



AGENDA

ORDINARY COUNCIL MEETING

TIME: 6.30 PM

27 JUNE 2024

TOWN OF CAMBRIDGE

*Constituent Members: Cities of Perth, Joondalup, Stirling, Vincent and Wanneroo
Towns of Cambridge and Victoria Park*



Town of
Cambridge



City of
Joondalup



City of Perth



City of Stirling
City of Choice



TOWN OF
VICTORIA PARK



CITY OF VINCENT



City of
Wanneroo

**MINDARIE REGIONAL COUNCIL
NOTICE OF MEETING**

22 JUNE 2024

Councillors of the Mindarie Regional Council are advised that an Ordinary Meeting of the Council will be held at the Town of Cambridge at 6.30 pm on 27 June 2024.

The agenda pertaining to the meeting follows.

Your attendance is respectfully requested.



**SCOTT CAIRNS
CHIEF EXECUTIVE OFFICER**

MINDARIE REGIONAL COUNCIL - MEMBERSHIP

Cr P Miles (Paul) - Chair	City of Wanneroo
Cr S Proud, JP (Stephanie) - Deputy Chair	City of Stirling
Cr A Jacob, JP (Albert)	City of Joondalup
Cr C May (Christopher)	City of Joondalup
Cr L Gobbert, JP (Liam)	City of Perth
Cr A Creado (Andrea)	City of Stirling
Cr J Ferrante (Joe)	City of Stirling
Cr C Hatton (Chris)	City of Stirling
Cr A Castle (Alex)	City of Vincent
Cr J Wright (Jordan)	City of Wanneroo
Cr G Mack (Gary)	Town of Cambridge
Cr K Vernon (Karen)	Town of Victoria Park

NB: Although some Councils have nominated alternate members, it is a requirement that a Council carries a specific resolution for each occasion that the alternate member is to act.

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1	DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS
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2	ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE
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3	DECLARATION OF INTERESTS
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Declaration of Financial/Conflict of Interest to be recorded prior to dealing with each item.

Disclosure of Financial and Proximity Interests

- (a) *Members must disclose the nature of their interest in matters to be discussed at the meeting. (Section 5.65 of the Local Government Act 1995).*
- (b) *Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting. (Sections 5.70 and 5.71 of the Local Government Act 1995).*

Disclosure of Interest Affecting Impartiality

- (a) *Members and staff must disclose their interest in matters to be discussed at the meeting in respect of which the member or employee has given or will give advice.*

4	PUBLIC QUESTION TIME
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5	ANNOUNCEMENT BY THE PRESIDING PERSON
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6	APPLICATION FOR LEAVE OF ABSENCE
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7	PETITIONS/DEPUTATIONS/PRESENTATIONS
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8	CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS
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8.1 ORDINARY COUNCIL MEETING – 30 May 2024

The Minutes of the Ordinary Council Meeting held on 30 May 2024 have been printed and circulated to members of the Council.

RESPONSIBLE OFFICER RECOMMENDATION

That the Minutes of the Ordinary Meeting of Council held on 30 May 2024 be confirmed as a true record of the proceedings.

9 CHIEF EXECUTIVE OFFICER REPORTS

9.1	FINANCIAL STATEMENT FOR THE PERIOD ENDED 31 MAY 2024
Reference:	GF-23-000000019
Attachment(s):	Attachment No. 1
Date:	14 June 2024
Responsible Officer:	Executive Manager Corporate Services

SUMMARY

The purpose of this report is to provide Council with a set of financial reports in line with statutory requirements, which provides information on the financial performance of the Mindarie Regional Council (MRC).

BACKGROUND

Financial Management Regulations 34 of the Local Government (Financial Management) Regulations 1996 defines reporting requirements.

The financial statements presented for each month consist of:

- Statement by Comprehensive Income by Nature and Type
- Operating Income Statement by Program
- Statement of Financial Position
- Statement of Cashflows
- Statement of Financial Activity
- Statement of Reserves
- Statement of Investing Activity
- Cash and Cash Equivalents and Schedule of Investments
- Tonnage Report

DETAIL

The attached reports provide an overview of the MRC's financial performance for the period ending 31 May 2024, and have been prepared in accordance with the Local Government Act 1995, the Local Government (Financial Management) Regulations 1996 and the Australian Accounting Standards. The reports fairly represent, in all material respects, the results of the MRC's operations for the months being reported.

The Financial Report for the period ended 31 May 2024 is attached at **Attachment No. 1** to this Item. The Schedule of Investments and Tonnage Report up to 31 May 2024 are also contained within the Attachment No.1.

Summary of results for the year to date period ended 31 May 2024

	YTD Budget	YTD Actual	Variance
	t	t	t
Tonnes – Members	166,724	162,365	(4,359)
Tonnes – Others	22,716	24,708	1,992
TOTAL TONNES	189,440	187,073	(2,367)
	\$	\$	\$
Revenue – Fees & Charges	30,316,373	29,958,811	(357,562)
Revenue – Other	6,840,428	7,174,215	333,787
TOTAL REVENUE	37,156,801	37,133,026	(23,775)
Expenses	(32,233,303)	(30,514,967)	1,718,336
Net profit	4,923,498	6,618,059	1,694,561
Net profit on sales of assets	260,896	277,022	16,126
NET SURPLUS	5,184,394	6,895,081	1,710,687

Variances Year to Date

Mindarie Regional Council financial result for the period ending 31 May 2024 reflects its performance from 1 July 2023 to 31 May 2024. Council's operations have been conducted in line with the adopted budget. At the OCM, 28 March, Council approved mid-year budget review and proposed budget adjustments, the revised budgets have been reflected in the financial statements. In line with materiality adopted by the Council, variances below \$50k do not attract comments.

MRC recorded net profit of \$6.9m for the period ended 31 May 2024 against the revised budget of \$5.2m resulting in a favourable variance of 33% or \$1.7m.

REVENUE

User Charges

Total revenue recorded a negative variance of \$24k. This outcome results from a negative variance of \$358k in total fees and charges being offset by a positive variance of \$334k in other revenue.

Member user charges are \$667k lower than budget primarily due to 3,529t tonnages delivered by City of Wanneroo. City of Wanneroo advised that the forecast at the time of budget adoption overestimated tonnages for their council.

Income from other user charges is \$264k above budget. This is due to 1,992t higher tonnages delivered by trade waste discount customers.

Interest Earnings

Interest earning is \$295k higher compared to budget. This continues to be a direct result of positive interest rate.

EXPENDITURE

Overall positive variance at 31 May 2024 is a direct result of savings arising from various operational expenses.

Materials and Contracts

Materials and Contracts expenditure shows a positive variance of \$1.4m compared to the budget. This variance is driven by a combination of several factors, lower than anticipated costs in DWER landfill levy (\$426k lower) being the major reason. DWER landfill levy is payable to the Department of Water and Environment Regulation and has a direct relationship to tonnage collected. Another contributing factor to the above is a positive variance of \$566k (consultants expenditure) due to timing of expenses such as audit fees, Waste audit, FOGO Tender. The balance is made up of many small variances.

Utilities

Utilities recorded a positive variance of \$173k. The key contributor to this positive variance is \$100k budgeted to accommodate extra network monthly charges as anticipated at budgeting time. However, the actual network charges have been lower.

Insurance

Insurance expenses recorded are \$202k below budget due to excess insurance budgeted at \$250k not yet utilised.

Other expenses

Other expenses are \$173k lower than budgeted. This is a timing issue and Elected Members payments are due in June.

STATEMENT OF FINANCIAL POSITION

End of May 2024 the MRC's cash position is solid due to collection of fees and charges and positive earnings from investments. Capital expenditure delivery and increases in the RBA cash rate have improved both the rate of investments and the amount reinvested.

Current Liabilities

Current Liabilities as of 31 May 2024 are \$1m higher compared to the previous month. Accrual of Waste levy payable to DWER for the month of May 24 contributed to this increase.

Capital Expenditure

There is \$38k capital expenditure incurred in May 2024. This is mainly for landfill infrastructure work in capping and leachate.

Reserve Accounts

The reserve accounts for the period ended 31 May 2024 improved by \$6m. This reflects the proportionate transfers to reserves including interest earned on the investments and a transfer of \$3m from surplus into capital reserve in line with mid-year budget review approved by Council in March.

STATUTORY IMPLICATIONS

Section 6.4 of the Local Government Act 1995 and regulation 34(1) of the Local Government (Financial Management) Regulations 1996.

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council:

Receive the Financial Statements set out in Attachment No. 1 for the month ended 31 May 2024.

ATTACHMENT 1
FINANCIAL REPORTS FOR MAY 2024



**Financial Report
for the period ending
31 May 2024**

Mindarie Regional Council

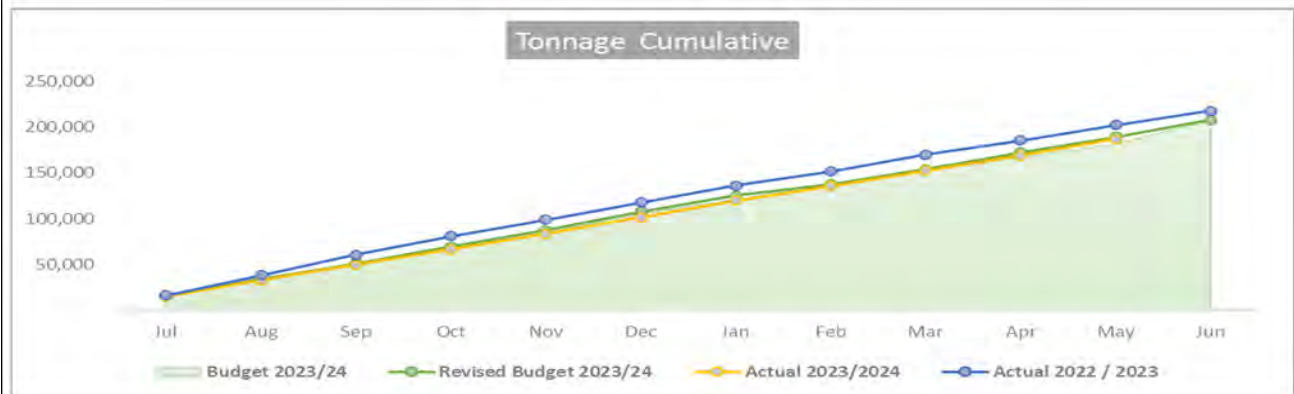
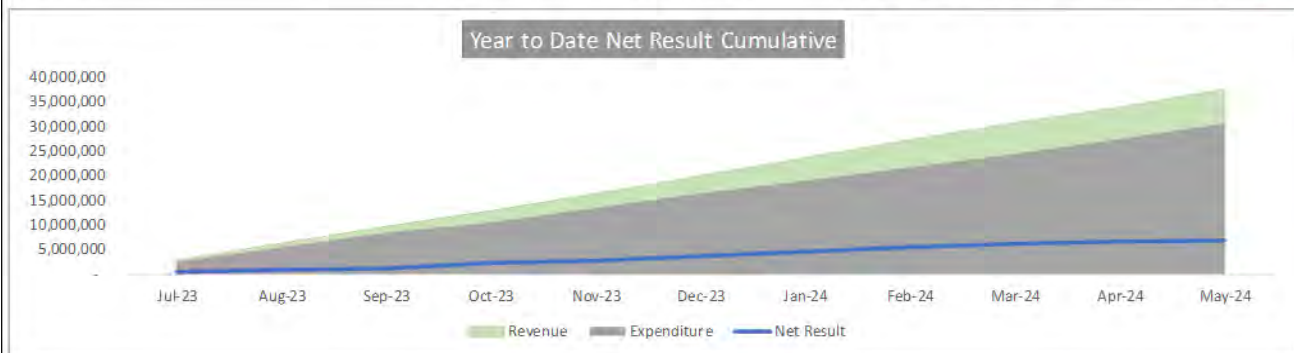
Authorised by: Adnana Arapovic
Executive Manager Corporate Services

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 - 2.5 Statement of Financial Activity
 - 2.6 Statement of Reserves
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- 3.0 Cash and Cash Equivalents and Schedule of Investments
- 4.0 Tonnage Report

1.0 Financial Summary For the period 31 May 2024

STATEMENT OF COMPREHENSIVE INCOME						
	Revised Budget	Revised Budget Year to Date	Actual Year to Date	Variance	Variance %	Status
Fees and Charges Revenue	\$ 33,101,627	\$ 30,316,373	\$ 29,958,811	\$ (357,562)	(1%)	↓
Other Revenue	\$ 7,630,339	\$ 6,840,428	\$ 7,174,215	\$ 333,787	5%	↑
Total Operating Revenue	\$ 40,731,966	\$ 37,156,801	\$ 37,133,026	\$ (23,775)	(0%)	→
Operating Expenditure	\$ 35,548,531	\$ 32,233,303	\$ 30,514,967	\$ 1,718,336	5%	↑
Net profit	\$ 5,183,435	\$ 4,923,498	\$ 6,618,059	\$ 1,694,561	34%	↑
Capital Grants and Subsidies	\$ 50,000	-	-	-	-	→
Net profit/(loss) on sale of asse	253,105	\$ 260,896	\$ 277,022	16,126	6%	↑
Net Result	\$ 5,486,540	\$ 5,184,394	\$ 6,895,081	\$ 1,710,687	33%	↑



STATEMENT OF FINANCIAL POSITION				
	Revised Budget	Actual Year to Date	Actual 30 June 2023	
Current Assets	\$ 67,960,617	\$ 77,567,083	\$ 64,273,412	
Non Current Assets	\$ 104,333,324	\$ 92,870,985	\$ 100,324,693	
Total Assets	\$ 172,293,941	\$ 170,438,068	\$ 164,598,105	
Current Liabilities	\$ 4,380,288	\$ 3,671,485	\$ 5,528,381	
Non Current Liabilities	\$ 27,208,977	\$ 27,156,691	\$ 26,354,914	
Total Liabilities	\$ 31,589,265	\$ 30,828,176	\$ 31,883,295	
Equity	\$ 140,704,676	\$ 139,609,892	\$ 132,714,810	

CAPITAL EXPENDITURE				
	Revised Budget	Year to Date Actual	Variance \$	Variance %
Capital Expenditure	10,349,323	1,264,260	9,085,063	87.8%

2.1 Statement of Comprehensive Income by nature and type For the period ended 31 May 2024

	Original Budget	Revised Budget	Year to Date				Previous Actual YTD
	2023/24	2023/24	Revised Budget	Actual	Variance	Variance	31-May-23
REVENUE	\$	\$	\$	\$	\$	%	\$
Member User Charges							
User Charges - City of Perth	1,884,782	2,042,071	1,844,223	1,815,986	(28,237)	(2%)	1,719,620
User Charges - City of Wanneroo	8,757,751	8,759,336	8,005,086	7,486,756	(518,330)	(6%)	7,122,427
User Charges - City of Joondalup	5,073,600	5,067,171	4,633,330	4,572,062	(61,268)	(1%)	4,340,788
User Charges - City of Stirling	7,974,008	8,370,577	7,690,156	7,554,913	(135,243)	(2%)	6,752,432
User Charges - Town of Cambridge	787,616	885,766	801,944	812,523	10,579	1%	779,524
User Charges - City of Vincent	830,500	828,739	759,255	784,300	25,045	3%	717,079
User Charges - Town of Victoria Park	1,268,400	1,601,433	1,441,510	1,481,826	40,316	3%	1,440,931
Total Member User Charges	26,576,657	27,555,093	25,175,504	24,508,366	(667,138)	(3%)	22,872,801
Other User Charges							
User Charges - Casual Tipping Fees	5,401,066	4,691,534	4,470,869	4,735,101	264,232	6%	7,048,333
Total User Charges	31,977,723	32,246,627	29,646,373	29,243,467	(402,906)	(1%)	29,921,134
Other fees and charges							
Mattresses Charges	55,000	55,000	55,000	99,930	44,930	82%	102,845
Gas Power Generation Sales	800,000	800,000	615,000	615,414	414	0%	785,310
Total Other Fees and Charges	855,000	855,000	670,000	715,344	45,344	7%	888,155
Total Fees and Charges	32,832,723	33,101,627	30,316,373	29,958,811	(357,562)	(1%)	30,809,289
Interest Earnings	1,659,800	2,692,821	2,485,704	2,780,527	294,823	12%	1,326,394
Grants, Subsidies and Contributions							
Reimb. of Admin/Governance Expenses	4,656,518	4,656,518	4,268,474	4,268,474	-	0%	3,868,097
Other Revenue							
Other Revenue	95,000	281,000	86,250	125,214	38,964	45%	206,024
Total Other Revenue	6,411,318	7,630,339	6,840,428	7,174,215	333,787	5%	5,400,515
Total Revenue	39,244,041	40,731,966	37,156,801	37,133,026	(23,775)	(0%)	36,209,804
EXPENSES							
Employee Costs	5,536,680	5,536,680	5,064,982	5,257,323	(192,341)	(4%)	3,943,298
Materials and Contracts	18,348,818	18,713,901	16,877,071	15,513,056	1,364,015	8%	15,860,299
Utilities	718,250	800,450	717,548	543,891	173,657	24%	586,948
Depreciation	5,896,783	6,340,025	5,799,424	5,804,855	(5,431)	(0%)	4,836,628
Amortisation	4,954,195	2,119,202	1,942,602	1,942,602	-	-	4,706,208
Finance Costs	1,097,123	1,097,123	1,006,424	1,002,954	3,470	0%	1,003,001
Insurances	620,200	620,200	528,433	326,250	202,183	38%	659,297
Other Expenses	320,950	320,950	296,819	124,036	172,783	58%	213,220
Total Expenses	37,492,999	35,548,531	32,233,303	30,514,967	1,718,336	5%	31,808,899
Net profit from ordinary activities	1,751,042	5,183,435	4,923,498	6,618,059	1,694,561	34%	4,400,905
Capital Grants, Subsidies and Contributions							
Capital Grants and Subsidies	50,000	50,000	-	-	-	-	-
	50,000	50,000	-	-	-	-	-
Profit/(loss) from ordinary activities							
Profit on Sale of Assets	1,000	293,890	287,684	287,684	-	-	-
Loss on Sale of Assets	(350,756)	(40,785)	(26,788)	(10,662)	16,126	(60%)	-
	(349,756)	253,105	260,896	277,022	16,126	6%	-
Net result for the period	1,451,286	5,486,540	5,184,394	6,895,081	1,710,687	33%	4,400,905
TOTAL COMPREHENSIVE INCOME	1,451,286	5,486,540	5,184,394	6,895,081	1,710,687	33%	4,400,905

2.2 Statement of Comprehensive Income by program For the period ended 31 May 2024

	Original Budget 2023/24	Revised Budget 2023/24	Revised Budget YTD May 24 2023/24	Actual YTD May 24 2023/24	Variance	Variance
	\$	\$	\$	\$	\$	%
Revenue from Ordinary Activities						
Community Amenities	32,927,723	33,382,627	30,402,622	30,084,024	(318,598)	(1%)
General Revenue	1,659,800	2,692,821	2,485,704	2,780,527	294,823	12%
Governance	4,656,518	4,656,518	4,268,474	4,268,475	0.2	0%
	39,244,041	40,731,966	37,156,801	37,133,026	(23,775)	(0%)
Expenses from Ordinary Activities						
Governance	(4,616,177)	(5,156,277)	(4,550,950)	(3,746,510)	(804,441)	18%
Community Amenities	(31,779,699)	(29,295,131)	(26,675,928)	(25,765,503)	(910,426)	3%
Total operating expenses	(36,395,876)	(34,451,407)	(31,226,879)	(29,512,013)	(1,714,866)	5%
Finance costs						
Governance	(328,288)	(328,288)	(301,660)	(298,195)	(3,464)	1%
Community Amenities	(768,835)	(768,835)	(704,764)	(704,759)	(5)	
Total finance costs	(1,097,123)	(1,097,123)	(1,006,424)	(1,002,954)	(3,469)	0%
Net result for the period	1,751,042	5,183,435	4,923,498	6,618,059	1,694,561	34%
Non-operating grants						
Community Amenities	50,000	50,000	-	-	-	
Profit on sale of assets						
Governance	-	6,208	1	1	(0)	(28.57%)
Community Amenities	1,000	287,682	287,682	287,682	0	0%
Resource Recovery Facility	-	-	-	-	-	
	1,000	293,890	287,683	287,683	(0)	
Loss on sale of assets						
Governance	(384)	-	-	-	-	
Community Amenities	(350,372)	(40,785)	(26,788)	(10,662)	(16,126)	60.20%
Resource Recovery Facility	-	-	-	-	-	
Total profit / loss on sale of assets	(349,756)	253,105	260,895	277,021	(16,127)	
Other comprehensive income for the period						
Revaluation of Assets	-	-	-	-	-	
TOTAL COMPREHENSIVE INCOME	1,451,286	5,486,540	5,184,394	6,895,080	1,710,687	33%

2.3 Statement of Financial Position

As at 31 May 2024

	Actual as at 31 May 2024	Actual as at 30 June 2023
CURRENT ASSETS		
Cash and cash equivalents	22,908,067	20,262,141
Other Financial Assets	51,603,571	40,495,910
Debtors and other receivables	2,322,490	2,273,228
Inventories	18,349	15,792
Other Current Assets	714,606	1,226,341
TOTAL CURRENT ASSETS	77,567,082	64,273,412
NON-CURRENT ASSETS		
Property, plant and equipment	29,113,492	31,577,144
Right of Use Asset	5,490,725	6,203,573
Infrastructure	46,517,425	49,828,763
Excavation and Rehabilitation Asset	11,749,343	12,715,215
TOTAL NON-CURRENT ASSETS	92,870,985	100,324,693
TOTAL ASSETS	170,438,068	164,598,105
CURRENT LIABILITIES		
Trade and other payables	2,885,778	4,144,896
Provisions	729,223	754,925
Right of Use Asset - Leases	56,485	628,560
TOTAL CURRENT LIABILITIES	3,671,485	5,528,381
NON CURRENT LIABILITIES		
Provisions	238,018	141,000
Rehabilitation provision	20,757,453	20,052,694
Right of Use Asset - Leases	6,161,220	6,161,220
TOTAL NON CURRENT LIABILITIES	27,156,691	26,354,914
TOTAL LIABILITIES	30,828,176	31,883,295
NET ASSETS	139,609,892	132,714,810
EQUITY		
Retained Losses	(28,987,202)	(29,893,807)
Reserves Accounts	25,481,846	19,493,371
Revaluation Surplus	54,029,522	54,029,520
Council Contribution	89,085,726	89,085,726
TOTAL EQUITY	139,609,892	132,714,810

2.4 Statement of Cash Flow

For the period ended 31 May 2024

	Original Budget 2023-2024	Revised Budget 2023-2024	Actual YTD May 24 2023-2024	Actual 30-Jun-23
Cash flows from operating activities				
<u>Receipts</u>				
Contributions, re-imbursements and donations	4,656,518	4,080,518	4,268,475	4,224,742
Gas generation services	800,000	800,000	615,414	816,100
Fees and charges	32,032,723	31,945,734	32,933,103	32,839,129
Interest earnings	1,659,800	2,630,059	2,906,057	939,304
Other revenue	95,000	281,000	125,214	271,044
GST Received	-	-	775,843	2,782,222
	39,244,041	39,737,312	41,624,106	41,872,541
<u>Payments</u>				
Employee costs	(5,102,945)	(5,079,162)	(4,850,912)	(4,776,643)
Materials and contracts	(18,348,818)	(19,425,047)	(17,973,823)	(17,328,430)
Utilities	(718,250)	(800,450)	(543,890)	(632,002)
Insurance	(620,200)	(620,200)	(326,250)	(684,880)
Other Expenditure	(320,950)	(320,950)	(124,036)	(798,699)
GST Paid	-	-	(3,630,550)	(2,785,569)
	(25,111,163)	(26,245,809)	(27,449,461)	(27,006,223)
Net cash provided by (used in) operating activities	14,132,878	13,491,502	14,174,645	14,866,318
Cash flows from investing activities				
Grants and subsidiaries	50,000	50,000	38,000	-
Payments for purchases of property, plant and equipment and infrastructure	(10,052,000)	(10,349,323)	(1,264,261)	(107,549)
Investments term deposits	(2,315,904)	(5,991,705)	(11,107,662)	(1,075,500)
Proceeds from Sale of assets	576,000	576,000	1,246,922	-
Net cash used in investing activities	(11,741,904)	(15,715,028)	(11,087,001)	(1,183,049)
Cash flows from financing activities				
Lease payments	(559,266)	(559,266)	(441,718)	(566,483)
Net cash (used in)/from financing activities	(559,266)	(559,266)	(441,718)	(566,483)
Net increase/(decrease) in cash and cash equivalents	1,881,474	(2,782,792)	2,645,926	13,116,786
Cash and cash equivalents 30 June 2023	15,250,254	20,262,141	20,262,141	7,145,355
Cash and cash equivalents 31 May 2024	17,258,130	17,479,349	22,908,067	20,262,141

2.5 Statement of Financial Activity For the period ended 31 May 2024

Actual 30 June 2023		Original Budget 2023/2024 \$	Revised Budget 2023/2024 \$	Budget YTD 31-May-24 \$	Actual YTD 31-May-24 \$	Variance \$	Variance %
	Revenue from operating activities						
4,224,742	Contributions and reimbursements	4,656,518	4,656,518	4,268,474	4,268,474	-	-
33,102,536	Fees and charges	32,832,723	33,101,627	30,316,373	29,958,811	(357,562)	(1%)
1,512,800	Interest revenue	1,659,800	2,692,821	2,485,704	2,780,527	294,823	12%
271,044	Other revenue	95,000	281,000	86,250	125,214	38,964	45%
-	Profit on asset disposals	1,000	293,890	287,684	287,684	-	-
39,111,122		39,245,041	41,025,856	37,444,485	37,420,710	(23,775)	(0%)
	Expenditure from operating activities						
(4,707,843)	Employee costs	(5,536,680)	(5,536,680)	(5,064,982)	(5,257,323)	192,341	(0)
(17,508,295)	Materials and contracts	(18,348,818)	(18,713,901)	(16,877,071)	(15,513,056)	(1,364,015)	8%
(632,002)	Utility charges	(718,250)	(800,450)	(717,548)	(543,891)	(173,657)	24%
(7,606,255)	Depreciation & amortisation	(10,850,978)	(8,459,227)	(7,742,026)	(7,747,457)	5,431	(0)
(1,074,941)	Finance costs	(1,097,123)	(1,097,123)	(1,006,424)	(1,002,954)	(3,470)	0
(684,881)	Insurance	(620,200)	(620,200)	(528,433)	(326,250)	(202,183)	38%
-	Loss on disposal of assets	(350,756)	(40,785)	(26,788)	(10,662)	-	0%
(466,879)	Other expenditure	(320,950)	(320,950)	(296,819)	(124,036)	(172,783)	58%
(32,681,096)		(37,843,755)	(35,589,316)	(32,260,091)	(30,525,629)	(1,718,336)	5%
	Add/less: Non - cash items						
-	Profit on asset disposals	(1,000)	(293,890)	(287,684)	(287,684)	-	-
-	Loss on disposal of assets	350,756	40,785	26,788	10,662	(16,126)	(60%)
7,606,255	Depreciation & amortisation	10,850,978	8,459,227	7,742,026	7,747,457	(5,431)	(0)
60,245	Employee benefit provisions	542,735	542,735	489,988	565,533	(75,545)	(15%)
743,120	Rehabilitation - unwinding of interest	768,835	768,835	704,759	704,759	0	0
-	Other Provisions	3,620,993	3,620,993	3,319,244	(1,432,336)	-	-
8,409,620		16,133,297	13,138,685	11,995,121	7,308,391	(97,102)	(1%)
14,839,646	Amount attributable to operating activities	17,534,583	18,575,225	17,179,515	14,203,472	(2,976,043)	(17%)
	Inflows from investing activities						
-	Proceeds from disposal of assets	576,000	1,306,972	545,000	1,246,922	(701,922)	(129%)
-	Capital Grants and Subsidies	50,000	50,000	50,000	38,000	12,000	0
-		626,000	1,356,972	545,000	1,246,922	701,922	129%
	Outflows from investing activities						
(54,835)	Purchase of plant and equipment	(618,000)	(808,323)	(740,000)	(238,528)	501,472	0.68
(25,279)	Purchase of land and buildings	(310,000)	(310,000)	(285,000)	-	285,000	100%
(17,101)	Purchase of computer equipment	(105,000)	(212,000)	(195,000)	(44,582)	150,418	1
(10,334)	Purchase and construction of infrastructure	(9,019,000)	(9,019,000)	(1,832,000)	(981,151)	850,849	46%
(107,549)		(10,052,000)	(10,349,323)	(3,052,000)	(1,264,260)	1,787,740	59%
(107,549)	Amount attributable to investing activities	(9,426,000)	(8,992,351)	(2,507,000)	(17,338)	2,524,338	(101%)
	Inflows from financing activity						
98,550	Transfers from reserve accounts	1,215,000	3,162,310	1,386,714	287,530	1,099,185	1
-	Transfers from surplus	-	-	-	976,730	-	0%
98,550		1,215,000	3,162,310	1,386,714	1,264,260	1,099,185	79%
	Outflows from financing activities						
(566,483)	Payments for principal portion of lease liabilities	(293,526)	(293,526)	(269,066)	(572,075)	303,010	(113%)
(824,831)	Transfers to reserve accounts	(2,493,835)	(6,133,337)	(5,111,114)	(6,276,005)	1,164,891	(0)
(1,391,314)		(2,787,361)	(6,426,863)	(5,380,180)	(6,848,080)	1,467,900	(27%)
(1,292,764)	Amount attributable to financing activities	(1,572,361)	(3,264,553)	(3,993,465)	(5,583,820)	(1,590,355)	40%
27,195,812	Operating Net Current Assets at the start of the financial year	32,849,526	32,849,526	32,849,526	40,635,145	(7,785,619)	(24%)
14,839,646	Amount attributable to operating activities	17,534,583	18,575,225	17,179,515	14,203,472	2,976,043	17%
(107,549)	Amount attributable to investing activities	(9,426,000)	(8,992,351)	(2,507,000)	(17,338)	(2,489,662)	99%
(1,292,764)	Amount attributable to financing activities	(1,572,361)	(3,264,553)	(3,993,465)	(5,583,820)	1,590,355	(40%)
40,635,145	Closing Net Current Assets	39,385,748	39,167,847	43,528,576	49,237,459	5,708,883	13%

2.5 Net Current Assets

For the period ended 31 May 2024

	Actual As at 31 May 2024	Actual 30 June 2023
CURRENT ASSETS		
Cash and cash equivalents	22,908,067	20,262,141
Other Financial Assets	51,603,571	40,495,910
Debtors and other receivables	2,322,490	2,273,228
Inventories	18,349	15,792
Other Current Assets	714,606	1,226,341
TOTAL CURRENT ASSETS	77,567,082	64,273,412
CURRENT LIABILITIES		
Trade and other payables	2,885,778	4,144,896
Provisions	729,223	754,925
Right of Use Asset - Leases	56,485	628,560
TOTAL CURRENT LIABILITIES	3,671,485	5,528,381
NET CURRENT ASSETS	73,895,597	58,745,031
Add Back Restricted Liabilities		
Employee Related Provisions	729,223	754,925
Right of Use - Liabilities	56,485	628,560
E-Waste Infrastructure Grant	38,000	
Adjusted Net Current Assets	74,719,305	60,128,516
Less: Net current financial assets that back reserves		
Reserve Accounts	(25,481,846)	(19,493,371)
	49,237,459	40,635,145

2.6 Statement of Reserves

For the period ended 31 May 2024

Description	Actual As at 31 May 2024
	\$
<u>Site Rehabilitation</u>	
Opening balance	17,056,658
Interest income	853,648
Transfer to reserves	704,759
Transfer from reserves	-
Closing Balance	18,615,065
<u>Capital Expenditure</u>	
Opening balance	1,945,637
Interest income	112,263
Transfer to reserves	4,581,250
Transfer from reserves	(287,530)
Closing Balance	6,351,620
<u>Carbon Abatement</u>	
Opening balance	491,076
Interest income	24,085
Transfer to reserves	-
Transfer from reserves	-
Closing Balance	515,161
RESERVES SUMMARY	
Opening Balance as at 1 July 2023	19,493,371
Interest income	989,996
Transfer to reserves	5,286,009
Transfer from reserves	(287,530)
Closing Balance	25,481,846

2.7 Statement of Investing Activity For the period ended 31 May 2024

	Original Budget 2023/24	Revised Budget 2023/24	Actual As at 31 May 2024	Actual Vs Revised Budget Variance	Actual Vs Revised Budget Variance
	\$	\$	\$	\$	%
LANDFILL INFRASTRUCTURE					
Stage2 - Phase2 capping work	6,987,000	6,987,000	698,394	6,288,606	90%
Leachate Processing Infrastructure	1,850,000	1,850,000	278,337	1,571,663	85%
	8,837,000	8,837,000	976,731	7,860,269	89%
INFRASTRUCTURE TAMALA PARK					
RRF 2x new additional Monitoring Bores to be installed	28,500	28,500	-	28,500	100%
4x new Monitoring Bores Install - Marmion Ave	10,000	55,000	-	55,000	100%
Facility Signage Upgrade	18,000	14,000	-	14,000	100%
Transfer Station Line Marking	15,500	18,000	-	18,000	100%
Modifications at Drop-off bays & Reticulation	16,000	15,500	-	15,500	100%
Workshop Hotwash - Wash-downbay	-	10,000	4,421	5,579	56%
15Amp Power Supply Installation to Green Waste bunker	25,000	16,000	-	16,000	100%
Transfer Station chain drop Access Control unit	55,000	25,000	-	25,000	100%
Transfer Station extension	14,000	-	-	-	-
	182,000	182,000	4,421	177,579	98%
BUILDING					
Recycling E-Waste Storage and Bulk Up Facility	135,000	135,000	-	135,000	100%
Workshop building Roller doors and Rood upgrade for tyre	25,000	25,000	-	25,000	100%
Weighbridge roof modification	150,000	150,000	-	150,000	100%
	310,000	310,000	-	310,000	100%
COMPUTING EQUIPMENT					
Replacement of Desktops/Laptops	20,000	50,000	36,301	13,699	27%
CCTV install for Tip Face, Quarry and Transfer	85,000	97,000	6,147	90,853	94%
Meeting Room Upgrade and Telephony System	-	25,000	-	25,000	100%
Event Management System (Inex) Replacement	-	10,000	-	10,000	100%
Wifi Access Point Replacements	-	30,000	2,134	27,866	93%
	105,000	212,000	44,582	167,418	79%
EQUIPMENT					
Odour monitoring units / control	70,000	70,000	-	70,000	100%
Point to point Telemetry & Data System Installation	16,500	16,500	-	16,500	100%
Workshop Hotwash Machine	8,000	8,000	-	8,000	100%
2x New Air well Leachate Extraction Pumps for Stage 2	8,500	8,500	-	8,500	100%
Generator & Compressor	15,000	15,000	-	15,000	100%
	118,000	118,000	-	118,000	100%
PLANT AND VEHICLES					
Replacement of vehicles	80,000	232,323	232,695	(372)	0%
Replacement of Skid Steer Loader	175,000	213,000	5,832	207,168	97%
New 16t Vibrating Roller at Tip face	245,000	245,000	-	245,000	100%
	500,000	690,323	238,528	451,796	65%
TOTAL CAPITAL EXPENDITURE	10,052,000	10,349,323	1,264,260	9,085,063	88%

3.0 Cash & Cash Equivalents and Schedule of Investments As at 31 May 2024

Institutions with Standard & Poors Rating AA- or better

Institution	S&P Rating	Achieved
CBA	AA-	✓
NAB	AA-	✓
ANZ	AA-	✓
Westpac	AA-	✓

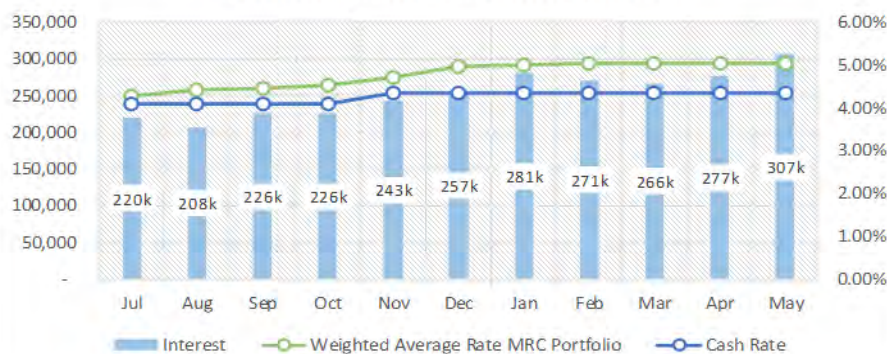


Where Tenor > 90 Days, maximum 50% held in one institution
Investments > 90 days tenor 94%

Institution	Amount Held \$m	% of Total Funds	Maximum	Achieved
CBA	\$ 10.24	20%	50%	✓
NAB	\$ 19.91	39%	50%	✓
ANZ	\$ 6.31	12%	50%	✓
Westpac	\$ 13.00	25%	50%	✓
<90 Days	\$ 2.14			
	\$ 51.60			

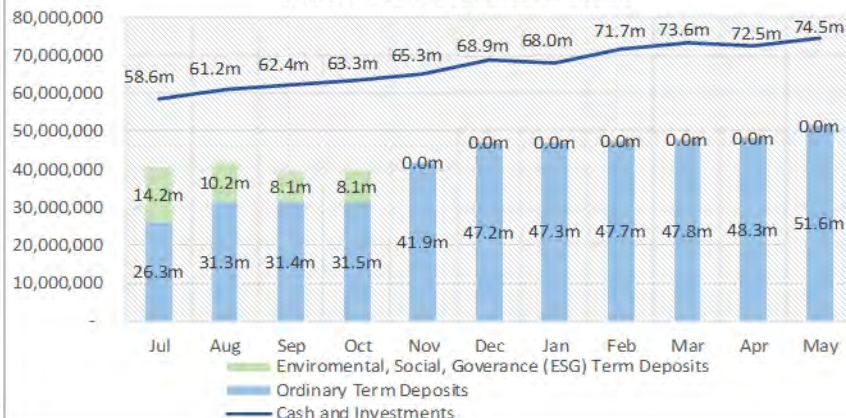
Where possible give preference to institutions that do not finance the fossil fuel industry and consider ethical, social and environmental aspects.

Monthly Interest and Rates



As of May 2024, MRC's interest earnings are \$294k above revised budget year-to-date. In May 2024, the Reserve Bank held the cash rate at 4.35%

Cash and Investments



As of May 31, 2024, MRC's total cash and investments amounted to \$74.5 million. \$51.6 million was invested in term deposits and \$12.8m invested in the CBA saver account. It should be noted that MRC had its ESG term deposits with CBA who have withdrawn those products in December as MRC ESG term deposit matured. MRC is looking for replacements with other financial institutions.

3.0 Cash & Cash Equivalents and Schedule of Investments As at 31 May 2024 (Continued)

SCHEDULE OF INVESTMENTS							
Bank	Investment Date	Tenor (Days)	Investment Amt \$	Interest Rate %	Maturity Date	Gross Interest \$	Maturity Amt \$
ORDINARY TERM DEPOSITS							
NAB 71-624-4449	1/12/2023	193	3,153,000	5.15%	11/06/2024	85,861	3,238,861
ANZ 9796-92171	1/12/2023	195	2,082,976	4.88%	13/06/2024	54,306	2,137,282
NAB GMI-DEAL-10893903	16/04/2024	90	2,138,938	5.00%	15/07/2024	26,370	2,165,308
CBA 37309509	21/03/2024	120	5,060,459	4.77%	19/07/2024	79,359	5,139,818
ANZ 9797-07193	1/02/2024	182	2,110,333	4.88%	1/08/2024	51,351	2,161,684
NAB 10890044	19/03/2024	155	5,000,000	5.05%	21/08/2024	107,226	5,107,226
NAB 21-233-4933	23/02/2024	182	2,132,690	5.10%	23/08/2024	54,235	2,186,924
NAB new	26/02/2024	179	199,000	5.10%	23/08/2024	4,977	203,977
NAB 41-562-4966	4/10/2023	341	2,968,402	5.25%	9/09/2024	145,594	3,113,996
NAB 10890228	18/03/2024	182	2,148,363	5.05%	16/09/2024	54,098	2,202,460
ANZ 9131-43719(reinvested	18/03/2024	183	2,113,605	4.88%	17/09/2024	51,713	2,165,319
NAB GMI-DEAL-10894013	17/04/2024	180	2,144,564	5.05%	14/10/2024	53,408	2,197,972
CBA CDA 37309509	15/04/2024	183	5,183,836	4.83%	15/10/2024	125,533	5,309,368
NAB GMI-DEAL-10899596	21/05/2024	181	2,167,406	5.10%	18/11/2024	54,815	2,222,220
Wpac TD 032108 988977	21/05/2024	275	4,300,000	5.21%	20/02/2025	168,790	4,468,790
Wpac TD 032108962507	1/05/2024	365	5,500,000	5.35%	1/05/2025	294,250	5,794,250
Wpac TD 032108005408	29/05/2024	184	3,200,000	5.14%	29/11/2024	82,916	3,282,916
Total Term Deposits			51,603,571	5.05%		1,494,801	53,098,372
Cash & Cash Equivalents as of 31 May 2024							
CBA Saver			12,819,015	Principal			
NAB Balance			1,239	NAB	42.7%	22,052,362	
CBA Business			10,084,600	CBA	19.9%	10,244,295	
ANZ Balance			212	ANZ	12.2%	6,306,915	
Petty Cash			1,500	Wpac	25.2%	13,000,000	
Floats			1,500	Invested		51,603,571	
				Principal plus interest			
				NAB	43.9%	22,638,946	
				CBA	20.2%	10,449,186	
				ANZ	12.5%	6,464,285	
Total Cash & Cash Equivalents			22,908,067	Wpac	26.3%	13,545,956	
Total			74,511,638	Total		53,098,372	

4.0 Tonnage Report for the period ended 31 May 2024



**MINDARIE REGIONAL COUNCIL
ORDINARY COUNCIL MEETING AGENDA
27 June 2024**

9.2 LIST OF ACCOUNTS PAID – FOR THE PERIOD ENDED 31 MAY 2024	
File No:	GF-23-000019
Attachment(s):	Attachment No 1
Date:	14 June 2024
Responsible Officer:	Executive Manager Corporate Services

SUMMARY

The purpose of these reports is to provide details of payments made during the period identified above. This is in line with the requirement under the delegated authority to the Chief Executive Officer (CEO), that a list of payments made from the Municipal Fund since the last Ordinary Council meeting be presented to Council.

DETAILS

In accordance with section 13(1) of the Local Government Financial Management Regulations 1996, Council has delegated to the Chief Executive Officer (CEO) the exercise of its power to make payments from its Municipal and Trust Funds. A list of accounts paid by the CEO is to be prepared each month (Fin Reg 13(2)) and be presented to the next Ordinary Council Meeting following such payments (Fin Reg 13(3)). The list of accounts paid for the month ended 31 May 2024 is attached at Attachment 1 to this Item.

A new regulation 13A has been added to the Local Government Financial Management Regulations 1996 to increase transparency and accountability in local government through greater oversight of incidental spending. Regulation covers purchasing cards such as Bunnings and Fuel cards issued by local government to their employees. Under the new regulation, a transaction listing is included for the MRC's fuel cards and Bunnings Power Pass cards.

Month Ended	Account	Vouchers	Amount
31 May 2024	General Municipal	Cheques	\$1,229.97
		EFT	\$1,245,319.54
		DP	\$11,199,145.65
		Inter account transfers	-
		Total	<u>\$12,445,695.16</u>

STATUTORY IMPLICATIONS

Regulation 13 of the Local Government (Financial Management) Regulations 1996

FINANCIAL IMPLICATIONS

Nil

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council:

Note the list of accounts paid under delegated authority to the Chief Executive Officer for the month ended 31 May 2024, in accordance with regulation 13(1) of the Local Government (Financial Management) Regulation 1996.

ATTACHMENT 1
SCHEDULE OF PAYMENTS FOR MAY 2024

**Schedule of Payments for May 2024
Council Meeting - 27 June 2024**

Date	Document No.	Vendor Name	Description	Amount
14/05/2024	00889	Petty Cash	Petty Cash Reimbursement	\$1,229.97
Total CBA cheques				\$1,229.97

Date	Document No.	Vendor Name	Description	Amount
3/05/2024	DP-02383	Easi Salary Pty Ltd	Staff Salary Sacrifice	\$3,466.44
5/05/2024	DP-02384	Australian Taxation Office	PAYG Payment	\$53,586.74
14/05/2024	DP-02385	Green Shoots	Human Resource Services	\$10,023.75
17/05/2024	DP-02386	Easi Salary Pty Ltd	Staff Salary Sacrifice	\$3,466.44
17/05/2024	DP-02387	Australian Taxation Office	PAYG Payment	\$46,993.00
21/05/2024	DP-02388	Australian Taxation Office	BAS Payment April 2024	\$213,615.00
23/05/2024	DP-02389	Australian Taxation Office	FBT 2023-2024	\$4,227.27
29/05/2024	DP-02390	Australian Taxation Office	ATO charges	\$75.37
29/05/2024	DP-02391	Commonwealth Bank	Transfer from CBA Saver Account to CBA Muni Account	\$3,200,000.00
28/05/2024	DP-02392	MRC Credit Card	See the schedule attached (credit card payments)	\$10,030.45
2/05/2024	DP-02393	Commonwealth Bank	Merchant fees	\$1,752.27
2/05/2024	DP-02394	Commonwealth Bank	Merchant fees	\$113.43
15/05/2024	DP-02395	Commonwealth Bank	CommBiz Fees	\$44.55
15/05/2024	DP-02396	Commonwealth Bank	Account Fee	\$10.50
31/05/2024	DP-02397	ANZ	Account Fee	\$10.00
31/05/2024	DP-02398	Easi Salary Pty Ltd	Staff Salary Sacrifice	\$3,466.44
31/05/2024	DP-02399	Australian Taxation Office	PAYG Payment	\$46,474.64
31/05/2024	DP-02400	SuperChoice	Staff Superannuation	\$101,779.64
27/05/2024	DP-02401	Commonwealth Bank	CBA Visa Interchange Fee	(\$28)
31/05/2024	DP-02402	NAB Bank	Account Fee	\$10.00
21/05/2024	DP-02403	Commonwealth Bank	CBA transfer for Westpac Acct	\$4,300,000.00
30/05/2024	DP-02404	Commonwealth Bank	CBA transfer for Westpac Acct	\$3,200,000.00
Total Direct Payments & Fees				\$11,199,145.65

Total Inter account Transfers

Date	Document No.	Vendor Name	Description	Amount
2/05/2024	EFT-02393	Airwell Group Pty Ltd	Pipe Flange Welding	\$8,192.25
2/05/2024	EFT-02393	All 4 People Pty Ltd	Contract Labour week ending on 1, 8, 22, 31 Mar; 5, 12 Apr 24	\$40,764.47
2/05/2024	EFT-02393	Ampol Australia Petroleum Pty Ltd	Fuel Usage Mar 24	\$1,038.71
2/05/2024	EFT-02393	Banhams WA Pty Ltd	RRF Monthly Fire System Maintenance	\$578.79
2/05/2024	EFT-02393	Brooks Hire	Hire of CAT Skidsteer until May 24	\$5,929.17
2/05/2024	EFT-02393	Bunnings	Workshop and landfill supplies	\$1,936.43
2/05/2024	EFT-02393	City of Joondalup	TP Lease - May 24	\$14,789.71
2/05/2024	EFT-02393	City of Perth	TP Lease - May 24	\$7,392.36
2/05/2024	EFT-02393	Cleanaway Operations Pty Ltd	Disposal of Car Gas Cylinders	\$151.36
2/05/2024	EFT-02393	Critical Fire Protection and Training Pty Ltd	Monthly/Annual Service and Inspection of Fire Detection Systems	\$39,596.21
2/05/2024	EFT-02393	East to West Plant Services Pty Ltd	Hire D6 Dozer - Western Batter Capping Proj	\$66,880.00
2/05/2024	EFT-02393	ECOLO WA	TM Pod Mix + Service Fee (5 pods)	\$2,208.80
2/05/2024	EFT-02393	Envirocare Systems	Hygiene Supplies	\$155.98
2/05/2024	EFT-02393	GHD Pty Ltd	FOGO Consultancy Charges	\$4,491.43
2/05/2024	EFT-02393	Great Southern Fuel Supplies	Diesel Purchases	\$48,757.64
2/05/2024	EFT-02393	Gutters Supa Kleen	Monthly Gutter Clean	\$3,730.00
2/05/2024	EFT-02393	Jedi Auto Worx	PLT51, PLT 117, PLT 135 Sensor and Radio repairs	\$799.15
2/05/2024	EFT-02393	Local Government Professionals Australia	Staff Training LG Pro Report Writing	\$1,060.00
2/05/2024	EFT-02393	Paul Lochhead	Power Adaptor for Pylon	\$61.27
2/05/2024	EFT-02393	Pirtek (Malaga) Pty Ltd	PL151 New Hoses	\$836.31
2/05/2024	EFT-02393	Risk Management Technologies Pty Ltd	Chem Alert License Renewal	\$3,682.80
2/05/2024	EFT-02393	S & L Engineering WA Pty Ltd	Pipework Installation, Test & Commission & Auto Drain Fitting	\$6,978.87
2/05/2024	EFT-02393	SafeWork Laboratories Pty Ltd	Drug and Alcohol Testing April to June 2024	\$705.54
2/05/2024	EFT-02393	Security Specialists Australia Pty Ltd	Monthly Cash Collection	\$139.66
2/05/2024	EFT-02393	Sitech WA P/L	15 Credit Pack for Stratus Renewal	\$10,450.00
2/05/2024	EFT-02393	Spectur Ltd	Neerabup Portable CCTV Monthly subs.	\$3,630.00
2/05/2024	EFT-02393	Talis Consultants P/L	Piggyback and Leachate Variations	\$13,792.63
2/05/2024	EFT-02393	Tree Amigos Tree Surgeons	Tree Lopping - Admin Building	\$1,296.00
2/05/2024	EFT-02393	Tutt Bryant Equipment WA	PI135 1000 hr Service	\$6,322.92
2/05/2024	EFT-02393	Tyrecycle P/L	Disposal of Tyres Apr 24	\$6,039.38
2/05/2024	EFT-02393	Veolia Recycling & Recovery Pty Ltd	Monthly Documents Disposal	\$314.93
2/05/2024	EFT-02393	Western Tree Recyclers	MRC Green Recycling	\$908.83
2/05/2024	EFT-02393	Winc Australia P/L	Stationery and printing	\$411.80
2/05/2024	EFT-02393	Workpower Incorporated	Battery Rescue - Monthly Battery Recycling	\$2,578.35
2/05/2024	EFT-02393	Wren Oil	Disposal of Oil	\$16.50
2/05/2024	EFT-02393	Zircodata Pty Ltd	Zircodata Storage	\$763.22
14/05/2024	EFT-02395	Air-Met Scientific Pty Ltd	Calibration of Fixed System Gas Monitor	\$550.00
14/05/2024	EFT-02395	All 4 People Pty Ltd	Contract labour week ending 01 Mar & 12 Apr 24	\$1,594.45
14/05/2024	EFT-02395	Aussie Natural Spring Water	Water Cooler Bottles	\$32.25

Date	Document No.	Vendor Name	Description	Amount
14/05/2024	EFT-02395	Australian Training Management	Front End Loader Training - 22 May 24	\$1,095.00
14/05/2024	EFT-02395	Benara Nurseries	Plants for Admin	\$583.00
14/05/2024	EFT-02395	BOC Limited	Dissolved Acetylene Apr 24	\$164.89
14/05/2024	EFT-02395	Brooks Hire	Hire of CAT Skidsteer to May 24	\$424.34
14/05/2024	EFT-02395	City of Stirling	TP Lease - Apr 24	\$28,541.95
14/05/2024	EFT-02395	Copyright Agency Ltd	Annual Copyright Licence	\$1,821.03
14/05/2024	EFT-02395	CT Irrigation	Repairs to Non Return Valve	\$1,303.94
14/05/2024	EFT-02395	Data#3	Monitors, Docking Stations & Other IT Equip	\$5,866.05
14/05/2024	EFT-02395	Dept of Water & Environment Regulation	DWER TP - Annual Licence Fee 24-25	\$27,808.00
14/05/2024	EFT-02395	Digrite	PI151 Replace Gas Struts	\$320.00
14/05/2024	EFT-02395	Envirocare Systems	Monthly Hygiene Services	\$771.32
14/05/2024	EFT-02395	Fennell Tyres International Pty Ltd	PLT148, PLT120, PLT110, PLT133 Tyres Repl & Field Service	\$5,439.40
14/05/2024	EFT-02395	Gary Smith	Safety Glasses Prescription	\$297.00
14/05/2024	EFT-02395	Herbert Smith Freehills	WtE Legal Fees to March 24	\$5,672.70
14/05/2024	EFT-02395	Jedi Auto Worx	PLT131, PL133, PLT135 Vehicle repairs	\$1,927.75
14/05/2024	EFT-02395	Kyocera Document Solutions	Monthly Photocopier Expenses	\$340.22
14/05/2024	EFT-02395	Midalia Steel	Universal Steel Beam & Other Steel Prod	\$4,804.17
14/05/2024	EFT-02395	NAPA Parts	PL142 Hi-Vis Safety Flags & Grease	\$2,440.77
14/05/2024	EFT-02395	Olivers Lawn & Landscaping Pty Ltd	TP monthly lawn mowing service Apr 24	\$225.00
14/05/2024	EFT-02395	Open Office	Develop & Test Fixed Asset in UAT & Prod	\$10,175.00
14/05/2024	EFT-02395	Open Office	Bus Central Monthly Refresh of UAT Database	\$6,159.92
14/05/2024	EFT-02395	Pirtek (Malaga) Pty Ltd	PL151 New Hoses	\$529.78
14/05/2024	EFT-02395	Plants & Garden Rentals	Monthly maintenance - May 24	\$330.00
14/05/2024	EFT-02395	Robert Walters Pty Ltd	Contract labour week ending 25 Feb & 24 Mar 24	\$1,717.35
14/05/2024	EFT-02395	SafeWork Laboratories Pty Ltd	Drug and Alcohol Testing Apr to June 24	\$2,705.12
14/05/2024	EFT-02395	Smart Waste Solutions Pty Ltd	Baler Platinum Health & Safety Service - Mar-Sept 24	\$1,593.90
14/05/2024	EFT-02395	Sonia Cherico	Reimburse - Gift for Employee	\$239.00
14/05/2024	EFT-02395	Strata Green	Replacement Litter Picker tools	\$527.37
14/05/2024	EFT-02395	Synergy	TP & RRF Electricity Apr 24	\$39,633.89
14/05/2024	EFT-02395	T & C Couriers	Monthly Courier service	\$113.92
14/05/2024	EFT-02395	Telstra	Telephone Bill 14/04/2024 - 13/05/2024 & Serv & Equipment Rental	\$1,877.45
14/05/2024	EFT-02395	Total Green Recycling Pty Ltd	E-Waste recycling	\$6,262.23
14/05/2024	EFT-02395	Tyrecycle P/L	Tyre Recycling	\$1,680.21
14/05/2024	EFT-02395	Winc Australia P/L	Cleaning Products & Staff Amenities	\$234.45
24/05/2024	EFT-02396	Paul Miles	Travel Expenses Claim - Feb, Mar & Apr 24	\$505.95
31/05/2024	EFT-02398	A & G Wines Plumbing	Plumbing Maintenance - Old Admin & Workshop	\$308.00
31/05/2024	EFT-02398	Airgen Australia	PL67 Compressor C Type Service	\$2,170.30
31/05/2024	EFT-02398	Airwell Group Pty Ltd	Service and Report on (6x) Basal Liner Pumps	\$39,618.51
31/05/2024	EFT-02398	Alance Newspaper & Magazine Delivery	Newspaper Delivery	\$249.10
31/05/2024	EFT-02398	All 4 People Pty Ltd	Contract Labour Hire Apr & May 24	\$10,163.87
31/05/2024	EFT-02398	All Fence U Rent P/L	Temporary Fencing - RRF	\$165.00
31/05/2024	EFT-02398	Alliance Surveying Pty Ltd	Drone Flights Services for Site	\$5,390.00
31/05/2024	EFT-02398	Ampol Australia Petroleum Pty Ltd	Fuel Usage - April 2024	\$1,510.26
31/05/2024	EFT-02398	BOQ Finance (Aust) Limited	Monthly Printer Rental	\$421.53
31/05/2024	EFT-02398	Blackwoods & Atkins	Pump Drums & Other Supplies	\$896.59
31/05/2024	EFT-02398	Breathesafe	Hepa Filters for Plant 131 & Plant 133	\$2,814.22
31/05/2024	EFT-02398	Brooks Hire	Hire of CAT Skidsteer until May 24	\$8,354.72
31/05/2024	EFT-02398	ChekRite Asia Pacific Pty Ltd	Chekrite - Subscription	\$2,196.70
31/05/2024	EFT-02398	City of Stirling	TP Lease - May 24	\$28,541.95
31/05/2024	EFT-02398	City of Stirling	TP Lease - Jan & May 24	\$5,137.55
31/05/2024	EFT-02398	City of Wanneroo	TP Lease - May 24	\$14,784.73
31/05/2024	EFT-02398	Cleanaway Operations Pty Ltd	Disposal of Fluorescent Lamps	\$95.92
31/05/2024	EFT-02398	Couplers Malaga	25mm Hotwash White Rubber & Bolt Clamps	\$1,680.72
31/05/2024	EFT-02398	Datacom Systems (AU) Pty Ltd	KVM Switch	\$374.31
31/05/2024	EFT-02398	DCM Services	Evaporative Cooler Repairs & Air Con Maint Apr 24	\$2,217.38
31/05/2024	EFT-02398	Flick Anticimex P/L	Pest Control and Inspection	\$1,847.83
31/05/2024	EFT-02398	Gareth Smith	Safety Glasses Prescription	\$299.00
31/05/2024	EFT-02398	Gentronics	Welding Consumables	\$1,954.49
31/05/2024	EFT-02398	Great Southern Fuel Supplies	Diesel Delivered 30 Apr 24	\$12,272.38
31/05/2024	EFT-02398	Herbert Smith Freehills	WtE Legal Fees to April 24	\$37,605.43
31/05/2024	EFT-02398	Instant Products Group	Toilet hire/clean/restock Apr 24	\$212.28
31/05/2024	EFT-02398	Iron Mountain Australia Pty Ltd	Monthly Archive IT Storage Cost - Cartridge	\$94.94
31/05/2024	EFT-02398	Jedi Auto Worx	PLT133 Battery Supply and TAG & PLT154,155 & 156 Radio Inst.	\$7,135.31
31/05/2024	EFT-02398	Macri Partners	Reg 5 - audit fees	\$17,600.00
31/05/2024	EFT-02398	Major Motors Pty Ltd	Seal & Slack Adjustment	\$421.92
31/05/2024	EFT-02398	NAPA Parts	Motor Vehicle Maintenance Supplies	\$3,714.57
31/05/2024	EFT-02398	Newcastle Weighing Services Pt	Wasteman Custom Report	\$2,491.50
31/05/2024	EFT-02398	North Star Security	Quarterly Alarm Monitoring fees	\$128.70
31/05/2024	EFT-02398	Nutrien Ag Solutions	Chicken Wire & Kangaroo Muesli	\$835.43
31/05/2024	EFT-02398	Paxon Consulting Group Pty Ltd	WtE Modelling - Fee & Variation	\$13,128.50
31/05/2024	EFT-02398	Proofload P/L	NDT Tie Down Buckles	\$2,857.80
31/05/2024	EFT-02398	Push My Button Australia Ltd	Happy or Not Annual Subscriptions	\$3,300.00

Date	Document No.	Vendor Name	Description	Amount
31/05/2024	EFT-02398	REXROTH	Remove, Install and Commissioning New Pump	\$5,355.90
31/05/2024	EFT-02398	Robert Walters Pty Ltd	Contract Labour April & May 24	\$3,841.45
31/05/2024	EFT-02398	RSEA Pty Ltd	Protective Clothing	\$396.00
31/05/2024	EFT-02398	Security Specialists Australia Pty Ltd	Monthly Cash Collection Apr 24	\$174.57
31/05/2024	EFT-02398	SLR Consulting Australia Pty Ltd	Leachate to Sewer Investigative Works Consultancy	\$11,544.50
31/05/2024	EFT-02398	Soft Landing	COS On Demand Mattresses	\$27,955.40
31/05/2024	EFT-02398	Soft Landing	COS RCB Mattresses	\$31,812.00
31/05/2024	EFT-02398	Soft Landing	MRC Monthly Mattress Collection	\$16,764.00
31/05/2024	EFT-02398	Specialized Cleaning Group Pty Ltd	TP Road Sweeping Monthly Service Mar 24	\$1,950.00
31/05/2024	EFT-02398	Stantons International	Probity Consultancy for FOGO and WtE	\$3,082.20
31/05/2024	EFT-02398	Super Choice Services Pty Ltd	Monthly Single Touch Payroll	\$14.94
31/05/2024	EFT-02398	T & C Couriers	Monthly Courier service	\$84.89
31/05/2024	EFT-02398	Talis Consultants P/L	Landfill & Piggy Back & Leachate Pond Design and Consultancy	\$8,939.82
31/05/2024	EFT-02398	Telstra	Telephone Expenses - 14 May -13 June 24	\$634.92
31/05/2024	EFT-02398	Thomas Petrou T/A Alkimos Autocare	Cars cleaning	\$3,965.00
31/05/2024	EFT-02398	Topnotch Roof Plumbing	Workshop roof repairs and Call out	\$3,910.50
31/05/2024	EFT-02398	Total Green Recycling Pty Ltd	E-Waste recycling	\$2,425.26
31/05/2024	EFT-02398	Town of Victoria Park	TP Lease - Vic Park	\$7,392.36
31/05/2024	EFT-02398	Trade West Industrial Supplies	Protective Uniforms	\$1,757.59
31/05/2024	EFT-02398	Veolia Recycling & Recovery Pty Ltd	Monthly Documentation Disposal	\$85.46
31/05/2024	EFT-02398	Wanneroo Crane Hire	2.5 Hrs Leachate Pumps Removal	\$534.60
31/05/2024	EFT-02398	Water Corporation	TP Water Rates 21 Mar - 20 May 24	\$2,005.44
31/05/2024	EFT-02398	Water2water P/L	Callout - Repairs to Cribroom Ice Machine	\$617.00
31/05/2024	EFT-02398	Western Tree Recyclers	CoJ Greens Handling	\$4,746.78
31/05/2024	EFT-02398	Western Tree Recyclers	MRC Green Recycling	\$243.08
31/05/2024	EFT-02398	Western Tree Recyclers	CoP Greens Handling	\$705.67
31/05/2024	EFT-02398	Winc Australia P/L	Office Supplies	\$136.26
31/05/2024	EFT-02398	Wormald	Fire Panel Inspection	\$57.64
3/05/2024	76	cancelled	-	\$0.00
3/05/2024	77	Payroll	Staff Payroll	\$139,719.57
17/05/2024	78	Payroll	Staff Payroll	\$125,590.30
31/05/2024	79	cancelled	-	\$0.00
31/05/2024	80	cancelled	-	\$0.00
31/05/2024	81	cancelled	-	\$0.00
31/05/2024	82	cancelled	-	\$0.00
31/05/2024	83	cancelled	-	\$0.00
31/05/2024	84	Payroll	Staff Payroll	\$6,779.44
24/05/2024	85	Payroll	Staff Payroll	\$6,779.44
31/05/2024	86	Payroll	Staff Payroll	\$118,635.87

\$1,245,319.54

CBA Cheque No. 889	\$1,229.97
Electronic Payments:	
DP-02383 to DP-02404	\$11,199,145.65
Inter-Account Transfers	\$0.00
EFT-02393 to EFT-02398	\$1,245,319.54
Grand Total	\$12,445,695.16
CERTIFICATE OF CHIEF EXECUTIVE OFFICER	
This schedule of accounts which was passed for payment, covering vouchers as above which was submitted to each member of Council on 27th June, 2024 has been checked and is fully supported by vouchers and invoices which are submitted herewith and which have been duly certified as to the receipt of goods and the rendered services and as to prices, computations, and costing and the amounts due for payment.	

Schedule of Payments for May 2024
Council Meeting - 27 June 2024
CBA Credit Card

Date	Payment to	Description	Amount
30/04/2024	Department of Transport	Vehicle License	\$446.15
3/05/2024	Secure Parking	Business Meeting Parking	\$8.00
20/05/2024	Phoenix Holden	Car Service	\$473.50
21/05/2024	Turquoise Wanneroo	CEO Meeting with Chair and Councillor	\$35.80
	Total CBA Credit Card ending 7336		\$963.45
30/04/2024	Trust Media	UK trade Registry fee for new vendor application fee	\$240.23
30/04/2024	CBA	International Transaction fee	\$6.01
1/05/2024	Who Gives a Crap	Staff Amenities	\$240.00
2/05/2024	Hire Intelligence	Hire of Shredder for Doc Destruction	\$248.91
17/05/2024	Coles Online	Staff Amenities	\$404.70
24/05/2024	Tony Aveling Jandakot	Online Training	\$3,157.00
	Total CBA Credit Card ending 7977		\$4,296.85
6/05/2024	PC Locs	Charging Station for Ipads	\$1,375.00
5/07/2024	Officeworks	Transfer Hut Office Furniture	\$2,713.90
11/05/2024	Hertz UK	Car Hire Uk trip	\$56.93
11/05/2024	CBA	International Transaction fee	\$1.42
19/05/2024	Harvey Norman Computers	Keyboard and Video cam	\$622.90
	Total CBA Credit Card ending 2225		\$4,770.15
Total CBA Credit Card Payments			\$10,030.45

Schedule of Payments for May 2024
Council Meeting - 27 June 2024
Ampol Purchasing card

Date	Document No.	Description	Amount
5/03/2024	EFT-02393	Fuel	\$108.78
5/03/2024	EFT-02393	Car Wash	\$25.00
12/03/2024	EFT-02393	Fuel	\$87.77
20/03/2024	EFT-02393	Fuel	\$81.26
4/04/2024	EFT-02398	Fuel	\$148.76
26/04/2024	EFT-02398	Fuel	\$146.13
2/04/2024	EFT-02398	Fuel	\$71.41
4/04/2024	EFT-02398	Fuel	\$44.79
9/04/2024	EFT-02398	Fuel	\$124.18
11/04/2024	EFT-02398	Fuel	\$46.37
13/04/2024	EFT-02398	Oils/Lubricants	\$7.00
13/04/2024	EFT-02398	Fuel	\$127.63
15/04/2024	EFT-02398	Fuel	\$62.24
16/04/2024	EFT-02398	Fuel	\$64.55
18/04/2024	EFT-02398	Fuel	\$85.99
19/04/2024	EFT-02398	Fuel	\$99.79
24/04/2024	EFT-02398	Fuel	\$97.52
24/04/2024	EFT-02398	Fuel	\$97.52
24/04/2024	EFT-02398	Fuel	-(65.69)
Total Ampol Card for Rego 1938			\$1,461.00
4/03/2024	EFT-02393	Fuel	\$73.75
16/03/2024	EFT-02393	Fuel	\$127.91
23/03/2024	EFT-02393	Fuel	\$71.13
25/03/2024	EFT-02393	Fuel	\$105.58
2/04/2024	EFT-02398	Fuel	\$112.85
14/04/2024	EFT-02398	Fuel	\$147.44
21/04/2024	EFT-02398	Fuel	\$91.78
Total Ampol Card for Rego 9808			\$730.44
19/03/2024	EFT-02393	Fuel	\$120.92
26/03/2024	EFT-02393	Fuel	\$119.22
30/03/2024	EFT-02393	Fuel	\$117.39
Total Ampol Card for Rego 2010			\$357.53
Total Ampol Purchase Card Payments			\$2,548.97

Schedule of Payments for May 2024
Council Meeting - 27 June 2024
Bunnings Power Pass

Date	Document No.	Description	Amount
6/03/2024	EFT-02393	Ratchet Tie Down	\$64.00
7/03/2024	EFT-02393	Rounds Pails	\$131.20
7/03/2024	EFT-02393	Mounting Tape	\$20.08
20/03/2024	EFT-02393	Window Washer	\$26.00
20/03/2024	EFT-02393	Paint Line Marking - Eyewash Station 3 Fire Ext	\$95.52
25/03/2024	EFT-02393	Concrete & Roof Vent	\$516.63
11/03/2024	EFT-02393	Paint scrapers, Garden Sprayer	\$141.76
		Total for Card ending 31614	\$995.19
17/03/2024	EFT-02393	Paint, gap filler, decorating equipment, multi tool blades	\$314.32
		Total for Card ending 01584	\$314.32
7/03/2024	EFT-02393	Render & Paint of Admin Build	\$379.42
12/03/2024	EFT-02393	Liquid nails, sealant, moulding coverstrip	\$58.83
15/03/2024	EFT-02393	Painted Admin Office	\$188.67
		Total for Card ending 51400	\$626.92
Total Bunnings Power Pass Payments			<u>\$1,936.43</u>

9.3	ANNUAL BUDGET 2024/25
File No:	GF-24-0000074
Appendix(s):	Attachment No. 1 and 2
Date:	21 June 2024
Responsible Officer:	Executive Manager Corporate Services

SUMMARY

This report presents the Draft 2024/25 Annual Budget for adoption by Council.

BACKGROUND

The 2024/25 Annual Budget has been prepared in accordance with the requirements of the *Local Government Act 1995*. The Annual Budget is an important part of the MRC's Integrated Planning Framework and is guided by the Strategic Community Plan (SCP) 2022-2032 (adopted by Council 27 April 2023), Corporate Business Plan 2023-2026 and Long Term Financial Plan 2025-2032. The SCP has been instrumental in guiding the activities of the MRC both at the strategic and operational levels.

The MRC's annual budget deliberation process for 2024/25 included a workshop and briefing session which took place at the City of Stirling on 3 April and 30 May 2024.

The MRC has carefully considered resources and funding requirements necessary to deliver ongoing services, statutory and governance activities and assets renewal program. The MRC's budget financial strategy strives to achieve as low as practical a gate fee, to minimise the financial burden placed on members whilst also maintaining tight control of costs and funds allocated for post closure rehabilitation.

The development of the 2024/25 Annual Budget plays an important role in positioning the MRC's finances to a sustainable future. The underlying operating budget has been developed in discussion with the managers across the business and has been reviewed in detail to ensure that the Mindarie Regional Council (MRC) continues to deliver its service in an efficient, cost effective manner and in line with the Waste Strategy 2030 and the MRC's Waste Plan.

Some of the key assumptions with regard to the 2024/25 budget include:

- Waste to Energy commissioning date expected from October 2024;
 - Member councils' gate fee (blended) to be set at \$183 per tonne excl. GST;
 - Non-member's gate fee to be set at \$250 per tonne excl. GST;
 - Governance and Administration costs to be apportioned using equity share, and invoiced directly to Member Councils;
 - Maintain Reserves established for a specific purpose;
 - Landfill Levy to increase to from \$70 to \$85 from July 2024;
 - FOGO - pending outcomes – not forming part of the proposed 2024/25 budget.
 - No substantial effect on budget from current Critical Infrastructure Plan deliberations.
-

DETAILS

The final draft Annual Budget for 2024/25 is included as an Attachment 1 to this report.

Part 3 of the *Local Government (Financial Management) Regulations 1996* requires the Annual Budget to contain certain information, including:

- Prescribed financial statements;
- Other information to be included in the budget notes;
- Information relating to hire charges and fees; and
- Information relating to service charges.

Overall, in terms of the Statement of Comprehensive Income, the Annual Budget 2024/25 includes an Operating Revenue of \$48.4m and Operating Expenses \$47.2m. Following the inclusion of profit/loss on sale \$510k this will see a Net trading result of \$1.8m.

Of the total Operating revenue, 88% comes from the fees and charges (\$43m) and interest (\$3m). A marginal tonnage increase is expected from 176,006 tonnes budgeted in 2023/24 to 180,943 tonnes based on information provided by the member councils. 112,909 tonnes of residual waste will be delivered to the MRC by Member Councils during the course of the year, with 68,034 tonnes planned to go to Waste to Energy from October 2024. Non-members are expected to deliver the same level of waste, 31,400 tonnes.

The MRC Annual Budget also anticipates receiving \$1.08m in other revenue mostly from gas power and royalties and anticipates a \$4.4m contribution by Member councils to recoup administration and governance costs.

The Annual Budget process is subject to external factors. Western Australia and the globe at large have seen an increase in the cost of living as a result of elevated demand and global supply issues. Inflation as portrayed in the movements in the Consumer Price Index will be the focus in the coming year.

The MRC's ordinary budgeted expenditure for 2024/25 is estimated at \$47.2m (\$37.5m budgeted in 2023/24), of which the most significant cost is materials and contracts \$28.3m, \$7m depreciation on assets and \$6.8m employee costs. Expenditure by nature is detailed in the statement of comprehensive income.

The financial assumptions anticipate movements in both the consumer price index, wages growth and interest rates. Any unplanned changes in any of these parameters and the general economic environment are likely to have an impact on the proposed budget.

In the previous year, the Minister for Environment has announced an increase in the waste levy rate commencing 1 July 2024. A one-off 'catch-up' increase of \$15 per tonne is accounted for in the proposed 2024/25 budget.

The commencement of Waste to energy (WiE), budgeted to start in October 2024, coupled with the above waste levy increase has impacted materials and contracts by a \$9.9m increase from 2023/24 budget.

Labour shortages and historically low unemployment rates directly impact on the wages price index (4.7% increase in WA wage price index for 12 months to Dec 23). The MRC's budgeted employee costs of \$6.8m represent 14% of the overall operating expenditure.

The total budget of the Capital works program in 2024/25 is \$15.7m. This program is planned to deliver building works \$280k, infrastructure including necessary landfill works of \$11.6m, plant and equipment of \$3.6m and computing \$245k. Included in the budgeted amounts is carry forward of \$8m.

Cash backed reserves 2024/25 closing budget is estimated at \$23.6m. Transfers into reserve \$7.1m plus \$946k in interest earned on investments. Capital reserve is anticipated to fund an estimated \$7.8m of capital works.

Post closure reserve transfers will result in an estimated \$19.5m budget closing position to cover post closure liability. Any unfunded portion of the post closure liabilities will need to be funded over the remaining life of the landfill.

As in previous year, the MRC has completed the LTFP for 2025-2032, aligned to SCP, CBP and Annual Budget, for Council endorsement. This plan addresses the operating and capital needs placed on MRC over the next eight years and becomes the basis on which the Annual Budget 2024/25 is developed.

CONSULTATION

The MRC held the 2024/25 budget workshop with Councillors on 3rd April 2024, with a follow up session after the OCM meeting held 30th May 2024 at the City of Stirling.

Member council administrations have been fully informed and provided opportunities to provide feedback during the budget development process at Strategic Working Group meetings.

ATTACHMENTS

Draft Annual Budget 2024/25 (Attachment 1)
Long Term Financial Plan (LTFP) 2025-2032 (Attachment 2)

STATUTORY IMPLICATIONS

In accordance with section 6.2 of the Local Government Act 1995, Council is required to formally adopt the Annual Budget on or before 31 August each year.

Part 3 of the *Local Government (Financial Management) Regulations 1996*

Modifications of existing reserves and creation of new reserves is done in compliance with section 6.11 of the Local Government Act 1995.

FINANCIAL IMPLICATIONS

The financial implications of adopting the 2024/25 budget are disclosed in the Draft 2024/25 Annual Budget and supplementary Notes. (Attachment 1)

The Members' gate fee (blended) will be set at \$183 per tonne (excluding GST) for the 2024/25 financial year.

The Non-members' gate fee will be set at \$250 per tonne (excluding GST) for the 2024/25 financial year.

STRATEGIC IMPLICATIONS

- Strategic Community Plan 2023-2032
- Corporate Business Plan 2023-2026
- Long Term Financial Plan 2025-2032
- Asset Management Plan 2023-2032
- Workforce Plan 2023-2027

VOTING REQUIREMENT

Absolute Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council resolve:

1. That the Draft 2024/25 Annual Budget be adopted including the following:

1.1 Statement of Comprehensive Income

That the Statement of Comprehensive Income by Nature in the Draft 2024/25 Annual Budget be adopted.

1.2 Statement of Financial Activity

That the Statement of Financial Activity in the Draft 2024/25 Annual Budget be adopted.

1.3 Statement of Financial Position

That the Statement of Financial Position in the Draft 2024/25 Annual Budget be adopted.

1.4 Statement of Cash Flow

That the Statement of Cash Flow in the Draft 2024/25 Annual Budget be adopted.

1.5 Notes to and Forming part of the Annual Budget 2024/25

That the Notes to and Forming Part of the Draft 2024/25 Annual Budget be adopted.

1.6 Reserves

That the Reserve accounts in the Draft 2024/25 Annual Budget be adopted.

1.6 Capital works program 2024/25

That the Capital Works Program in the Draft 2024/25 Annual Budget be adopted.

1.7 Operating Management budget

That the Budget by each division in the Draft 2024/25 Annual Budget be adopted.

1.8 Schedule of Fees and Charges 2024/25

That the Schedule of Fees and Charges in the draft 2024/25 Annual Budget be adopted.

2. Financial Reporting and Materiality

As per Local Government (Financial Management) Regulations 1996 Section 34 (5) each financial year, a Local Government is to adopt a percentage or value, calculated in accordance with the AAS (Australian Accounting Standards), to be used in financial statements for reporting material variances. For the purpose of materiality in financial reports for the 2024/25 financial year, variances shall be those equal to or greater than \$50,000.

3. Endorse the Long Term Financial Plan (LTFP) 2025-2032

That the 2025-2032 LTFP be endorsed

ATTACHMENT 1
2024/2025 ANNUAL BUDGET BOOK



Annual Budget **2024/25**





ACKNOWLEDGEMENT OF COUNTRY

Mindarie Regional Council acknowledges the continuing connection of Aboriginal people to Country, culture and community. We embrace the vast Aboriginal cultural diversity throughout Western Australia, including the Whadjuk Noongar People where Mindarie Regional Council is located, and we acknowledge and pay respect to Elders past and present.



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The Mindarie Regional Council conducts the operations of a local government with the following community vision:

**“Collaborating for a regional
Circular Economy”.**





Vision, Mission and Values

Our Vision

Collaborating for a regional Circular Economy

Our Mission

To deliver sustainable waste management options for members

Our Values

Teamwork: Is how we achieve

Innovation: Is how we create

Positive: Is what we are





Cr Paul Miles (Chairperson), City of Wanneroo

Councillor Paul Miles was first elected to the Council in 2007. Then in 2008, Cr Miles was elected as a State Member of Parliament for the electorate of Wanneroo. In 2016, he was appointed Minister for Local Government; Communities; Youth; Seniors; Volunteering and Cemeteries. Following his time as Wanneroo MLA and Minister for Western Australia, Cr Miles was re-elected to Council in October 2017.



Cr Stephanie Proud JP, (Deputy Chairperson), City of Stirling

Cr Proud has owned and operated a small business since 1989 and has enjoyed a diverse administrative career path in small, medium and corporate business enterprises as well as the local government sector. Cr Proud has resided in the City of Stirling with her family since 1993 and represented the local community on various issues since 1998 through various community organisations, schools and local action and reference groups. Cr Proud has been a past member of the Murdoch University Animal Ethics Committee and more recently as a RACWA Councillor. She is an active Justice of the Peace.



Cr Gary Mack, Town of Cambridge

Councillor Gary Mack served as a Wembley Ward Councillor from 19 October 2019 to 21 October 2023 when he was elected Mayor in the 2023 Ordinary Local Government Elections. He is an experienced lawyer and mediator by profession.



Cr Christopher May, City of Joondalup

Councillor Christopher May was elected as councillor for the City of Joondalup in 2021, Cr May has a proven track record backing his community - delivering real, positive outcomes locally. A finance professional, he identifies and eliminates wasteful expenditure. A lifetime local who serves on school boards in Kallaroo and Craigie, volunteers in Yellagonga Regional Park and employed in commercial banking.



Cr Albert Jacob JP, City of Joondalup

Councillor Albert Jacob was elected as Mayor for the City of Joondalup in 2017 having previously served the City of Joondalup for 3 years in the North Central Ward. He was the member for the Western Australian Legislative Assembly seat of Ocean Reef from 2008 to 2017, and the Minister for the Environment and Heritage in Colin Barnett's government.



Cr Andrea Creado, City of Stirling

Councillor Andrea Creado was elected to Council in October 2021 and her priorities are increasing services for seniors, people with disabilities and other vulnerable groups, improving community safety, improving local parks and amenities and advocating for good environmental practices. Cr Creado holds a Master's Degree in Human Development, Bachelor of Psychology, Bachelor of Arts with Honours in Psychology and is a Fellow of the Australian Institute of Management along with additional training in governance and resource and personnel management.



Cr Joe Ferrante, City of Stirling

Councillor Joe Ferrante was elected as councillor for the City of Stirling in 2011, he has lived in the City of Stirling for over 50 years, growing up in Tuart Hill and its surrounding suburbs. Over the last 14 years, Cr Ferrante and his family have been residents of Mount Lawley and Menora. Cr Ferrante works with a global logistics provider as a national sales executive managing international companies. Cr Ferrante has particular interests in community safety, heritage protection and preservation of green open spaces.



Cr Chris Hatton, City of Stirling

Councillor Chris Hatton was elected as councillor for the City of Stirling in 2019, he and his family have lived in Stirling for over 30 years, in the Hamersley Ward. He has a strong belief in keeping suburbs safe, vibrant and family friendly. Cr Hatton is a local school teacher and a Board Member of Balcatta Senior High School. He is also a former State Member of Parliament and a former Board Member of the Constable Care Child Safety Foundation. He believes in working for community and ensuring that Council spends wisely on essential services and infrastructure.



Cr Liam Gobbert, City of Perth

Councillor Liam Gobbert was elected for the City of Perth in 2020, he has over 10 years local government experience. He was a councillor for the City of Joondalup for 8 years including a year as deputy mayor. A project support officer at the Public Transport Authority, a Justice of the Peace, and a qualified town planner.



Cr Alex Castle, City of Vincent

Councillor Alex Castle is a long-term Mount Hawthorn resident, with a background in law, governance and communication. Cr Castle has been a City of Vincent Councillor since 2017 and Deputy Mayor since 2023. As a regular volunteer, serving on school and local committees and Boards, she is deeply committed to supporting the community. Cr Castle is passionate about greening in our neighbourhoods and efficient and sustainable management of our waste.



Cr Jordan Wright, City of Wanneroo

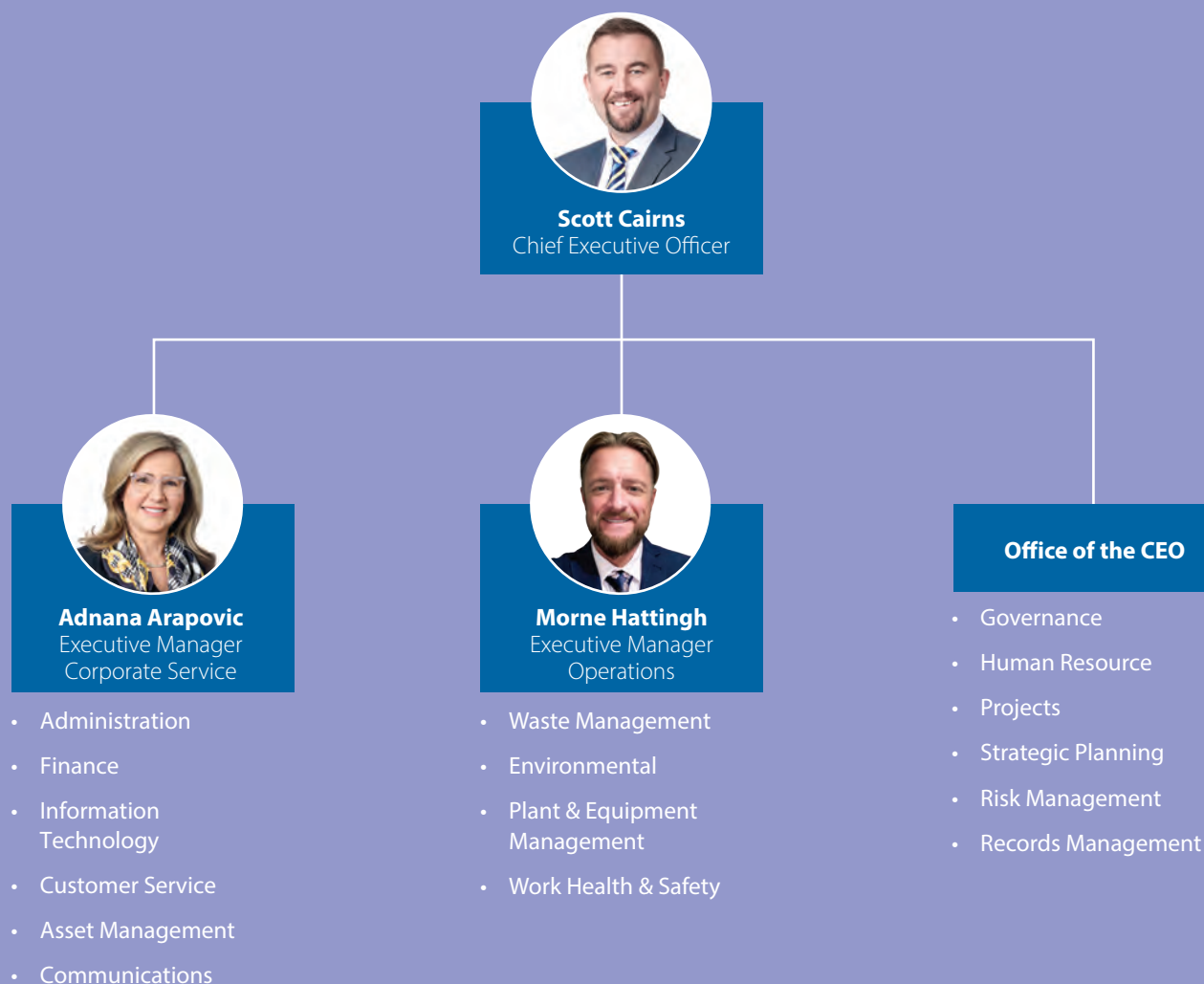
Councillor Jordan Wright was elected as Councillor for City of Wanneroo in 2021. Cr Wright holds experience in the retail, hospitality, public service and higher education sectors and is a Business graduate completing a Bachelor of Commerce, Tourism and Hospitality Management at Edith Cowan University. Cr Wright is also a School Board Member at Hocking Primary School and Wanneroo Secondary College.



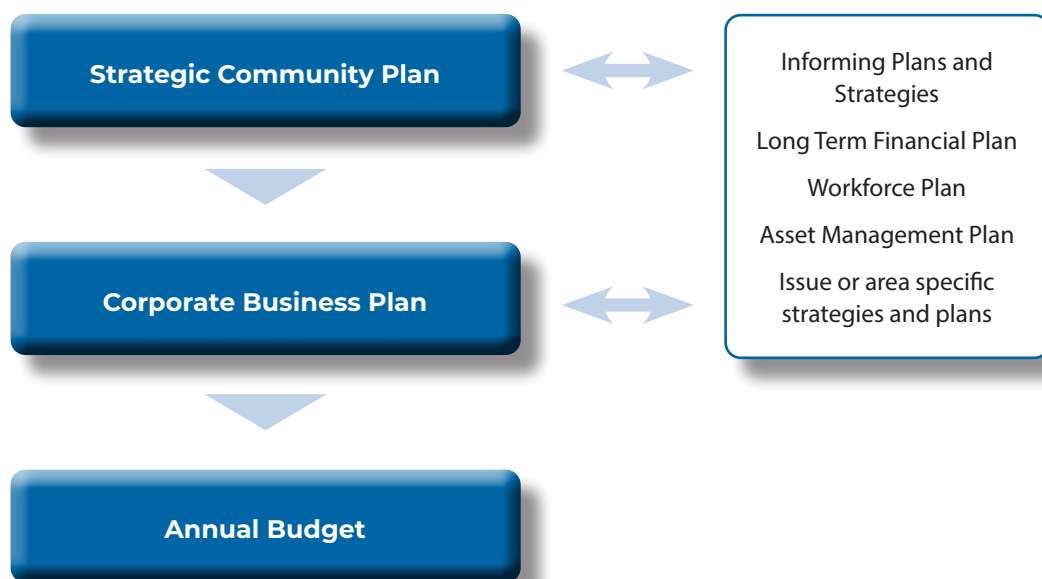
Cr Karen Vernon, Town of Victoria Park

Councillor Karen Vernon was elected as a councillor for the Town of Victoria Park in 2017, and elected Mayor in 2019, adding public sector governance to existing professional skills, and expanding the passion for a good cause into a wider framework. A Senior Barrister with more than 25 years' experience working in the legal profession, including as a law firm partner and government prosecutor before specialising as a barrister since 2005. Extensive corporate governance experience with more than 10 years as a Company Director and Board Member in the private and not for profit sectors. Skilled in policy, strategic planning and risk management. Graduate of the Australian Institute of Company Directors, and Fellow of the Governance Institute of Australia.

The Executive Management and Services



Integrated Planning and Reporting Framework



ANNUAL BUDGET INTRODUCTION

The 2024/25 Annual Budget has been prepared in accordance with the requirements of the Local Government Act 1995 and Financial Management Regulations 1996.

The Annual budget is guided by the Strategic Community Plan (SCP). The revised SCP 2022 – 2032 was adopted by MRC's Council in April 2023. The Plan has been instrumental in guiding the activities of the MRC both at the strategic and operational levels.

The Long Term Financial Plan (LTFP), Asset Management Plan and Workforce Plan inform the SCP, Corporate Business Plan (CBP) and Annual budget, with outcomes contained in the Annual Report. This budget has been influenced by the MRC's LTFP and CBP. This budget reflects the first year of the LTFP.

The MRC is one of the State's largest waste management authorities, delivering high quality waste management services to its members; the Cities of Joondalup, Perth, Stirling, Vincent and Wanneroo, and the Towns of Cambridge and Victoria Park; a combined population of more than 700,000 West Australians.

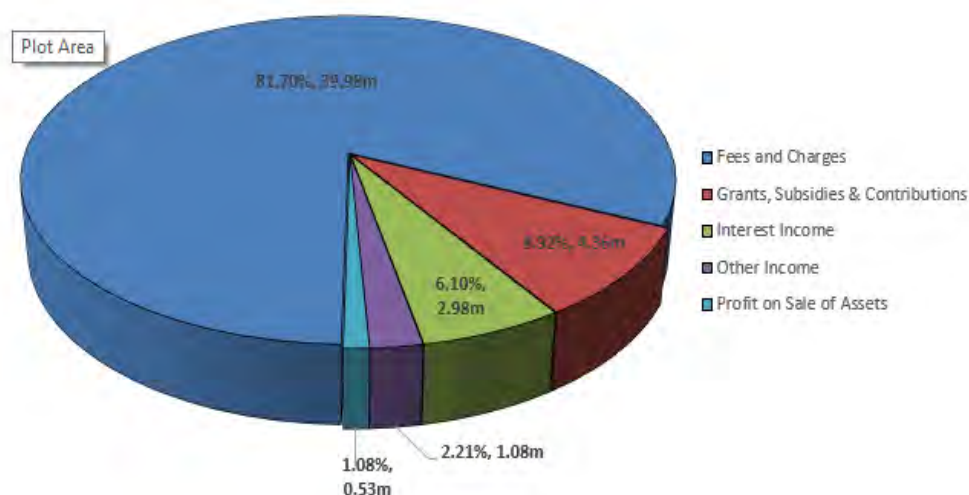
OPERATING BUDGETS

The development of the 2024/25 Annual Budget plays an important role in positioning our finances for a sustainable future. The MRC has carefully considered the resource and funding requirements necessary to deliver ongoing services, statutory and governance activities and assets renewal program.

The Operating Budgets are presented in two different formats: by nature in the Statutory section of this document (page 11) and by program as a Note 11(b). Overall, in terms of the Statement of Comprehensive Income, the Annual Budget 2024/25 includes Operating Revenue of \$48.4m and Operating Expenses \$47.2m. Following the inclusion of profit/loss on sale \$510k this will see a Net trading result of \$1.8m.

REVENUE

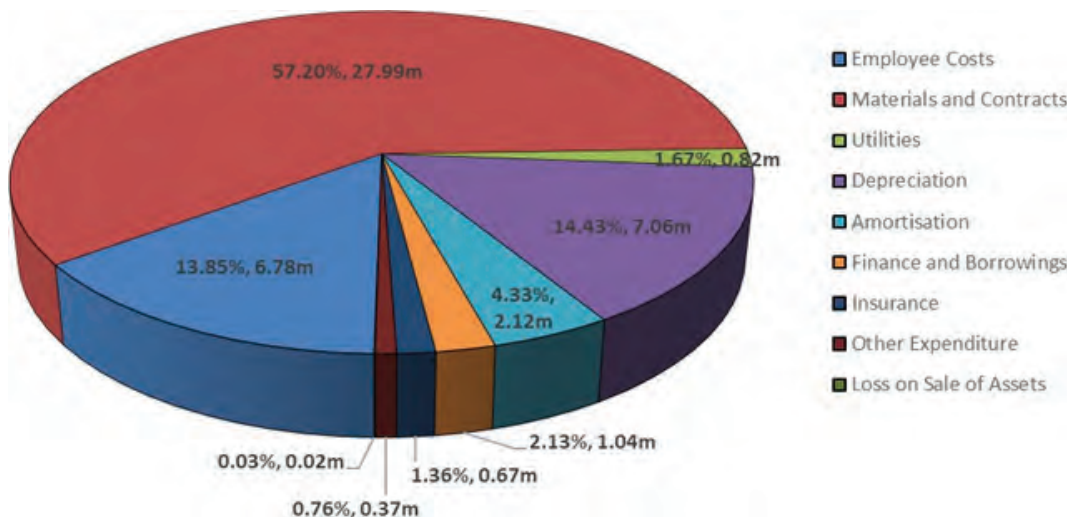
Of the \$48.4m total operating revenue 88% comes from fees and charges and interest, 3% from other revenue and 9% from Member contribution to cover administration and governance costs.



EXPENSES

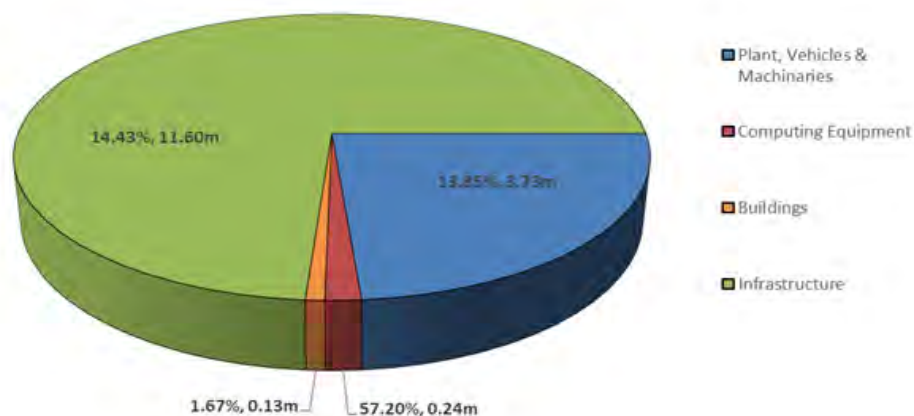
The MRC's ordinary budgeted expenditure for 2024/25 is \$47.2m, of which \$28.0m relates to materials and contracts, \$7.1m represents depreciation on assets and \$6.8m employee costs. Expenditure by nature is detailed in the statement of comprehensive income (page 11).

The financial assumptions anticipate both movement in the consumer price index, wages growth and interest rates. Any unplanned changes in any of these parameters and the general economic environment are likely to have an impact on the proposed budget.



CAPITAL OUTLAYS

The Capital Works Summary Statement (Pages 23-25) gives an overview of the Capital and Infrastructure program planned for the year. The total Capital Works program for 2024/25 is \$15.7m. The program includes building works of \$280k, plant and equipment purchases / replacements of \$3.64m, computing \$245k and infrastructure including landfill \$11.54m. Included in the amounts is carry forward of \$8m.



Reserve Accounts

The term 'Restricted Funds' generally applies to cash amounts received by Council on the basis that they are for specific purposes for which the Reserves have been established. The Annual Budget 2024/25 reserves balance budget is estimated at \$23.6m with \$7.8m transfer from Capital reserve to fund capital works. Details of the reserve accounts are contained in Note 9 (page 31).

Statutory Financial Statements

The 2024/25 Annual Budget has been prepared in accordance with the requirements of the Australian Accounting Standards, the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996.

Statement of Comprehensive Income (page 11)

The Statement of Comprehensive Income by Nature is prepared on accrual basis, it is a statutory document and is a requirement of the Local Government (Financial Management) Regulations 1996. This statement details operating revenue and expenses from ordinary activities including non-cash items such as depreciation and financing costs plus capital grants and profit/loss on disposal of assets.

Statement of Financial Activity (page 12)

Primary purpose of the statement of financial activity is to ensure compliance with the LGA S6.2(2) which requires local government to prepare the annual budget by developing detailed estimates of Expenditure, Revenue and Income independent of general rates and the amount required to make up the budget deficiency (if any) by comparing estimated expenditure with estimated revenue.

Statement of Cash Flows (page 13)

The Statement of Cash Flows is required under the Local Government (Financial Management) Regulations 1996 and it reports budgeted cash receipts from operations and alternative sources including government grants and investments. It also reports budgeted cash outflows from general business activities including the payment of creditors and anticipated capital acquisitions.

Budget Notes

The Budget Notes provide additional information than what is required by the Local Government (Financial Management) Regulations 1996 to enable the reader to better understand the Budget.

STATEMENT OF COMPREHENSIVE INCOME
BY NATURE

	Note	2025 Budget	2024 Estimate	2024 Budget
		\$	\$	\$
REVENUE				
Fees and charges	13	39,982,586	32,301,627	32,032,723
Grants, subsidies and contributions	15	4,364,356	4,656,518	4,656,518
Interest earnings	12	2,984,150	2,692,822	1,659,800
Gas power income	12	800,000	800,000	800,000
Other income	12	281,556	281,000	95,000
Total revenue		48,412,648	40,731,966	39,244,041
EXPENSES				
Employee costs		(6,779,990)	(5,536,680)	(5,536,680)
Materials and contracts		(28,294,000)	(18,713,901)	(18,348,818)
Insurance		(665,100)	(620,200)	(620,200)
Utility charges		(818,250)	(800,450)	(718,250)
Finance costs		(1,040,175)	(1,097,123)	(1,097,123)
Depreciation	5	(7,062,320)	(6,340,025)	(5,896,783)
Amortisation	5	(2,119,200)	(2,119,202)	(4,954,195)
Other expenses		(371,090)	(320,950)	(320,950)
Total expense		(47,150,125)	(35,548,531)	(37,492,999)
Ordinary activities		1,262,523	5,183,435	1,751,042
Non-ordinary activities				
Non-operating grants and contributions	15	-	50,000	50,000
				50,000
Profit on asset disposals	4(c)	527,550	293,890	1,000
Loss on asset disposals	4(c)	(17,070)	(40,785)	(350,756)
		510,480	253,105	(349,756)
NET RESULT		1,773,003	5,486,540	1,451,286
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss				
Changes in asset revaluation		-	-	-
TOTAL OTHER COMPREHENSIVE INCOME		-	-	-
TOTAL COMPREHENSIVE INCOME		1,773,003	5,486,540	1,451,286

This statement is to be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL ACTIVITY
For the year ended 30 June 2025

Revenue from operating activities

	Note	2025 Budget \$	2024 Estimate \$	2024 Budget \$
Contributions and reimbursements	15	4,364,356	4,656,518	4,656,518
Fees and charges	13	39,982,586	33,101,626	32,832,723
Interest revenue	12	2,984,150	2,692,822	1,659,800
Other revenue	12	1,081,556	281,551	95,000
Profit on asset disposals	4(c)	527,550	293,890	1,000
		48,940,198	41,026,407	39,245,041

Expenditure from operating activities

Employee costs		(6,779,990)	(5,611,232)	(5,536,680)
Materials and contracts		(28,294,000)	(18,640,230)	(18,348,818)
Utility charges		(818,250)	(800,453)	(718,250)
Depreciation & amortisation	5	(9,181,520)	(8,459,227)	(10,850,978)
Finance costs		(1,040,175)	(1,097,135)	(1,097,123)
Insurance		(665,100)	(630,406)	(620,200)
Other expenditure		(371,090)	(334,170)	(320,950)
Loss on asset disposals	4(c)	(17,070)	(40,785)	(350,756)
		(47,167,195)	(35,613,638)	(37,843,755)

Add/less: Non - cash items

Profit on asset disposals		(527,550)	(293,890)	(1,000)
Loss on disposal of assets		17,070	40,785	350,756
Depreciation & amortisation		9,181,520	8,459,227	10,850,978
Employee benefit provisions		678,558	537,362	542,735
Rehabilitation - unwinding of interest		738,287	432,745	768,835
Other Provisions		696,004	(394,116)	3,620,993
		10,783,888	8,782,113	16,133,297

Amount attributable to operating activities

	12,556,891	14,194,883	17,534,583
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Inflows from investing activities

Proceeds from disposal of assets	4(c)	1,370,000	1,199,361	576,000
Capital Grants and Subsidies	15	-	50,000	50,000
		1,370,000	1,249,361	626,000

Outflows from investing activities

Purchase of plant and equipment	4(b)	(3,753,366)	(808,323)	(618,000)
Purchase of land and buildings	4(b)	(280,000)	(183,134)	(310,000)
Purchase of computer equipment	4(b)	(217,000)	(211,753)	(105,000)
Purchase and construction of infrastructure	4(b)	(11,455,030)	(1,121,970)	(9,019,000)
		(15,705,396)	(2,325,180)	(10,052,000)
		(14,335,396)	(1,075,819)	(9,426,000)

Amount attributable to investing activities

Inflows from financing activity

Transfers from reserve accounts		7,808,366	3,162,310	1,215,000
	9	7,808,366	3,162,310	1,215,000

Outflows from financing activities

Payments for principal portion of lease liabilities	7	(665,840)	(630,741)	(293,526)
Transfers to reserve accounts	9	(8,054,124)	(7,033,310)	(2,493,835)
		(8,719,964)	(7,664,051)	(2,787,361)

Amount attributable to financing activities

	(911,598)	(4,501,741)	(1,572,361)
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Operating Net Current Assets at the start of the financial year

Amount attributable to operating activities		49,252,469	40,635,145	32,849,526
Amount attributable to investing activities		12,556,891	14,194,883	17,534,583
Amount attributable to financing activities		(14,335,396)	(1,075,819)	(9,426,000)
		(911,598)	(4,501,741)	(1,572,361)
Closing Net Current Assets		46,562,366	49,252,469	39,385,748

STATEMENT OF CASH FLOWS

For the year ended 30 June 2025

CASH FLOWS FROM OPERATING ACTIVITIES**Receipts**

	2025 Budget	2024 Estimate	2024 Budget
		\$	\$
Fees and charges	41,317,586	31,945,734	32,032,723
Grants, subsidies and contributions	4,364,356	4,706,518	4,656,518
Interest earnings	2,984,150	2,630,059	1,659,800
Gas power income	800,000	800,000	800,000
Other income	281,556	281,000	95,000
	49,747,648	40,363,312	39,244,041

Payments

Employee costs	(6,217,432)	(5,079,162)	(5,102,945)
Materials and contracts	(27,783,520)	(19,984,313)	(18,348,818)
Insurance	(665,100)	(620,200)	(620,200)
Utility charges	(818,250)	(800,450)	(718,250)
Other expenses	(371,090)	(320,950)	(320,950)
	(35,855,392)	(26,805,075)	(25,111,163)

Net cash provided by operating activities

3	13,892,256	13,558,236	14,132,878
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CASH FLOWS FROM INVESTING ACTIVITIES

Non-operating grants and contributions	-	-	50,000
Payments for purchase of property, plant & equipment	4(b) (4,163,366)	(1,203,210)	(1,033,000)
Payments for construction of infrastructure	4(b) (11,542,030)	(1,121,970)	(9,019,000)
Investment in term deposits	(4,354,150)	(5,432,685)	(2,315,904)
Proceeds from sale of property, plant & equipment	4(c) 1,370,000		576,000
Net cash (used in) investment activities	(18,689,546)	(7,757,865)	(11,741,904)

CASH FLOWS FROM FINANCING ACTIVITIES

Payments for principal portion of lease liabilities	7 (559,266)	(559,266)	(559,266)
Net cash (used in) financing activities	(559,266)	(559,266)	(559,266)

Increase (decrease) in cash held

	(5,356,556)	5,241,105	1,881,474
Cash and cash equivalents at beginning of the year	25,503,246	20,262,141	15,250,254
Cash and cash equivalents at the end of the year	20,146,690	25,503,246	17,258,130

This statement is to be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

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NOTES TO AND FORMING PART OF THE BUDGET
For the year ended 30 June 2025

1 (a) BASIS OF PREPARATION

The annual budget has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the MRC to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this annual budget have been consistently applied unless stated otherwise. Except for cash flow information, the budget has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

Financial reporting disclosures in relation to assets and liabilities required by the Australian Accounting Standards have not been made unless considered important for the understanding of the budget or required by legislation.

The local government reporting entity

All funds through which the MRC controls resources to carry on its functions have been included in the financial statements forming part of this annual budget.

In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears in the notes to the annual budget.

2023/24 actual balances

Balances shown in this budget as 2023/24 Actual are estimates as forecast at the time of preparation of the annual budget and are subject to final adjustments.

Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in the budget relate to the original budget estimate for the relevant item of disclosure.

Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Rounding off figures

All figures shown in this statement are rounded to the nearest dollar.

Statement of Cashflows

Investing and financing transactions that do not require the use of cash or cash equivalents shall be excluded from a statement of cash flows. Such transactions shall be disclosed elsewhere in the financial statements in a way that provides all the relevant information about these investing and financing activities.

Initial application of accounting standards

During the budget year, the below revised Australian Accounting Standards and Interpretations are expected to be compiled, become mandatory and be applicable to its operations.

• *AASB 2020-1 Amendments to Australian Accounting Standards*

- Classification of Liabilities as Current or Non-current

• *AASB 2022-5 Amendments to Australian Accounting Standards*

- Lease Liability in a Sale and Leaseback

• *AASB 2022-6 Amendments to Australian Accounting Standards*

- Non-current Liabilities with Covenants

• *AASB 2023-1 Amendments to Australian Accounting Standards*

- Supplier Finance Arrangements

• *AASB 2023-3 Amendments to Australian Accounting Standards*

- Disclosure of Non-current Liabilities with Covenants: Tier 2

It is not expected these standards will have an impact on the annual budget.

• *AASB 2022-10 Amendments to Australian Accounting Standards*

- Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities, became mandatory during the budget year. *Amendments*

to AASB 13 Fair Value Measurement impacts the future determination of fair value when revaluing assets using the cost approach. Timing of future revaluations is defined by regulation 17A of Local Government (Financial Management) Regulations 1996. Impacts of this pronouncement are yet to be quantified and are dependent on the timing of future revaluations of asset classes. No material impact is expected in relation to the 2024-25 statutory budget.

New accounting standards for application in future years

The following new accounting standards will have application to local government in future years:

• *AASB 2014-10 Amendments to Australian Accounting Standards*

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

• *AASB 2021-7c Amendments to Australian Accounting Standards*

- Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]

• *AASB 2022-9 Amendments to Australian Accounting Standards*

- Insurance Contracts in the Public Sector

• *AASB 2023-5 Amendments to Australian Accounting Standards*

- Lack of Exchangeability

It is not expected these standards will have an impact on the annual budget.

Judgements, estimates and assumptions

The preparation of the annual budget in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- estimation of fair values of land and buildings and investment property
- impairment of financial assets
- estimation uncertainties and judgements made in relation to lease accounting
- estimated useful life of assets
- estimation of provisions
- estimation of fair value of leases

1 (b) KEY TERMS AND DEFINITIONS - NATURE

REVENUES

FEES AND CHARGES

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES

Service charges imposed under Division 6 of Part 6 of the *Local Government Act 1995*. Regulation 54 of the *Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services.

Rubbish removal charges should not be classified as a service charge. Interest and other items of a similar nature received from bank and investment accounts are not included in service charges either.

PROFIT ON ASSET DISPOSAL

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

INTEREST EARNINGS

Interest and other items of a similar nature received from bank and investment accounts.

OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, and rebates. Reimbursements and recoveries should be separated by note to ensure the correct calculation of ratios.

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

1 (b) KEY TERMS AND DEFINITIONS - NATURE cont.

EXPENSES

Employee Costs

All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences safety expenses, medical examinations, fringe benefit tax, etc.

Material and Contracts

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, DWER levy, consultancy, information technology, rental or lease expenditures.

Utilities (Gas, Electricity, Water etc)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

Insurance

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

Loss on Asset Disposal

Loss on the disposal of fixed assets includes loss on disposal of long term investments.

Depreciation on Non-Current Assets

Depreciation and amortisation expense raised on all classes of assets.

Interest Expenses

Interest and other costs of finance paid, including costs of finance for loan debentures, over accommodation and refinancing expenses.

Landfill Levy

Department of Water and Environmental Regulation (DWER) levy for landfill waste disposal at licenced Tamala Park Landfill site.

Other Expenditure

Statutory fees, taxes, provision for bad debts, member's fees, or State taxes. Donations and subsidies made to community groups.

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

1 (c) KEY TERMS AND DEFINITIONS cont.

Current and Non-Current Classifications

An asset or liability is classified as current if it is expected to be settled within the next 12 months, being the MRC's operational cycle. In the case of liabilities where the MRC does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the MRC's intentions to release for sale.

Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the MRC prior to the end of the financial year that are unpaid and arise when the MRC becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Superannuation

The MRC contributes to a number of superannuation funds on behalf of employees. All funds to which the MRC contributes are defined contribution plans.

In addition to Superannuation Guarantee statutory requirements, the MRC encourages employees to participate in the Local Government Superannuation Scheme. The MRC matches contributions made by employees to these nominated superannuation funds on a sliding scale up to a limit of 7%.

Landfill Cell

There are three general components of landfill cell construction

- a) Cell excavation and development
- b) Cell liner costs, and
- c) Cell capping costs

All cell excavation and development costs, cell liner costs and cell capping costs are capitalised and depreciated over the useful life of the cell.

Future Capping Expenditure

The liability for estimated future capping expenditure is provided for through a rehabilitation provision on a phase-by-phase basis and is discounted to its present value, with the unwinding of the discount being charged to the statement of comprehensive income within the finance charge. The discounted present value of the future capping expenditure is also capitalised as part of the rehabilitation asset and is amortised on a straight-line basis. Changes in estimates are recognised prospectively with corresponding adjustments to the provision and associated costs.

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

1 (d) KEY TERMS AND DEFINITIONS cont.

Trade and Other Receivables

Trade and other receivables include amounts due from Member Councils for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Trade receivables are held with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

The MRC applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

Provisions

Provisions are recognised when the MRC has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Provisions for restoration, rehabilitation, and site monitoring costs

Charges are made to expenses based on the estimated costs of restoring, rehabilitating and monitoring the Tamala Park Waste Disposal Facility. The nature of work planned by Council includes monitoring of groundwater, surface water, leachate, landfill gas generation and revegetation. The rate charge is reviewed annually and is based on an estimated cost per tonne. The cost per tonne is arrived at after taking into account a standard engineering cost per cubic metre of landfill, the density of the waste and the most recent aerial surveys. Engineering rates differ according to the nature of the obligation to provide the service.

Land Held for Resale

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point. Land held for resale is classified as current except where it is held as non-current based on the MRC's intentions to release for sale.

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

1 (e) KEY TERMS AND DEFINITIONS cont.

Good and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a net basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

EMPLOYEE BENEFITS

Short-term employee benefits

Provision is made for the MRC's obligations for short-term employee benefits. Short term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The MRC's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The MRC's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any re-measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur. The MRC's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the MRC does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

NOTES TO AND FORMING PART OF THE BUDGET
For the year ended 30 June 2025

2 NET CURRENT ASSETS

	2025 Budget	2024 Estimate	2024 Budget
	\$	\$	\$
(a) Net current assets - unrestricted			
Current assets			
Cash and cash equivalents	20,146,690	25,503,246	17,258,130
Trade and other receivables	3,668,003	3,969,891	4,990,296
Inventories	23,762	23,762	22,041
Term deposits	50,841,764	46,487,614	44,001,119
Other assets	2,089	2,089	158,773
	74,682,308	75,986,602	66,430,359
LESS: Restricted cash backed reserves	(23,610,129)	(23,364,371)	(21,412,801)
Total Current Assets	51,072,179	52,622,231	45,017,558
LESS: Current liabilities			
Trade and other payables	(4,509,813)	(2,952,122)	(5,631,810)
Provisions	(1,494,034)	(1,050,229)	(1,236,434)
Lease Liabilities	(665,840)	(377,938)	(509,500)
	(6,669,686)	(4,380,288)	(7,377,744)
Net Current Assets	44,402,493	48,241,943	37,639,814
Add Back: Restricted Liabilities			
Lease liabilities	665,840	377,938	509,500
Provisions	1,494,034	632,588	1,236,434
NET CURRENT ASSETS - UNRESTRICTED	46,562,366	49,252,468	39,385,748
(b) Net current assets - restricted			
When calculating the budget deficiency for the purpose of 'Section 6.2 (2)(c) of the Local Government Act 1995 the following amounts have been excluded as provided by 'Local Government (Financial Management) Regulation 32 which will not fund the budgeted expenditure.			
Cash and cash equivalents - restricted	23,610,129	23,364,371	21,412,801
NET CURRENT ASSETS - RESTRICTED	23,610,129	23,364,371	21,412,801

NOTES TO AND FORMING PART OF THE BUDGET*For the year ended 30 June 2025***3 CASH AND CASH EQUIVALENTS**

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overs. Estimated cash at the end of the reporting period is as follows:

	Note	2025 Budget \$	2024 Estimate \$	2024 Budget \$
Cash at bank	2(a)	20,145,190	25,500,246	17,255,130
Cash on hand		1,500	3,000	3,000
Term deposits	2(b)	50,841,764	46,487,614	44,001,119
Total cash and cash equivalents		70,988,454	71,990,860	61,259,249
Held as				
- Unrestricted cash and cash equivalents	2(a)	47,378,325	48,626,489	39,846,448
- Restricted cash and cash equivalents	2(b)	23,610,129	23,364,371	21,412,801
		70,988,454	71,990,860	61,259,249
Restrictions				
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
Financially backed reserves:	9			
Reserves - Site Rehabilitation	9(a)	19,453,141	18,102,528	18,479,966
Reserves - Capital Expenditure	9(b)	3,628,273	4,749,771	2,421,759
Reserves - Carbon Abatement	9(c)	528,715	512,072	511,076
		23,610,129	23,364,371	21,412,801
Reconciliation of net cash provided by operating activities to net result				
Net result		1,773,003	5,486,540	1,451,286
Depreciation	5	7,062,320	6,340,025	5,896,783
Amortisation	5	2,119,200	2,119,202	4,954,195
(Profit)/loss on sale of asset	4(c)	(510,480)	(253,105)	349,756
(Increase)/decrease in receivables		301,888	(355,892)	328,288
Increase/(decrease) in other provision		738,287	768,835	768,835
(Increase)/decrease in other current assets		510,480	(114,429)	-
(Increase)/decrease in inventories		-	(7,970)	-
Increase/(decrease) in employee provisions		562,558	225,042	383,735
Increase/(decrease) in payables		1,335,000	(650,013)	-
Net cash from operating activities		13,892,256	13,558,235	14,132,878

SIGNIFICANT ACCOUNTING POLICIES**CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank over.

Bank overs are reported as short term borrowings in current liabilities in Note 2 - Net Current Assets.

FINANCIAL ASSETS AT AMORTISED COST

The MRC classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

4(a) FIXED ASSETS

SUMMARY OF CAPITAL EXPENDITURE

	2025 Budget	2024 Estimate	2024 Budget
	\$	\$	\$
New Capital Expenditure			
Plant, vehicles and machineries	3,626,500	808,323	618,000
Computing equipment	217,000	211,753	105,000
Building	280,000	183,134	160,000
Infrastructure	3,558,000	1,121,970	2,032,000
	7,681,500	2,325,180	2,915,000
Carry forward			
Plant, vehicles and machineries	12,000	-	-
Building	-	-	150,000
Computing equipment	27,866	-	-
Infrastructure	7,984,030	-	6,987,000
	8,023,896	-	7,137,000
Total Capital Expenditure	15,705,396	2,325,180	10,052,000

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

4(f) FIXED ASSETS (CONTINUED)

ASSET ACQUISITIONS	2025 Budget	2024 Estimate	2024 Budget
	\$	\$	\$
LANDFILL INFRASTRUCTURE			
Stage 2 - Phase 2 capping work	5,395,426	-	6,987,000
Leachate Processing Infrastructure	1,683,369	1,026,970	1,850,000
Piggy Back Liner	3,631,235	-	
	10,710,030	1,026,970	8,837,000
INFRASTRUCTURE TAMALA PARK			
Transfer station extension	65,000	-	14,000
Facility Signage Upgrade at Transfer Station	14,000	-	18,000
Transfer Station Line Marking	18,000	-	15,500
Drop off bays modification and reticulation at Transfer Station	-	15,500	16,000
12AMP power supply installation to Green Waste bunker	-	16,000	25,000
Transfer Station chain drop Access Control unit	-	25,000	55,000
Monitoring bores - Marmion Avenue x4	55,000		10,000
Workshop Hotwash - Wash-down bay	-	10,000	-
Monitoring Bores x2	-	28,500	28,500
Footpath - Admin Buildings	10,000	-	-
Recycling Asphalt Hardstand extension works	35,000	-	-
Leachate Extraction Well Stage2 Phase 2	150,000	-	-
Waste Water Treatment Replacement (Washdown Bay)	65,000	-	-
Leachate Holding Tanks and Pump Station	190,000	-	-
Infrastructure Design Planning	200,000	-	-
Transfer Station Fixed Lighting Towers	30,000	-	-
	832,000	95,000	182,000
BUILDING			
Workshop building roller doors and road upgrade for tyre	-	25,000	25,000
Recycling E-Waste Storage and Bulk Up Facility	-	135,000	135,000
Weighbridge roof modification	-	23,134	150,000
Admin Building Renewal	105,000	-	-
Master Distribution Board Upgrade	150,000	-	-
Recycling Centre Roof Extension Works	15,000	-	-
Workshop Crib Room Kitchen	10,000	-	-
	280,000	183,134	310,000
COMPUTING			
CCTV install for Tip Face, Quarry and Transfer	10,000	97,000	85,000
Replacement IT Equipment	27,000	50,000	20,000
Meeting Room Upgrade and Telephony System	-	30,000	-
Event Management System (Inex) Replacement	-	24,753	-
Wi-Fi Access Point Replacements	27,866	10,000	-
Weighbridge Software Upgrade	150,000	-	-
DCS Replacements	30,000	-	-
	244,866	211,753	105,000

FIXED ASSETS (CONTINUED)

	2025 Budget	2024 Estimate	2024 Budget
	\$	\$	\$
EQUIPMENT			
Odour monitoring units / control	-	70,000	70,000
Point to point Telemetry & Data System Installation	-	16,500	16,500
Two Air Well Leachate Extraction Pumps for Stage 2	-	8,500	8,500
Workshop Hotwash Machine	-	8,000	8,000
Generator & Compressor	-	15,000	15,000
2 way radios	6,500	-	-
Odour monitoring units / control	80,000	-	-
High Flow Leachate/ Water Transfer Pump (Diesel)	60,000	-	-
	146,500	118,000	118,000
PLANT AND VEHICLES			
Vehicle Replacements	-	232,323	80,000
Double Axle trailer	15,000	-	-
Skid Steer Bucket Replacements x 3	60,000	-	-
Kubota SVL75-2CW Truck Loader - Skid steer	12,000	213,000	175,000
16t Vibrating Roller at Tip face	-	245,000	245,000
TAKEUCHI Skid Steer Loader TL10V2 (2022)	245,000	-	-
CAT 2.5L Forklift	85,000	-	-
Komatsu Excavator 2018-C22211	385,000	-	-
Compactor for alternative waste compaction treatment	1,500,000	-	-
Hino Bin Truck - 1EAS815	390,000	-	-
Slow Speed Shredder/Crusher	800,000	-	-
	3,492,000	690,323	500,000
	15,705,396	2,325,180	10,052,000

SIGNIFICANT ACCOUNTING POLICIES**RECOGNITION OF ASSETS**

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with Financial Management Regulation 17A (5). These assets are expensed immediately. Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

4(c) FIXED ASSETS (CONTINUED)

Disposals of assets

	2025 Budget	2025 Budget	2025 Budget	2025 Budget
	Net Book Value	Sale Proceeds	Profit	Loss
	\$	\$	\$	\$
PROPERTY, PLANT AND EQUIPMENT				
TAKEUCHI Skid Steer Loader TL10V2 (2022)	77,074	60,000	-	(17,073)
Hino Bin Truck - 1EAS815	-	80,000	80,000	-
BOMAG Compactor BCE1172RB-2	451,941	800,000	348,059	-
Komatsu Excavator 2018-C22211	123,436	180,000	56,564	-
Komatsu Dump Truck HM300-5 - 2018	207,076	250,000	42,924	-
	859,527	1,370,000	527,547	(17,073)

SIGNIFICANT ACCOUNTING POLICIES

GAINS AND LOSSES ON DISPOSAL

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss in the period which they arise.

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

5 DEPRECIATION By Class

Depreciation

Plant and equipment
Buildings
Infrastructure
Right of use asset

Amortisation

Cell Development
Decommissioning asset
Site Rehabilitation

2025 Budget	2024 Estimate	2024 Budget
		\$
326,836	301,597	397,048
1,850,184	1,633,003	1,733,585
4,120,994	3,622,345	3,384,009
764,306	783,080	382,141
7,062,320	6,340,025	5,896,783
1,591,500	1,591,500	3,223,090
-	-	1,731,105
527,700	527,702	-
2,119,200	2,119,202	4,954,195
9,181,520	8,459,227	10,850,978

SIGNIFICANT ACCOUNTING POLICIES

DEPRECIATION

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Major depreciation periods used for each class of depreciable asset are:

Asset Class

Resource Recovery Facility
Buildings - non specialised
Buildings - Resource Recovery Facility
Furniture and equipment
Plant and equipment
Computing Equipment
Excavation and Rehabilitation
Other Infrastructure
Right of use asset

AMORTISATION

The depreciable amount of all intangible assets with a finite useful life, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The assets residual value of intangible assets is considered to be zero and useful live and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income.

Useful life

13 years
5-20 years
13 years
5 years
6 2/3 years
3 years
% of actual usage
5-20 years
lease period

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

6 INFORMATION ON BORROWINGS

(a) The MRC has not budgeted to have any borrowings for the year 2024/25.

	2025 Budget	2024 Estimate	2024 Budget
	\$	\$	\$
(b) Credit Facilities			
Undrawn borrowing facilities			
Credit standby arrangements			
Credit card limit	100,000	100,000	100,000
Amount of credit unused	100,000	50,000	100,000

SIGNIFICANT ACCOUNTING POLICIES

BORROWING COSTS

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

7 LEASE LIABILITIES

	2025 Budget	2024 Estimate	2024 Budget
	\$	\$	\$
Lease principal at 1 July	6,708,619	6,456,778	6,456,778
Lease principal repayments	(559,266)	(559,266)	(559,266)
Lease interest repayments	(301,888)	(328,288)	(328,288)
	(861,154)	(887,554)	(887,554)

Leased items	Start date	End date
Tamala Park Landfill Site (1,517,641 square meters)	7/1/1990	30/6/2032

SIGNIFICANT ACCOUNTING POLICIES

LEASES

At the inception of a contract, the MRC assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and a lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the MRC uses its incremental borrowing rate.

LEASE LIABILITIES

The present value of future lease payments not paid at the reporting date discounted using the incremental borrowing rate where the implicit interest rate in the lease is not readily determined.

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

8 RESTORATION AND POST CLOSURE PROVISION

	2025 Budget	2024 Estimate	2024 Budget
	\$	\$	\$
Capping Provision			
Opening balance at 1 July	5,926,490	5,689,411	5,892,803
Additions	-	237,079	237,079
Closing balance at 30 June	5,926,490	5,926,490	6,129,882
Post Closure Provision			
Opening balance at 1 July	14,895,039	14,363,283	12,705,765
Additions	738,287	531,756	531,756
Closing balance at 30 June	15,633,326	14,895,039	13,237,521
TOTAL	21,559,816	20,821,529	19,367,403

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

9 CASH BACKED RESERVES

	2025 Budget	2024 Estimate	2024 Budget
	\$	\$	\$
Restricted by council			
(a) Reserves - Site Rehabilitation			
Opening balance at 1 July	18,102,528	17,056,658	17,056,651
Interest earnings	612,326	789,324	654,480
Transfer to reserves	738,287	256,546	768,835
Transfer from reserves	-	-	-
Closing balance at 30 June	19,453,141	18,102,528	18,479,966
(b) Reserves - Capital Expenditure			
Opening balance at 1 July	4,749,771	1,945,637	1,830,791
Interest earnings	316,868	89,654	80,968
Transfer to reserves	6,370,000	5,876,791	1,725,000
Transfer from reserves	(7,808,366)	(3,162,310)	(1,215,000)
Closing balance at 30 June	3,628,273	4,749,772	2,421,759
(c) Reserves - Carbon Abatement			
Opening balance at 1 July	512,072	491,076	491,076
Interest earnings	16,643	20,996	20,000
Transfer to reserves	-	-	-
Transfer from reserves	-	-	-
Closing balance at 30 June	528,715	512,072	511,076
TOTAL RESERVES			
Opening balance at 1 July	23,364,371	19,493,371	19,378,518
Interest earnings	945,837	899,974	755,448
Transfer to reserves	7,108,287	6,133,337	2,493,835
Transfer from reserves	(7,808,366)	(3,162,310)	(1,215,000)
CLOSING BALANCE AT 30 JUNE	23,610,129	23,364,371	21,412,801

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

In accordance with Council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:

Reserves - Site Rehabilitation

The purpose of this reserve is to be used to fund the rehabilitation following the closure of the landfill.

Reserves - Capital Expenditure

The purpose of this reserve is to be used to fund the ongoing capital expenditure requirements.

Reserves - Carbon Abatement

The purpose of this reserve is to be used to fund Carbon Abatement Projects.

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

10 REVENUE RECOGNITION

Recognition of revenue is dependent on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/ Refunds/ Warranties
Waste management entry fees	Waste disposal, treatment, and recycling services	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None
Gas Power Generation Income	Landfill Gas (LFG) from the decomposition of organic material in landfills	Single point in time	Not applicable	None
Member contributions	Reimbursement of MRC's administration and governance expenses by members	No obligation	Monthly in advance	None
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent
Fees and charges for other goods and services	Private works	Single point in time	Payment in full in advance	None

Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition
Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Adopted by council annually	Applied fully based on timing of provision	Not applicable	On sale of renewable energy certificates (output method)
Adopted by council annually	Applied fully based on timing of service delivery	Based on share capital contribution	Upon issue of invoice
Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

11(a) KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS

In order to discharge its responsibilities to the community, Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the MRC's Community Vision, and for each of its broad activities/programs.

OBJECTIVE

ACTIVITIES

Community amenities

To deliver sustainable waste management options for member councils

The orderly and efficient treatment and/or disposal of waste delivered to a building or place provided, managed or controlled for those purposes by the Mindarie Regional Council.

The MRC is currently operating a Class 2 Sanitary Landfill Site in accordance with a licence issued by the Department of Water and Environmental Regulation. Recycling of various items occurs at the recycling centre where a small handling fee is charged for the goods that the public wishes to purchase.

The MRC's services include:

Landfill operations at Tamala Park;

Resource Recovery Facility at Neerabup;

Transfer station;

Refuse and Recycling; and

Household hazardous waste disposal

Costs associated with the financing, administration, operation, and maintenance of the Tamala Park Waste Disposal Facility and Resource Recovery Facilities.

Governance

To provide a high level account of how the MRC applies good practices for making and implementing decisions for the efficient allocation of members resources.

Costs associated with elected members and corporate support services including administration and operation of activities and services to members

General Purpose Funding

To collect revenue to allow for the provision of services.

Interest revenue.

Law, order, public safety

To provide services to help ensure a safer and environmentally conscious community

Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.

Health

To provide an operational framework for environmental and community health

Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal services.

Education and Welfare

To provide services to disadvantaged persons, the elderly, children and youth

Maintenance of child minding centre, playgroup centre, senior citizen and aged care centre. Provision and maintenance of home care programs and youth services.

Housing

To provide and maintain elderly residents

Provision and maintenance of staff and elderly residents housing.

Recreation and culture

To establish and effectively manage infrastructure and resources which will help the social well being

Maintenance of public halls, civic centres, aquatic centres, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operations of library, museum and other cultural facilities

Transport

To provide safe, effective, and efficient transport services to the community

Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building Control.

Other property and services

To monitor and control operating accounts.

Private works operation, plant repair and costs.

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

11(b) PROGRAM INFORMATION

	2025 Budget	2024 Estimate	2024 Budget
	\$	\$	\$
Revenue from Ordinary Activities			
Community Amenities	41,064,142	33,382,628	32,927,723
General Purpose Funding	2,984,150	2,692,821	1,659,800
Governance	4,364,356	4,656,518	4,656,518
	48,412,648	40,731,966	39,244,041
Expenses from Ordinary Activities			
Governance	(7,274,182)	(5,128,496)	(5,559,935)
Community amenities	(39,574,055)	(30,091,747)	(31,604,776)
	(46,848,237)	(35,220,243)	(37,164,711)
Profit on Sale of Assets			
Community Amenities	527,550	293,890	1,000
	527,550	293,890	1,000
Loss on Sale of Assets			
Governance	-	-	(384)
Community Amenities	(17,070)	(40,785)	(350,372)
	(17,070)	(40,785)	(350,756)
Finance Costs - ROUA			
Governance	(301,888)	(328,288)	(328,288)
Community Amenities	-	-	-
	(301,888)	(328,288)	(328,288)
Non-operating grants			
Community amenities	-	50,000	50,000
	-	50,000	50,000
Net result for the period	1,773,003	5,486,540	1,451,286

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

12 OTHER INFORMATION

	2025 Budget	2024 Estimate	2024 Budget
	\$	\$	\$
(a) Interest earnings			
- Muni funds	2,038,312	1,792,578	755,448
- Reserve funds	945,837	900,244	904,352
	2,984,149	2,692,822	1,659,800
(b) Other revenue			
Fuel rebates	95,000	95,000	95,000
Gas power income	800,000	800,000	800,000
(c) Auditors remuneration			
Audit services OAG	125,000	125,000	105,200
Audit Services Other	30,000	30,000	30,000
	155,000	155,000	135,200
(d) Interest expenses (finance costs)			
Interest Charge Leases	301,888	328,288	328,288
Capping Accretion Expenses	-	237,079	237,079
Post Closure Accretion Expense	738,287	531,756	531,756
	1,040,175	1,097,123	1,097,123

(e) Discounts, Incentives and Concessions

A discount on casual tipping fees may be granted to charitable or not for profit organisations up to \$500 per organisation in any one financial year. The budgeted expenditure for discount on casual tipping fees for 2024/25 is \$5,000.

(f) Financial Reporting and Materiality

In accordance with *Regulation 34(5) of the Local Government (Financial Management) Regulations 1996*, for the purpose of the materiality used in the financial statements in 2024/25, the level to be used for reporting variances shall be equal to or higher than \$50,000.

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

13 FEES AND CHARGES

	2025 Budget	2024 Estimate	2024 Budget
By Program:	\$	\$	\$
Community amenities:			
Member charges	33,112,569	27,555,093	26,576,657
Casual fees and charges	5,870,017	4,691,534	5,401,066
Mattress fees	1,000,000	55,000	55,000
Total fees and charges	39,982,586	32,301,627	32,032,723

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

14 TONNAGES

	2025 Budget	2024 Estimate	2024 Budget
MEMBER COUNCIL TONNES			
Landfill			
City of Perth	3,629	13,540	12,482
City of Wanneroo	55,000	58,000	58,000
City of Joondalup	33,600	33,600	33,600
City of Stirling	15,476	55,500	52,808
Town of Cambridge	1,063	5,870	5,216
City of Vincent	1,430	5,500	5,500
Town of Victoria Park	2,711	10,620	8,400
	112,909	182,630	176,006
Waste to Energy			
City of Perth	11,129	-	-
City of Wanneroo	-	-	-
City of Joondalup	-	-	-
City of Stirling	41,689	-	-
Town of Cambridge	3,237	-	-
City of Vincent	4,070	-	-
Town of Victoria Park	7,909	-	-
	68,034	-	-
Total Member Council Tonnes	180,943	182,630	176,006
NON - MEMBER COUNCIL TONNES			
Casuals	31,400	25,400	31,400
	31,400	25,400	31,400
TOTAL TONNES	212,343	208,030	207,406

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

15 Recoups and Grants

Recoup of Administration and Governance Costs

Governance and Administration costs are apportioned using equity share.

Member Council	Equity Share	2025	2024
		Budget	Budget
		\$	\$
City of Wanneroo	16.67%	727,393	776,087
City of Joondalup	16.67%	727,393	776,087
City of Stirling	33.33%	1,454,785	1,552,173
City of Perth	8.33%	363,696	388,043
Town of Cambridge	8.33%	363,696	388,043
City of Vincent	8.33%	363,696	388,043
Town of Victoria Park	8.33%	363,696	388,043
	100%	4,364,356	4,656,518

NOTES TO AND FORMING PART OF THE BUDGET

For the year ended 30 June 2025

ELECTED MEMBERS REMUNERATION

	2025 Budget	2024 Estimate	2024 Budget
Cr Paul Miles			
Chairperson's Meeting Fees	17,139	-	-
Chairperson's Allowance	21,710	-	-
Meeting Fees	-	11,000	11,000
Allowances (ICT)	3,500	1,040	1,040
Travel Expenses	208	152	152
Conference Expenses	6,517	6,517	6,517
Other Expenses	564	83	83
	49,638	18,792	18,792
Cr Stephanie Proud JP			
Deputy Chairperson's Meeting Fees	11,430	-	-
Deputy Chairperson's Allowance	5,428	-	-
Allowances (ICT)	3,500	-	-
Travel Expenses	208	-	-
Conference Expenses	6,517	-	-
Other Expenses	564	-	-
	27,647	-	-
Cr Gary Mack			
Meeting Fees	11,430	-	-
Allowances (ICT)	3,500	-	-
Travel Expenses	208	-	-
Conference Expenses	6,517	-	-
Other Expenses	564	-	-
	22,219	-	-
Cr Christoper May			
Meeting Fees	11,430	11,000	11,000
Allowances (ICT)	3,500	1,040	1,040
Travel Expenses	208	152	152
Conference Expenses	6,517	6,517	6,517
Other Expenses	564	83	83
	22,219	18,792	18,792
Cr Albert Jacob			
Meeting Fees	11,430	-	-
Deputy Chairperson's Meeting Fees	-	11,000	11,000
Deputy Chairperson's Allowance	-	5,800	5,800
Allowances (ICT)	3,500	1,040	1,040
Travel Expenses	208	152	152
Conference Expenses	6,517	6,517	6,517
Other Expenses	564	83	83
	22,219	24,592	24,592

Cr Andrea Creado			
Meeting Fees	11,430	-	-
Allowances (ICT)	3,500	-	-
Travel Expenses	208	-	-
Conference Expenses	6,517	-	-
Other Expenses	564	-	-
	22,219	-	-
Cr Joe Ferrante			
Meeting Fees	11,430	11,000	11,000
Allowances (ICT)	3,500	1,040	1,040
Travel Expenses	208	152	152
Conference Expenses	6,517	6,517	6,517
Other Expenses	564	83	83
	22,219	18,792	18,792
Cr Chris Hatton			
Meeting Fees	11,430	11,000	11,000
Allowances (ICT)	3,500	1,040	1,040
Travel Expenses	208	152	152
Conference Expenses	6,517	6,517	6,517
Other Expenses	564	83	83
	22,219	18,792	18,792
Cr Liam Gobbert JP			
Meeting Fees	11,430	11,000	11,000
Allowances (ICT)	3,500	1,040	1,040
Travel Expenses	208	152	152
Conference Expenses	6,517	6,517	6,517
Other Expenses	564	83	83
	22,219	18,792	18,792
Cr Alex Castle			
Meeting Fees	11,430	11,000	11,000
Allowances (ICT)	3,500	1,040	1,040
Travel Expenses	208	152	152
Conference Expenses	6,517	6,517	6,517
Other Expenses	564	83	83
	22,219	18,792	18,792
Cr Jordan Wright			
Meeting Fees	11,430	-	-
Allowances (ICT)	3,500	-	-
Travel Expenses	208	-	-
Conference Expenses	6,517	-	-
Other Expenses	564	-	-
	22,219	-	-

Cr Karen Vernon			
Meeting Fees	11,430	-	-
Chairperson's Meeting Fees	-	16,500	16,500
Chairperson's Allowance	-	20,900	20,900
Allowances (ICT)	3,500	1,040	1,040
Travel Expenses	208	152	152
Conference Expenses	6,517	6,517	6,517
Other Expenses	564	83	83
	22,219	45,192	45,192
Cr Elizabeth Re			
Meeting Fees	-	11,000	11,000
Allowances (ICT)	-	1,040	1,040
Travel Expenses	-	152	152
Conference Expenses	-	6,517	6,517
Other Expenses	-	83	83
	-	18,792	18,792
Cr Frank Cvitan JP			
Meeting Fees	-	11,000	11,000
Allowances (ICT)	-	1,040	1,040
Travel Expenses	-	152	152
Conference Expenses	-	6,517	6,517
Other Expenses	-	83	83
	-	18,792	18,792
Cr Keri Shannon			
Meeting Fees	-	11,000	11,000
Allowances (ICT)	-	1,040	1,040
Travel Expenses	-	152	152
Conference Expenses	-	6,517	6,517
Other Expenses	-	83	83
	-	18,792	18,792
Cr Lisa Thornton			
Meeting Fees	-	11,000	11,000
Allowances (ICT)	-	1,040	1,040
Travel Expenses	-	152	152
Conference Expenses	-	6,517	6,517
Other Expenses	-	83	83
	-	18,792	18,792
Total Elected Member Remuneration	299,475	257,700	257,700
Chairperson's Meeting Fees	17,139	16,500	16,500
Member's Meeting Fees	125,730	121,000	121,000
Chairperson's Allowance	21,710	20,900	20,900
Deputy Chairperson's Allowance	5,428	5,800	5,800
Allowances (ICT)	42,000	12,480	12,480
Travel Expenses	2,496	1,824	1,824
Conference Expenses	78,204	78,204	78,204
Other Expenses	6,768	996	996
	299,475	257,700	257,700

MANAGEMENT OPERATING BUDGETS 2024/25

OFFICE OF THE CEO

EXPENSES

	2025 Budget	2024 Estimate	2024 Budget
	\$	\$	\$
Employee costs	(1,277,787)	(1,066,500)	(1,093,815)
Materials and contracts	(1,267,800)	(1,089,854)	(1,000,375)
Insurance	(119,030)	(98,000)	(98,000)
Depreciation	(109,368)	(93,318)	(116,047)
Other expenses	(306,090)	(265,700)	(266,084)
TOTAL EXPENDITURE	(3,080,075)	(2,613,373)	(2,574,321)

CORPORATE SERVICES

REVENUE

Profit on Sale of Asset	-	6,207	-
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EXPENSES

Employee costs	(1,857,463)	(1,338,032)	(1,299,390)
Materials and contracts	(1,188,390)	(1,099,628)	(919,318)
Insurance	(69,650)	(66,250)	(66,250)
Utility charges	(178,250)	(171,250)	(208,250)
Finance costs	(301,888)	(328,288)	(328,288)
Depreciation	(870,354)	(858,550)	(472,540)
Other expenses	(30,000)	(20,250)	(20,250)
TOTAL EXPENDITURE	(4,495,995)	(3,882,248)	(3,314,286)

NET

(4,495,995) (3,876,041) (3,314,286)

OPERATIONS

REVENUE

Non-operating grants	-	50,000	50,000
Profit on Sale of Asset	527,550	287,682	1,000
	527,550	337,682	51,000.00

EXPENSES

Employee costs	(3,644,740)	(3,132,148)	(3,096,884)
Materials and contracts	(16,361,048)	(16,524,418)	(16,475,715)
Insurance	(476,420)	(455,950)	(455,950)
Utility charges	(640,000)	(629,200)	(510,000)
Finance costs	(738,287)	(768,835)	(768,835)
Depreciation	(6,082,598)	(5,388,157)	(5,308,196)
Amortisation	(2,119,200)	(2,119,202)	(4,954,196)
Other expenses	(52,070)	(75,785)	(385,372)
TOTAL EXPENDITURE	(30,114,363)	(29,093,695)	(31,955,148)

NET

(29,586,813) (28,756,013) (31,904,148)

GENERAL FUNDS

REVENUE

Fees and charges	39,982,586	32,301,626	32,032,723
Grants, subsidies and contributions	4,364,356	4,656,518	4,656,518
Interest earnings	2,984,150	2,692,822	1,659,800
Other income	1,081,556	1,081,000	895,000
	48,412,648	40,731,966	39,244,041

EXPENSES

Materials and contracts	(9,476,762)		
	(9,476,762)	-	-

NET

38,935,886 40,731,966 39,244,041

FEES AND CHARGES

Member Charges

The following fees and charges are exclusive of goods and services tax (GST).

Landfill	2025 Budget	2025 Budget	2025 Budget	2024 Estimate	2024 Budget
	Tonnes	Rate \$/t	Revenue \$	Revenue \$	Revenue \$
City of Perth	3,629	183.00	664,144	2,042,071	1,884,782
City of Wanneroo	55,000	183.00	10,065,000	8,759,336	8,757,751
City of Joondalup	33,600	183.00	6,148,800	5,067,171	5,073,600
City of Stirling	15,476	183.00	2,832,060	8,370,577	7,974,008
Town of Cambridge	1,063	183.00	194,504	885,766	787,616
City of Vincent	1,430	183.00	261,654	828,738	830,500
Town of Victoria Park	2,711	183.00	496,149	1,601,433	1,268,400
Landfill Member Fees & Charges	112,909	183.00	20,662,312	27,555,093	26,576,657

Waste to Energy	2025 Budget	2025 Budget	2025 Budget	2024 Estimate	2024 Budget
	Tonnes	Rate \$/t	Revenue \$	Revenue \$	Revenue \$
City of Perth	11,129	183.00	2,036,570	-	1,884,782
City of Wanneroo	-	183.00	-	-	8,757,751
City of Joondalup	-	183.00	-	-	5,073,600
City of Stirling	41,689	183.00	7,629,135	-	7,974,008
Town of Cambridge	3,237	183.00	592,396	-	787,616
City of Vincent	4,070	183.00	744,846	-	830,500
Town of Victoria Park	7,909	183.00	1,447,311	-	1,268,400
Waste to Energy Member Fees & Charges	68,034	183.00	12,450,257	-	26,576,657

Member Fees & Charges	180,943	183.00	33,112,569	27,555,093	26,576,657
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FEES AND CHARGES SCHEDULE 2024/25

The following fees and charges are inclusive of goods and services tax (GST).

	2024 / 2025 Fees & Charges \$	2024 Budget \$
NON - MEMBER COUNCIL CHARGES		
GENERAL ENTRY		
1. Minimum entry to site (up to 100 kgs)	\$ 27.50	\$ 23.65
2. General waste – price per tonne	\$ 275.00	\$ 236.50
OTHER FEES & CHARGES		
3. Asbestos – (Up to 100 kgs)	\$ 30.25	\$ -
4. Asbestos – per tonne	\$ 302.50	\$ 275.00
5. Tyres – per tyre	\$ 27.50	\$ 25.00
6. Mattresses – per item (MRC site)	\$ 36.30	\$ 33.00
7. Small animals – per animal	\$ 20.90	\$ 19.00
8. Large animals – per animal	\$ 41.80	\$ 38.00
9. Controlled waste – per tonne	\$ 264.00	\$ 240.00
10. Lightweight bulk material – per cubic metre	\$ 96.00	\$ 80.00
11. Special burials – per 5 cubic metres	\$ 291.50	\$ 265.00
12. Odorous loads – per tonne	\$ 344.50	\$ 265.00
13. Car gas cylinders/industrial gas cylinders – per item	\$ 71.50	\$ 65.00
14. Fluorescent tubes – commercial loads – per item	\$ 0.63	\$ 0.55
15. Clean green waste – (Up to 100 kgs)	\$ 27.50	\$ -
16. Clean green waste – per tonne	\$ 138.00	\$ 120.00
17. Wooden Pallet Disposal (Each / Per Item)	\$ 5.00	\$ -
18. BULK Cleanfill Disposal Charge (Mixed Sand/Soil blends (Rocks & stones <150mm)	Price on Application (POA)	\$ -
19. Rock, Stone, Asphalt, Pavers, Concrete (Construction & Demolition Mat - min (up to 100 kgs)	\$ 27.50	\$ -
20. Rock, Stone, Asphalt, Pavers, Concrete (Construction & Demolition Materials (>150mm)- per tonne	\$ 110.00	\$ -
21. Replacement of Driver Control Station cards	\$ 72.00	\$ 60.00
22. Replacement of gate access remotes	\$ 240.00	\$ 160.00
23. Tipping with no payment (drive-aways)	\$ 120.00	\$ 100.00
24. Clean up charge (per half hour) plus any 3rd party costs	\$ 180.00	\$ 150.00
25. Waste Relocation Charge	\$ 250.00	\$ -
26. Uncompacted waste – per axle	\$ 84.50	\$ 65.00
27. Compacted waste – per axle	\$ 143.00	\$ 110.00
28. Weighbridge Docket Reprint	\$ 10.00	\$ -
29. Weigh Only Service (Certificated)	\$ 35.00	\$ -
30. Contractor Diesel Supply Charge (API + 10%)	Price on Application (POA)	\$ -
31. Truck Wash Down Bay Service Charge	\$ 40.00	\$ -
MEMBER - OTHER CHARGES		
1. Mattresses – per item (MRC site)	\$ 36.30	\$ 33.00
2. Mattresses - per item (Off MRC site)	Contract Price + 5% Admin Fee	\$ -

SCHEDULE 1: MODIFIED PENALTIES

SCHEDULE 1 – MODIFIED PENALTIES including GST	
ITEM 1 – Clause 7(4)(a)(b) - Enter the site or any part of the site that is closed or drive a vehicle on a road, track or path that is closed.	\$100.00
ITEM 2 – Clause 8 – Enter the site other than through an entrance without permission.	\$100.00
ITEM 3 – Clause 11(1)(a) – Park a vehicle, or cause to permit it to be parked on the site without permission in a place, other than a parking area, that is off a carriageway.	\$100.00
ITEM 4 – Clause 11(1)(b) – Park a vehicle, or cause or permit it to be parked on the site without permission on part of a carriageway, if the parking of vehicles on that part of the carriageway is prohibited by a traffic sign.	\$100.00
ITEM 5 – Clause 11(1)(c) - Park a vehicle, or cause or permit it to be parked, on the site without permission during a period when the person is not the site, whether or not the vehicle is parked in a parking area.	\$100.00
ITEM 6 – Clause 11(1)(d) - Park a vehicle, or cause or permit it to be parked, on the site without permission in a place that is marked with parking bays, unless it is entirely within the confines of a parking bay.	\$100.00
ITEM 7 – Clause 11(1)(e) - Park a vehicle or vehicles in an area designated for a person or persons with a disability, unless the person or persons with the disability is the driver of, or a passenger in, the vehicle and an disability permit is displayed in a prominent position on the vehicle.	\$100.00
ITEM 8 – Clause 13(2) - Damage, destroy or take away flora with permission.	\$100.00
ITEM 9 – Clause 14(2) – Injure, take or interfere with any fauna without permission.	\$100.00
ITEM 10 – Clause 15(d) - Damage, destroy or take cultural sensitive items.	\$100.00
ITEM 11 – Clause 16(1) - Deposit litter other than in a litter receptacle.	\$100.00
ITEM 12 – Clause 16(d) - Environmental Contamination, discharge liquids/rubbish to the environmental that cause, or are known to cause contamination to the soil, water and/or air.	\$100.00
ITEM 13 – Clause 20(a) - Place any notice, advertisement or document on any structure, object or natural surface on the site without permission.	\$100.00
ITEM 14 – Clause 20(b) - Paint, mark or deface any structure, object or natural surface on the site without permission.	\$100.00
ITEM 15 – Clause 21 – Light a fire (minor impact, managed on site) or use a gas barbecue or other cooker without permission.	\$100.00
ITEM 16 – Clause 21 – Light a fire – (significant impact e.g. call of DFES).	\$100.00
ITEM 17 – Clause 24(1) – Disturb or remove property from the site without permission.	\$100.00
ITEM 18 – Clause 27(1)(2) – Fail to comply with a sign and direction.	\$100.00
ITEM 19 – Clause 27(1)(2) – Disposing waste without payment of fee or charge.	\$100.00

ATTACHMENT 2
DRAFT LONG TERM FINANCIAL PLAN

MINDARIE REGIONAL COUNCIL

LONG TERM FINANCIAL PLAN

2024/25 – 2031/32



Our Vision

Collaborating for a regional Circular Economy

Our Mission

To deliver sustainable waste management options for members

Acknowledgement of Country

The Mindarie Regional Council acknowledges the Traditional Custodians of the land we are working on, the Whadjuk people. We would like to pay respect to the Elders of the Noongar nation, past, present and future, who have walked and cared for the land. We acknowledge and respect their continuing culture and the contributions made to the life of this region.



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The Mindarie Regional Council

The Mindarie Regional Council (MRC) is a regional local government which was constituted under the Local Government Act 1960 (LG Act 1960), in 1987.

In 1981, the Cities of Perth and Stirling and the Shire of Wanneroo jointly acquired 432 hectares of land at Lot 17 Marmion Avenue, Mindarie as a suitable future site for the development of a landfill for the disposal of the region's waste materials.

The MRC was established as the vehicle which would manage the disposal of those member councils' waste materials, and approval for the development of a landfill and associated infrastructure on 251 hectares of the land bought previously was received from the Environmental Protection Authority in 1990.

That 251 hectares within Lot 17 and fronting Marmion Avenue became the subject of a lease to the MRC at that time, with the owners retaining possession of the balance of the land. The leased area was entitled "Tamala Park" and developed as a landfill, which first received waste from the City of Perth and Shire of Wanneroo in 1991.

Since that time the Towns of Cambridge, Victoria Park and Vincent (formed through a restructure of the City of Perth in 1996) commenced disposal at site, and the Cities of Stirling and Joondalup commenced disposal in 1999.

Any reference to member council means a constituent municipality whose district is included in the regional district of the MRC

City of
Wanneroo

City of
Joondalup

City of
Stirling

Town of
Cambridge

City of
Vincent

City of
Perth

Town of
Victoria Park

Integrated Planning Framework

The Asset Management Plan 2023-2032 (AMP) is an informing strategy within the Integrated Planning Framework (IPF). The purpose of this AMP is to identify and determine the ongoing management of the existing land, infrastructure, buildings, plant and machinery and vehicles, equipment and information systems associated with each of the MRC sites, to deliver the outcomes stated in the MRC's Corporate Business Plan 2023 – 2027 (CBP).

The AMP is based upon the MRC's Strategic Community Plan 2023 – 2032 (SCP). Aligning the AMP needs around the MRC's service delivery, future endorsed projects and initiatives and the asset life cycle will ensure asset needs are met as service and project requirements change.

This AMP will be reviewed annually to make necessary changes in order to ensure continuity and compliance with the requirements under the existing IPF.

The chart below represents the relationships between the Strategic Community Plan, Corporate Plan, Long term Financial Plan, the Annual Budget and other informing plans including this AMP.



The Long-Term Financial Plan

The Long-Term Financial Plan (LTFP) is a planning tool developed to estimate the financial effect of the activities/services the Mindarie Regional Council (MRC) proposes to undertake over the longer term to achieve its strategic objectives. It ensures the MRC is optimising its resource allocation and maximising its benefit to its members and the general public. Such a document will safeguard the MRC's financial assets through control of its capital investments, as well as its revenue and expenditure, and enforce accountability through transparency of future decisions. It is a dynamic tool encompassing both its operating activities and capital outlays over the 10-year period. Price and growth drivers are used to ensure the LTFP is in line with industry wide assumptions and the future social and economic environment.

The financial information in the LTFP is based on the best available information at the time of writing the report and will be subject to changes throughout the year as more current market data is released.

Federal Government 2024/25 Budget

"Australia is not immune from global developments and the combination of moderating but high inflation and higher interest rates have resulted in lower growth over the past year. Real GDP is forecast to grow by 1¾ per cent in 2023–24. The Australian economy is well placed to navigate these economic challenges, with moderating inflation, a resilient labour market, a return to annual real wage growth and a solid pipeline of business investment.

Although inflation remains elevated, it has moderated substantially and is now less than half of its peak in 2022.

Nominal wage growth has picked up and is growing at its fastest rate in nearly 15 years. The moderation in inflation and pick up in wage growth have contributed to an improvement in real wages. Real wages have risen for three consecutive quarters and returned to annual growth at the end of 2023, which is earlier than previously forecast. Real wages are expected to rise further and grow by ½ per cent through-the-year to the June quarter 2024."

Source: 2024/25 Federal Budget - Statement 2: Economic Outlook

State Government Budget 2024/25

"Notwithstanding strength in the domestic economy, total economic growth (Gross State Product or GSP) is expected to slow to 1.75% in 2023-24 and to 2% in 2024-25 following growth of 3.5% in 2022-23 – a nine-year high. This reflects subdued growth in the external sector, with resource producers operating at close to capacity, agricultural exports normalising after a record harvest in 2022-23, and goods imports picking up in support of business investment. In addition, a gradual return to pre-pandemic international travel patterns (with more Western Australians travelling overseas) is also expected to detract from net exports.

As employment growth moderates, the unemployment rate is forecast to lift slightly to 4% in 2024-25, from 3.75% in 2023-24. In the outyears, the unemployment rate is expected to slowly rise as labour demand is outpaced by additions to labour supply, reaching 4.75% by 2027-28. This remains well below the long-run average unemployment rate of 6%.

Western Australia's Wage Price Index (WPI) grew by 4.7% in year-ended terms to December 2023 – the strongest rate of growth since June 2012. The combination of rising wages and slowing inflation has seen real wage growth return to positive territory. A situation that is forecast to be maintained across the forward estimates period."

Source 2024/25 Budget - Economic and Fiscal Outlook - Budget Paper No. 3 Table 1

Inflation as portrayed in the movements in the Consumer Price Index will be the focus in the community in the coming year. The Reserve Banks efforts in trying to slow consumer consumption through interest rates has not had the desired outcome.

The financial model uses the economic forecasts included in the State and Federal Budgets. It should be noted that both Federal and State forecasts changed their respective growth and cost indicators provided for the 2024/25 Budgets.

FORWARD ESTIMATES					
FEDERAL GOVERNMENT					
Federal Budget 2024/25	2023/24	2024/25	2025/26	2026/27	2027/28
Real gross domestic product	1.75%	2.00%	2.25%	2.50%	2.75%
Consumer Price Index	3.50%	2.75%	2.75%	2.50%	2.50%
Wage price index	4.00%	3.25%	3.25%	3.50%	3.50%
Unemployment rate	4.00%	4.50%	4.50%	4.50%	4.25%
<i>2024/25 Federal Budget - Statement 2: Economic Outlook - Table 1: Domestic economy forecasts</i>					

STATE GOVERNMENT					
State Budget 2024/25	2023/24	2024/25	2025/26	2026/27	2027/28
Gross State Product	1.75%	2.00%	2.00%	2.25%	2.25%
Consumer Price Index	4.00%	3.00%	2.50%	2.50%	2.50%
Wage Price Index	4.25%	3.75%	3.50%	3.00%	3.00%
Unemployment Rate	3.75%	4.00%	4.25%	4.50%	4.75%
Population	2.80%	1.80%	1.70%	1.70%	1.70%
<i>2024/25 Budget - Economic And Fiscal Outlook - Budget Paper No. 3 Table 1</i>					

Forward Estimates

Price Drivers

Preliminary Key Price Drivers applied are shown below.

Economic Assumptions

Price Drivers	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Consumer Price Index Australia	2.8%	2.8%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Consumer Price Index Perth	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
WALGA - Local Government Cost Index	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Wage Price Index	3.3%	3.3%	3.5%	3.5%	3.4%	3.4%	3.4%	3.4%
Wage Price Index WA	3.8%	3.5%	3.0%	3.0%	3.3%	3.2%	3.1%	3.2%
Population Australia	1.6%	1.5%	1.4%	1.3%	1.3%	1.2%	1.1%	1.1%
Population WA	1.7%	1.6%	1.6%	1.2%	1.1%	1.1%	1.0%	1.0%
Population - Mandarie Regional Council	1.6%	1.5%	1.3%	1.2%	1.2%	1.1%	1.0%	1.0%
NATIONAL ECONOMIC AND SOCIAL INDICATORS								
Gross Domestic Product (GDP)	2.0%	2.3%	2.5%	2.8%	2.4%	2.5%	2.5%	2.5%
Gross State Product WA	2.0%	2.0%	2.3%	2.3%	2.1%	2.2%	2.2%	2.2%
Unemployment Australia	4.5%	4.5%	4.5%	4.3%	4.4%	4.4%	4.4%	4.4%
Unemployment Western Australia	4.0%	4.3%	4.5%	4.8%	4.4%	4.5%	4.5%	4.5%
OTHER PRICE DRIVERS								
Workers Compensation Insurance	3.3%	3.3%	3.5%	3.5%	3.4%	3.4%	3.5%	3.4%
INTEREST RATES - BORROWING and EARNINGS								
RBA Cash Management Rate	3.4%	3.3%	3.1%	3.1%	3.2%	3.2%	3.1%	3.2%
1 Month Banks' term deposits (\$10 000	3.1%	3.0%	2.8%	2.8%	2.9%	2.9%	2.9%	2.9%
3 months Banks' term deposits (\$10 000	4.3%	4.1%	3.9%	3.9%	4.0%	4.0%	3.9%	4.0%

Exclusions

There are projects and facilities from the Council adopted Strategic Community Plan (SCP) that are not sufficiently detailed at this stage and therefore are not included in these estimates. They will be incorporated into future plans once transparency around timing, revenue, expenditure and capital is known.

These include -

- Details of the full potential liability for site mitigation post the closure of the landfill cell,
- Potential ongoing costs for site maintenance post closure,
- The extent of staff terminations post closure of landfill site,
- Options for the Resource Recovery Facility (RRF),
- Alternative revenue streams from the Tamala Park site,
- Potential waste initiatives and other revenue generating options subject to Council endorsement.

The Corporate Business Plan (CBP) identifies a number of strategic activities to be complied in the next two years. These activities will identify the extent of the Council's financial obligations going forward.

Financial risks

These estimates are sensitive to movements on price and supply chain issues. The current rising inflation and upward moving of interest rates means the impact of price and interest drivers is far greater on upward movements, as opposed to reductions. These potential rapid upward movements create a financial risk to the MRC and the projects in these estimates.

These estimates have a negative impact arising from prices movements however, the impact of the overall position is negated as many revenue streams use CPI as the determination of increases which offsets the downside on costs. It is considered that price movements will be more volatile than interest rates.

Many of the potential projects which at this stage cannot be quantified pose a substantial financial risk to the MRC. Caution should be exercised in reducing funds from the MRC which would be required to fund a number of projects, which at this stage are excluded from these estimates. This would also ensure members do not make further contributions.

Long Term Forecasts

These estimates reflect a high-level forecast based on the 2024/25 budget and extrapolated in future years using the economic and known useful life assumptions.

Financial Strategies and Principles

The forecasts assist the MRS's SCP by advising the financial capabilities of the MRC to deliver infrastructure and services to the member's and the general public. The CBP assists in the realisation of the MRC's vision in the medium term; it details the actions, services, operations and projects the MRC will deliver within a five-year period.

Other critical informing strategies associated with this LTFP are the Asset Management and Workforce Plans.

These estimates underpin the following principles:

- Continuous improvement in the financial capacity and sustainability of the MRC through:
 - Strengthening results to ensure long term financial sustainability.
 - No use of debt
 - Accumulate funds to meet cash flow demands.
- The maintenance of a fair and equitable fee structure.

- Maintaining or improving service level standards.
- Maintenance of cash reserves for future commitments.
- Maintaining/increasing funding for asset maintenance and renewal.
- Fees and charges are determined upon an equitable basis. A key element of the financial strategy is to achieve a lower gate fee and to minimise the financial burden placed on members whilst also maintaining tight control of costs so as to achieve zero deficit year on year.

These estimates draw out issues associated with the volume of funds required to balance budgets in future years and the financial structure arising from those estimates.

Basis of Preparation

Base premise

- Land lease expires in 2031/32,
- Land fill operations are estimated to conclude in 2027/28,
- No decision has been made as to the post closure strategies, both landfill and lease at this stage,
- No estimates are available for the site rehabilitation.

Operating Revenues

Operating grants/subsidies/contributions

This revenue represents the cost recovery from members for administration costs incurred by the MRC. An offset in determining these charges is the interest earning on “municipal funds”. These charges are materially reduced with the termination of the landfill site as at 2027/28.

Fees and Charges

Non-member tipping fees are estimated to conclude in 2027/28. However, it is expected that revenue from waste to energy, the processing of mattresses and other recyclable material, both members and the general public, will continue through to 2031/32.

Gas generation services

It is anticipated the current arrangements will continue through to 2031/32.

Interest earnings

Non reserve interest projections are dependent on the level of unrestricted cash and cash equivalents/other financial assets. At this stage these are maintained until 2031/32. These returns are to offset against cost in order to reduce member contributions.

Other Revenue

These revenues relate to LGIS Dividend/Insurance Rebate and Diesel Fuel Rebate. These revenues will reduce as the site is diminished.

Operating Expenditures

Employee costs

Costs post the site closure are expected to diminish 2028/29 towards the end of the existing lease. The estimates are constructed on the basis the operation will winddown by 2031/32.

Material and Contracts

A number of costs will be incurred post 2027/28 relating to recycling, waste to energy, site rehabilitation and overhead costs on administration.

Utilities, Insurance, Other expenses

These costs will continue through to 2031/32.

Depreciation/Amortisation

Depreciation expenses will continue on the asst base through to 2031/32. Amortisation of the landfill site will conclude in 2028/29. At this stage estimates have not been included impaired assets arising from the change in operations over the period of the plan.

Finance/borrowing costs

This amount relates to the unwinding portion of rehabilitation provision over the period of the plan.

Net current assets

The overall financial position is usually reflected in the net current assets reported in the annual financial report. This is usually referred to as the annual surplus/(deficit) as it arises from all of the financial transactions of the MRC in any one financial year. That end result includes funds raised in the year that are not applied and carried forward (both operating and capital) into the next budget.

Subject these activities it is recommended that the Council act conservatively and defer any decision on the surplus allocation for the near future. This will ensure the Council has sufficient funds and will not be required to seek funding from the members.

Financial Statements

The following Financial Statements have been prepared for the ten years covered in this LTFP. These estimates have been prepared on the basis of the assumptions addressed previously in this document.

Statement of Comprehensive Income by Nature

Identifies the inputs by nature of the revenue or expense. Descriptions are defined by Regulation under the Local Government Act WA 1995.

The Statement of Comprehensive Income is prepared on an accrual basis. This process recognises income as it is earned and expenses as they are incurred. In addition, it makes adjustments for unearned income, credit sales, pre-payments, accrued expenses and non-cash provisions (i.e. depreciation and leave entitlements). This method provides a more accurate reflection of the transactions which actually occurred during the accounting period and is a better reflection of the actual business activities undertaken by the MRC. Depreciation, which is an expense charged in the Statement of Comprehensive Income, reflects the value of capital assets consumed during the accounting period.

Statement of Financial Activity

This statement summarises the operating, capital, debt and reserves transactions. It utilises the same reporting procedures required formulating the MRC's Annual Budget under the Local Government Act WA 1995. The plan identifies the funds necessary to balance the budget in each financial year through the collection of gate fees.

Statement of Financial Position (Balance Sheet)

The purpose of the Statement of Financial Position is to provide a “snap-shot” of the overall financial position of the MRC. This statement is constructed according to well defined accounting principles which are embodied in the Australian Accounting Standards. The ratepayer equity in the MRC can be calculated by deducting total liabilities from total assets.

The Statement discloses transactions as current and non-current assets, and current and non-current liabilities and equity.

Statement of Comprehensive Income

STATEMENT of COMPREHENSIVE INCOME								Indexed values
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Revenues	\$	\$	\$	\$	\$	\$	\$	\$
Operating grants/subsidies/contributions	4,364,356	3,938,900	4,096,500	4,219,400	2,953,600	3,048,100	3,143,500	3,242,800
Fees and Charges	39,982,586	40,849,060	41,746,394	42,675,622	34,117,590	34,715,370	35,326,870	35,952,440
Gas generation services	800,000	820,100	840,600	861,700	883,200	905,300	927,900	951,100
Interest earnings	2,984,150	2,981,400	2,802,300	3,026,000	3,366,000	3,355,400	3,234,100	3,254,500
Other Revenue	281,556	281,500	281,500	281,500	28,200	28,200	28,200	28,200
Operating Revenue	48,412,648	48,870,960	49,767,294	51,064,222	41,348,590	42,052,370	42,660,570	43,429,040
Expenses								
Employee costs	(6,779,990)	(6,968,400)	(7,157,400)	(7,342,900)	(4,879,500)	(5,005,300)	(5,134,200)	(5,266,300)
Material and Contracts	(28,294,000)	(28,489,325)	(29,271,757)	(30,080,409)	(31,338,107)	(32,560,229)	(33,835,418)	(35,167,860)
Utilities (gas elect water)	(818,250)	(838,700)	(859,600)	(881,100)	(903,100)	(925,600)	(948,800)	(972,500)
Depreciation	(7,062,320)	(7,171,490)	(7,296,790)	(7,202,190)	(6,876,190)	(6,494,590)	(6,410,290)	(6,157,846)
Amortisation	(2,119,200)	(2,582,500)	(2,561,500)	(3,058,200)	-	-	-	-
Insurance	(665,100)	(683,500)	(700,600)	(718,100)	(507,800)	(520,400)	(533,300)	(546,400)
Finance/borrowing costs	(1,040,175)	(761,626)	(706,826)	(651,069)	(594,260)	(536,297)	(402,187)	(107,498)
Other expenses	(371,090)	(308,300)	(315,300)	(322,500)	(305,300)	(312,800)	(320,500)	(328,400)
Operating Expenses	(47,150,125)	(47,803,841)	(48,869,773)	(50,256,468)	(45,404,257)	(46,355,216)	(47,584,695)	(48,546,804)
Profit(Loss) - normal operations	1,262,523	1,067,119	897,521	807,754	(4,055,667)	(4,302,846)	(4,924,125)	(5,117,764)
Other								
Profit on asset disposals	527,550	-	-	-	-	-	-	-
Loss on asset disposals	(17,070)	-	-	-	-	-	-	-
	510,480	-	-	-	-	-	-	-
Total comprehensive income	1,773,003	1,067,119	897,521	807,754	(4,055,667)	(4,302,846)	(4,924,125)	(5,117,764)

This statement is to be read in conjunction with the accompanying notes.

Statement of Financial Activity

STATEMENT of FINANCIAL ACTIVITY	Indexed values							
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Revenues	\$	\$	\$	\$	\$	\$	\$	\$
Operating grants/subsidies/contribut	4,364,356	3,938,900	4,096,500	4,219,400	2,953,600	3,048,100	3,143,500	3,242,800
Fees and Charges	39,982,586	40,849,060	41,746,394	42,675,622	34,117,590	34,715,370	35,326,870	35,952,440
Gas generation services	800,000	820,100	840,600	861,700	883,200	905,300	927,900	951,100
Interest earnings	2,984,150	2,981,400	2,802,300	3,026,000	3,366,000	3,355,400	3,234,100	3,254,500
Profit on asset disposals	527,550	-	-	-	-	-	-	-
Other Revenue	281,556	281,500	281,500	281,500	28,200	28,200	28,200	28,200
Revenues	48,940,198	48,870,960	49,767,294	51,064,222	41,348,590	42,052,370	42,660,570	43,429,040
Expenses								
Employee costs	(6,779,990)	(6,968,400)	(7,157,400)	(7,342,900)	(4,879,500)	(5,005,300)	(5,134,200)	(5,266,300)
Material and Contracts	(28,294,000)	(28,489,325)	(29,271,757)	(30,080,409)	(31,338,107)	(32,560,229)	(33,835,418)	(35,167,860)
Utilities (gas elect water)	(818,250)	(838,700)	(859,600)	(881,100)	(903,100)	(925,600)	(948,800)	(972,500)
Depreciation	(7,062,320)	(7,171,490)	(7,296,790)	(7,202,190)	(6,876,190)	(6,494,590)	(6,410,290)	(6,157,846)
Amortisation	(2,119,200)	(2,582,500)	(2,561,500)	(3,058,200)	-	-	-	-
Insurance	(665,100)	(683,500)	(700,600)	(718,100)	(507,800)	(520,400)	(533,300)	(546,400)
Finance/borrowing costs	(1,040,175)	(761,626)	(706,826)	(651,069)	(594,260)	(536,297)	(402,187)	(107,498)
Loss on asset disposals	(17,070)	-	-	-	-	-	-	-
Other expenses	(371,090)	(308,300)	(315,300)	(322,500)	(305,300)	(312,800)	(320,500)	(328,400)
Expenses	(47,167,195)	(47,803,841)	(48,869,773)	(50,256,468)	(45,404,257)	(46,355,216)	(47,584,695)	(48,546,804)
Net	1,773,003	1,067,119	897,521	807,754	(4,055,667)	(4,302,846)	(4,924,125)	(5,117,764)
Movement in Non Cash Assets/Liabili	10,783,889	10,288,536	10,374,026	10,757,979	7,356,270	6,957,777	6,782,277	6,265,344
	12,556,892	11,355,655	11,271,547	11,565,733	3,300,603	2,654,931	1,858,152	1,147,580
Capital Transactions								
Proceeds from Sale of Non-Current A	1,370,000	309,495	240,395	108,917	2,749,600	155,663	-	-
Outlays on Property Plant & Equipme	(4,163,366)	(3,113,840)	(1,002,424)	(1,239,456)	(613,129)	(848,001)	(69,792)	-
Outlays on Infrastructure	(11,542,030)	(8,970,000)	(3,850,000)	(4,290,000)	(1,040,000)	(4,500,000)	(320,000)	(45,000)
Net Capital	(14,335,396)	(11,774,345)	(4,612,029)	(5,420,539)	1,096,471	(5,192,338)	(389,792)	(45,000)
Reserve/Trust Transactions								
Transfers (to) Reserves	(8,054,124)	(9,745,995)	(7,579,795)	(6,524,817)	(9,218,500)	(2,031,763)	(1,675,100)	(1,614,800)
Transfers from Reserves	7,808,366	12,027,447	4,852,424	5,529,456	1,653,129	5,348,001	389,792	45,000
Net Transfers (to)/From Reserves	(245,758)	2,281,452	(2,727,371)	(995,361)	(7,565,371)	3,316,238	(1,285,308)	(1,569,800)
Debt Management								
Payment of leases liabilities	(665,840)	(953,742)	(719,780)	(752,170)	(786,018)	(821,389)	(858,351)	(603,930)
Net Debt	(665,840)	(953,742)	(719,780)	(752,170)	(786,018)	(821,389)	(858,351)	(603,930)
Net Current Assets								
1 July Surplus/(Deficit)	49,252,468	46,562,366	47,471,386	50,683,753	55,081,416	51,127,101	51,084,543	50,409,244
LESS 30 June Surplus/(Deficit)	46,562,366	47,471,386	50,683,753	55,081,416	51,127,101	51,084,543	50,409,244	49,338,094
Movement in Net Current Assets	2,690,102	(909,020)	(3,212,367)	(4,397,663)	3,954,315	42,558	675,299	1,071,150
Budget (Deficit)/Surplus	-	-	-	-	-	-	-	-

This statement is to be read in conjunction with the accompanying notes.

Capital Budgets (current values)

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Buildings								
Administration Office								
Administration Office	105,000	-	-	-	-	300,000	-	-
Master Distribution Board Upgrade	150,000	-	-	-	-	-	-	-
Recycling								
Roof Extension Works	15,000	-	-	-	-	-	-	-
Recycling Facility Upgrade	-	55,000	-	-	-	-	-	-
Workshop								
Building Improvements	10,000	-	-	150,000	-	-	-	-
New facility	-	85,000	-	-	-	-	-	-
Plant and Equipment								
Equipment								
2 way radios	6,500	15,000	-	-	-	15,000	-	-
Air Well Leachate Extraction Pumps	60,000	-	-	-	-	-	-	-
Cardboard compactors	-	380,000	-	-	-	-	-	-
Odour monitoring units / control	80,000	-	-	-	85,000	-	-	-
Information Technology								
New CCTV cameras (all site CCTV)	-	-	-	125,000	-	-	-	-
Point to point Telemetry & Data System	-	-	-	25,000	-	-	-	-
Plant and vehicles								
Hino Bin Truck - 1EAS815	390,000	-	-	-	-	-	-	-
Toyota - Forklift	-	75,000	-	-	-	-	-	-
Compressor/Generator	-	-	-	55,000	-	-	-	-
ISUZU Fire truck (1GCY662)	-	345,000	-	-	-	-	-	-
Ford Ranger 1GDD017 (Enviro Ute)	-	42,000	-	-	-	-	-	-
CAT forklift 2.5t	85,000	-	-	-	-	-	-	-
ISUZU Bin Truck - 1GJE586	-	-	350,000	-	-	-	-	-
EPS compactor	-	60,000	-	-	-	-	-	-
Komatsu Excavator 2018-C22211	385,000	-	-	-	-	-	-	-
Komatsu Dump Truck HM300-5	-	590,000	-	-	-	-	-	-
Komatsu Loader 8 Wheel WA470	-	550,000	-	-	-	-	-	-
Komatsu Loader 8 Wheel WA470	-	550,000	-	-	-	-	-	-

Continued

Continued

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Plant and vehicles								
Ford Ranger Fire Ute 1GVV808	-	-	-	-	55,000	-	-	-
Caterpillar 2.5T Forklift	-	80,000	-	-	-	-	-	-
Kubota Sv175-2Cw Track Loader - Skid Steer	12,000	-	-	260,000	-	-	-	-
Landfill compactor	1,500,000	-	-	-	-	-	-	-
Hyundai Palisade 7S Elite - 1HKV031 (CEC)	-	-	87,500	-	-	90,000	-	-
Ford Ranger XLS 2021 1HMD978 (OPS Ex I	-	-	82,500	-	-	86,500	-	-
Ford Ranger 2021 2.2L 1HNE625 (FIRE-UT	-	-	55,000	-	-	-	-	-
Ford Ranger 2021 3.2L- 1HNE639 (Worksh	-	-	55,000	-	-	-	-	-
Ford Ranger 2021 2.2L 1HNE641 (Enviro L	-	-	55,000	-	-	-	-	-
Ford Ranger 2021 XL 4x4 1HNE640 (Groun	-	-	55,000	-	-	-	-	-
Isuzu Bin Truck (1HPY415)	-	-	-	375,000	-	-	-	-
Toyota Fortuner 2022 Reg 1HNF371 (DCS	-	-	82,500	-	-	86,500	-	-
Takeuchi Skid Steer Loader T110V2 (2022	245,000	-	-	-	275,000	-	-	-
Skid Steer Bucket Replacements x 3	60,000	-	60,000	-	-	-	60,000	-
Hook lift bins	-	37,000	-	-	-	-	-	-
Double Axle trailer	15,000	-	-	-	-	-	-	-
New Slow Speed Shredder/Crusher	800,000	-	-	-	120,000	-	-	-
Furniture and equipment								
CCTV cameras/equipment	10,000	10,000	10,000	10,000	10,000	10,000	-	-
DCS Replacements	30,000	-	-	-	-	50,000	-	-
IT Systems Review	-	-	50,000	-	-	-	-	-
Replacement Laptop Computers	27,000	10,000	10,000	10,000	10,000	-	-	-
SAN Replacements	-	150,000	-	-	-	-	-	-
Server Replacements	-	-	-	-	-	125,000	-	-
UPS Replacements	-	-	-	150,000	-	-	-	-
Weighbridge Software Upgrade	150,000	-	-	-	-	-	-	-
Wi-Fi Access Point Replacements	27,866	-	-	-	-	20,000	-	-

Continued

Continued

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Landfill infrastructure								
Footpaths	10,000	-	-	-	-	-	-	-
Capping and revegetation of western ba	5,395,426	4,950,000	-	4,125,000	850,000	4,200,000	-	-
Installation of Piggy Back Liner	3,631,235	-	-	-	-	-	-	-
Leachate Processing Infrastructure	1,683,369	3,850,000	3,850,000	120,000	-	-	-	-
Rehabilitation Works	-	-	-	-	190,000	300,000	320,000	-
Asphalt Hardstand extension works	35,000	-	-	-	-	-	-	-
Transfer Station - Tamala Park								
Building Extensions	65,000	-	-	-	-	-	-	-
Design and Master Plan Works	200,000	-	-	-	-	-	-	-
Facility Signage Upgrade	14,000	-	-	-	-	-	-	-
Fixed Lighting Towers	30,000	-	-	-	-	-	-	-
Leachate Extraction Well Stage2 Phase 2	150,000	-	-	-	-	-	-	-
Leachate Holding Tanks and Pump Static	190,000	-	-	-	-	-	-	-
Line Marking	18,000	-	-	45,000	-	-	-	45,000
Monitoring bores - Marmion Avenue x4	55,000	-	-	-	-	-	-	-
New Facility	-	45,000	-	-	-	-	-	-
Waste Water Treatment Replacement (\	65,000	-	-	-	-	-	-	-
Wheel and Body Wash Drive through sta	-	125,000	-	-	-	-	-	-
	15,705,396	12,004,000	4,802,500	5,450,000	1,595,000	5,283,000	380,000	45,000

Current values

Asset Class	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Buildings	280,000	140,000	-	150,000	-	300,000	-	-
Plant and Equipment	3,638,500	2,724,000	882,500	840,000	535,000	278,000	60,000	-
Furniture and equipment	244,866	170,000	70,000	170,000	20,000	205,000	-	-
Infrastructure	11,542,030	8,970,000	3,850,000	4,290,000	1,040,000	4,500,000	320,000	45,000
	15,705,396	12,004,000	4,802,500	5,450,000	1,595,000	5,283,000	380,000	45,000

Statement of Financial Position

STATEMENT of FINANCIAL POSITION								Indexed values
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
CURRENT ASSETS	\$	\$	\$	\$	\$	\$	\$	\$
Cash and cash equivalents	20,296,690	25,989,015	24,056,048	25,051,409	32,616,780	29,300,542	30,585,850	32,155,650
Trade and other receivables	3,668,003	3,668,003	3,668,003	3,668,003	3,668,003	3,668,003	3,668,003	3,668,003
Other financial assets	50,841,764	43,404,316	51,277,021	55,674,684	51,720,369	51,677,811	51,002,512	49,931,362
Inventories	23,762	23,762	23,762	23,762	23,762	23,762	23,762	23,762
Other assets	2,089	2,089	2,089	2,089	2,089	2,089	2,089	2,089
CURRENT ASSETS	74,832,308	73,087,185	79,026,923	84,419,947	88,031,003	84,672,207	85,282,216	85,780,866
Other Non Current Assets								
Property plant and equipment	30,734,856	33,538,721	33,737,075	35,246,489	33,401,793	34,695,806	34,014,648	34,011,148
Infrastructure	66,582,987	67,112,060	62,319,435	59,420,435	56,742,735	57,596,735	55,707,660	53,140,835
Right of use assets	4,656,186	4,004,196	3,352,206	2,700,216	2,048,226	1,396,236	744,246	-
OTHER NON CURRENT ASSETS	101,974,029	104,654,977	99,408,716	97,367,140	92,192,754	93,688,777	90,466,554	87,151,983
TOTAL ASSETS	176,806,337	177,742,162	178,435,639	181,787,087	180,223,757	178,360,984	175,748,770	172,932,849
CURRENT LIABILITIES								
Trade and other payables	4,287,122	4,287,122	4,287,122	4,287,122	4,287,122	4,287,122	4,287,122	4,287,122
Lease liabilities	665,840	719,780	752,170	786,018	821,389	858,351	603,930	-
Employee related provisions	1,494,034	1,494,034	1,494,034	1,494,034	1,494,034	1,494,034	1,494,034	1,494,034
CURRENT LIABILITIES	6,446,996	6,500,936	6,533,326	6,567,174	6,602,545	6,639,507	6,385,086	5,781,156
NON CURRENT LIABILITIES								
Lease liabilities	4,541,638	3,821,858	3,069,688	2,283,670	1,462,281	603,930	-	-
Employee related provisions	460,986	460,986	460,986	460,986	460,986	460,986	460,986	460,986
Rehabilitation provisions	21,322,737	21,857,283	22,373,019	22,870,608	23,350,688	23,813,875	24,185,862	24,293,360
NON CURRENT LIABILITIES	26,325,361	26,140,127	25,903,693	25,615,264	25,273,955	24,878,791	24,646,848	24,754,346
TOTAL LIABILITIES	32,772,357	32,641,063	32,437,019	32,182,438	31,876,500	31,518,298	31,031,934	30,535,502
NET ASSETS	144,033,980	145,101,099	145,998,620	149,604,649	148,347,257	146,842,686	144,716,836	142,397,347
EQUITY								
Retained surplus	(22,691,395)	(19,342,824)	(21,172,674)	(18,562,006)	(27,384,769)	(25,573,102)	(28,984,260)	(32,873,549)
Council Contributions	89,085,726	89,085,726	89,085,726	89,085,726	89,085,726	89,085,726	89,085,726	89,085,726
Reserves	23,610,129	21,328,677	24,056,048	25,051,409	32,616,780	29,300,542	30,585,850	32,155,650
Revaluation reserves	54,029,520	54,029,520	54,029,520	54,029,520	54,029,520	54,029,520	54,029,520	54,029,520
EQUITY	144,033,980	145,101,099	145,998,620	149,604,649	148,347,257	146,842,686	144,716,836	142,397,347

Cash Backed Reserves

Cash Reserves hold funds restricted for the purpose for which the Reserves have been established.

RESERVE ACCOUNTS	Indexed values							
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Site rehabilitation reserve								
<i>to be used to fund the rehabilitation following the closure of the landfill.</i>								
Opening Balance	18,102,528	19,453,141	20,767,041	22,090,641	23,451,341	24,683,741	25,832,141	26,988,341
Interest earnings	612,326	573,900	583,600	620,700	682,400	708,400	736,200	771,900
Transfers to	738,287	740,000	740,000	740,000	740,000	740,000	740,000	740,000
Transfers from	-	-	-	-	(190,000)	(300,000)	(320,000)	-
	19,453,141	20,767,041	22,090,641	23,451,341	24,683,741	25,832,141	26,988,341	28,500,241
Capital expenditure reserve	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
<i>to be used to fund ongoing capital expenditure requirements.</i>								
Opening Balance	4,749,771	3,628,273	17,321	1,405,792	1,024,753	7,341,024	2,859,386	2,971,094
Interest earnings	316,868	107,000	500	39,500	29,800	210,700	81,500	85,000
Transfers to	6,370,000	8,309,495	6,240,395	5,108,917	7,749,600	355,663	100,000	-
Transfers from	(7,808,366)	(12,027,447)	(4,852,424)	(5,529,456)	(1,463,129)	(5,048,001)	(69,792)	(45,000)
	3,628,273	17,321	1,405,792	1,024,753	7,341,024	2,859,386	2,971,094	3,011,094
Carbon abatement reserve	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
<i>to be used to fund carbon abatement projects.</i>								
Opening Balance	512,072	528,715	544,315	559,615	575,315	592,015	609,015	626,415
Interest earnings	16,643	15,600	15,300	15,700	16,700	17,000	17,400	17,900
Transfers to	-	-	-	-	-	-	-	-
Transfers from	-	-	-	-	-	-	-	-
	528,715	544,315	559,615	575,315	592,015	609,015	626,415	644,315

SUMMARY	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Opening Balance	23,364,371	23,610,129	21,328,677	24,056,048	25,051,409	32,616,780	29,300,542	30,585,850
Interest earnings	945,837	696,500	599,400	675,900	728,900	936,100	835,100	874,800
Transfers to	7,108,287	9,049,495	6,980,395	5,848,917	8,489,600	1,095,663	840,000	740,000
Transfers from	(7,808,366)	(12,027,447)	(4,852,424)	(5,529,456)	(1,653,129)	(5,348,001)	(389,792)	(45,000)
	23,610,129	21,328,677	24,056,048	25,051,409	32,616,780	29,300,542	30,585,850	32,155,650

Summary

The MRC's forward estimates are a planning tool that has been developed to map and maintain the financial sustainability of the MRC into the future. It is a mechanism in determining financial projections for the period 2024/25 to 2031/32.

It has been prepared based on a number of objectives and assumptions that are outlined in this document. Strategies, priorities, issues, and risks are all dynamic influences in relation to any planning and as such the estimates are reviewed and adjusted annually to reflect material changes.

Consideration has been given to the economic drivers that will influence the future cost of providing infrastructure, facilities and services for the period 2024/25 to 2031/32. The values disclosed in this LTFP (unless otherwise stated) represent estimated future prices and costs.

The long-term financial estimates are an integral part of MRC's strategic planning process, informing the CBP which activates SCP objectives. It indicates the MRC's long-term financial sustainability, allows early identification of financial issues and their longer-term impacts.

The purpose of these estimates presents a financial analysis of all strategic objectives and strategies set out in the integrated planning framework documents over the eight-year period. These estimates address the operating and capital needs placed on the MRC over the next 8 years. It also shows the linkages between specific plans and strategies and enhances the transparency and accountability of the MRC's to its members.

This LTFP is sensitive to movements on price and supply. Increasing inflation and interest rates means the impact of price and interest drivers is far greater on upward movements, as opposed to reductions. These potential rapid upward movements create a financial risk to the MRC and the projects in this LTFP. These estimates have an adverse impact arising from price movements however, the impact of the overall position is negated as many revenue streams use CPI as the determination of increases which offsets the downside on costs.

The LTFP shows a balanced budget for each financial year, shown in Statement of Financial Activity. The net operating result, shown in the Statement of Comprehensive Income, shows a positive result to 2022/28. Post 2027/28 arising from loss of revenues against rising costs, and depreciation on property, plant and equipment. It should be noted that these estimates do not include alternative revenue streams that would reverse these outcomes.

This LTFP represents a financial option to meeting the competing demands of services and facilities to its members and the general public.

There are projects and facilities from the Council adopted Strategic Community Plan (SCP) that are not sufficiently detailed at this stage and therefore are not included in these estimates. They will be incorporated into future plans once transparency around timing, revenue, expenditure and capital is known. These include -

- Details of the full potential liability for site mitigation post the closure of the landfill cell,
- Potential ongoing costs for site maintenance post closure,
- The extent of staff terminations post closure of landfill site,
- Options for the Resource Recovery Facility (RRF). Food Organic Green Organics tender under consideration,
- Alternative revenue streams from the Tamala Park site,
- Potential waste initiatives and other revenue generating options subject to Council endorsement.

The LTFP will be continuously reviewed to reflect the prevailing economic conditions and evolving demands. These will include the quantification of the items detailed above, as decisions and information are forthcoming.

At the time of compiling this report the world is seeing the economic consequences of the pandemic and the “recovery” of the global economies remains an unknown factor. Supply chain issues will increase the financial risks now and in the immediate future.

The MRC’s activities are subject to a variety of risks that have been considered in preparing these estimates. Users of this information should be aware that there are inherent risks associated with the outcomes reported, as circumstances (i.e., change in legislative requirements) may bring about changes that could materially affect the outcome and projected results of the estimates.

These estimates are set against economic uncertainty and will be reviewed every 12 months to reflect the prevailing economic conditions and demands placed on the MRC. Consideration has been given to the economic drivers that will influence the future cost of providing infrastructure, facilities and services for the period 2024/25 to 2031/32. The values disclosed in this LTFP (unless otherwise stated) represent estimated future prices and costs.

Mindarie Regional Council

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10 MEMBERS INFORMATION BULLETIN – ISSUE NO. 84

RESPONSIBLE OFFICER RECOMMENDATION

That the Members Information Bulletin Issue No. 84 be received.

11 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

12 URGENT BUSINESS

13 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

14 MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

This Report is Confidential and dealt with in a Confidential Session, under section 5.23 (2)(c) of the *Local Government Act 1995* as the report deals with matters where a contract may be entered into.

14.1 Tamala Park Critical Infrastructure Plan

File No: GF-24-0000175

Attachment(s): Attachment A – Critical Infrastructure Plan (CIP)

Date: 21 June 2024

Responsible Officer: Executive Operations Manager

THIS REPORT IS CONFIDENTIAL AND NOT FOR PUBLIC VIEWING

TO BE SENT UNDER SEPARATE COVER TO MRC COUNCILLORS AND MEMBER COUNCILS

15 NEXT MEETING

The next Ordinary Council meeting is to be held on Thursday 18 July 2024 at the City of Stirling commencing at 6.30 pm.

16 CLOSURE
