



**Yarriambiack**  
SHIRE COUNCIL

# Agenda

## Unscheduled Meeting of Council

---

14 May 2025

COUNCIL CHAMBERS

34 Lyle Street, Warracknabeal

**MEETING OF COUNCIL TO COMMENCE AT 9.30AM**

*We acknowledge that the activities of Yarriambiack Shire Council are being held under the traditional skies and in the waterways and lands of the Wotjobaluk, Jaadwa, Jadawadjali, Wergaia and Jupagulk people.*

**MEMBERS OF THE PUBLIC MAY VIEW THE MEETING VIRTUALLY VIA THE LIVESTREAM**

.....

## TABLE OF CONTENTS

1	WELCOME.....	3
2	STREAMING PREAMBLE .....	3
3	ACKNOWLEDGEMENT AND PRAYER.....	3
3.1	Acknowledging Traditional Owners of the Land.....	3
3.2	Prayer .....	3
4	PRESENT .....	4
5	APOLOGIES .....	4
6	DECLARATION OF CONFLICT OF INTEREST .....	5
6.1	Conflict of Interest Declared .....	5
7	PREAMBLE TO THE BUDGET .....	6
8	REPORTS FOR DECISION .....	7
8.1	Draft Budget 2025-26 .....	7
9	NEXT MEETING .....	12
10	CLOSED.....	12

## **OUR VISION**

A connected rural community who values its land and wellbeing.

We will achieve this vision through:

- ✓ Supporting agriculture
- ✓ Strengthening business and tourism
- ✓ Staying connected through infrastructure
- ✓ Being a supportive Council
- ✓ Looking after our communities
- ✓ Being environmentally friendly

## **CONTINUOUS IMPROVEMENT**

We drive continuous and sustainable improvement in service provision, operational efficiency, and stakeholder relations to create a leading organisation.

## **LIVE STREAMING**

Council meetings are now live streamed to allow those interested in viewing proceedings greater access to Council decisions and debate without attending the meeting in person.

## 1 WELCOME

## 2 STREAMING PREAMBLE

*The Chief Executive Officer reads this section as part of the Meeting Governance process.*

This Open Council Meeting is to be streamed live, recorded and published online.

I give notice to anyone who is in the gallery, that they may be recorded, and their image may be published online.

The Mayor and/or the Chief Executive Officer have the discretion and authority at any time to direct the termination or interruption of livestreaming. Such direction will only be given in exceptional circumstances, where deemed relevant. Circumstances may include instances where the content of debate is considered misleading, defamatory, or potentially inappropriate to be published.

The stream will stop prior to the closed section of the meeting, and that will conclude the Meeting of Council, open to the public.

The public can view this livestream or recording via Council's YouTube Channel, with the link available via Council's website. The recording of Council Meetings will be available for viewing until the next scheduled Council Meeting.

Should technical issues prevent the continuation of the livestream, the meeting may continue provided the gallery remains open to the public in accordance with Council's meeting procedures and Governance Rules, clause 2.42.3 (g).

## 3 ACKNOWLEDGEMENT AND PRAYER

Mayor to open the meeting at **9.30am** by acknowledging the Traditional Owners and offering the opening prayer.

### 3.1 ACKNOWLEDGING TRADITIONAL OWNERS OF THE LAND

'We acknowledge that the activities of Yarriambiack Shire Council are held under the traditional skies and in the waterways and lands of the Wotjobaluk, Jaadwa, Jadawadjali, Wergaia and Jupagulk people, and we pay respects to their Elders, past and present'.

### 3.2 PRAYER

Almighty God, without whom no Council can stand, nor anything prosper we ask that you be present and guide us in our deliberations today. We pray that we will be fair in our judgements and wise in our actions and that decisions will be made with goodwill and a clear conscience for the betterment and welfare of the people of Yarriambiack Shire.

Amen

## 4 PRESENT

Mayor	Kylie Zanker	Warracknabeal Ward
Deputy Mayor	Andrew McLean	Hopetoun Ward
Councillor	Corinne Heintze	Dunmunkle Ward
Councillor	Melinda Keel	Dunmunkle Ward
Councillor	Chris Lehmann	Hopetoun Ward
Councillor	Karly Kirk	Warracknabeal Ward

Council Officer	Tammy Smith	Chief Executive Officer
Council Officer	Tim Rose	Chief Operating Officer
Council Officer	Anita McFarlane	Chief Financial Officer
Council Officer	Monique Metlika	Governance Support Officer
Council Officer	Daniel Brandon	Manager Business Systems

## 5 APOLOGIES

Name / Role	Description of Leave / Absence

## 6 DECLARATION OF CONFLICT OF INTEREST

Pursuant to Division 2 – Conflict of Interest, of the *Local Government Act 2020* general and material conflict of interest must be declared prior to debate on specific items within the agenda; or in writing to the Chief Executive Officer before the meeting.

A Councillor who has declared a conflict of interest in respect of a matter must:

- a) Disclose the conflict of interest in the manner required by the Yarriambiack Shire Council Governance Rules (Chapter 5- Disclosure of Conflict of Interest at Council Meetings).
- b) Exclude themselves from the decision-making process in relation to that matter, including any discussion or votes on the matter at any Council meeting or delegated committee, and any action in relation to the matter.

General conflict of interest is if a relevant person has an interest in a matter if an impartial, fair-minded person would consider that the person's private interests could result in that person acting in a manner that is contrary to their public duty.

- a) *Private interests* mean any direct or indirect interest of a relevant person that does not derive from their public duty and does not include an interest that is only a matter of personal opinion or belief.
- b) *Public duty* means the responsibilities and obligations that a relevant person has to members of the public in their role as a relevant person.

Material conflict of interest is if a relevant person has an interest in respect of a matter if an affected person would gain a benefit or suffer a loss depending on the outcome of the matter,

- a) The benefit or loss incurred may be directly or indirectly,

OR

- b) In a pecuniary or non-pecuniary form.

Councillors are also encouraged to declare circumstances where there may be a perceived conflict of interest.

### 6.1 CONFLICT OF INTEREST DECLARED

Conflict Declared by	Agenda Item	Reason - Explanation

## 7 PREAMBLE TO THE BUDGET

***Presented by Tammy Smith, Chief Executive Officer***

The Draft Council Budget being presented to Councillors today has been developed incorporating the strategic vision, objectives, and oversight of the following:

- Council Plan 2021-2025 and Draft Council Plan 2025 – 2029.
- Long Term Financial Plan.
- Revenue and Rating Plan.
- Economic Development Strategy.
- Tourism Strategy.
- Master Environment Strategy.
- Road Management Plan and subsequent review considerations.
- Asset Management Plan.
- Workforce Plan.

Our Council Officers have developed Service Level Plans (SLP), which support and inform the Annual budget process. The SLP's are dynamic documents, reviewed and revised annually in conjunction with the budget process, with a key focus on efficiency gains.

Councillor training and budget presentations commenced on 12 February 2025 and have continued throughout the months, with the final draft for community feedback now populated for presentation to our residents. Feedback will be open for 28 days, which aligns with Council's Community Engagement Policy and will close at 12.01am, 11 June 2025.

In addition to seeking community feedback on the draft document, the Budget Road Show is currently being implemented throughout the Shire, with the initial session beginning on 05 May 2025.

The Draft Budget for 2025/2026 being presented today indicates that 44% of our revenue is obtained from grant funding. Only 50% of our funding is generated from rates and associated charges. This dependence on grant funding increases pressure on the Council to maintain service levels as well as to undertake the renewal and upgrade of assets.

We have limited ability to raise revenue via other means, with only 2% of revenue being generated from user fees and fines.

Other sources of revenue come from community contributions for grant funding applications. Primary examples included in our Budget are the co-contribution from the Murtoa Community for the Murtoa Tennis and Netball Courts construction, the Hopetoun Community's entire contribution for the new netball lighting project, and their significant contribution to the Hopetoun Swimming Pool and Changeroom redevelopment. Partnerships like these enable the Council to support essential redevelopments and improvements of community assets across our Shire.

Our expenditure includes a capital works program of \$8.5 million, which is a decrease compared to previous years due to the conclusion of the Local Roads and Community Infrastructure Funding program after 30 June 2025.

Council has increased the overall funding by 3% from the prior year for swimming pools, progress associations (or equivalent), recreation reserves, specified town halls and weir pools allocations.

The recommendation regarding the distribution to individual clubs and groups for the allocations for pools and recreation reserves will be presented to Councillors on 28 May 2025 during the Ordinary Meeting of Council.

Employee costs account for 38% of Council expenditure. Although employee numbers have decreased, costs linked to employees, such as training, WorkCover, and income protection premiums, have continued to rise beyond the rate cap percentage increase.

The Council is addressing the significant challenge of waste and recycling costs by proposing a new fee of \$60 per cubic metre for commercial quantities of cardboard received at the transfer station. The Council incurs approximately \$50,000 annually to provide a cardboard disposal service primarily for businesses. Currently, residential ratepayers are bearing the cost of this service through their waste and recycling charge. The disposal of domestic quantities of cardboard and newspapers will remain a free service.

Over the next six months, our primary focus will be to thoroughly examine the Council's long-term financial plan. We aim to evaluate how we can achieve a balance between financial sustainability, effective governance, and maintaining service levels for the future. Given the limited funding and revenue-generating activities available to small rural Councils, it is indeed a challenging environment to navigate.

---

## 8 REPORTS FOR DECISION

### 8.1 DRAFT BUDGET 2025-26

*Prepared by Anita McFarlane, Chief Financial Officer*

#### SUMMARY

The Yarriambiack Shire Council Draft Budget 2025-26 is ready for presentation and endorsement by Councillors. Although not legally required to be endorsed in draft format before seeking community feedback, it is presented as a courtesy. This allows Councillors to comment on the draft before it is published for community feedback according to Council's Community Engagement Policy.

#### **Recommended Motion:**

That the Council:

- a) Endorse the Draft Budget 2025/26 that is attached to this report that will be made available for community feedback in accordance with Council's Community Engagement Policy prior to being presented for adoption on Monday 30 June 2025.

#### ATTACHMENT

[Attachment: Draft Budget 2025-26 \(Version 2\)](#)

#### DISCUSSION

In accordance with Section 94 of the *Local Government Act 2020* (the Act) Council is required to formally adopt a budget for each financial year and the subsequent 3 financial years by 30 June each year.

A Draft Budget has been prepared and is being presented to Councillors prior to seeking community feedback and formal adoption on Monday 30 June 2025.

#### **1. Rates and Charges**

The Draft Budget provides an increase in general rate revenue of 3% for the 2025-26 year. The rate cap has been set at 3% by the Minister for Local Government.

Council intends to raise \$15,590,269 in rates and charges which includes general rates (\$12,631,466), municipal charge (\$440,979), service charges (\$1,971,021) and payments in lieu of rates (\$480,603).

It should be noted that whilst Council may raise approximately \$15.5 million in rates and charges in the 2025-26 financial year, as at the 31 March 2025 Council had \$1.16 million in rates arrears, relating to prior years, and \$1.564 million still outstanding of rates to be



collected relating to the current financial year. Collectively, there was \$2.723 million outstanding / to be collected. Council only raised \$15.0334 million in rates and charges in 2024-25 and had an outstanding rates arrears balance (current and prior) of 18% at the 31 March 2025. It is estimated that we will land around 8% in outstanding rates and charges as at the 30 June 2025, which is considered higher than the average for Victorian Councils.

Whilst we have a higher-than-average rates arrears balance, we actively pursue this through debt collection, and where we can, sell properties via the Section 181 Act provisions within the *Local Government Act 1989*. This process is resource intensive, costly and time consuming. It can be argued that we can reclaim the costs back on the sale of the property, however, we must outlay the costs upfront in the first instance to commence the process. This places pressure on our cashflow, and the number of properties we can pursue at any one time. The rates arrears represent missed opportunities for community development, infrastructure improvements, and essential services. When residents' capacity to pay is restricted, our Council faces challenges in maintaining public amenities, supporting education, and fostering economic growth and development.

### ***Differential Rate Changes***

Council believes differential rates contribute to the equitable and efficient distribution of the rate burden to ratepayers. The differential rate is recommended to be maintained for the financial year at 42% less of the rate in the dollar.

The differential rate ratios are as follows:

- General Land (100% of the general rate in the dollar)
- Farmland (58% of the general rate in the dollar)

The rates in the dollar to be applied for the 2025/26 year are as follows:

<b>Type</b>	<b>cents/\$CIV</b>
General Land	0.3029
Farmland	0.1762

### ***Municipal Charge***

The municipal charge will increase from \$84.08 to \$86.60 per rateable assessment for the 2025-26 year. A person may apply to Council for an exemption from the payment of a municipal charge on rateable land in accordance with Section 159(3) of the *Local Government Act 1989*.

### ***Waste and Recycling Charge***

Ideally, Waste and Recycling should be full cost recovery to Council, with it being a user pays service. With the increases incurred via our waste and recycling contract, and with the State Government landfill levy increasing, it was identified that Council would need to raise the waste and recycling charges by 31% to be full cost recovery.

It was recognised that this would be a significant burden on our rate payers, and therefore the annual service charges for the collection and disposal of refuse and recycling will increase by 10.0%. It should be noted that Council will operate at a \$315,000 deficit for waste and recycling (up from \$200,000 in 2024/25), and there will need to be cost shifting across Council services to offset the deficit.

A waste service charge, recycling service charge and a glass recycling charge will be made on all improved properties within Council, excluding commercial and rural properties where such services are provided only upon request.

Council will be focusing on a detailed review of waste and recycling in mid to late 2025 with a recommendation being presented to Council on how to best meet community demand and service expectations whilst also addressing the rising cost into the future.

### **Free Green Waste**

Council offered free green waste in the 2024-25 financial year for residents, with a load not to exceed greater than 6 x 4 trailer size. This offer was not available to businesses or commercial entities. This initiative will continue into the 2025-26 financial year.

The purpose of offering free green waste disposal is to prevent accumulation and motivate our residents to maintain their properties in good condition. This initiative aims to lower fire hazard risks and decrease the number of unattractive and dangerous properties. Such properties pose problems for Council Officers and often require significant time and money to resolve.

### **Declaration of Rates and Charges**

Council will declare the rates and charges at the July Council Meeting, after the Fair Go Rates System annual compliance has been completed as of 30 June 2025.

### **Payment in lieu of Rates (PiLOR) and Investment**

Council has budgeted \$480,603 for PiLOR. Council has committed funds towards community asset investment in the 2025-26 year as follows:

- \$170,000 of this funding as a co-contribution and/or investment into the Hopetoun Swimming Pool upgrades (Council resolution 28 February 2024 and included in Capital Works budget 2024-25).
- \$100,000 co-contribution for the Murtoa Netball / Tennis Court Project as part of the Regional Community Sports Infrastructure Funding application (Council resolution 28 February 2024).

In addition, Council supports the community through financial allocations with the aim of supporting operating costs for Swimming Pools, Weir Pools, Recreation Reserves, specified Town Halls and Progress Associations (or equivalent).

## **2. Capital Works**

The Roads to Recovery (R2R) Funding announcement was made in the 2024-25 financial year, with Council to receive \$11,642,207 for the five-year funding period from 01 July 2024 to 30 June 2029.

We have budgeted \$2.11 million in R2R Funding in 2025-26 and \$1.466 million in Safer Local Roads and Infrastructure Program. Council cash contribution towards our road network of \$488,600.

The proposed Budget provides the Capital Works projects that will be undertaken for the 2025-26 year which is classified by expenditure type and funding source (Pages 42 to 50).

The Capital Works program is less than the last two years' due to funding constraints.

	Project Cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Grants \$'000	Contributions \$'000	Council Cash \$'000
Property	<b>340</b>	340	-	-	-	-	340
Plant & Equipment	<b>1,375</b>	250	1,125	-	-	-	1,375
Infrastructure	<b>6,844</b>	177	3,439	3,227	6,141	45	657
<b>Total</b>	<b>8,559</b>	<b>767</b>	<b>4,569</b>	<b>3,227</b>	<b>6,141</b>	<b>45</b>	<b>2,373</b>

## **3. Employee Costs**

The Employee costs have decreased from the 2024-25 financial year, due to the maternal and child health transferring to West Wimmera Health Services, Murtoa Kindergarten transferring to the Department of Education and Beulah and Hopetoun Kindergarten transferring to Emerge. Council has factored in increases in Workcover

insurance, superannuation and Enterprise Bargaining Agreement increases. Council's FTE will reduce to 106.7 (2024/25: 123.0).

#### **4. Schedule of Fees and Charges**

The Budget presents the fees and charges of a statutory/non-statutory nature which will be charged in respect of various goods and services during the 2025-26 financial year. The fees and charges are based on information available at the time of publishing and may vary during the financial year subject to changes in Council's policy or legislation (Pages 59 to 72).

#### **5. Conclusion**

The Budget for 2025-26 is one of the most tightly constrained for many years. Council will no longer have available the Commonwealth Local Roads and Community Infrastructure Funding, and the Rate Cap of 3% into the 2025-26 financial year does not cover the rising costs that Council has experienced, especially with regard to insurance, Workcover premiums and materials.

Council's rates and charges only cover 50% of our operating costs, making our Council heavily reliant on grant funding. As funding continues to be scarce, we need to be hyper vigilant with regard to expenditure commitments and managing cashflow now and into the future.

#### **RELEVANT LAW**

- *Local Government Act 2020* - Section 94
- *Local Government Act 1989* - Section 159, 167, 172

#### **COUNCIL PLANS AND POLICIES**

- Council Plan 2021-2025
- Draft Council Plan 2025 - 2029
- Yarriambiack Shire Council Debt Management, Relief and Hardship Policy

#### **RELATED COUNCIL DECISIONS**

Not applicable.

#### **OPTIONS**

The Council Budget is a statutory requirement and must be adopted each financial year by 30 June. Council can elect not to endorse the Draft Budget. However, Councillors need to be mindful they could be in breach of the Act given the legislative requirement is to adopt a budget by 30 June 2025. This would also inhibit Council from performing duties and functions post 30 June. Council's Community Engagement Policy requires feedback for 28 days.

Council Officers modelled the financial implications of reducing general rates below the gazetted rate cap (3.00%). Modelling indicates a reduction of general rate revenue would impact Council's ability to sustain current service level standards and its ability to generate income through matched Government grants over a 10-year period and is not recommended.

#### **SUSTAINABILITY IMPLICATIONS**

*Financial:* Rate capping continues to place restrictions on Council's ability to raise its own source income and places an ever-increasing reliance on grants from other tiers of Government which can change over time. Council must be mindful of its own financial sustainability and therefore take a more conservative approach to debt than other levels of Government and/or the private sector may take.

#### **COMMUNITY ENGAGEMENT**

The Draft Budget 2025-26 will be made available for community feedback in accordance with Council's Community Engagement Policy. The engagement process will comprise of media information across print, social media, and will be placed on Council's website.

The Community Engagement process is being supported by in person community consultation forums across the Shire.

Feedback will be invited from 15 May 2025 to 11 June 2025.

## GENDER IMPACT ASSESSMENT

Not applicable for this report.

## RISK

Utilising the Risk Management Framework the following assessment has been made:

<b>Strategic Risk Description and Residual Risk Level</b>	<b>Action to Mitigate/Reduce Risk</b>	<b>Does Action maintain or reduce Residual Risk Level</b>
Corporate Governance, Compliance and Liability Risk - Residual Risk Level Low	The Budget ensures compliance with the <i>Local Government Act 2020</i> Requirements.	Maintains Residual Risk Level
Financial Risk - Residual Risk Level Medium	The budget is prepared with a conservative lens and takes into consideration constraints around rate capping, reliance on grants, decreased funding opportunities, rising cost of raw materials, lack of available skilled trade. The prepared Budget has a focus on sustainable cost reductions to protect existing service levels.	Maintains Residual Risk Level
Strategy Execution and Change Management Risk - Residual Risk Level Medium	Council's Budget has been aligned with Council's strategic priorities and changes to fees and charges will be communicated via the community consultation process.	Maintains Residual Risk Level

## REGIONAL, STATE AND NATIONAL PLANS AND POLICIES

Consideration has been given to other regional, state and national plans and policies as required throughout the preparation of this budget.

## CONFLICTS OF INTEREST

All officers involved in the preparation of this report have declared that they do not have a conflict of interest in the subject matter of this report.

## 9 NEXT MEETING

Wednesday 28 May 2025

## 10 CLOSED

Council will close the Unscheduled Meeting of Council.

### **Recommended Motion:**

That the Unscheduled Meeting of Council is now closed at (time).