



Rural City of
Wangaratta

Minutes

For the Unscheduled Council Meeting
Council Chambers, Municipal Offices
62-68 Ovens Street, Wangaratta
10am 6 October 2025

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Rural City of Wangaratta Live Stream

Clause 25 of the Governance Rules provides the following:

"This public meeting is being recorded to improve access to the meeting for our community. The recording will be published and will be retained by Council in accordance with Council's legal obligations. As a visitor in the public gallery, your presence may be recorded."

1. Acknowledgement to Country

We acknowledge the traditional custodians of the lands, on which the Rural City of Wangaratta communities reside.

We pay our respect to their Elders past, present and emerging, and celebrate and respect their continuing cultures.

We are committed to walking beside all traditional owners as we move toward reconciliation.

2. Opening Prayer

Almighty God, we humbly ask thee to bless and guide this council in its deliberations so that we may truly preserve the welfare of the people whom we serve. Amen

3. Present

Councillors:

Harry Bussell, Harvey Benton, Ashlee Fitzpatrick, Allison Winters, Tania Maxwell

Officers:

Sarah Brindley, Director Corporate and Leisure; Marcus Goonan, Director Community and Infrastructure; Stephen Swart, Acting Chief Executive Officer and Director Sustainability and Culture

Administration:

Executive Services Coordinator; Councillor and Executive Services Support Officer

4. Absent

Officers:

Brendan McGrath, Chief Executive Officer

5. Acceptance of Apologies & Granting of Leave of Absence

Resolution:

(Moved: Councillor H Bussell/Councillor A Winters)

That the Mayor Cr Irene Grant and Cr David Fuller be noted as Apologies.

Carried

Order of Business

6. Conflict of Interest Disclosure

In accordance with section 130 of the Local Government Act 2020 a councillor who has a conflict of interest in respect of a matter must disclose the conflict of interest in the manner required by Council's Governance Rules and exclude themselves from the decision making process in relation to that matter, including any discussion or vote on the matter and any action in relation to the matter.

Clause 28.1 of Council's Governance Rules requires a councillor to indicate that they have a conflict of interest by clearly stating:

- (a) the item for which they have a conflict of interest; and
- (b) whether their conflict of interest is general or material; and
- (c) the circumstances that give rise to the conflict of interest.

Immediately prior to the consideration of the item in which they have a conflict of interest, a councillor must indicate to the meeting the existence of the conflict of interest and leave the meeting.

A councillor who discloses a conflict of interest and leaves a Council meeting must not communicate with any participants in the meeting while the decision is being made.

Presentation Of Reports

For full transcript, please refer to the recording on the [Rural City of Wangaratta YouTube channel](#). Time markers are noted in (minutes:seconds) format.

Officers' Reports

7. Corporate and Leisure

7.1 Financial Statements and Performance Statement for Year Ended 30 June 2025 (02:28)

Meeting Type:	Unscheduled Council Meeting
Date of Meeting:	6 October 2025
Author:	Finance Manager
Approver:	Director Corporate & Leisure

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

Executive Summary

This report is presented to Council to consider approval of the Financial Statements 2024/25 (Attachment 1), Performance Statement 2024/25 (Attachment 2) and the Governance and Management Checklist (Attachment 3), in readiness to submit the statements to the Victorian Auditor-General.

Resolution:

(Moved: Councillor A Winters/Councillor T Maxwell)

That Council:

1. Approves the Financial Statements and Performance Statement for the Wangaratta Rural City Council for the Financial Year ending 30 June 2025 as endorsed by the Audit and Risk Committee on 25 September 2025.
2. Authorises for two Councillors to certify the Financial Statements and Performance Statement for the Wangaratta Rural City Council for the Financial Year ending 30 June 2025 in their final form, as authorised by Victorian Auditor-General's Office (VAGO).
3. Adopts the Governance and Management Checklist of the Wangaratta Rural City Council for the Financial Year ending 30 June 2025.
4. Authorises a Councillor to certify the Governance and Management Checklist for the Wangaratta Rural City Council for the Financial Year ending 30 June 2025.

Carried

Background

This report presents the Financial Statements, Performance Statement and Governance and Management Checklist for the financial year ending 30 June 2025 for approval by the Council prior to submission to the Victorian Auditor-General in accordance with the *Local Government Act 2020* (the Act).

Council must submit for auditing, the Financial Statements 2024/25 (Financial Statements) and Performance Statement 2024/25 (Performance Statement) in their finalised form, to the Auditor appointed by the Victorian Auditor-General's Office (VAGO), as soon as possible after the end of the financial year and be certified in the manner prescribed.

The initial external audit is complete, and Council is now required to consider the audited Financial Statements and Performance Statement and provide approval for the statements, which are then submitted to VAGO.

VAGO's auditors must then prepare a report on the submitted Financial Statements and Performance Statement and provide it to Council, as well as provide a copy to the Minister for Local Government.

VAGO can only sign the audit reports once the Financial Statements and Performance Statement are in their final form, inclusive of any changes recommended or agreed by the Auditor, and once they are certified in accordance with *the Local Government (Planning and Reporting) Regulations 2014 (Regulations)* by two Councillors authorised by Council, the Chief Executive Officer and the Principal Accounting Officer.

The Governance and Management Checklist and Performance Indicators have been prepared in accordance with the Regulations.

The Audit & Risk Committee, at its meeting held Thursday, 25 September 2025 recommended that Council approves 'in principle' the Financial Statements and Performance Statement.

Implications

Policy Considerations

There are no specific Council policies or strategies that relate to this report.

Financial/Economic Implications

The Financial Statements comprise the:

1. Comprehensive Income Statement
2. Balance Sheet
3. Statement of Changes in Equity
4. Statement of Cash Flows
5. Statement of Capital Works
6. Notes to the Financial Statements

The Comprehensive Income Statement shows Council's revenue and expenses for the year plus other comprehensive income.

The statement does not include the cost of asset purchases, loan repayments or reserve funds. It does however include the depreciation of asset values as an expense. Below is a summary of the Council Comprehensive Income Statement.

	2023/24 (Restated) (\$'000s)	2024/25 (\$'000s)	Increase / (decrease) (\$'000s)
Total income	100,072	94,263	(5,809)
Total expenses	93,305	89,361	(3,944)
Surplus (deficit) for the year	6,767	4,903	(1,865)
Other comprehensive income	17,020	41,039	24,019
Comprehensive result	23,788	45,942	22,154

Explanations of some of the key changes between 2023/24 and 2024/25 in the components of the Comprehensive Income Statement are as follows:

1. Total income decreased by \$5.81 million. Some of the key movements between income categories were:
 - a. Rates and charges increased by \$1.55 million. The increase was due to a 2.75% increase in rates which is within the Rate Cap and a similar increase in waste charges. All other rates and charges (cultural/recreational land, supplementary rates, revenue in lieu, interest) increased by \$221k.
 - b. Operating grants increased by \$11.34m (from \$12.36m to \$23.70m) due to early receipt of the Commonwealth Financial Assistance Grants for the 2025/26 financial year (\$13.8m), caused by a timing difference in recognition. Aged and community care funding was \$6.32 million in 2024/25, compared to \$7.08 million in 2023/24, reflecting a decrease in this category. The overall increase in operating grants was partially offset by lower non-recurrent grants in other areas.
 - c. Capital grants decreased by \$3.87m (from \$11.89m to \$8.01m), due to Lower Roads to Recovery and State capital grants, with some projects delayed or carried forward.
 - d. Other income decreased by \$13.52m (from \$18.26m to \$4.74m). This decrease is primarily attributable to lower movements in landfill provisions, which contributed \$2.18 million in 2024/25 compared to \$10.43 million in 2023/24. Additionally, there were no found assets recognised in 2024/25.
2. Total expenses decreased by \$3.94 million. Some of the key movements between expense categories were:
 - a. Employee costs increased by \$0.95m (from \$32.64m to \$33.59m) due to wage growth from EBA increase, superannuation increases, and higher FTE in some areas, partially offset by vacancies savings.
 - b. Materials and services increased by \$0.77m (from \$28.64m to \$29.40m), with the largest increases in utilities (\$455k), consultants/contractors (\$1.05m), and insurance costs.
 - c. Depreciation increased by \$4.36m. This is a significant increase from \$16.84 million in 2023/24 to \$21.20 million in 2024/25. This increase is partially attributable to asset revaluations for both 2022/23 and 2023/24 being processed in 2023/24, which led to

a catch-up in depreciation expenses in 2024/25. The balance of the increase is due to a correction in the asset management system which previously applied fixed-rate depreciation codes, which lead to immaterial understatements in depreciation in prior years. The capitalisation of assets further expanded the depreciable asset base, contributing to the overall increase.

- d. Other expenses decreased by \$10.07m (from \$13.99m to \$3.93m) as 2023/24 included a large landfill provision adjustment (\$10.18m), and higher write-offs of non-capital items from work-in-progress (WIP).
3. Other comprehensive income increased by \$24.02m (from \$17.02m to \$41.04m). This movement is a result of the changes in the asset revaluation reserve caused by revaluations. The classes that were revalued this year were land and land under roads. Other assets classes that were to be revalued in 2024/25 have been postponed to 2025/26.

Prior year restatement (2023/24)

During the 2024/25 audit it was identified that certain contributed infrastructure assets from developers had not been recognised in the 2023/24 financial year due to delays in processing Work In Progress capitalisations. Therefore, Council has restated the 2023/24 comparative figures to include \$3.373 million in previously omitted non-monetary contributions. This adjustment increases the reported surplus and asset balances for 2023/24.

	2023/24 (Original) (\$'000s)	2023/24 (Restated) (\$'000s)	Increase due to Restatement (\$'000s)
Total income	96,699	100,072	+3,373
Total expenses	93,305	93,305	NIL
Surplus for the year	3,394	6,767	+3,373
Other comprehensive income	17,020	17,020	NIL
Comprehensive result	20,414	23,788	+3,373

This restatement is disclosed in Note 11.1 of the Financial Statements, which details the nature and amount of the adjustment and its impact on the comparative figures.

Balance Sheet

The Balance Sheet shows what Council owns as assets and what it owes as liabilities. The bottom line of this statement is Total Equity which is an accumulation over time of the net worth of Council.

	2023/24 (Restated) (\$'000s)	2024/25 (\$'000s)	Increase / (decrease) (\$'000s)
Current assets	30,086	33,783	3,697
Non-current assets	800,709	839,706	38,997
Current liabilities	17,727	24,987	7,260
Non-current liabilities	38,081	27,383	(10,698)

Equity	774,987	821,120	46,133
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1. Current assets increased by \$3.7 million, mainly due to higher cash and cash equivalents at year end due to Financial Assistance Grants income received in advance.
2. Non-current assets have increased by \$39.0m. The increase reflects the impact of asset revaluations.
3. Current liabilities increased by \$7.26 million, rising from \$17.73 million in 2023/24 to \$24.99 million in 2024/25. This increase is primarily driven by the reclassification of \$7.10 million loan that is due to mature within the next 12 months. This increase is offset by a decrease in non-current liabilities of the same amount. Notably, contract liabilities (unearned income) decreased by \$1.57 million, as grants received in advance were recognised as revenue.
4. Non-current liabilities decreased by \$10.70 million, from \$38.08 million in 2023/24 to \$27.38 million in 2024/25. This is due to the de-reclassification of a maturing loan from non-current to current liabilities as described above. The landfill restoration provision also decreased by \$935k.
5. Total equity is the term used to describe the value of the Council to its ratepayers and is divided between:
 - i. Accumulated surplus - the value of all net assets over time;
 - ii. Asset revaluation reserve;
 - iii. Reserves - funds reserved for specific future expenditure.

Council's accumulated surplus increased by \$39k from 2023/24, rising from \$194.31 million to \$194.35 million. This movement is the result of:

- (i) The accounting surplus of \$4.90 million for 2024/25.
- (ii) Transfers to reserves for future expenditure requirements of \$4.86 million, including allocations to waste and landfill, plant replacement, and developer contributions.

Statement of Cash Flows

The Statement of Cash Flows is a record of cash received and cash paid by Council for the financial year. It excludes non-cash expenses such as depreciation that are included in the Comprehensive Income Statement and includes items such as capital expenditure and proceeds from loans or repayment of loans that are not included in the Comprehensive Income Statement.

Overall, the Statement of Cash Flows shows that cash on hand was \$27.54 million at the end of the year. This represents a significant increase from the previous year's balance of \$13.59 million. Council's total cash and investments (including other financial assets) were \$27.94 million at 30 June 2025.

The strong cash position at year end is primarily due to the early receipt of Financial Assistance Grants and a reduced capital works program, with some projects carried over to future years. Net cash provided by operating activities was \$25.87 million, while net cash used in investing activities was \$(8.56) million, mainly due to delays in capital works expenditure.

While Council's cash flow remains healthy at year end, the current high cash balance is not expected to be sustained at this level, as it reflects the timing of grant receipts and the deferral of capital works rather than an ongoing surplus of funds.

Budget Comparison

A budget comparison with actual performance is provided at Note 2. The *Local Government (Planning and Reporting) Regulations 2014* require explanation of any material variances. Council has adopted a materiality threshold of ten percent and positive or negative \$200,000. Refer to Note 2.1 in the attached Financial Statements.

Performance Statement

The Performance Statement is a key section of the annual report whereby Council makes itself accountable to the community and contains information about the performance of the Council for the financial year.

Governance and Management Checklist

This checklist demonstrates that Council has strong governance and management frameworks in place covering community engagement, planning, monitoring, reporting and decision-making.

Legal/Statutory

Under the *Local Government Act 2020* (Vic), Council must endorse its Annual Report, including its Financial Statement, Performance Statement and Governance and Management Checklist for the relevant financial year, by October 31 each year.

Social

There are no social impacts identified for the subject of this report.

Environmental/Sustainability Impacts

There are no environmental/ sustainability impacts identified for this subject of this report.

Strategic Links

Council Plan 2021 – 2025

This report supports the 2021-2025 Council Plan through the following objectives and actions:

1. Strengthening our Leadership

Risk Management

Risks	Likelihood	Consequence	Rating	Mitigation Action
Financial reports not prepared in accordance with statutory requirements	Low	Medium	Medium	Consultation with external auditors, Local Government Victoria and FinPro for the

				latest updates and changes.
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Consultation/Communication

Extensive consultation has been undertaken with the Auditor appointed by the Victorian Auditor General's Office, Crowe Australasia, during the preparation of the Financial Statements and Performance Statement. They have also been reviewed by council's Audit and Risk Committee for further oversight.

Officers believe that appropriate consultation has occurred, and the matter is now ready for Council consideration.

Options for Consideration

Conclusion

The production of the Financial Statements Performance Statement and the Governance and Management Checklist is a critical component in the management of Council's operations to ensure accountability and public disclosure in the delivery of services and programs to residents of the municipality.

Attachments

- 1 2024-25 Financial Statements 
- 2 Performance Statement 2024-25 
- 3 Governance and Management Checklist 2024-25 

8. Community and Infrastructure

8.1 Award of Contract 57516 Annual Road Reseal Program 2025-26 (5:10)

Meeting Type:	Unscheduled Council Meeting
Date of Meeting:	6 October 2025
Category:	Strategic
Author:	Delivery & Contracts Project Manager
Approver:	Director Community and Infrastructure

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

Executive Summary

This report is presented to Council with the recommendation to award contract 57516 Annual Road Reseal Program 2025-26.

Resolution:

(Moved: Councillor H Bussell/Councillor A Fitzpatrick)

That Council:

1. Awards contract 57516 Annual Road Reseal Program 2025-26 to Boral Resources Pty Ltd.
2. Authorises the Chief Executive Officer to sign contract documents for the contract 57516 Annual Reseal Program 2025-26.
3. Discloses the contract price of contract 57516 Annual Road Reseal Program 2025-26.

Carried

The contract price was disclosed as \$588,586.26 excluding GST.

Background

As part of the Rural City of Wangaratta's asset renewal program, Council completes an annual road reseal program based on road condition data. The reseal program consists of the preparation for and bitumen sealing of selected roads in urban and rural areas.

Implications

Policy Considerations

Council's procurement policy outlines the approved methods and processes for procurement. Collaborative procurement was not considered for this procurement.

Financial/Economic Implications

The 2025/26 budget allocates \$750,000 (ex GST) to the Annual Road Reseal Program 2025-26.

Legal/Statutory

There are no legal/statutory implications identified for the subject of this report.

Social and Diversity

There are no social impacts identified for the subject of this report.

Equity Impact Assessment (EIA)

There are no equity impacts identified for the subject of this report.

Environmental/Sustainability Impacts

By resealing the roads, it is expected that the road life will be improved without major reconstruction works occurring. This approach will have a reduced impact on the environment.

Strategic Links

Council Plan 2021 – 2025

This report supports the 2021-2025 Council Plan through the following objectives and actions:

Strengthening our Leadership

1.1 - An engaged and connected community

1.1.1 - Provide open and transparent communication to the community to build trust, respect and understanding

1.2 - An efficient and effective Council

1.2.1 - Ensure Council's financial sustainability through transparent and accountable financial management.

Other strategic links

This report supports the Asset Plan

Risk Management

Risk Management Framework

Risks	Likelihood	Consequence	Rating	Mitigation Action
Not achieving the proposed timelines	Possible (3)	Moderate (3)	Medium (6)	Project manager to monitor
Unsatisfactory quality of	Possible (3)	Moderate (3)	Medium (6)	Project Manager to

works				monitor
Residents unable to access their property	Possible(3)	Minor(2)	Medium (6)	Project Manager to monitor & advise residents

Consultation/Communication

This was a public tender process. This tender was advertised on eProcure and was also advertised in the Wangaratta Chronicle in accordance with the procurement policy.

Options for Consideration

1. Award Contract 57516 Annual Road Reseal Program 2025-26 to Boral Resources Pty Ltd.
2. Do not award and retender as per the Council's procurement policy.

Conclusion

Following an internal evaluation against pre-determined evaluation criteria and weightings, contract 57516 Annual Road Reseal Program 2025-26 is recommended to be awarded to Boral Resources Pty Ltd in accordance with approved evaluation report.

Attachments

- 1 Evaluation Report - Confidential

9. Closure of Meeting

The Meeting closed at 10:08am.

Unconfirmed