as at that date.

At the date of signing, we are not aware of any circumstances that would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify the financial statements in their final form.



Peter Tolsher
Mayor
Dated : *07/10/2026*
Tallangatta



Denise Andersen
Deputy Mayor
Dated : *07/10/2026*
Tallangatta



Narelle Taylor
Acting Chief Executive Officer
Dated : *07/10/2026*
Tallangatta

Independent Auditor's Report

Victorian Auditor-General's Office

To the Councillors of Towong Shire Council

Opinion	I have audited the financial report of Towong Shire Council (the council) which comprises the: • balance sheet as at 30 June 2026 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including material accounting policy information • certification of the financial statements. In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2026 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the *Local Government Act 2020*, the Local Government (Planning and Reporting) Regulations 2020 and applicable Australian Accounting Standards.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975*. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Councillors' responsibilities for the financial report	The Councillors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors
- conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Travis Derricott
as delegate for the Auditor-General of Victoria

MELBOURNE
14 October 2026

Comprehensive Income Statement
For the Year Ended 30 June 2026

	Note	2026 $'000	2025 $'000
Income			
Rates and charges	3.1	10,992	10,702
Statutory fees and fines	3.2	271	259
User fees	3.3	1,264	1,269
Grants - operating	3.4	14,704	14,155
Grants - capital	3.4	6,366	6,679
Contributions - monetary	3.5	243	136
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	372	(199)
Fair value adjustments for investment property	6.3	50	-
Share of net profits (or loss) of associates and joint ventures	6.2	(8)	-
Other income	3.7	5,629	4,454
Total income		**39,884**	**37,455**
Expenses			
Employee costs	4.1	12,717	10,901
Materials and services	4.2	14,584	13,746
Depreciation	4.3	5,892	6,840
Finance costs	4.4	23	18
Other expenses	4.5	282	300
Total expenses		**33,498**	**31,804**
Surplus/(deficit) for the year		**6,386**	**5,651**
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation gain/(loss)	9.1	22,140	11,312
Items that may be reclassified to surplus or deficit in future periods			
Total other comprehensive income		**22,140**	**11,312**
Total comprehensive result		**28,526**	**16,964**

The above comprehensive income statement should be read in conjunction with the accompanying notes.

Balance Sheet
As at 30 June 2026

	Note	2026 $'000	2025 $'000
Assets			
Current assets			
Cash and cash equivalents	5.1 (a)	14,537	6,159
Trade and other receivables	5.1 (c)	3,161	3,806
Other financial assets	5.1 (b)	15,000	22,596
Inventories	5.2 (a)	348	381
Prepayments	5.2 (b)	340	339
Other assets	5.2 (b)	3,483	2,379
Total current assets		**36,866**	**35,660**
Non-current assets			
Investments in associates, joint arrangements and subsidiaries	6.2	35	43
Property, infrastructure, plant and equipment	6.1	317,495	291,143
Investment property	6.3	1,325	1,275
Total non-current assets		**318,855**	**292,461**
Total assets		**355,721**	**328,121**
Liabilities			
Current liabilities			
Trade and other payables	5.3 (a)	3,098	4,871
Trust funds and deposits	5.3 (b)	1,449	739
Contract and other liabilities	5.3 (c)	1,458	1,476
Provisions	5.4	2,067	2,114
Total current liabilities		**8,072**	**9,201**
Non-current liabilities			
Provisions	5.4	986	783
Total non-current liabilities		**986**	**783**
Total liabilities		**9,058**	**9,984**
Net assets		**346,663**	**318,137**
Equity			
Accumulated surplus		141,440	135,054
Reserves	9.1	205,223	183,083
Total Equity		**346,663**	**318,137**

The above balance sheet should be read in conjunction with the accompanying notes.

Statement of Changes in Equity
For the Year Ended 30 June 2026

2026	Note	Total $'000	Accumulated Surplus $'000	Revaluation Reserve $'000
Balance at beginning of the financial year		318,137	135,054	183,083
Surplus/(deficit) for the year		6,386	6,386	-
Net asset revaluation gain/(loss)	6.1	22,140	-	22,140
Transfers to other reserves	9.1	-	-	-
Transfers from other reserves	9.1	-	-	-
		346,663	141,440	205,223
Balance at end of the financial year		**346,663**	**141,440**	**205,223**

2025		Total $'000	Accumulated Surplus $'000	Revaluation Reserve $'000
Balance at beginning of the financial year		301,173	129,403	171,770
Surplus/(deficit) for the year		5,651	5,651	-
Net asset revaluation gain/(loss)	6.1	11,312	-	11,312
Transfers to other reserves	9.1	-	-	-
Transfers from other reserves	9.1	-	-	-
		318,136	135,054	183,083
Balance at end of the financial year		**318,136**	**135,054**	**183,083**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows
For the Year Ended 30 June 2026

	Note	2026 Inflows/ (Outflows) $'000	2025 Inflows/ (Outflows) $'000
Cash flows from operating activities			
Rates and charges		10,817	10,248
Statutory fees and fines		271	259
User fees		1,264	1,215
Grants - operating		14,530	13,370
Grants - capital		4,071	8,175
Contributions - monetary		243	136
Interest received		1,137	1,624
Other receipts		4,914	2,425
Net GST refund/payment		(280)	88
Employee costs		(12,661)	(10,925)
Materials and services		(12,756)	(16,461)
Trust funds and deposits repaid		(710)	(147)
Other payments		(305)	(317)
Net cash provided by/(used in) operating activities	9.2	**10,535**	**9,689**
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.1	(10,127)	(12,655)
Proceeds from sale of property, infrastructure, plant and equipment	3.6	397	151
Payments for investments		(13,000)	3,940
Proceeds from sale of investments		20,596	-
Net cash provided by/(used in) investing activities		**(2,134)**	**(8,564)**
Cash flows from financing activities			
Finance costs		(23)	(18)
Net cash provided by/(used in) financing activities		**(23)**	**(18)**
Net increase (decrease) in cash and cash equivalents		8,378	1,107
Cash and cash equivalents at the beginning of the financial year		6,159	5,052
Cash and cash equivalents at the end of the financial year		**14,537**	**6,159**

Financing arrangements	5.5	

The above statement of cash flows should be read in conjunction with the accompanying notes.

Statement of Capital Works
For the Year Ended 30 June 2026

	Note	2026 $'000	2025 $'000
Property			
Land		1,066	85
Land improvements		27	199
Total land		1,093	284
Buildings		599	479
Building improvements		957	550
Leasehold improvements		45	-
Total buildings		1,601	1,029
Total property	2.1.2	2,694	1,313
Plant and equipment			
Plant, machinery and equipment		2,126	1,569
Fixtures, fittings and furniture		-	63
Computers and telecommunications		42	19
Total plant and equipment	2.1.2	2,168	1,651
Infrastructure			
Roads		2,973	5,919
Bridges		700	1,947
Footpaths and cycleways		119	772
Drainage		176	130
Recreational, leisure and community facilities		754	-
Waste management		-	92
Parks, open space and streetscapes		603	1,137
Other infrastructure		-	62
Total infrastructure	2.1.2	5,326	10,059
Total capital works expenditure	2.1.2	10,187	13,023
Represented by:			
New asset expenditure		2,042	2,466
Asset renewal expenditure		7,210	5,963
Asset upgrade expenditure		935	4,594
Total capital works expenditure	2.1.2	10,187	13,023

The above statement of capital works should be read in conjunction with the accompanying notes.

Notes to the Financial Report
For the Year Ended 30 June 2026

Note 1 OVERVIEW

Introduction

The Towong Shire Council was established by an Order of the Governor in Council on 18 November 1994 and is a body corporate.
The Council's main office is located at 32 Towong Street, Tallangatta, Victoria.

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 2020*, and the *Local Government (Planning and Reporting) Regulations 2020*.

The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

Accounting policy information

1.1 Basis of accounting

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Specific accounting policies applied are disclosed in sections where the related balance or financial statement matter is disclosed.

The accrual basis of accounting has been used in the preparation of these financial statements, except for the cash flow information, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

The financial statements have been prepared on a going concern basis. The financial statements are in Australian dollars. The amounts presented in the financial statements have been rounded to the nearest thousand dollars unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:
- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of employee provisions (refer to Note 5.4)
- the determination of landfill provisions (refer to Note 5.4)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities (refer to Note 3.4)
- the determination, in accordance with AASB 16 Leases, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.7 (b))
- whether or not AASB 1059 Service Concession Arrangements: Grantors is applicable
- other areas requiring judgements

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

Goods and Services Tax (GST)

Income and expenses are recognised net of the amount of associated GST. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

1.2 Impact of emergencies and natural disasters

During 2025-26 emergencies or natural disasters impacted Council's operations. Council has noted the following significant impacts on its financial operations:
• Additional revenue – $326,000 of revenue relating to three bushfire grants. $504,000 of DRFA income accrued.
• Additional costs – $326,000 incurred in relation to three bushfire grants received. $504,000 of DRFA related costs.
• Asset valuations – $719,000 of impairments against the value of its bridges.
Also refer to note 8.1 for further details of contingent assets and liabilities

1.3 Impact of other external events

Council has considered ongoing external events that have contributed to volatility in international markets, disrupted global supply chains and increased inflationary pressure, including the risk that they may cause significant changes in the carrying values of assets and liabilities in the next financial year, and has concluded that there is no material impact on the 2025-26 financial report that requires additional disclosure.

Notes to the Financial Report
For the Year Ended 30 June 2026

Note 2 ANALYSIS OF OUR RESULTS

2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or $100,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

These notes are prepared to meet the requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

2.1.1 Income / Revenue and expenditure

	Budget 2026 $'000	Actual 2026 $'000	Variance $'000	Variance %	Ref
Income / Revenue					
Rates and charges	10,977	10,992	15	0.14%	
Statutory fees and fines	377	271	(106)	-28.18%	**1**
User fees	1,607	1,264	(343)	-21.34%	**2**
Grants - operating	9,491	14,704	5,213	54.93%	**3**
Grants - capital	6,488	6,366	(122)	-1.88%	
Contributions - monetary	-	243	243		**4**
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	372	372		**5**
Fair value adjustments for investment property	-	50	50		
Share of net profits/(losses) of associates and joint ventures	-	(8)	(8)		
Other income	4,409	5,629	1,220	27.68%	**6**
Total income / revenue	33,349	39,884	6,535	19.59%	
Expenses					
Employee costs	12,229	12,717	(488)	-3.99%	
Materials and services	9,918	14,584	(4,666)	-47.04%	**7**
Depreciation	6,904	5,892	1,012	14.66%	**8**
Borrowing costs	16	-	16	100.00%	
Finance costs - leases	-	23	(23)		
Other expenses	277	282	(5)	-1.93%	
Total expenses	29,344	33,498	(4,154)	-14.16%	
Surplus/(deficit) for the year	4,005	6,386	2,381	59.44%	

Notes to the Financial Report
For the Year Ended 30 June 2026

(i) Explanation of material variations

1	Less than budget by $106,000 mostly due to lower income related to planning and building permits.
2	Less than budget by $309,000 mainly due to lower fees related to childcare income
3	Exceeded budget by $5M due to timing of major grants brought forward as well as one off grants relating to the January bushfires that were not foreseen at time of adoption.
4	Community contributions towards projects creating assets controlled by community groups contributed towards being $243,000 over budget. Contributes are not budgeted for due to ad hoc nature they are received.
5	Net profits were made on sale of assets no longer required. In most cases, assets disposed were fully written off as had passed its useful life. Gains and losses on sale of assets are not budgeted for due to ad hoc nature they can occur.
6	Reimbursements from disaster relief funding arrangements (DRFA) was higher than anticipated as a result of unforeseen events occuring during the year.
7	Over budget in large part due to costs of community projects that were not originally in adopted budget for instance, Bethanga Pavilion. Repairs and clean up efforts relating to natural disasters also contributed to exceeding target as these were unforeseen events at the time of budget adoption.
8	Asset revaluations were completed post budget and assessments resulted in higher remaining useful lifes remaining on assets, decreasing the annual depreciation rates. In addition, there were lower than anticipated capitalisation of assets during the year contributing to lower depreciation being realised.

Notes to the Financial Report
For the Year Ended 30 June 2026

2.1.2 Capital works

	Budget 2026 $'000	Actual 2026 $'000	Variance $'000	Variance %	Ref
Property					
Land	150	1,066	916	610.67%	**1**
Land improvements	-	27	27		
Total land	150	1,093	943	628.67%	
Buildings	578	599	21	3.63%	
Building improvements	-	957	957		**2**
Leasehold improvements	-	45	45		
Total buildings	578	1,601	1,023	176.99%	
Total property	728	2,694	1,966	270.05%	
Plant and equipment					
Plant, machinery and equipment	993	2,126	1,133	114.10%	**3**
Computers and telecommunications	100	42	(58)	-58.00%	
Total plant and equipment	1,093	2,168	1,075	98.35%	
Infrastructure					
Roads	7,647	2,973	(4,674)	-61.12%	**4**
Bridges	1,041	700	(341)	-32.76%	**5**
Footpaths and cycleways	160	119	(41)	-25.63%	
Drainage	300	176	(124)	-41.33%	**6**
Recreational, leisure and community facilities	30	754	724	2413.33%	**7**
Waste management	210	-	(210)	-100.00%	**8**
Parks, open space and streetscapes	1,043	604	(439)	-42.09%	**9**
Total infrastructure	10,431	5,326	(5,105)	-48.94%	
Total capital works expenditure	12,252	10,187	(2,064)	-16.85%	
Represented by:					
New asset expenditure	146	2,042	1,896	1298.63%	
Asset renewal expenditure	7,663	7,210	(453)	-5.91%	
Asset upgrade expenditure	4,443	935	(3,508)	-78.96%	
Total capital works expenditure	12,252	10,187	(2,065)	-16.85%	

Notes to the Financial Report
For the Year Ended 30 June 2026

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Land	This year, Council invested $1.005 million in the purchase of strategically located land in Tallangatta next to the Murray Valley Highway. The acquisition strengthens Council's ability to plan for future growth and places the municipality in a strong position to facilitate the development of an industrial hub that can accommodate future industrial and economic opportunities for the township. At the time of budget adoption, it was not known that this land was going to become available for purchase and a council resolution was held during the year to approve acquisition.
2	Building improvements	Council continues to invest in Council-owned and managed buildings throughout 2025/26, with a range of projects aimed at improving community facilities and services. Key works include additional upgrades to the Talgarno Toilet Block ($197,047), the Tallangatta Swimming Pool ($22,485), and the ongoing refurbishment of the Tallangatta Office ($88,134). Other projects include the construction of a new toilet block at Roy Williams Park, Bellbridge ($161,667), upgrades to the Eskdale Visitor Information Centre ($19,431), fit-out of the new Tallangatta Depot facility ($30,225), a major refit and upgrade of the Corryong Library, and minor improvements to the Bellbridge Early Years Facility. These investments will enhance the quality, accessibility, and longevity of important community amenities and public facilities for years to come. Most of these works were carried forward from the prior year as had initially been planned for completion before the beginning of the year.
3	Plant, machinery and equipment	This year, Council continued to invest in upgrading plant, machinery and equipment, including Fleet Replacement ($225,177), Plant Replacement ($1,808,241) and Minor Tools ($18,006). These investments help ensure the ongoing efficiency, safety and reliability of Council operations. Where necessary, Council drew on future budget allocations to fund emergency replacements, including the replacement of the Mack prime mover, which is used for multiple operational tasks across the Shire.
4	Roads	To maintain Council-managed roads to an acceptable standard, Council continued to invest heavily in a range of road infrastructure projects during the year. These included Hanson Street, Corryong ($342,390), the Lake Road Upgrade and Sealing Works ($572,799), Lake Road and Murray Valley Highway Intersection Safety Works ($95,129), Shire-wide Dig Outs and Major Patching ($857,143), the upgrade of the Magorra Park entrance in Mitta Mitta ($125,400), the Annual Reseal Program ($541,032), the Donaldson Street Car Park ($84,890), continued gravel road sealing of Sparrow and Legge Streets in Granya ($50,060), and road design works for Evans Street, Corryong ($11,767). In addition to these planned projects, emergency storm damage repairs were undertaken at Beers Lane ($42,507), Burrowye Road ($43,195), and Guys Forest Road ($193,328). There were projects being carried forward as a result of delays or repriorisation which included Hanson Steet, Corryong ($2.4M, Mitta Streetscape ($500,000), Thomas Lane ($417,00), Evans Street ($238). Despite the underspent, there were close to $700,000 of road maintenance costs that were not capitalised and a significant amount had otherwise been budget for in the capital works.

Notes to the Financial Report
For the Year Ended 30 June 2026

5	Bridges	Council continues to invest in the ongoing management and renewal of bridge infrastructure to ensure the safety, reliability and resilience of the municipality's transport network. During the year, projects included the annual replacement of major culverts and bridges ($209,603), continued works associated with the Springdale Road Bridge replacement ($226,888), minor completion works at the Lake Road Bridge ($2,843). The Yabba Road Bridge has a budget of $530,000 and only $35,000 was incurred for the financial year, contributing to the overall underbudget amount as a result of prioritization towards bridges damaged during the March 2026 storms.
6	Drainage	Council continues to invest in the maintenance and improvement of drainage infrastructure to support the safety, functionality and resilience of the municipality's road network and public assets. During the year, $176,441 was invested in drainage repairs across the Shire, addressing defects and improving the capacity and performance of existing drainage systems. $150,000 budgetted for major drainage works in Eskdale had not yet commenced and will be carried forward.
7	Recreational, leisure and community facilities	Council continued to invest in the renewal and enhancement of the Shire's footpaths, cycleways, and community recreation infrastructure to improve safety, accessibility and connectivity for residents and visitors. During the year, projects included the Annual Footpath Replacement Program ($18,540), Corryong Circuit Trail ($36,948), In addition to these works, significant investment was made at the Council-owned Colac Colac Caravan Park, with $695,000 expended on upgrades to communal facilities and internal road infrastructure. These improvements enhance the visitor experience and support the ongoing development of one of the region's key tourism assets. These had not previously been in the budget and the opportunity for investment had come as a result of a change in long term management of the caravan park.
8	Waste management	During the year, $475,454 was invested in the completion of the capping of Cell 2 at the Corryong Resource Recovery Centre, helping to ensure the facility operates in a safe, sustainable and environmentally compliant manner. This project had been included within the capital works in the adopted budget, however a provision had also been taken up in the prior year in the landfill rehabilitation account hence the reason for the underbudget result despite the costs having been incurred and project completed. Note that at time of the adoption, it had been anticipated that the project would have progressed further than it actually did.
9	Parks, open space and streetscapes	Throughout the 2025/26 financial year, Council continued to invest in parks, open space and streetscape improvements to enhance community amenity, recreation opportunities and visitor experiences across the municipality. Key projects completed during the year included final works associated with the Corryong Skate Park ($7,283), improvements at Roy Williams Park in Bellbridge ($5,000), completion of the Corryong CBD Revitalisation project ($221,598), construction of outdoor dining facilities at the Bethanga Playground ($20,000), the Bellbridge Walking Path and associated exercise equipment ($347,103), and final works at the Dartmouth Splash Park ($29,288). Close to $275K has been carried forward for works on the Walwa CFA shed as this project was delayed due to the Walwa Fires in January as well as the event causing an amendment to the initial scope of works which will be completed in the next financial year. These projects contribute to the creation of vibrant, accessible and welcoming public spaces that support active lifestyles and strengthen community connections. Council's ongoing investment in parks, recreation and public realm infrastructure plays an important role in promoting physical health, mental wellbeing and social engagement, while enhancing the liveability and attractiveness of the municipality for residents and visitors alike.

Notes to the Financial Report
For the Year Ended 30 June 2026

2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2.2.1 Asset Management

Maintain and improve our Shire's infrastructure to meet the levels of service established in consultation with our communities.

Community Wellbeing

Encourage and support all people in our Shire to be healthy, happy, connected and resilient.

Economic and Tourism Development

Expand economic and employment opportunities across our Shire in a sustainable way.

Land-use Planning

Ensure that Council's planning, building and environmental health services support all aspects of liveability and sustainable population growth.

Environmental Sustainability

Integrate sustainable environmental management practices into all of our activities.

Organisational Improvement

Maintain a high performing customer-centred organisation that works with the community to develop and deliver priorities.

Relief and Recovery

Coordinate services to meet the relief and recovery needs of our communities following the 2019/20 bushfires.

Notes to the Financial Report
For the Year Ended 30 June 2026

2.2.2 Summary of income / revenue, expenses, assets and capital expenses by program

2026	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	$'000	$'000	$'000	$'000	$'000
Asset Management	9,816	12,048	(2,232)	9,553	321,326
Community Wellbeing	5,005	7,272	(2,267)	3,729	340
Economic & Tourism Development	27	531	(504)	16	-
Land-use Planning	223	854	(631)	22	1,325
Environmental Sustainability	5,775	6,055	(280)	39	-
Organisational Improvement	16,817	5,137	11,679	5,534	32,733
Relief & Recovery	2,221	1,600	621	2,177	-
	39,884	33,498	6,386	21,070	355,721

2025	Income / Revenue	Expenses	Surplus/ (Deficit)	Grants included in income / revenue	Total assets
	$'000	$'000	$'000	$'000	$'000
Asset Management	9,348	12,810	(3,462)	9,459	246,313
Community Wellbeing	4,195	5,546	(1,351)	3,083	14,836
Economic & Tourism Development	13	879	(867)	1	9,575
Land-use Planning	376	985	(608)	172	-
Environmental Sustainability	3,975	5,911	(1,936)	67	2,028
Organisational Improvement	17,394	4,404	12,990	5,915	55,295
Relief & Recovery	2,155	1,270	885	2,137	74
	37,455	31,804	5,651	20,834	328,121

Notes to the Financial Report
For the Year Ended 30 June 2026

Note 3 FUNDING FOR THE DELIVERY OF OUR SERVICES

	2026	2025
3.1 Rates and charges	**$'000**	**$'000**

Council uses capital improved values (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the value of the land and capital improvements on the land.

The valuation base used to calculate general rates for 2025/26 was $3,540 million (2024/25 $3,547 million).

General rates	7,399	7,185
Municipal charge	1,386	1,350
Kerbside collection charge	1,448	1,446
Waste facilities management charge	415	405
Revenue in lieu of rates	344	316
Total rates and charges	**10,992**	10,702

The date of the general revaluation of land for rating purposes within the municipal district was 1 January 2025 and the valuation was first applied in the rating year commencing 1 July 2025.

Annual rates and charges are recognised as income when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

3.2 Statutory fees and fines

Infringements and costs	32	11
Health registration fees	43	46
Town planning fees	54	118
Land information certificates	10	11
Permits	131	74
Total statutory fees and fines	**271**	259

Statutory fees and fines (including parking fees and fines) are recognised as income when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

3.3 User fees

Children's program fees	918	929
External private works	-	1
Refuse disposal fees	102	53
Saleyard dues	11	11
Septic tank fees	22	13
Swimming pool fees	52	43
Other fees and charges	158	219
Total user fees	**1,264**	**1,269**
User fees by timing of revenue recognition		
User fees recognised over time	-	-
User fees recognised at a point in time	1,264	1,269
Total user fees	**1,264**	**1,269**

User fees are recognised as revenue at a point in time, or over time, when (or as) the performance obligation is satisfied. Recognition is based on the underlying contractual terms.

Notes to the Financial Report
For the Year Ended 30 June 2026

	2026	2025
	$'000	$'000
3.4 Funding from other levels of government		
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	13,000	12,662
State funded grants	5,683	8,173
Total grants received	**18,683**	**20,834**
(a) Operating Grants		
Recurrent - Commonwealth Government		
Financial Assistance Grants - General Purpose	5,534	5,912
Financial Assistance Grants - Local Roads	3,237	3,543
	8,771	9,455
Recurrent - State Government		
Family and Children	1,661	1,403
Community	227	122
Emergency Services	60	60
School Crossing Supervisors	16	16
	1,964	1,601
Total recurrent operating grants	**10,735**	**11,056**
Non-recurrent - Commonwealth Government		
Family and children	435	422
	435	422
Non-recurrent - State Government		
Community	47	170
Family and children	293	139
Infrastructure	958	-
Environment	39	51
Waste	4	16
Bushfire relief & recovery	1,282	2,042
Economic Devolopment	-	1
Information Technology	-	164
Other Infrastructure	-	27
Emergency Support	-	66
Planning	15	-
Recovery	896	-
	3,534	2,676
Total non-recurrent operating grants	**3,969**	**3,098**
Total operating grants	**14,704**	**14,155**
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery	3,117	-
	3,117	-
Recurrent - State Government		
Other Grant	-	-
	-	-
Total recurrent capital grants	**3,117**	**-**
Non-recurrent - Commonwealth Government		
Emergency Support	20	30
Infrastructure	3,045	2,754
	3,065	2,784
Non-recurrent - State Government		
Other Infrastructure	184	3,895
	184	3,895
Total non-recurrent capital grants	**3,249**	**6,679**
Total capital grants	**6,366**	**6,679**

Notes to the Financial Report
For the Year Ended 30 June 2026

(c) Recognition of grant income

Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with *AASB 15 Revenue from Contracts with Customers* . When both these conditions are satisfied, the Council:
- identifies each performance obligation relating to revenue under the contract/agreement
- determines the transaction price
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at the point in time or over time when services are rendered.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies *AASB 1058 Income of Not-for-Profit Entities* .

Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised.

		2026		2025
		$'000		$'000
(d) Unspent grants received on condition that they be spent in a specific manner				
Operating				
Balance at start of year		1,364		**3,236**
Received during the financial year and remained unspent at balance date		1,083		260
Received in prior years and spent during the financial year	-	1,258	-	2,132
Balance at year end		**1,189**		1,364
Capital				
Balance at start of year		-		**2,206**
Received during the financial year and remained unspent at balance date		-		-
Received in prior years and spent during the financial year		-	-	2,206
Balance at year end		**-**		-

Unspent grants are determined and disclosed on a cash basis.

Notes to the Financial Report
For the Year Ended 30 June 2026

3.5 Contributions	2026 $'000	2025 $'000
Monetary	243	136
Non-monetary	-	-
Total contributions	**243**	**136**

3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment

Proceeds of sale	397	151
Written down value of assets disposed	(25)	(350)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	**372**	**(199)**

The profit or loss on sale of an asset is determined when control of the asset has passed to the buyer.

3.7 Other income

Interest	1,040	1,537
Interest on rates	219	122
Shared Services	210	189
Other rent	199	101
Insurance reimbursement	15	4
Disaster recovery funding arrangement	3,567	1,865
Other	379	636
Total other income	**5,629**	**4,454**

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

Notes to the Financial Report
For the Year Ended 30 June 2026

Note 4 THE COST OF DELIVERING SERVICES

	2026 $'000	2025 $'000
4.1 (a) Employee costs		
Wages and salaries	9,804	8,601
WorkCover	287	203
Annual leave and long service leave	1,362	1,016
Superannuation	1,245	1,063
Fringe benefit tax	18	18
Total employee costs	**12,717**	**10,901**

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	14	13
	14	**13**
Employer contributions payable at reporting date.	-	-
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	317	330
Employer contributions - other funds	914	720
	1,231	**1,050**
Employer contributions payable at reporting date.	139	130

Most employees are members of various accumulation funds, including Vision Super and other industry and retail funds. As at 30 June 2026, there were 3 employees in the defined benefits fund: (2025: 3). For 30 June 2026 the Vested Benefits Index (VBI) for the defined benefits fund is 116.9% (2025: 110.5%) and in a good financial position. It is therefore expected that there will be no change in the defined benefit category's funding arrangment from prior years. In the unlikely event that the fund actuary determines there is a shortfall, the fund's participating employers would be required to make an employer contributions to cover the shortfall. It is estimated any shortfall would be immaterial to Council.

4.2 Materials and services

Materials and services	7,926	6,928
Contract payments	4,290	4,093
Maintenance-building, towns, parks and gardens	1,283	1,380
Plant and equipment maintenance	858	1,117
Utilities	225	228
Total materials and services	**14,584**	**13,746**

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

Notes to the Financial Report
For the Year Ended 30 June 2026

4.3 Depreciation

Property	1,477	1,352
Plant and equipment	872	821
Infrastructure	3,543	4,667
Total depreciation	**5,892**	**6,840**

Refer to note 6.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Finance Costs

Bank fees	23	18
Total finance costs	**23**	**18**

4.5 Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	60	96
Councillors' allowances	223	203
Total other expenses	**282**	**300**

Notes to the Financial Report
For the Year Ended 30 June 2026

Note 5 INVESTING IN AND FINANCING OUR OPERATIONS

5.1 Financial assets	2026 $'000	2025 $'000
(a) Cash and cash equivalents		
Cash on hand	1	1
Cash at bank	8,025	5,615
Money market call accounts	6,511	544
Total cash and cash equivalents	14,537	**6,159**
(b) Other financial assets		
Current		
Term deposits	15,000	22,596
Total current other financial assets	15,000	**22,596**
Non-current		
Term deposits	-	-
Total non-current other financial assets	-	-
Total other financial assets	15,000	**22,596**
Total cash and cash equivalents and other financial assets	29,537	**28,755**

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

Other financial assets include term deposits and those with original maturity dates of three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.

Notes to the Financial Report
For the Year Ended 30 June 2026

(c) Trade and other receivables	2026 $'000	2025 $'000
Current		
Statutory receivables		
Rates debtors	2,073	1,897
Walwa Waste Water Supply debtors scheme	65	65
Emergency Services and Volunteers Fund Levy debtors	291	250
Net GST receivable	575	854
Other receivables		
Other debtors	130	740
Infringement debtors	28	-
Total current trade and other receivables	3,161	3,806
Non-current		
Total non-current trade and other receivables	-	-
Total trade and other receivables	**3,161**	3,806

Short term receivables are carried at invoice amount. An allowance for expected credit losses is recognised based on past experience and other objective evidence of expected losses. Long term receivables are carried at amortised cost using the effective interest rate method.

(d) Ageing of Receivables

The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:

Current (not yet due)	99	703
Past due by up to 30 days	-	4
Past due between 31 and 180 days	30	24
Past due between 181 and 365 days	-	-
Past due by more than 1 year	1	9
Total trade and other receivables	130	740

Notes to the Financial Report
For the Year Ended 30 June 2026

5.2 Non-financial assets	**2026**	**2025**
(a) Inventories	**$'000**	**$'000**
Inventories held for distribution	348	381
Total inventories	**348**	**381**

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

(b) Other assets

Prepayments	340	339
Other	3,483	2,379
Total other assets	**3,822**	**2,718**

Notes to the Financial Report
For the Year Ended 30 June 2026

5.3 Payables, trust funds and deposits, and contract and other liabilities	2026 $'000	2025 $'000
(a) Trade and other payables		
Current		
Non-statutory payables		
Trade payables	2,228	3,941
Credit cards	17	2
Accrued wages	227	171
Accrued expenses	303	500
Other payable	256	211
PAYG payable	67	46
Total current trade and other payables	**3,098**	**4,871**
(b) Trust funds and deposits		
Current		
Refundable deposits	28	2
Emergency Services and Volunteers Fund	1,247	436
Retention amounts	174	300
Total current trust funds and deposits	**1,449**	**739**
(c) Contract and other liabilities		
Contract liabilities		
Current		
Grants received in advance - operating	1,458	1,364
Grants received in advance - capital	-	-
Total contract liabilities	**1,458**	**1,364**
Other liabilities		
Current		
Other liabilities	-	112
Total other liabilities	**-**	**112**
Total contract and other liabilities	1,458	1,476

Trust funds and deposits
Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

Contract liabilities
Contract liabilities reflect consideration received in advance from customers in respect of grant funding to deliver specified works on behalf of the funding body. Grants received in advance for capital and operating projects are to be recognised when the specific obligations for the grant agreement have been fulfilled. Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

Other liabilities
Grant consideration was received from [insert funding body] to support the construction of [insert details]. Grant consideration is recognised as income following specific guidance under AASB 1058 as the asset is constructed. Income is recognised to the extent of costs incurred-to-date because the costs of construction most closely reflect the stage of completion of [insert asset]. As such, Council has deferred recognition of a portion of the grant consideration received as a liability for outstanding obligations.

Purpose and nature of items

Emergency Services and Volunteers Fund - Council is the collection agent for the Emergency Services and Volunteers Fund on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the State Government in line with that process.

Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

Notes to the Financial Report
For the Year Ended 30 June 2026

5.4 Provisions

2026	Employee $ '000	Landfill restoration $ '000	Total $ '000
Balance at beginning of the financial year	1,960	937	2,897
Additional provisions	1,269	259	1,528
Amounts used	(897)	(475)	(1,372)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-	-	-
Balance at the end of the financial year	**2,332**	**721**	**3,053**
Provisions - current	2,053	14	2,067
Provisions - non-current	279	707	986
2025			
Balance at beginning of the financial year	1,895	710	2,605
Additional provisions	986	417	1,403
Amounts used	(921)	(190)	(1,111)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-	-	-
Balance at the end of the financial year	**1,960**	**937**	**2,897**
Provisions - current	1,702	412	2,114
Provisions - non-current	258	525	783

Notes to the Financial Report
For the Year Ended 30 June 2026

(a) Employee provisions	2026 $'000	2025 $'000
Current provisions expected to be wholly settled within 12 months		
Annual leave	210	141
Long service leave	279	230
Flexi time	94	77
	583	**448**
Current provisions expected to be wholly settled after 12 months		
Annual leave	631	564
Long service leave	838	690
	1,469	**1,254**
Total current employee provisions	**2,053**	**1,702**
Non-current		
Long service leave	279	258
Total non-current employee provisions	**279**	258
Aggregate carrying amount of employee provisions:		
Current	2,053	1,702
Non-current	279	258
Total aggregate carrying amount of employee provisions	**2,332**	1,960

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

Annual leave

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:
- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the Council does not expect to wholly settle within 12 months.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

Key assumptions:		
- discount rate	4.74%	4.20%
- index rate	4.15%	4.25%

Notes to the Financial Report
For the Year Ended 30 June 2026

	2026	2025
(b) Landfill restoration	**$'000**	**$'000**
Current	14	412
Non-current	707	525
Total	**721**	**937**

Council is obligated to restore [landfill] site to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.
Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.

Key assumptions:		
- discount rate	4.74%	4.20%
- index rate	4.15%	4.25%

5.5 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2026.

Credit card facilities	50	40
Total facilities	50	40
Used facilities	21	5
Unused facilities	**29**	**35**

Notes to the Financial Report
For the Year Ended 30 June 2026

5.6 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

(a) Commitments for expenditure

2026	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	$'000	$'000	$'000	$'000	$'000
Operating					
Garbage collection	968	997	2,994	-	4,959
Town Maintenance Contracts	333	333	-	-	666
Environmental Health Services Contracts	233	240	-	-	473
Building Services Contracts	194	-	-	-	194
Landfill Site Lease	32	-	-	-	32
Recreation and Community Contracts	1,636	-	-	-	1,636
Total	3,396	1,570	2,994	-	7,960
Capital					
Flood Damage Works	437	-	-	-	437
Total	437	-	-	-	437

2025	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	$'000	$'000	$'000	$'000	$'000
Operating					
Garbage collection	940	968	3,083	908	5,899
Town Maintenance Contracts	307	614	-	-	921
Environmental Services Contracts	225	-	-	-	225
Landfill Site Lease	31	-	-	-	31
Total	1,503	1,582	3,083	908	7,076
Capital					
Landfill Capping Works	426	-	-	-	426
Plant Replacements	557	-	-	-	557
Construction of Town Toilet Blocks	473	-	-	-	473
Total	1,456	-	-	-	1,456

Notes to the Financial Report
For the Year Ended 30 June 2026

(b) Operating lease receivables

Operating lease receivables

The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.

Future undiscounted minimum rentals receivable under non-cancellable operating leases are as follows:

	2026	2025
	$'000	$'000
Not later than one year	20	20
Total	20	20

Notes to the Financial Report
For the Year Ended 30 June 2026

6.1 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT

Summary of property, infrastructure, plant and equipment

	Carrying amount 30 June 2025 $'000	Additions $'000	Revaluation $'000	Impairment $'000	Depreciation $'000	Disposal $'000	Write-off $'000	Transfers $'000	Carrying amount 30 June 2026 $'000
Property	48,847	-	2,895	-	(1,481)	(36)	-	3,326	53,550
Plant and equipment	4,493	75	-	-	(872)	(25)	-	2,200	5,872
Infrastructure	228,935		19,246	-	(3,543)	-	-	10,091	254,729
Work in progress	8,848	10,113	-	-	-	-	-	(15,617)	3,344
Total	291,123	10,187	22,141	-	(5,896)	(61)	-	-	317,495

Summary of Work in Progress	Opening WIP $'000	Additions $'000	Write-off $'000	Reclassification $'000	Transfers $'000	Closing WIP $'000
Property	488	3,513	-	-	(3,326)	675
Plant and equipment	28	2,172	-	-	(2,200)	-
Infrastructure	8,333	4,428	-	-	(10,091)	2,670
Total	8,849	10,113	-	-	(15,617)	3,344

Notes to the Financial Report
For the Year Ended 30 June 2026

(a) Property

	Land - specialised	Land - non specialised	Total Land & Land Improvements	Buildings - specialised	Total Buildings	Work In Progress	Total Property
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At fair value 1 July 2025	10,904	8,213	**19,117**	46,571	**46,571**	486	**66,173**
Accumulated depreciation at 1 July 2025	-	-	**-**	(16,840)	**(16,840)**	-	**(16,840)**
	10,904	8,213	**19,117**	29,731	**29,731**	484	**49,333**
Movements in fair value							
Additions	-	-	**-**	-	**-**	3,513	**3,513**
Contributions	-	-	**-**	-	**-**	-	**-**
Revaluation	-	-	**-**	2,895	**2,895**	-	**2,895**
Disposal	-	-	**-**	(41)	**(41)**	-	**(41)**
Write-off	-	-	**-**	-	**-**	-	**-**
Transfers	-	1,079	**1,079**	2,247	**2,247**	(3,326)	
Transfers	-	-	**-**	-	**-**	-	**-**
	-	1,079	**1,079**	5,101	**5,101**	187	**6,367**
Movements in accumulated depreciation							
Depreciation and amortisation	-	-	**-**	(1,481)	**(1,481)**	-	**(1,481)**
Reclassifications	-	-	**-**	-	**-**	-	**-**
Accumulated depreciation of disposals	-	-	**-**	4	**4**	-	**4**
Revaluation movement	-	-	**-**	-	**-**	-	**-**
Transfers	-	-	**-**	-	**-**	-	**-**
	-	-	-	(1,477)	(1,477)	-	(1,477)
At fair value 30 June 2026	10,904	9,292	**20,196**	51,672	**51,672**	675	**72,543**
Accumulated depreciation at 30 June 2026	-	-	**-**	(18,317)	**(18,317)**	-	**(18,317)**
Carrying amount	**10,904**	**9,292**	**20,196**	**33,354**	**33,354**	**675**	**54,225**

Notes to the Financial Report
For the Year Ended 30 June 2026

(b) Plant and Equipment

	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecomms	Library books	Work In Progress	Total plant and equipment
	$'000	$'000	$'000	$'000	$'000	$'000
At cost 1 July 2025	10,412	32	744	228	28	**11,445**
Accumulated depreciation at 1 July 2025	(6,075)	(27)	(684)	(164)	-	**(6,950)**
	4,337	5	60	64	28	4,494
Movements in carrying value						
Additions	96	-	6	-	2,172	**2,274**
Reclassifications	-	-	-	-	-	**-**
Revaluation	-	-	-	-	-	**-**
Disposal	(1,112)	-	-	-	-	**(1,112)**
Write-off	-	-	-	-	-	**-**
Transfers	2,152	6	42	-	(2,200)	**-**
Impairment losses recognised in operating result	-	-	-	-	-	**-**
	1,136	6	48	-	(28)	1,162
Movements in accumulated depreciation						
Depreciation and amortisation	(797)	(1)	(54)	(20)	-	**(872)**
Accumulated depreciation of disposals	1,088	-	-	-	-	**1,088**
Impairment losses recognised in operating result	-	-	-	-	-	**-**
Transfers	-	-	-	-	-	**-**
	291	(1)	(54)	(20)	-	216
At fair value 30 June 2026	11,548	38	792	228	-	**12,606**
Accumulated depreciation at 30 June 2026	(5,784)	(28)	(738)	(184)	-	**(6,734)**
Carrying amount	**5,764**	**10**	**54**	44	-	**5,872**

Notes to the Financial Report
For the Year Ended 30 June 2026

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Kerb & Channel	Waste Management	Parks open space and streetscapes	Guardrail	Other Infrastructure	Work In Progress	Total Infrastructure
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At fair value 1 July 2025	231,897	65,756	8,648	9,595	15,505	605	5,105	1,003	-	8,333	**346,446**
Accumulated depreciation at 1 July 2025	(64,602)	(26,370)	(3,351)	(5,184)	(6,945)	(566)	(1,829)	(332)	-	-	**(109,180)**
	167,295	39,387	5,297	4,411	8,559	39	3,276	671	-	8,333	**237,267**
Movements in fair value											
Additions	-	-	-	-	-	-	-	-	-	4,924	**4,924**
Contributions	-	-	-	-	-	-	-	-	-	(496)	**(496)**
Revaluation	13,977	5,600	-	644	-	-	-	-	-	-	**20,221**
Disposal	-	-	-	-	-	-	-	-	-	-	**-**
Write-off	-	(671)	-	-	-	-	-	-	-	-	**(671)**
Transfers	2,169	1,462	1,148	-	-	-	5,312	-	-	(10,091)	
Impairment losses recognised in operating result	(676)	(43)	-	-	-	-	-	-	-	-	**(719)**
	15,470	6,348	1,148	644	-	-	5,312	-	-	(5,663)	**23,259**
Movements in accumulated depreciation											
Depreciation and amortisation	(2,157)	(540)	(98)	(92)	(112)	(8)	(511)	(26)	-	-	**(3,543)**
Reclassifications	-	-	-	-	-	-	-	-	-	-	
Accumulated depreciation of disposals	-	415	-	-	-	-	-	-	-	-	**415**
Revaluation movement	-	-	-	-	-	-	-	-	-	-	**-**
Transfers	-	-	-	-	-	-	-	-	-	-	**-**
	(2,157)	(125)	(98)	(92)	(112)	(8)	(511)	(26)	-	-	**(3,128)**
At fair value 30 June 2026	247,368	72,104	9,796	10,238	15,505	605	10,417	1,003	-	2,670	**369,706**
Accumulated depreciation at 30 June 2026	(66,760)	(26,495)	(3,449)	(5,276)	(7,057)	(574)	(2,340)	(358)	-	-	**(112,308)**
Carrying amount	180,608	45,609	6,347	4,962	8,448	31	8,077	645	-	2,670	**257,400**

Notes to the Financial Report
For the Year Ended 30 June 2026

Acquisition

Initial measurement

Council initially measures its property, infrastructure, plant and equipment assets at cost. The cost of an acquired asset is the fair value of the consideration that Council has provided at the date of acquisition plus any incidental costs attributable to the acquisition.
Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. Refer to Note 8.4 for more information on how Council measures fair value.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

	Depreciation Period	**Threshold Limit**
Asset recognition thresholds and depreciation periods		**$'000**
Buildings		
buildings	50 years	5,000
Plant and Equipment		
Vehicles & Mowers	5 years	1,000
Utilities	8 years	1,000
Trucks - less than 3.5t	12 years	1,000
Trucks - greater than 3.5t	15 years	1,000
Other Plant and Equipment	9-15 years	1,000
Minor tools	3 years	1,000
Office furniture and telecommunications	3 years	1,000
Library	8 years	1,000
Infrastructure		
Bridges - decks and substructure	119 years	10,000
Bridges - added features	80 years	10,000
Bridges - major culverts	100 years	10,000
Drainage underground	100 years	10,000
Footpaths	70 years	10,000
Guardrails	40 years	10,000
Roads - kerb, channel and minor culverts and other	90 years	10,000
Roads - sealed pavements	120 years	10,000
Roads - unsealed pavements	30 years	10,000
Roads - sealed formations	200 years	10,000
Roads - unsealed formations	200 years	10,000
Sealed Surfaces (seal only)	20 years	10,000
Street lighting and streetscape	10 years	10,000

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are listed above and are consistent with the prior year unless otherwise stated.

Repairs and maintenance

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

Notes to the Financial Report
For the Year Ended 30 June 2026

Valuation of land and buildings

Valuation of land and buildings were undertaken by Marcus Hann of LG Valuations, a qualified independent valuer at 30 June 2023. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement. Where land use is not restricted, highest and best use is assumed to be current use, except where the land is held for sale, or highly likely to be used for an alternative purpose within 12 months of the reporting date.

A fair value assessment of building assets was undertaken by Council staff at 30 June 2026, using ABS building construction indices which resulted in a managerial valuation.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

The date and type of the current valuation is detailed in the following table.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2026 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Land	-	5,227	2,986	Jun-23	Full revaluation
Specialised land	-	-	10,904	Jun-23	Full revaluation
Buildings - Specialised	-	-	33,378	Jun-26	Indexation
Total	-	5,227	47,268		

Valuation of infrastructure

Valuation of infrastructure assets (roads, bridges, footpaths and drainage) has been determined in accordance with an independent valuation undertaken by Peter Moloney of Moloney Asset Management at 30 June 2025. Valuation was at fair value based on replacement costs less accumulated depreciation.

A fair value assessment of infrastructure assets was undertaken by Council staff at 30 June 2026, using relevant ABS indices which resulted in managerial valuation of roads, bridges and drainage assets.

The valuation is at fair value based on current replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2026 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Roads	-	-	180,608	Jun-26	Indexation
Bridges	-	-	45,609	Jun-26	Indexation
Footpaths and cycleways	-	-	6,347	Jun-25	Full revaluation
Drainage	-	-	4,962	Jun-26	Indexation
Kerb & Channel	-	-	8,448	Jun-25	Full revaluation
Waste management	-	-	31	Jun-23	Full revaluation
Parks, open space and streetscapes	-	-	8,077	Jun-23	Full revaluation
Guardrail	-	-	645	Jun-23	Full revaluation
Total	-	-	254,727		

Notes to the Financial Report
For the Year Ended 30 June 2026

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between $.95 and $3,486.10 per square metre.

Specialised buildings are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs were determined by LG Valuations in 2023. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 10 years to 50 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the current replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 0 years to 200 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2026	2025
Reconciliation of specialised land	**$'000**	**$'000**
Land under roads	10,904	10,904
Total specialised land	**10,904**	10,904

Notes to the Financial Report
For the Year Ended 30 June 2026

6.2 Investments in associates, joint arrangements and subsidiaries	2026 $'000	2025 $'000
(a) Investments in associates		
MomentumOne Shared Services Pty Ltd	35	43

MomentumOne Shared Services Pty Ltd
Background
Council has a 50% interest held in MomentumOne Shared Services Pty Ltd

Fair value of Council's investment in MomentumOne Shared Services P/L	**35**	43
Council's share of accumulated surplus/(deficit)		
Council's share of accumulated surplus(deficit) at start of year	43	43
Reported surplus(deficit) for year	(8)	-
Transfers (to) from reserves	-	-
Distributions for the year	-	-
Council's share of accumulated surplus(deficit) at end of year	**35**	43
Movement in carrying value of specific investment		
Carrying value of investment at start of year	43	43
Share of surplus(deficit) for year	(8)	-
Share of asset revaluation	-	-
Distributions received	-	-
Carrying value of investment at end of year	**35**	43

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

For joint operations, Council recognises its direct right to, and its share of jointly held assets, liabilities, revenues and expenses of joint operations.

Interests in joint ventures are accounted for using the equity method. Under this method, the interests are initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise Council's share of the post-acquisition profits or losses and movements in other comprehensive income in profit or loss and other comprehensive income respectively.

Notes to the Financial Report
For the Year Ended 30 June 2026

6.3 Investment property	2026 $'000	2025 $'000
Balance at beginning of financial year	1,275	1,275
Additions	-	-
Disposals	-	-
Fair value adjustments	50	-
Balance at end of financial year	1,325	1,275

Investment property is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the comprehensive income statement in the period that they arise.

Valuation of investment property

Valuation of investment property has been determined in accordance with an independent valuation by LG Valuations who has recent experience in the location and category of the property being valued. The valuation is at fair value, based on the current market value for the property.

Notes to the Financial Report
For the Year Ended 30 June 2026

Note 7 PEOPLE AND RELATIONSHIPS

7.1 Council and key management remuneration

(a) Related Parties

Parent entity

Towong Shire Council is the parent entity.

Subsidiaries and Associates

Interests in subsidiaries and associates are detailed in Note 6.2.

(b) Key Management Personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of Towong Shire Council. The Councillors, Chief Executive Officer and Directors are deemed KMP.

Details of KMP at any time during the year are:

		2026 No.	2025 No.
Councillors	Cr Peter Tolsher - Mayor (26/11/25 - 30/6/26) Cr Andrew Whitehead - Mayor (1/7/25 - 26/11/25) Cr Denise Anderson Cr David Wortmann Cr Jon Pitman		
Key Management Personnel	Juliana Phelps - Chief Executive Officer Narelle Taylor - Director - Corporate and Organisational Development Mark Florence - Director - Community and Planning Jamie Heritage - Director - Infrastructure and Environment		
Total Number of Councillors		5	7
Total of Chief Executive Officer and other Key Management Personnel		4	5
Total Number of Key Management Personnel		9	12

(c) Remuneration of Key Management Personnel

Remuneration comprises employee benefits including all forms of consideration paid, payable or provided by Council, or on behalf of the Council, in exchange for services rendered. Remuneration of Key Management Personnel and Other senior staff is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.
Other long-term employee benefits include long service leave, other long service benefits or deferred compensation.

Post-employment benefits include pensions, and other retirement benefits paid or payable on a discrete basis when employment has ceased.
Termination benefits include termination of employment payments, such as severance packages.

	2026 $	2025 $
Total remuneration of key management personnel was as follows:		
Short-term employee benefits	1,061	975
Other long-term employee benefits	7	7
Post-employment benefits	94	83
Termination benefits	-	16
Total	1,162	1,081

Notes to the Financial Report
For the Year Ended 30 June 2026

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

	2026 No.	2025 No.
$10,000 - $19,999	-	3
$20,000 - $29,999	1	1
$30,000 - $39,999	2	3
$50,000 - $59,999	1	-
$70,000 - $79,999	1	-
$80,000 - $89,999	-	1
$100,000 - $109,999	-	1
$170,000 - $179,999	1	-
$190,000 - $290,999	-	1
$200,000 - $209,999	-	1
$210,000 - $219,999	2	-
$320,000 - $329,999	1	1
	-	-
Total	9	12

(d) Remuneration of other senior staff

There were no staff, other than Key Management Personnel, who's remuneration exceeded $170,000.

7.2 Related party disclosure	2026 $'000	2025 $'000
(a) Transactions with related parties		
During the period Council entered into the following transactions with related parties.		
Income		
Fees and charges to entitles controlled by KMP (1)	9	9
Grants received from entity controlled by KMP (2)	-	3
Total Income	9	12
Expenses		
Purchases of materials or services from entities controlled by KMP (3)	104	178
Total Expenses	**104**	**178**
Total Transactions	**113**	**190**

(1) Councils pays insurance premiums on behalf of assets controlled by community groups and invoices for reimbursement. In this case, insurance reimbursements were charged to Corryong Recreation Reserve, in which Cr Whitehead is on the board of.

(2) A former Councillor (Cr Scales) was a director of Municipal Association of Victoria. Income of $3,000 was received in the form of a scholarship grant and noted in the prior year disclosures.

(3) Membership Fees were paid to Tourism North East in which Ms Phelps is a board member. Expenses were incured to Corryong Recreation Reserve in which Cr Whitehead is the chairperson, these were legitimate arms length transactions covering rent of hall for meetings, insurance excess reimbursement and a $4K contribution towards works for a concrete pad & generator to be used in emergencies.

(b) Outstanding balances with related parties

There are no balance outstanding at the end of the reporting period in relation to transactions with related parties

(c) Loans to/from related parties

There are no loans in existence at balance date that have been made, guaranteed or secured by the council to a related party.

(d) Commitments to/from related parties

There are no outstanding commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party.

Notes to the Financial Report
For the Year Ended 30 June 2026

Note 8 MANAGING UNCERTAINTIES

8.1 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

(a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

At balance date the Council was impacted by two significant disaster events in January 2026 and March 2026. These events led to clean-up and recovery activities costing council $800,000. Council has lodged claims with the Victorian State Government for assessment in line with the Diasater Recovery Funding Arrangements 2018.

(b) Contingent liabilities

Contingent liabilities are:
- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- present obligations that arise from past events but are not recognised because:
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Landfill

Council operates a landfill. Council will have to carry out site rehabilitation works in the future. At balance date Council is unable to accurately assess the financial implications of such works.

Insurance claims

Council are not aware of any major insurance claims that could have a material impact on future operations.

Legal matters

Council are not aware of any major legal matters that could have a material impact on future operations.

Building cladding

Council are not aware of any potential contingencies that may exist in relation to rectification works or other matters associated with building cladding that may have the potential to adversely impact on Council.

Liability Mutual Insurance

Council is (was) a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

MAV WorkCare

Council was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme provided workers compensation insurance. MAV WorkCare commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2021. In accordance with the Workplace Injury Rehabilitation and Compensation Act 2013 , there is a six-year liability period following the cessation of the Scheme (to 30 June 2027). During the liability period, adjustment payments may be required (or received). The determination of any adjustment payment is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by Work Safe Victoria. Any adjustments, which are expected to occur at the 3-year and 6-year periods during the liability period will affect participating members. The assessment from WorkSafe Victoria at the 3-year period was a deficiency of $5.776 million payable to WorkSafe Victoria. This was due to evidence of higher-than-expected payments and higher claim lodgements during the first three years of the runoff period.

(c) Guarantees for loans to other entities

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.

Notes to the Financial Report
For the Year Ended 30 June 2026

8.2 Australian Accounting Standards issued but not yet effective

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2026 reporting period. Council assesses the impact of these new standards.

The Australian Accounting Standards Board (AASB) has issued AASB 18 *Presentation and Disclosure in Financial Statements*. When applicable AASB 18 supersedes AASB 101 *Presentation of Financial Statements*. AASB 18 aims to improve how entities communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss. It is expected to result in presentation and disclosure changes, primarily to Council's Comprehensive Income Statement. AASB 18 is expected to first apply to Council for the 2028-29 financial year.

8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank and borrowings. Details of the material accounting policy information and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of council financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2020*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

Notes to the Financial Report
For the Year Ended 30 June 2026

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

- council have a policy for establishing credit limits for the entities council deal with;
- council may require collateral where appropriate; and
- council only invest surplus funds with financial institutions which have a recognised credit rating specified in council's investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.
Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any allowance for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

(d) Liquidity risk

Liquidity risk includes the risk that, as a result of council's operational liquidity requirements it will not have sufficient funds to settle a transaction when required or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.
To help reduce these risks Council:
- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

All financial liabilities are expected to be settled within normal terms of trade.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:
- A parallel shift of 0.5% and -1.5% in market interest rates (AUD) from year-end rates of 4.45%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

Notes to the Financial Report
For the Year Ended 30 June 2026

8.4 Fair value measurement

Fair value hierarchy

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy , Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. *AASB 13 Fair Value Measurement* aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards. For assets where Council adopts a current replacement cost approach to determine fair value, Council considers the inclusion of site preparation costs, disruption costs and costs to restore another entity's assets in the underlying valuation.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. (For plant and equipment carrying amount is considered to approximate fair value given short useful lives). At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis every five years. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

Asset class	**Revaluation frequency**
Land	5 years
Buildings	5 years
Roads	5 years
Bridges	5 years
Footpaths and cycleways	5 years
Drainage	5 years
Recreational, leisure and community facilities	5 years
Waste management	5 years
Parks, open space and streetscapes	5 years
Aerodromes	5 years
Other infrastructure	5 years

Where the assets are revalued, the revaluation increases are credited directly to the asset revaluation reserve except to the extent that an increase reverses a prior year decrease for that class of asset that had been recognised as an expense in which case the increase is recognised as revenue up to the amount of the expense. Revaluation decreases are recognised as an expense except where prior increases are included in the asset revaluation reserve for that class of asset in which case the decrease is taken to the reserve to the extent of the remaining increases. Within the same class of assets, revaluation increases and decreases within the year are offset.

Notes to the Financial Report
For the Year Ended 30 June 2026

Impairment of assets
At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset. The impairment policy above does not apply to Council's property, infrastructure, specialised buildings and other non-current physical assets subsequently measured at fair value. These are primarily non-cash generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity. Their recoverable amount is expected to be materially the same as fair value determined under *AASB 13 Fair Value Measurement* , with the consequence that *AASB 136 Impairment of Assets* does not apply to such assets that are regularly revalued.

8.5 Events occurring after balance date
No matters have occurred after balance date that require disclosure in the financial report.

Notes to the Financial Report
For the Year Ended 30 June 2026

Note 9 OTHER MATTERS

9.1 Reserves (a) Asset revaluation reserves	Balance at beginning of reporting period $'000	Share of increase (decrease) on revaluations by an associate $'000	Balance at end of reporting period $'000
2026			
Property			
Land and land improvements	17,907	-	17,907
Buildings	7,685	2,895	10,580
	25,592	2,895	28,487
Infrastructure			
Roads	110,099	13,301	123,400
Bridges	33,981	5,301	39,282
Footpaths and cycleways	755	-	755
Drainage	4,068	643	4,711
Recreational, leisure and community facilities	4,681	-	4,681
Waste management	91	-	91
Parks, open space and streetscapes	-	-	-
Aerodromes	3,816	-	3,816
Kerb and channels	-	-	-
	157,491	19,245	176,736
Total asset revaluation reserves	**183,083**	**22,140**	**205,223**
2025			
Property			
Land and land improvements	17,907	-	17,907
Buildings	7,685	-	7,685
	25,592	-	25,592
Infrastructure			
Roads	101,908	8,191	110,099
Bridges	33,981	-	33,981
Footpaths and cycleways	1,450	(695)	755
Drainage	4,068	-	4,068
Recreational, leisure and community facilities	4,681	-	4,681
Waste management	91	-	91
Parks, open space and streetscapes	-	-	-
Kerb and channels	-	3,816	3,816
	146,179	11,312	157,491
Total asset revaluation reserves	**171,771**	**11,312**	**183,083**

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

Notes to the Financial Report
For the Year Ended 30 June 2026

9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)	2026 $'000	2025 $'000
Surplus/(deficit) for the year	6,386	5,651
Non-cash adjustments:		
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(372)	199
Depreciation	5,892	6,840
Financing activities included in operating result	23	18
Fair value adjustments for investment property	(50)	-
Share of net profits (or loss) of associates and joint ventures	8	
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	644	(479)
(Increase)/decrease in other assets	(1,104)	(273)
(Increase)/decrease in prepayments	(1)	(1,156)
(Increase)/decrease in inventories	33	(83)
Increase/(decrease) in trade and other payables	(1,772)	2,779
(Decrease)/increase in unearned income and revenue	94	(4,062)
(Decrease)/increase in trust funds and deposits	710	(147)
(Decrease)/increase in provisions	156	402
(Decrease)/increase in other liabilities	(112)	-
Net cash provided by/(used in) operating activities	**10,535**	**9,689**

Notes to the Financial Report
For the Year Ended 30 June 2026

Note 10 CHANGE IN ACCOUNTING POLICY

There have been no changes to accounting policies in the 2025-26 year.

Towong Shire Council

Performance Statement

For the year ended 30 June 2026

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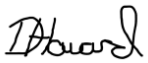
Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020.



Dylan Howard CPA
Principal Accounting Officer
Dated: 07/10/2026

In our opinion, the accompanying performance statement of the Towong Shire Council for the year ended 30 June 2026 presents fairly the results of council's performance in accordance with the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020.
The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.
At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.
We have been authorised by the council and by the Local Government (Planning and Reporting) Regulations 2020 to certify this performance statement in its final form.



Peter Tolsher
Mayor
Dated: 07/10/2026



Denise Anderson
Deputy Mayor
Dated: 07/10/2026



Ms Narelle Taylor
Acting Chief Executive Officer
Dated: 07/10/2026

Independent Auditor's Report

Victorian Auditor-General's Office

To the Councillors of Towong Shire Council

Opinion	I have audited the accompanying performance statement of Towong Shire Council (the council) which comprises the: • description of municipality for the year ended 30 June 2026 • service performance indicators for the year ended 30 June 2026 • financial performance indicators for the year ended 30 June 2026 • sustainable capacity indicators for the year ended 30 June 2026 • notes to the accounts • certification of the performance statement. In my opinion, the performance statement of Towong Shire Council in respect of the year ended 30 June 2026 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the *Local Government Act 2020* and Local Government (Planning and Reporting) Regulations 2020.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the performance statement* section of my report. My independence is established by the *Constitution Act 1975*. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Councillors' responsibilities for the performance statement	The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the *Local Government Act 2020* and Local Government (Planning and Reporting) Regulations 2020 and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

Auditor's responsibilities for the audit of the performance statement

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement. As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



MELBOURNE
14 October 2026

Travis Derricott
as delegate for the Auditor-General of Victoria

Section 1. Description of municipality

Towong Shire is located in far north-eastern Victoria and possesses some of Australia's most pristine environment. Wilderness areas, lakes, rivers and streams create diverse landscapes that are enjoyed by around 6,000 residents and many more visitors across an area of 6,600 square kilometres.

The economy of the region revolves around a rich agricultural sector, tourism and timber production. Approximately two-thirds of businesses located in the Shire are in the agriculture and forestry industries.

Like many rural areas, Towong Shire's small population and vast geographic area presents Council with a significant challenge to adequately fund the maintenance and renewal of community assets. Council is taking actions to address this situation through strategies that promote economic and population growth as well as by implementing innovative methods to reduce costs wherever it can. Council is confident that this approach delivers best value to the community and will secure a long-term future for the organisation.

Section 2. Service performance indicators

For the year ended 30 June 2026

	Results					
	2022/23	2023/24	2024/25	2025/26		Comments
	Actual	Actual	Actual	Target as per budget	Actual	
Aquatic Facilities Utilisation (AF6) *Utilisation of aquatic facilities* [Number of visits to aquatic facilities / Municipal population]	1.37	1.73	1.85	NA	1.87	Council operates two outdoor seasonal swimming pools. There were 11,506 visits recorded in 25/26, on par with the prior year. This is a significant increase compared to 2023/24 (10,804), 2022/23 (8,480) and 2021/22 (6,783). The length of the pool opening days and number of hot days, play a major part in the total visits.
Animal Management Health and safety(AM7) *Animal management prosecutions* [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	0%	0%	0%	NA	0%	There have been no animal prosecutions in 2025/26.

Food Safety ***Health and safety (FS4)*** *Critical and major non-compliance outcome notifications* *[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100*	100%	100%	85%	NA	100%	There were nineteen critical non-compliance outcome notifications issued in 2024/25, up from prior year of thirteen. All were followed up.
Governance ***Satisfaction (G2)*** *Satisfaction with community consultation and engagement (community satisfaction rating out of 100 with the consultation and engagement efforts of Council)*	53	46	47	52	57	Satisfaction with Council's decisions community and consultation increased to its highest level in the prior 4 years. Council put significant efforts towards community consultations to form the Council Plan, which aided its improved score. Council continues to work hard to improve on these scores into the future.
Libraries ***Participation (LB7)*** *Library membership* *[percentage of the population that are registered library members] x100*	New for 2023/24	18%	20%	NA	20%	Council operates two static libraries in its main centres of Corryong and Tallangatta. These libraries service our small, dispersed population which is spread over 6,635 square kilometres. Many residents reside outside the two main centres where the static libraries are located and may access other library services in neighbouring municipalities. With the recently completed renovations of the Corryong Library, we anticipate an increase uptake of the library services.

Maternal and Child Health (MCH) Participation (MC4) *Participation in the MCH service* *[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100*	89%	85%	85%	NA	88%	232 children attended the service at least once during 2025/26, an increase from 226. The participation rate is on par with previous years.
Participation (MC5) *Participation in the MCH service by Aboriginal children* *[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100*	92%	100%	88%	NA	90%	There were ten children who identify as having an Aboriginal or Torres Strait Islander background who are registered with the MCH service. nine of these children attended the service at least once in 2025/26.
Roads ***Condition (R2)*** *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)*	97%	98%	99%	98%	100%	The improvement in percentage in sealed local roads that are below intervention level not requiring renewal are because of the intervention level being increased from 6.5 to 7.0 and reflective of council investing appropriate renewal funding maintaining the sealed road network.

Statutory Planning ***Service standard (SP2)*** *Planning applications decided within the relevant required time* *(percentage of planning application decisions made within the relevant required time)*	59%	90%	67%	95%	92%	Planning applications made within appropriate time frames have increased to its best result in prior years as a result of increased resources and investment in upgraded software.
Waste Management ***Waste diversion (WC5)*** *Kerbside collection waste diverted from landfill* *[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100*	31%	40%	57%	50.00%	58.67%	The total amount of garbage and recyclables collected by Council in 2025/26 was 2,245 tonnes, up from 2,166.13 in the year before. 1,318 tonnes tonnes of this waste was made up of recyclable and green organics waste, up from 1,244. The introduction of the FOGO bin services in the prior year has continued to make a considerable difference with improved diversion from landfill.

Section 3. Financial performance indicators

For the year ended 30 June 2026

Dimension/indicator/ measure	2022/23 Actual	2023/24 Actual	2024/25 Actual	2025/26 Target As per budget	2025/26 Actual	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30 Forecast	Material Variations and Comments
Efficiency										
Expenditure level *Expenses per property assessment* *[Total expenses / Number of property assessments]*	$5,685.15	$6,207.22	$6,296.00	$6,444.00	$7,274.27	$6,462.91	$5,985.03	$6,180.48	$6,338.39	Higher materials & service costs due to increased costs of building and spending of unbudgeted grants during the year. A continued increase on prior year when we know that some of these unbudgeted expenditure is largely backed by grant income has Council unconcerned. Despite this swing, Council places a large emphasis on its financial sustainability.

Revenue level *Average rate per property assessment* *[Sum of all general rates and municipal charges / Number of property assessments]*	$1,780.92	$1,830.84	$1,875.41	$1,923.00	$1,907.75	$1,954.66	$2,014.05	$2,072.01	$2,131.38	No material changes on four-year averages. The 2.7% increase on prior year is close to the rate cap of 2.75%.
Liquidity ***Working capital*** *Current assets compared to current liabilities* *[Current assets / Current liabilities] x100*	364.20%	360.63%	387.61%	253.00%	456.76%	282.59%	334.86%	286.43%	318.27%	On par with previous years. Slower than budgeted capital works expenditure meant that cash in bank was not utilised as much as intended, resulting in a higher than target working capital ratio.

Unrestricted cash *Unrestricted cash compared to current liabilities* *[Unrestricted cash / Current liabilities] x100*	183.02%	112.19%	216.37%	130.00%	17.86%	147.51%	197.38%	156.46%	191.01%	Higher amounts of cash on hand required to fund carried forward capital works. Further to this, prior years calculations included term deposits on hand, hence the large variance from 2024/25 to 2025/26 as $15M of investments are excluded. The future years forecasts will be amended in following year following Council budget adoption.
Obligations ***Loans and borrowings*** *Loans and borrowings compared to rates* *[Interest bearing loans and borrowings / Rate revenue] x100*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Council had no borrowings owing at year end.

Loans and borrowings repayments compared to rates *[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100*	0.17%	0.22%	0.00%	0.15%	0.00%	0.00%	0.00%	0.00%	0.00%	Council had no borrowings owing at year end. The incremental percentages reflect bank and finance charges related to having these services. In prior years, bank charges were included in the calculations despite no loans or overdrafts.
Indebtedness *Non-current liabilities compared to own source revenue* *[Non-current liabilities / Own source revenue] x100*	6.52%	4.80%	4.72%	2.54%	5.31%	7.94%	7.51%	7.34%	7.20%	Own source revenue is more than previous year due to increased income from General Rates & Municipal charges (limited by rate cap) as well as interest and insurance reimbursements & disaster recovery arrangements.

Asset renewal and upgrade *Asset renewal and upgrade compared to depreciation* *[Asset renewal and asset upgrade expense / Asset depreciation] x100*	158.79%	162.16%	154.34%	175.35%	145.06%	275.62%	89.83%	84.68%	78.82%	Spike in asset renewals because of highest capital spendings in recent years, especially expenditure on asset renewals due to bushfire and flooding events.
Operating position ***Adjusted underlying result*** *Adjusted underlying surplus (or deficit)* *[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100*	2.68%	(24.16%)	(3.41%)	(2.83%)	7.95%	-0.67%	15.18%	-0.71%	-1.11%	Council has achieved net accumulated surpluses in the prior four years which are budgeted to be utilised in the forecast periods. We continue to advocate for capital grants to sustain our ageing assets.

Stability ***Rates concentration*** *Rates compared to adjusted underlying revenue* *[Rate revenue / Adjusted underlying revenue] x100*	37.76%	46.50%	34.81%	49.08%	30.20%	38.64%	36.12%	42.67%	42.93%	This indicator is impacted largely by the timing of receipt of the Federal Financial Assistance Grants. Take out the timing movements, rates concentration remains stable and within range of the recent yearly averages.
Rates effort *Rates compared to property values* *[Rate revenue / Capital improved value of rateable properties in the municipality] x100*	0.38%	0.30%	0.30%	0.31%	0.31%	0.32%	0.33%	0.34%	0.35%	No material movements. There was a small overall change in property values in the shire, contributed in large part to stability following two years of high growth.

Section 4. Sustainable capacity indicators

For the year ended 30 June 2026

Results

Indicator / measure [formula]	2022/23	2023/24	2024/25	2025/26	Comments
	Actual	Actual	Actual	Actual	
Population *Expenses per head of municipal population*	$4,168.07	$4,519.94	$5,099.25	$5,439.67	Higher materials & service costs due to increased costs of building and spending of unbudgeted grants during the year. The number of property assessments has remained relatively stable. An increase on prior year when we know that some of these unbudgeted expenditure is largely backed by grant income has Council unconcerned. Despite this swing, Council places a large emphasis on its financial sustainability.
Infrastructure per head of municipal population *[Value of infrastructure / Municipal population]*	$39,997.41	$40,862.31	$43,614.88	$48,282.48	Increasing costs of capital expenditure for the year has increased the value of infrastructure as well as the $22 million indexation revaluation to the cost of our roads, bridges and drainage assets. Further to this, unexpected natural disasters created an increase to capital expenditure required to restore assets damaged or destroyed. The Municipal population has remained relatively stable.

Population density per length of road *[Municipal population / Kilometres of local roads]*	5.23	6.59	6.58	6.50	No material movements
Own-source revenue *Own-source revenue per head of municipal population* *[Own-source revenue / Municipal population]*	$2,238.74	$2,748.68	$2,661.38	$3,015.75	No material movements
Recurrent grants *Recurrent grants per head of municipal population* *[Recurrent grants / Municipal population]*	$1,411.99	$644.56	$1,772.65	$2,249.51	This indicator is impacted largely by the timing of receipt of the Federal Financial Assistance Grants. In 2024/25 we received 50% of the 2025/26 allocation and in 2025/26 we received 80% of 2026/27 allocation in advance. $3.1M of Roads to Recovery grants taken up in current year includes amounts relating to the prior year. Taking out the timing factors, we remain in line with averages.

Disadvantage *Relative Socio-Economic Disadvantage* *[Index of Relative Socio-Economic Disadvantage by decile]*	5	5	5	5	As per Victorian SEIFA index, Towong Shire ranks around the middle of the national distribution of socio-economic advantage and disadvantage. There have been no changes to the ratings in the last few years.
Workforce turnover *Percentage of staff turnover* [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	30.0%	21.1%	26.7%	19.9%	Staff turnover lower than prior years. Council's highest concentration of workforce is within the Early years sector and this remains a high turnover area.

Section 5. Notes to the accounts

5.1. Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed, service performance, financial performance and sustainable capacity indicators and measures together with a description of the municipal district, an explanation of material variations in the results and notes to the accounts. This statement has been prepared to meet the requirements of the *Local Government Act 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g., Australian Bureau of Statistics or the Council's satisfaction survey provider).

The performance statement presents the actual results for the current year and the previous three years, along with the current year's target, if mandated by *the Local Government (Planning and Reporting) Regulations 2020*. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year and the results forecast for the period 2026-27 to 2029-30 by the council's financial plan.

The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

5.2. Definitions

Key term	Definition
Aboriginal children	means a child who is an Aboriginal person
Aboriginal person	has the same meaning as in the Aboriginal Heritage Act 2006
adjusted underlying revenue	means total income other than: • non-recurrent grants used to fund capital expenditure; and • non-monetary asset contributions; and • contributions to fund capital expenditure from sources other than those referred to above
adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure
annual report	means an annual report prepared by a council under section 98 of the Act
asset renewal expenditure	means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability
asset upgrade expenditure	means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the *Food Act 1984* , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
current assets	has the same meaning as in the Australian Accounting Standards
current liabilities	has the same meaning as in the Australian Accounting Standards
food premises	has the same meaning as in the *Food Act 1984*
intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
local road	means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*
major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
MCH	means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age
non-current liabilities	means all liabilities other than current liabilities
own-source revenue	means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)
population	means the resident population estimated by council

rate revenue	means revenue from general rates, municipal charges, service rates and service charges
relative socio-economic disadvantage	in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA
restricted cash	means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year
SEIFA	means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet site
unrestricted cash	means all cash and cash equivalents other than restricted cash