



Long Term Financial Plan 2025/26 - 2031/32



Acknowledgement of Country

We recognise the Traditional Owners of the land upon which we meet and work – the Whadjuk people of the Noongar nation. We pay our respects to Elders, past, present and emerging.



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About Mindarie Regional Council



Mindarie Regional Council (MRC) is one of Western Australia's largest waste management authorities.

MRC is responsible for managing the disposal of approximately 200,000 tonnes of household waste each year, principally on behalf of our member councils: the cities of Joondalup, Perth, Stirling, Vincent and Wanneroo, along with the towns of Cambridge and Victoria Park.

We provide a comprehensive waste disposal service for households from our Tamala Park site. A wide range of materials can be recycled free of charge, while household goods in a resalable condition are accepted at our REUSE shop. We accept other types of waste and waste for landfill at our transfer station, where fees and charges apply.

Tamala Park is also home to a landfill gas power station (operated by EDL).

Our member councils

Mindarie Regional Council was constituted under the Local Government Act 1960 (LG Act 1960) in 1987 with three original member councils: the City of Perth, City of Stirling and the Shire of Wanneroo.

Today, through restructuring of local government areas, there are seven MRC member councils, each of which send at least one representative to sit on the MRC Council.



The Town of Cambridge covers the inner western suburbs of Perth with approximately 11,000 households within its borders. It commenced disposal of household waste at Tamala Park in 1996 after it was created from the restructuring of the City of Perth. The town has one representative on the MRC Council.



The City of Joondalup sits to the south of MRC's Tamala Park site and has approximately 62,000 households within its borders. The area covered by the city has had its household waste managed by MRC for more than 30 years. It originally formed part of the Shire of Wanneroo. The city has two representatives on the MRC Council.



The City of Perth covers an area of just over 20 square kilometres, centred on the Perth CBD. It has approximately 17,500 households within its borders. The City of Perth, though restructured in 1994, has been an MRC member council since MRC was created. The city has one representative on the MRC Council.



The City of Stirling is MRC's most populous member council with approximately 100,000 households within its borders. It is one of MRC's founding member councils and waste from the city has been managed at Tamala Park since 1999. The city has four representatives on the MRC council.



The Town of Victoria Park is MRC's only member council which sits south of the Swan River. It has approximately 18,000 households within its borders and has been disposing waste at Tamala Park since 1996. The town has one representative on the MRC Council.



The City of Vincent was one of three new local government areas created by the restructuring of the City of Perth in 1994. It has approximately 18,000 households within its borders and MRC has managed its household waste at Tamala Park since 1996. The city has one representative on the MRC Council.



The City of Wanneroo is MRC's northernmost member council with an approximate 78,000 households within its borders. The city was created from a bifurcation of the Shire of Wanneroo in 1998, but household waste from the area now encompassed by the City of Wanneroo has been managed by MRC since 1991. The city has two representatives on the MRC Council.



About the Long Term Financial Plan

The Long Term Financial Plan (LTFP) is a key strategy within the Integrated Planning Framework (IPF), and a planning tool, designed to estimate the financial impact of MRC's proposed activities and services over an extended period, to achieve its strategic objectives. It ensures effective resource allocation and maximises benefits for both members and the public.

The LTFP safeguards financial assets through control of its capital investments, revenue and expenditure and promotes accountability in future decision-making. This dynamic tool addresses both operating activities and capital expenditures over ten years. Price and growth drivers are used to ensure the LTFP is in line with industry assumptions and future social and economic conditions.

Based on MRC's Strategic Community Plan 2023-2032 (SCP), the LTFP aligns with service delivery, projects, and asset life cycles to meet evolving asset needs. It undergoes annual review to implement necessary adjustments and maintain compliance with the IPF.

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 data is released.

The chart below shows the connections between the Strategic Community Plan, Corporate Business Plan, Long Term Financial Plan, Annual Budget, and other relevant plans.



Federal Government Budget 2025/26

The global economy is facing considerable uncertainty and growth is expected to remain subdued over the next three years. Escalating trade tensions have significantly magnified uncertainty in the global economy and volatility in global markets, and could disrupt trade, investment, economic activity and push up prices. These risks are further compounded by challenges in the Chinese economy, lingering inflationary pressures and uncertainties arising from conflicts in the Middle East and Europe.

Against a backdrop of heightened global uncertainty, the Australian economy has turned a corner. Growth has rebounded solidly, inflation has moderated substantially, the unemployment rate remains low, real wages are growing again and interest rates have begun to fall.

Inflation is now expected to be 2½ per cent through the year to the June quarter 2025, ¼ of a percentage point lower than the MYEFO forecast. Excluding the temporary impact of energy rebates and fuel, inflation is expected to sustainably return to the Reserve Bank of Australia's (RBA) target band around the middle of this year, which is around six months earlier than expected at MYEFO.

The labour market has outperformed expectations. Since MYEFO, employment growth has been upgraded, the participation rate is expected to remain higher for longer and the unemployment rate is now expected to peak at ¼ of a percentage point lower at 4¼ per cent.

Source: 2025/26 Federal Budget - Statement 2: Economic Outlook

The Federal Budget handed down in May 2025 forecast the following economic drivers:

Forward estimates - Federal Government - Federal Budget 2025/26					
	2024/25	2025/26	2026/27	2027/28	2028/29
Real gross domestic product	1.50%	2.25%	2.25%	2.75%	2.75%
Consumer price index	2.50%	3.00%	2.50%	2.50%	2.50%
Wage price index	3.00%	3.25%	3.25%	3.50%	3.75%
Unemployment rate	4.25%	4.25%	4.25%	4.25%	4.29%

2025/26 Federal Budget - Statement 1: Budget Overview

State Government Budget 2025/26

The 2025-26 Western Australian State Budget was handed down on Thursday 19 June 2025, outlining the state government's financial plans for the fiscal year.

WA State Government Budget 2025/26					
	2024/25	2025/26	2026/27	2027/28	2028/29
Gross state product	0.50%	2.50%	3.00%	2.50%	2.00%
Consumer price index	2.75%	2.75%	2.50%	2.50%	2.50%
Wage price index	3.75%	3.50%	3.00%	3.00%	3.00%
Unemployment rate	3.75%	3.75%	4.00%	4.25%	4.25%
Population	1.90%	1.80%	1.70%	1.70%	1.60%

2025/26 WA State Government Budget - Economic and Fiscal Outlook - Budget Paper No. 3 - Table 1

Forward estimates

Inflation as portrayed in the movements in the Consumer Price Index will be the focus in the community in the coming years. The Reserve Bank's 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 2025/26 Budgets.

Price drivers

Preliminary Key Price Drivers applied are shown below.

Assumptions	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Population - MRC	849,870	862,620	875,560	888,690	902,020	915,550	929,280
Consumer Price Index (Australia)	3.0%	2.5%	2.5%	2.5%	2.6%	2.5%	2.5%
Consumer Price Index (Perth)	2.8%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Wage Price Index (Australia)	3.3%	3.3%	3.5%	3.8%	3.5%	3.6%	3.6%
Wage Price Index (WA)	3.5%	3.0%	3.0%	3.0%	3.1%	3.0%	3.0%
General insurance	6.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Utility - electricity	2.8%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
RBA Cash Management Rate	3.1%	3.1%	3.0%	3.1%	3.1%	3.1%	3.1%
10-year bond rate	4.1%	4.1%	4.1%	4.1%	4.1%	3.9%	3.7%

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-closure of the landfill
- The extent of staff terminations post closure of the landfill
- Options for the Resource Recovery Facility (RRF)

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 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.

Long term forecasts

These estimates reflect a high-level forecast based on the 2025/26 budget and extrapolated in future years using the economic and known useful life assumptions.

Financial strategies and principles

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

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

Basic Premise

- Land lease expires in 2031/32
- Landfill operations are estimated to conclude in 2028/29
- No decision has been made yet as to the exit strategies, both landfill and lease, at this stage
- Currently no substantiated estimates are available for site rehabilitation

Operating revenues

Fees and charges

Tipping fees are estimated to conclude in 2028/29. However, it is expected that revenue from the processing of mattresses and recyclable material, for both members and the general public, will continue through to 2031/32.

Operating grants/subsidies/contributions

This revenue represents the cost recovery from members for administration and governance costs incurred by MRC. These charges are materially reduced with the termination of the landfill site, estimated as at 2028/29.

Gas generation services

It is anticipated the current arrangements will continue.

Interest earnings

Interest projections are dependent on the level of unrestricted cash and cash equivalents/other financial assets.

Other revenue

These revenues relate to the 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 from 2028/29 to the end of the existing lease. The estimates are constructed on the basis the landfill operations will wind down by 2028/29.

Material and contracts

A number of costs will be incurred post 2028/29 relating to recycling, site rehabilitation and overhead costs on administration.

Utilities, insurance and other expenses

These costs will continue through to 2031/32.

Depreciation/amortisation

Depreciation expenses will continue on the asset 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 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.

Financial statements

The following Financial Statements have been prepared for the seven 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

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 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 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 MRC. This statement is constructed according to well defined accounting principles which are embodied in the Australian Accounting Standards. The ratepayer equity in 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

Indexed values.

For the year ended 30 June	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Revenue	\$	\$	\$	\$	\$	\$	\$
Grants, subsidies and contribution:	4,780,131	5,145,510	5,334,900	5,364,930	4,941,920	2,491,170	2,492,500
Fees and charges	38,355,990	42,433,630	44,441,375	46,774,500	44,197,970	6,073,490	6,226,030
Gas power income	800,000	820,000	840,500	861,510	883,270	905,440	928,180
Interest revenue	3,693,500	3,338,380	2,902,920	3,135,600	2,284,790	2,374,540	2,409,660
Other revenue	110,500	113,260	116,090	118,990	30,900	8,330	8,540
Total revenue	47,740,121	51,850,780	53,635,785	56,255,530	52,338,850	11,852,970	12,064,910
Expenses							
Employee costs	(7,636,713)	(7,472,920)	(7,579,270)	(7,677,600)	(7,273,700)	(3,879,095)	(3,890,680)
Materials and contracts	(26,763,905)	(30,153,118)	(30,129,360)	(31,810,874)	(33,063,207)	(3,931,380)	(3,052,430)
Utility charges	(853,250)	(874,590)	(171,730)	(161,680)	(152,520)	(144,150)	(136,510)
Depreciation/Amortisation	(9,160,216)	(10,026,096)	(13,710,454)	(14,730,986)	(10,356,130)	(10,370,774)	(10,704,502)
Finance costs	(1,003,187)	(1,021,270)	(1,039,790)	(1,058,810)	(263,360)	(262,990)	(262,600)
Insurance	(687,122)	(714,610)	(337,470)	(340,390)	(344,100)	(348,600)	(353,860)
Other expenditure	(286,540)	(292,960)	(291,230)	(289,960)	(289,320)	(289,190)	(289,570)
Total expenditure	(46,390,933)	(50,555,564)	(53,259,304)	(56,070,300)	(51,742,337)	(19,226,179)	(18,690,152)
Profit on asset disposals	18,326	-	-	-	-	-	-
Loss on asset disposals	(30,318)	-	-	-	-	-	-
Total profit/loss	(11,992)	-	-	-	-	-	-
Net result for the period	1,337,196	1,295,216	376,481	185,230	596,513	(7,373,209)	(6,625,242)

Statement of financial activity

Indexed values.

For the year ended 30 June	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Revenue from operating activities	\$	\$	\$	\$	\$	\$	\$
Grants, subsidies and contributions	4,780,131	5,145,510	5,334,900	5,364,930	4,941,920	2,491,170	2,492,500
Fees and charges	38,355,990	42,433,630	44,441,375	46,774,500	44,197,970	6,073,490	6,226,030
Gas power income	800,000	820,000	840,500	861,510	883,270	905,440	928,180
Interest revenue	3,693,500	3,338,380	2,902,920	3,135,600	2,284,790	2,374,540	2,409,660
Other revenue	110,500	113,260	116,090	118,990	30,900	8,330	8,540
Profit on asset disposals	18,326	0	0	0	0	0	0
	47,758,447	51,850,780	53,635,785	56,255,530	52,338,850	11,852,970	12,064,910
Expenditure from operating activities							
Employee costs	(7,636,713)	(7,472,920)	(7,579,270)	(7,677,600)	(7,273,700)	(3,879,095)	(3,890,680)
Materials and contracts	(26,763,906)	(30,153,118)	(30,129,360)	(31,810,874)	(33,063,207)	(3,931,380)	(3,052,430)
Utility charges	(853,250)	(874,590)	(171,730)	(161,680)	(152,520)	(144,150)	(136,510)
Depreciation/Amortisation	(9,160,216)	(10,026,096)	(13,710,454)	(14,730,986)	(10,356,130)	(10,370,774)	(10,704,502)
Finance costs	(1,003,187)	(1,021,270)	(1,039,790)	(1,058,810)	(263,360)	(262,990)	(262,600)
Insurance	(687,122)	(714,610)	(337,470)	(340,390)	(344,100)	(348,600)	(353,860)
Other expenditure	(286,540)	(292,960)	(291,230)	(289,960)	(289,320)	(289,190)	(289,570)
Loss on asset disposals	(30,318)	0	0	0	0	0	0
	(46,421,252)	(50,555,564)	(53,259,304)	(56,070,300)	(51,742,337)	(19,226,179)	(18,690,152)
Net	1,337,195	1,295,216	376,481	185,230	596,513	(7,373,209)	(6,625,242)
Non-cash amounts excluded from operating	10,554,917	11,798,564	15,527,160	16,562,371	11,334,886	10,983,617	10,384,908
Amount attributable to operating activities	11,892,112	13,093,780	15,903,641	16,747,601	11,931,399	3,610,408	3,759,666
Inflows from investing activities							
Proceeds from disposal of assets	865,500	197,313	106,008	72,798	0	641,000	0
Outflows from investing activities							
Purchase of property, plant and equipment	(8,505,920)	(14,681,160)	(2,894,460)	(554,600)	(16,570)	0	0
Purchase and construction of infrastructure	(15,689,809)	(15,272,500)	(7,932,220)	(1,561,490)	(6,902,200)	(67,930)	0
	(24,195,729)	(29,953,660)	(10,826,680)	(2,116,090)	(6,918,770)	(67,930)	0
Amount attributable to investing activities	(23,330,229)	(29,756,347)	(10,720,672)	(2,043,292)	(6,918,770)	573,070	0
Inflows from financing activities							
Transfers from reserve accounts	24,734,478	29,756,347	10,720,672	2,504,201	7,385,797	541,020	479,170
Outflows from financing activities							
Payments for principal portion of lease liabilities	(731,736)	(736,737)	(755,880)	(780,820)	(806,590)	(833,210)	(866,536)
Transfers to reserve accounts	(20,495,836)	(27,380,420)	(14,529,680)	(5,295,750)	(3,796,090)	(3,665,340)	(1,192,560)
	(21,227,572)	(28,117,157)	(15,285,560)	(6,076,570)	(4,602,680)	(4,498,550)	(2,059,096)
Amount attributable to financing activities	3,506,906	1,639,190	(4,564,888)	(3,572,369)	2,783,117	(3,957,530)	(1,579,926)
MOVEMENT IN SURPLUS OR DEFICIT							
Surplus or deficit at the start of the financial year	48,014,875	40,083,664	25,060,287	25,678,368	36,810,308	44,606,054	44,832,002
Amount attributable to operating activities	11,892,112	13,093,780	15,903,641	16,747,601	11,931,399	3,610,408	3,759,666
Amount attributable to investing activities	(23,330,229)	(29,756,347)	(10,720,672)	(2,043,292)	(6,918,770)	573,070	0
Amount attributable to financing activities	3,506,906	1,639,190	(4,564,888)	(3,572,369)	2,783,117	(3,957,530)	(1,579,926)
Surplus or deficit	40,083,664	25,060,287	25,678,368	36,810,308	44,606,054	44,832,002	47,011,742

Capital budgets

Current values.

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
LANDFILL INFRASTRUCTURE							
Capping work - area 2	300,000	5,700,000	6,100,000	-	6,000,000	-	-
Installation of Piggy Back Liner	9,056,183	-	-	-	-	-	-
Quarry	1,200,000	1,200,000	1,200,000	1,200,000	-	-	-
Buffer Screen Works	250,000	-	-	-	-	-	-
Horizontal Gas Wells	450,000	-	-	-	-	-	-
Landfill Gas Flow Meter	400,000	-	-	-	-	-	-
Leachate Processing Infrastructure	3,092,894	8,000,000	-	-	-	-	-
Rehabilitation Works	70,000	-	250,000	250,000	250,000	60,000	-
INFRASTRUCTURE TAMALA PARK							
Monitoring Bores	80,000	-	-	-	-	-	-
Asphalt Hardstand extension works	35,000	-	-	-	-	-	-
Design and Master Plan Works	200,000	-	-	-	-	-	-
Facility Signage Upgrade	15,000	-	-	-	-	-	-
Fencing	70,000	-	-	-	-	-	-
Leachate Extraction Well Stage2	130,732	-	-	-	-	-	-
Tarpping Landfill	150,000	-	-	-	-	-	-
Waste Water Treatment Replacement	65,000	-	-	-	-	-	-
Wheel and Body Wash Drive through	125,000	-	-	-	-	-	-
BUILDING							
Administration Office	230,000	-	-	-	-	-	-
Master Distribution Board Upgrade	150,000	-	-	-	-	-	-
Old Administration Office	250,000	-	-	-	-	-	-
Recycling							
E-Waste	90,000	-	-	-	-	-	-
Recycling Facility Upgrade	55,000	-	-	-	-	-	-
Circular Economy Shed	-	3,406,440	2,000,000	-	-	-	-
Transfer Station - Tamala Park							
Building	1,115,000	7,750,520	-	-	-	-	-
Weighbridge							
Building upgrade	370,000	-	-	-	-	-	-
Workshop							
Building Improvements	335,000	2,253,110	-	-	-	-	-
EQUIPMENT							
2 way radios	15,000	-	-	-	15,000	-	-
Cardboard compactors	380,000	-	-	-	-	-	-
Fuel Bowser	35,000	-	-	-	-	-	-
Minor Equipment	40,000	-	-	-	-	-	-
Odour monitoring units / control	150,000	-	-	-	-	-	-
Pallet Scales	10,000	-	-	-	-	-	-

Table continued overleaf

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
PLANT AND VEHICLES							
P.083 Hino Bin Truck - 1EAS815	390,000	-	-	-	-	-	-
P.098 Toyota - Forklift	75,000	-	-	-	-	-	-
P.105 Compressor/Generator	-	-	55,000	-	-	-	-
P.110 ISUZU Fire truck (1GCY662)	345,000	-	-	-	-	-	-
P.113 Ford Ranger 1GDD017 (Enviro Ute)	60,000	-	-	-	-	-	-
P.117 CAT forklift 2.5t	85,000	-	-	-	-	-	-
P.120 ISUZU Bin Truck - 1GJE586	-	350,000	-	-	-	-	-
P.121 EPS Baler	60,000	-	-	-	-	-	-
P.131 Komatsu Excavator 2018-C22211	385,000	-	-	-	-	-	-
P.132 Komatsu Dump Truck HM300-5	650,000	-	-	-	-	-	-
P.133 Komatsu Loader 8 Wheel WA470	550,000	-	-	-	-	-	-
P.134 Komatsu Loader 8 Wheel WA470	550,000	-	-	-	-	-	-
P.136 Ford Ranger Fire Ute 1GVV808	-	-	-	55,000	-	-	-
P.137 Caterpillar 2.5T Forklift	80,000	-	-	-	-	-	-
P.138 Kubota Svl75-2Cw - Skid Steer	-	-	260,000	-	-	-	-
P.142 Ford Ranger 1HNE625 (FIRE-UTE)	-	60,000	-	-	-	-	-
P.143 Ford Ranger - 1HNE639 (Workshop Ute)	-	60,000	-	-	-	-	-
P.144 Ford Ranger 1HNE641 (Enviro Ute)	-	60,000	-	-	-	-	-
P.145 Ford Ranger 1HNE640 (Groundsman)	-	60,000	-	-	-	-	-
P.148 Isuzu Bin Truck (1HPY415)	-	-	375,000	-	-	-	-
P.151 Takeuchi Skid Steer Loader T110V2	-	-	-	275,000	-	-	-
P.151e Skid Steer Bucket Replacements x 3	51,420	60,000	-	-	-	-	-
P.152 Hook lift bins	37,000	-	-	-	-	-	-
P.new Backup Compactor	500,000	-	-	-	-	-	-
P.new2 New Slow Speed Shredder/Crusher	1,200,000	-	-	120,000	-	-	-
Vehicle Replacement	82,500	173,000	-	-	-	-	-
COMPUTING EQUIPMENT							
Information Technology							
Audio Equipment - Council	75,000	-	-	-	-	-	-
CCTV cameras/equipment	20,000	20,000	20,000	20,000	-	-	-
Replacement Laptop Computers	35,000	25,000	25,000	25,000	-	-	-
Weighbridge Software Upgrade	50,000	20,000	20,000	20,000	-	-	-
Wi-Fi Access Point Replacements	-	25,000	-	-	-	-	-
Total	24,195,729	29,223,070	10,305,000	1,965,000	6,265,000	60,000	-

Asset Class	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Buildings	2,595,000	13,410,070	2,000,000	-	-	-	-
Plant and Equipment	5,730,920	823,000	690,000	450,000	15,000	-	-
Computer Equipment	180,000	90,000	65,000	65,000	-	-	-
Excavation Works	10,556,183	6,900,000	7,300,000	1,200,000	6,000,000	-	-
Rehabilitation Works	4,262,894	8,000,000	250,000	250,000	250,000	60,000	-
Other Infrastructure	870,732	-	-	-	-	-	-
Total	24,195,729	29,223,070	10,305,000	1,965,000	6,265,000	60,000	-

Capital budgets

The projects outlined in the capital budgets are essential to ensure the ongoing environmental compliance, operational efficiency, and financial sustainability of MRC's waste management and resource recovery operations. The associated cost estimates have been carefully developed based on past project experience, market quotations, and expert consultant advice, thereby providing a strong foundation for forward financial planning.

Landfill infrastructure

Installation of the Piggyback Liner - the optimal use of existing landfill space by expanding into currently vegetated areas. Without this liner, the site cannot achieve its full spatial potential for waste disposal. The estimated cost is \$9.0m, based on costs from previous liner installations and advice from external consultants.

Capping Works - encompasses multiple initiatives, including the construction of infiltration basins, revegetation of offset areas, and the installation of extraction wells. These works are critical to site stability, environmental compliance, and eventual rehabilitation. The costs are estimated at \$18.1m.

Quarry Works - the crushing of oversized limestone rocks at the on-site quarry to produce capping material. Estimated costs are based on a crushing rate of \$5 per cubic metre of oversized rocks.

Buffer Screen Works - involves clearing vegetation in the buffer zone to access limestone resources that will be used for future landfill capping. The estimated cost is \$0.25m.

Horizontal Gas Wells (Gas Pipelines) & Flow Meter - includes the installation of a gas flow meter to monitor supply to the Landfill Gas Power Station (operated by EDL) and the development of associated gas pipelines to ensure safe and efficient gas transport. Estimated costs are \$0.85m, based on market quotations.

Leachate Processing Infrastructure - the construction of a tank farm for leachate processing, as well as a ring line around the landfill to collect and deliver leachate for treatment and evaporation. These improvements are essential to improve gas extraction quality and support odour management. The total estimated cost is \$11.0m, based on experience with leachate extraction, market research on other tank farms in the region and advice from external consultants.

Buildings

Transfer Station (Tamala Park) – Construction of Waste Transfer Station (WTS) at a cost of \$8.9m. in accordance Critical Infrastructure Plan (CIP).

Workshop - These estimated costs relate to building improvements for the on-site workshop at \$2.6m. in accordance Critical Infrastructure Plan (CIP).

Circular Economy Shed (CE) – the project is focused on a solar panel recycling infrastructure at an estimated costs \$5.4m. Significant revenue generating asset that will improve MRC's financial stability for long-term rehabilitation need of the site. Operating costs and revenues commence in 2028/29 rising to full revenues by 2030/31.

Plant and equipment costs

These include estimated long-term costs for critical plant and equipment replacements and ongoing maintenance necessary for daily operations.



Statement of financial position

Indexed values.

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
CURRENT ASSETS	\$	\$	\$	\$	\$	\$	\$
Cash and cash equivalents	39,584,635	25,861,333	26,479,414	37,611,354	45,407,100	45,633,047	47,812,788
Trade and other receivables	3,412,042	3,567,042	3,272,542	3,537,592	3,299,047	3,513,738	3,320,516
Other financial assets	25,558,673	23,182,746	26,991,754	29,783,303	26,193,596	29,317,916	30,031,306
Inventories	14,196	19,196	9,696	18,246	10,551	17,477	11,244
Other assets	90,605	130,605	54,605	123,005	61,445	116,849	66,985
TOTAL CURRENT ASSETS	68,660,151	52,760,922	56,808,011	71,073,500	74,971,739	78,599,027	81,242,839
NON-CURRENT ASSETS							
Property, plant and equipment	40,525,512	52,394,204	51,832,584	49,065,979	45,943,704	42,172,803	39,050,181
Infrastructure	72,912,849	81,555,448	79,916,640	70,791,246	71,276,208	64,905,663	57,461,962
Right-of-use assets	4,106,713	3,325,673	2,536,319	1,740,624	940,577	138,179	-
TOTAL NON-CURRENT ASSETS	117,545,074	137,275,325	134,285,543	121,597,849	118,160,489	107,216,645	96,512,143
TOTAL ASSETS	186,205,225	190,036,247	191,093,554	192,671,349	193,132,228	185,815,672	177,754,982
CURRENT LIABILITIES							
Trade and other payables	2,805,432	2,980,431	2,638,431	2,946,231	2,669,211	2,918,529	2,694,143
Other liabilities	366,278	321,716	283,716	317,916	287,136	314,838	289,906
Lease liabilities	736,737	755,880	780,820	806,590	833,210	866,536	-
Employee related provisions	1,677,003	2,376,530	3,100,006	3,819,438	4,485,620	4,811,384	5,137,814
Rehabilitation provisions	12,020,783	13,042,053	14,081,843	15,140,653	15,404,013	15,667,003	15,929,603
TOTAL CURRENT LIABILITIES	17,606,233	19,476,610	20,884,816	23,030,828	23,679,190	24,578,290	24,051,466
NON-CURRENT LIABILITIES							
Lease liabilities	4,975,797	4,219,917	3,439,097	2,632,507	1,799,297	932,761	-
Employee related provisions	88,800	140,471	193,911	247,054	296,268	320,356	344,494
Rehabilitation provisions	19,504,778	19,504,778	19,504,778	19,504,778	19,504,778	19,504,778	19,504,778
TOTAL NON-CURRENT LIABILITIES	24,569,375	23,865,166	23,137,786	22,384,339	21,600,343	20,757,895	19,849,272
TOTAL LIABILITIES	42,175,608	43,341,776	44,022,602	45,415,167	45,279,533	45,336,185	43,900,738
NET ASSETS	144,029,617	146,694,471	147,070,952	147,256,182	147,852,695	140,479,487	133,854,244
EQUITY							
Retained deficit	(25,777,662)	(22,106,519)	(25,539,046)	(28,145,365)	(23,959,145)	(34,456,673)	(41,795,306)
Reserve accounts	25,404,777	24,398,488	28,207,496	30,999,045	27,409,338	30,533,658	31,247,048
Council Contributions	89,085,726	89,085,726	89,085,726	89,085,726	89,085,726	89,085,726	89,085,726
Revaluation surplus	55,316,776	55,316,776	55,316,776	55,316,776	55,316,776	55,316,776	55,316,776
TOTAL EQUITY	144,029,617	146,694,471	147,070,952	147,256,182	147,852,695	140,479,487	133,854,244

Cash backed reserves

Cash reserves hold funds which are restricted only to the purpose for which the reserves have been established.

CASH BACKED RESERVES	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	20,247,530	22,421,966	24,098,436	27,386,866	30,900,337	27,323,940	30,444,870
Transfers to	1,277,036	756,740	2,275,660	2,795,050	2,473,910	2,432,070	-
Interest	897,400	919,730	1,012,770	1,179,330	1,042,830	1,161,950	1,189,040
Funds Applied	-	-	-	(460,909)	(7,093,137)	(473,090)	(479,170)
	22,421,966	24,098,436	27,386,866	30,900,337	27,323,940	30,444,870	31,154,740
Capital expenditure reserve	<i>to be used to fund ongoing capital expenditure requirements.</i>						
Opening balance	10,226,778	4,352,449	300,052	820,630	98,708	85,398	88,788
Transfers to	17,932,500	25,692,500	11,210,900	1,317,600	276,090	67,930	-
Interest	388,900	11,450	30,350	3,770	3,260	3,390	3,520
Funds Applied	(24,195,729)	(29,756,347)	(10,720,672)	(2,043,292)	(292,660)	(67,930)	-
	4,352,449	300,052	820,630	98,708	85,398	88,788	92,308
Carbon Abatement	<i>to be used to fund carbon abatement projects.</i>						
Opening balance	538,749	-	-	-	-	-	-
Transfers to	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Funds Applied	(538,749)	-	-	-	-	-	-
	-	-	-	-	-	-	-

SUMMARY	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Opening balance	31,013,057	26,774,415	24,398,488	28,207,496	30,999,045	27,409,338	30,533,658
Transfers to	19,209,536	26,449,240	13,486,560	4,112,650	2,750,000	2,500,000	-
Interest	1,286,300	931,180	1,043,120	1,183,100	1,046,090	1,165,340	1,192,560
Funds Applied	(24,734,478)	(29,756,347)	(10,720,672)	(2,504,201)	(7,385,797)	(541,020)	(479,170)
	26,774,415	24,398,488	28,207,496	30,999,045	27,409,338	30,533,658	31,247,048

Summary

MRC's forward estimates are a planning tool that has been developed to map and maintain the financial sustainability of MRC into the future. It is a mechanism in determining financial projections for the period 2025/26 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 2025/26 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 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 MRC over the next 8 years. It also shows the linkages between specific plans and strategies and enhances the transparency and accountability of MRC 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 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 2031/32. 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
- The extent of staff terminations post closure of landfill site
- Options for the Resource Recovery Facility (RRF). Food Organic Garden 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. This 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.

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 (ie: 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 MRC. Consideration has been given to the economic drivers that will influence the future cost of providing infrastructure, facilities and services for the period 2025/26 to 2031/32. The values disclosed in this LTFP (unless otherwise stated) represent estimated future prices and costs.







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