

# Minutes

## SPECIAL COUNCIL MEETING (SC 02/23)

08/06/2023

Commencing at 5.30pm

2/317 Churchill Avenue, Subiaco  
and  
Online

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# 1. DECLARATION OF OPENING

Meeting opened: 5.30pm

# 2. RECORD OF ATTENDANCE AND APOLOGIES

## Councillors

Cr. P MacFarlane	Chair	Town of Cottesloe
Cr. S Stroud	Deputy Chair	City of Subiaco
Cr. P Kelly	Member	Town of Claremont
Cr. A Maurice	Member	Town of Mosman Park
Cr. P Macintosh	Member	Shire of Peppermint Grove

## Staff

S Frodsham	Chief Executive Officer	WMRC
A Bell	Manager Finance & Governance	WMRC
L Eustance	Manager Communications & Education	WMRC

## Leave of Absence

Nil

## Visitors

## Observers

Cr. Dawkins	Deputy Councillor	Shire of Peppermint Grove
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## Apology

### **3. DISCLOSURES OF INTERESTS**

Nil

### **4. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

### **5. PUBLIC QUESTION TIME**

### **6. APPLICATIONS FOR LEAVE OF ABSENCE**

Cr. Macfarlane noted that he would be absent next OCM, 27 July 2023.

### **7. PETITIONS, APPROVED DEPUTATIONS AND PUBLIC STATEMENTS**

### **8. ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSION**

Nil.

# 9. REPORTS OF COMMITTEES AND OFFICERS

## 9.1 2023-2024 ANNUAL BUDGET

<b>Responsible Officer:</b>	<b>Chief Executive Officer &amp; Manager Finance &amp; Governance</b>
<b>Date:</b>	<b>6 June 2023</b>
<b>Attachment:</b>	<b>9.1A 2023-2024 Annual Budget 9.1B 2023-2024 Fees &amp; Charges</b>

### PURPOSE

To consider the Annual Budget for the 2023-2024 financial year including supporting schedules, and information regarding fees & charges, reserve funds, elected member sitting fees and other matters.

### BACKGROUND

The 2023-2024 Annual Budget has been compiled based on the principles contained in the Strategic Community Plan and Corporate Business Plan. The 2023-2024 Annual Budget has been prepared in accordance with the presentations made to councillors at the Councillor Budget workshop held 11 May 2023 and the 25 May Ordinary Council Meeting. The 2023-2024 Annual Budget is at **Attachment 9.1A** and the Fees & Charges are at **Attachment 9.1B**.

### DETAIL AND OPTIONS ANALYSIS

The budget has been prepared to include information required by the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards. The main features of the budget include:

#### Fees & Charges

The budget allows for a 5.8% increase in most fees and charges, for both income and expenses. The June 2023 CPI is applicable to most of the large haulage and disposal contracts. The March CPI figure of 5.8% has been used to estimate increases in contract rates.

Changes to the fees & charges are:

- The addition of a General Waste charge per tonne charge for Participating and Commercial customers.
- The addition of a Manager and Officer Consultancy charge per hour.
- Clarification of Verge Valet collection rates at contract rates. The contract rates are determined by the expenses incurred by WMRC and are passed on with the addition of 7% or 12% cover charge. The contract rates are generally scheduled to increase

- in October 2023 unless individual contractual agreements override. The increase will be dictated by the June 2023 CPI.
- o The entry fee for non-member council residents was removed at the 25 May Ordinary Council Meeting.

*Note that some customer fees & charges are charged at contract rates rather than the price listed in the 2023-2024 Annual Fees & Charges. These rates have previously been approved by Council.*

Member Council fees and charges are set at or close to marginal costs per tonne. Participating and Commercial fees and charges are set at rates consistent with the market while ensuring a contribution to overheads.

WMRC’s focus continues to be on improved service delivery and value for money for member councils. The Annual Budget forecasts an overall increase (7.8%) in revenue of \$589,640 compared to the 2022-23 Forecast Actual. This closely matches the overall forecast increase (7.7%) in expenditure of \$568,568. The forecast increase in revenue and expense largely flows from the effects of inflation but also from forecast modest growth in commercial business, particularly in bulk waste and construction and demolition waste.

### Net Surplus

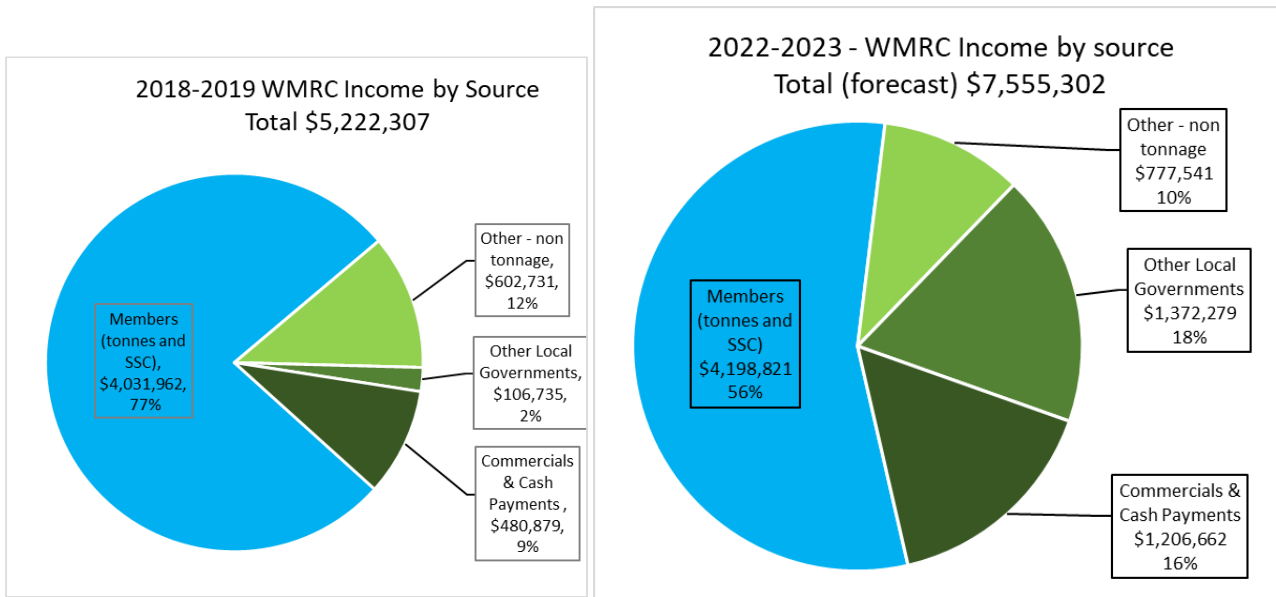
A surplus of \$193,162 has been budgeted for the 2023-2024 financial year. An estimated surplus of \$172,090 is estimated to be brought forward from the 2022-2023 financial year. Note that this latter figure is unaudited and may change.

The below table shows the positive trend in net profit between the 2018-2019 and 2023-2024 financial years.

	June 2018 Actual	Jun 2019 Actual	Jun 2020 Actual	Jun 2021 Actual	Jun 2022 Actual	Jun 2023 Forecast	Jun 2024 Budgeted
Income	\$5,204,639	\$5,222,307	\$5,614,583	\$5,561,133	\$6,430,623	7,555,302	8,144,942
Expenditure	(\$6,387,497)	(\$5,955,866)	(\$5,971,044)	(\$5,916,059)	(\$6,690,087)	(7,383,212)	(7,951,780)
<b>Net Profit</b>	<b>(\$1,182,857)</b>	<b>(\$796,966)</b>	<b>(\$449,965)</b>	<b>(\$391,103)</b>	<b>(\$289,170)</b>	<b>172,090</b>	<b>193,762</b>

### Shared Services Charge

The 2023-24 budget has been prepared with a below-CPI increase of 5% to the Shared Services Charge. The proportion of income paid by member councils is decreasing as the WMRC continues to improve its financial performance. The new Strategic Community Plan’s focus on serving our west central metropolitan catchment area has tripled the income from commercial and cash customers. Income from other local governments now makes up 18% of the WMRC’s income.



The City of Nedlands has joined as a Participating Council. The Participating Council revenue is included in the Annual Budget.

### Employee Costs

Employee salaries are increased in the 2023-2024 budget by 5%. Inflation for the year to March 2023 was 5.8% and salary increases have considerably lagged inflation over the past four years in the interests of budget repair.

### Elected Members' Sitting Fees and Allowances

The Salaries and Allowances Tribunal (SAT) on 6 April 2023 published its 2023-24 determination for Local Government Chief Executive Officers and Elected Members. The SAT determination provides for a 1.5 percent increase in sitting fees and allowances for elected members. The 2023-24 Annual Budget provides for Elected Members' Sitting Fees and Allowances at rates equivalent to 80% of the maximum published rates, as consistent with WMRC practice since the review of sitting fees and allowances approved by Council on 4 February 2021.

### Reserves

The balance of the Reserves is forecast to be \$745,000 as at 30 June 2023. The Development Reserve will be used to fund the proposed capital works program and the Operations Reserve will be used to manage the Shared Services Charge. Depreciation and the expected operating surplus have been added to the Development Reserve. The balance as at 30 June 2024 is forecast to be \$977,662.

### Capital Works

The Annual Budget provides for a capital works program totaling \$296,000 in infrastructure, buildings and plant and equipment. Most of the capital works program is focused on maintaining the Waste Transfer System until its replacement in 2029-2030.

Asset Class	Cost	Item
Buildings	\$50,000	Staff Changeroom and Storage area
Plant & Equipment	\$20,000	Caterpillar loader repairs
Infrastructure	\$156,000	Refurbishment of 4 silos
Infrastructure	\$60,000	Waste Transfer System Upgrades/ Maintenance
Infrastructure	\$10,000	CCTV Security System Upgrades
Total	\$296,000	

## RISK MANAGEMENT

This Budget considers all relevant items in WMRCs risk register. The figures presented and assumptions made are conservative. It is not anticipated that the 2023-2024 Budget will present any additional financial or commercial risk to the WMRC or its Member Councils.

## COMMUNICATION AND CONSULTATION

The composition of the 2023-2024 Annual Budget and its implications for Member Councils were discussed at the May CEOAC meeting and the 25 May Ordinary Council Meeting. Community consultation and engagement has previously occurred during the development of the Strategic Community Plan from which the Corporate Business Plan was developed.

Extensive internal consultation has occurred within WMRC and through workshops with Councillors.

## REPORT IMPLICATIONS

### Legislation and Policy Alignment

*Section 6.2 of the Local Government Act 1995* requires that on or after 1 June and no later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, (by Absolute Majority) in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the next following 30 June.

*Section 6.16 of the Local Government Act 1995* permits the imposition of fees and charges when adopting the annual budget or during the financial year via an Absolute Majority decision of Council.

*Section 5.98 of the Local Government Act 1995* sets out fees etc payable to Council Members

*Section 5.98A of the Local Government Act 1995* sets out fees payable to deputy Presidents or deputy Mayors.

Divisions 5 and 6 of Part 6 of the Local Government Act 1995 refers to the setting of budgets. The *Local Government (Financial Management) Regulations 1996* detail the form and content of the budget. The 2022-23 budget as presented is considered to meet annual requirements.

*Regulation 33 of the Local Government (Financial Management) 1996* requires a copy of the budget to be submitted to the Department **within 30 days** of its adoption.



Section 7B(2) of the Salaries and Allowances Act 1975 requires the tribunal, at intervals of not more than 12 months, to inquire into and determine –

The amount of fees to be paid to Council members.

The amount of expenses to be reimbursed to Council members

The amount of allowances to be paid to Council members

*Regulations 30-34AD of the Local Government (Administration) Regulations 1996* sets the limits, parameters and types of allowances that can be paid to elected members.

There are no known policy implications arising from this report.

### **Business and Strategic Alignment**

The 2023-2024 Budget is aligned with the WMRC Strategic Community Plan and Corporate Business Plan.

### **Financial and Resource Implications**

Specific financial implications are as outlined in the body of this report and as itemised in the 2023-2024 Annual Budget.

## **COMMENTS**

Nil

## **VOTING REQUIREMENT**

Detailed with each recommendation below:

Moved by: Cr P. Kelly

Seconded by: Cr P. MacFarlane

## **RESPONSIBLE OFFICER'S RECOMMENDATION**

### **RECOMMENDATION 1**

#### **Absolute Majority Required**

**9.1.1 Pursuant to the provisions of Section 6.2 of the *Local Government Act 1995* and *Part 3 of the Local Government (Financial Management) Regulations 1996*, council adopt the Budget as contained in attachment 9.1a of this agenda and minutes. The 2023-2024 budget includes:**

- Statement of Comprehensive Income by Nature and Type
- Statement of Cash Flows
- Rate Setting Statement
- Notes to and forming part of the budget.

### **RECOMMENDATION 2**

#### **Absolute Majority Required**

- 9.1.2 Pursuant to Section 6.16 of the *Local Government Act 1995* and other relevant legislation, council adopts the Fees & Charges included at attachment 10.1b inclusive of the 2023-2024 budget at attachment 9.1a

### RECOMMENDATION 3

#### Absolute Majority Required

- 9.1.3 In accordance with Section 5.98(1)(b) of the *Local Government Act 1995*, Regulation 30 of the *Local Government (Financial Management) Regulations 1996*, Part 6.2(1) and Part 6.3(1)(a) of the Determination for Local Government Elected Council Members pursuant to Section 7B of the *Salaries and Allowances Act 1975*, Councillor meeting attendance fees to be set as detailed in the 2023-2024 budget.

In accordance with Section 5.98(1)(b) of the *Local Government Act 1995*, Regulation 30 of *Local Government (Financial Management) Regulations 1996*, Part 6.2(1) and Part 6.3(1)(a) of the Determination of Local Government elected Council Members pursuant to Section 7B of the *Salaries and Allowances Act 1975*, meeting attendance fees for the Chairperson to be set as detailed in the 2023-2024 budget.

In accordance with Section 5.98(5) of the *Local Government Act 1995*, Regulation 33 of *Local Government (Financial Management) Regulations 1996*, Part 7.2(1) of the Determination of Local Government Elected Council Members pursuant to Section 7B of the *Salaries and Allowances Act 1975*, the annual allowance for the Chairperson to be set as detailed in the 2023-2024 budget.

In accordance with Section 5.98A(1) of the *Local Government Act 1995*, Regulation 33A of *Local Government (Financial Management) Regulations 1996*, Part 7.3(1) of the Determination of Local Government elected Council Members pursuant to Section 7B of the *Salaries and Allowances Act 1975*, the annual allowance for the Deputy Chairperson to be set as detailed in the 2023-2024 budget.

In accordance with Section 5.99(b) of the *Local Government Act 1995*, Regulation 34A of *Local Government (Financial Management) Regulations 1996*, Part 9.2(2) of the Determination of Local Government elected Council Members pursuant to Section 7B of the *Salaries and Allowances Act 1975*, the annual allowance for ICT expenses for Councillors to be set as detailed in the 2023-2024 budget.

### RECOMMENDATION 4

#### Simple majority required.

- 9.1.4 In accordance with Regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, the level to be used in statements of

financial activity in 2023-2024 for reporting variances shall be 10% or \$20,000, whichever is greater.

The addition of a further recommendation was proposed and accepted by the mover and seconder:

#### **RECOMMENDATION 5**

**Simple Majority Required**

**9.1.5** Prior to commencing the 2024/25 budget process that a workshop be held to review the methodology and calculation of the SDC relative to the profitability of WMRC

#### **COUNCIL RESOLUTION**

#### **RECOMMENDATION 1**

**Absolute Majority Required**

**9.1.1** Pursuant to the provisions of Section 6.2 of the *Local Government Act 1995* and *Part 3 of the Local Government (Financial Management) Regulations 1996*, council adopt the Budget as contained in attachment 9.1a of this agenda and minutes. The 2023-2024 budget includes:

- Statement of Comprehensive Income by Nature and Type
- Statement of Cash Flows
- Rate Setting Statement
- Notes to and forming part of the budget.

#### **RECOMMENDATION 2**

**Absolute Majority Required**

**9.1.2** Pursuant to Section 6.16 of the *Local Government Act 1995* and other relevant legislation, council adopts the Fees & Charges included at attachment 10.1b inclusive of the 2023-2024 budget at attachment 9.1a

#### **RECOMMENDATION 3**

**Absolute Majority Required**

**9.1.3** In accordance with Section 5.98(1)(b) of the *Local Government Act 1995*, Regulation 30 of the *Local Government (Financial Management) Regulations 1996*, Part 6.2(1) and Part 6.3(1)(a) of the Determination for Local Government Elected Council Members pursuant to Section 7B of the *Salaries and Allowances Act 1975*, Councillor meeting attendance fees to be set as detailed in the 2023-2024 budget.

In accordance with Section 5.98(1)(b) of the *Local Government Act 1995*, Regulation 30 of *Local Government (Financial Management) Regulations 1996*, Part 6.2(1) and Part 6.3(1)(a) of the Determination of Local Government elected Council Members pursuant to Section 7B of the *Salaries and Allowances Act 1975*, meeting attendance fees for the Chairperson to be set as detailed in the 2023-2024 budget.

In accordance with Section 5.98(5) of the *Local Government Act 1995*, Regulation 33 of *Local Government (Financial Management) Regulations 1996*, Part 7.2(1) of the Determination of Local Government Elected Council Members pursuant to Section 7B of the *Salaries and Allowances Act 1975*, the annual allowance for the Chairperson to be set as detailed in the 2023-2024 budget.

In accordance with Section 5.98A(1) of the *Local Government Act 1995*, Regulation 33A of *Local Government (Financial Management) Regulations 1996*, Part 7.3(1) of the Determination of Local Government elected Council Members pursuant to Section 7B of the *Salaries and Allowances Act 1975*, the annual allowance for the Deputy Chairperson to be set as detailed in the 2023-2024 budget.

In accordance with Section 5.99(b) of the *Local Government Act 1995*, Regulation 34A of *Local Government (Financial Management) Regulations 1996*, Part 9.2(2) of the Determination of Local Government elected Council Members pursuant to Section 7B of the *Salaries and Allowances Act 1975*, the annual allowance for ICT expenses for Councillors to be set as detailed in the 2023-2024 budget.

#### **RECOMMENDATION 4**

Simple majority required.

- 9.1.4 In accordance with Regulation 34(5) of the *Local Government (Financial Management) Regulations 1996*, the level to be used in statements of financial activity in 2023-2024 for reporting variances shall be 10% or \$20,000, whichever is greater.

#### **RECOMMENDATION 5**

Simple Majority Required

- 9.1.5 Prior to commencing the 2024/25 budget process that a workshop be held to review the methodology and calculation of the SDC relative to the profitability of WMRC

**CARRIED: 5/0**

## **10. INFORMATION BULLETINS**

Nil.

## **11 MOTIONS FOR WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

## **12 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN**

## **13 MEMBERS' QUESTIONS WITHOUT NOTICE**

## **14 URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION**

## **15 MATTERS BEHIND CLOSED DOORS**

## **16 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING**

Nil.

## **17 GENERAL BUSINESS**

Verbal legal advice update from CEO:

- Participating Council Agreement signed with Nedlands
- Record throughput in May:3300 Tonnes.
- Discussion about waste levy increase in July 2023 and onwards.

## **18 CLOSURE OF MEETING**

Meeting closed: 6.33pm

**WMRC**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**LOCAL GOVERNMENT ACT 1995**

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**WMRC'S VISION**

A world where waste and its impact on the environment is minimised.

**WMRC**  
**STATEMENT OF COMPREHENSIVE INCOME BY NATURE**  
**FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2023/24 Budget	2022/23 Forecast	2022/23 Budget
<b>Revenue</b>				
		\$	\$	\$
Operating grants, subsidies and contributions	11	2,128,980	1,954,437	1,947,586
Fees and charges	14	5,961,037	5,551,593	5,541,194
Interest revenue	12(a)	49,737	42,841	47,473
Other revenue	12(b)	5,188	6,431	5,914
		<u>8,144,942</u>	<u>7,555,302</u>	<u>7,542,167</u>
<b>Expenses</b>				
Employee costs		(1,948,791)	(1,865,604)	(1,809,405)
Materials and contracts		(5,392,515)	(4,991,746)	(5,021,828)
Utility charges		(24,569)	(31,563)	(30,060)
Depreciation	6	(299,275)	(241,408)	(242,144)
Finance costs	12(d)	(1,082)	(598)	(583)
Insurance		(103,321)	(91,841)	(91,841)
Other expenditure		(182,227)	(160,452)	(167,515)
		<u>(7,951,780)</u>	<u>(7,383,212)</u>	<u>(7,363,376)</u>
		193,162	172,090	178,791
Profit on asset disposals	5	600	0	0
		<u>600</u>	<u>0</u>	<u>0</u>
<b>Net result for the period</b>		<b>193,762</b>	<b>172,090</b>	<b>178,791</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus		0	150,000	0
<b>Total other comprehensive income for the period</b>		<b>0</b>	<b>150,000</b>	<b>0</b>
<b>Total comprehensive income for the period</b>		<b>193,762</b>	<b>322,090</b>	<b>178,791</b>

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



**WMRC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**CASH FLOWS FROM OPERATING ACTIVITIES**

	2023/24 Budget	2022/23 Forecast	2022/23 Budget
<b>Receipts</b>	\$	\$	\$
Operating grants, subsidies and contributions	1,928,980	2,222,317	1,947,586
Fees and charges	5,961,037	5,551,593	5,541,194
Interest revenue	49,737	42,841	47,473
Goods and services tax received	0	0	5,914
Other revenue	5,188	6,431	5,914
	7,944,942	7,823,182	7,548,081

<b>Payments</b>			
Employee costs	(1,841,869)	(1,880,730)	(1,805,979)
Materials and contracts	(5,392,515)	(5,373,059)	(4,849,129)
Utility charges	(24,569)	(31,563)	(30,060)
Finance costs	(1,082)	(598)	(583)
Insurance	(103,321)	(91,841)	(91,841)
Goods and services tax paid	0	0	(167,515)
Other expenditure	(182,227)	(160,452)	(167,515)
	(7,545,583)	(7,538,243)	(7,112,622)

<b>Net cash provided by (used in) operating activities</b>	4	399,359	284,939	435,459
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**CASH FLOWS FROM INVESTING ACTIVITIES**

Payments for purchase of property, plant & equipment	5(a)	(70,000)	(379,900)	(379,900)
Payments for construction of infrastructure	5(b)	(226,000)	(75,875)	(59,000)
Proceeds from sale of infrastructure	5(b)	600	0	0
<b>Net cash provided by (used in) investing activities</b>		(295,400)	(455,775)	(438,900)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Payments for principal portion of lease liabilities	8	(60,878)	(55,373)	(52,598)
<b>Net cash provided by (used in) financing activities</b>		(60,878)	(55,373)	(52,598)

<b>Net increase (decrease) in cash held</b>		43,081	(351,523)	(56,039)
Cash at beginning of year		1,160,653	1,512,176	1,432,957
<b>Cash and cash equivalents at the end of the year</b>	4	<b>1,203,734</b>	<b>1,160,653</b>	<b>1,376,918</b>

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

**WMRC**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE YEAR ENDED 30 JUNE 2024**

		2023/24	2022/23	2022/23
	NOTE	Budget	Forecast	Budget
		\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities</b>				
Rates	2(a)	0	0	0
Operating grants, subsidies and contributions	11	2,128,980	1,954,437	1,947,586
Fees and charges	14	5,961,037	5,551,593	5,541,194
Interest revenue	12(a)	49,737	42,841	47,473
Other revenue	12(b)	5,188	6,431	5,914
Profit on asset disposals	5	600	0	0
		<u>8,145,542</u>	<u>7,555,302</u>	<u>7,542,167</u>
<b>Expenditure from operating activities</b>				
Employee costs		(1,948,791)	(1,865,604)	(1,809,405)
Materials and contracts		(5,392,515)	(4,991,746)	(5,021,828)
Utility charges		(24,569)	(31,563)	(30,060)
Depreciation	6	(299,275)	(241,408)	(242,144)
Finance costs	12(d)	(1,082)	(598)	(583)
Insurance		(103,321)	(91,841)	(91,841)
Other expenditure		(182,227)	(160,452)	(167,515)
		<u>(7,951,780)</u>	<u>(7,383,212)</u>	<u>(7,363,376)</u>
Non-cash amounts excluded from operating activities	3(b)	324,219	240,620	219,970
<b>Amount attributable to operating activities</b>		<b><u>517,981</u></b>	<b><u>412,710</u></b>	<b><u>398,761</u></b>
<b>INVESTING ACTIVITIES</b>				
<b>Inflows from investing activities</b>				
Proceeds from disposal of assets	5	600	0	0
		<u>600</u>	<u>0</u>	<u>0</u>
<b>Outflows from investing activities</b>				
Payments for property, plant and equipment	5(a)	(70,000)	(379,900)	(379,900)
Payments for construction of infrastructure	5(b)	(226,000)	(75,875)	(59,000)
		<u>(296,000)</u>	<u>(455,775)</u>	<u>(438,900)</u>
<b>Amount attributable to investing activities</b>		<b><u>(295,400)</u></b>	<b><u>(455,775)</u></b>	<b><u>(438,900)</u></b>
<b>FINANCING ACTIVITIES</b>				
<b>Inflows from financing activities</b>				
Transfers from reserve accounts	9(a)	2,304,965	2,278,467	1,151,670
		<u>2,304,965</u>	<u>2,278,467</u>	<u>1,151,670</u>
<b>Outflows from financing activities</b>				
Payments for principal portion of lease liabilities	8	(60,878)	(55,373)	(52,598)
Transfers to reserve accounts	9(a)	(2,537,402)	(2,143,692)	(1,010,170)
		<u>(2,598,280)</u>	<u>(2,199,065)</u>	<u>(1,062,768)</u>
<b>Amount attributable to financing activities</b>		<b><u>(293,315)</u></b>	<b><u>79,402</u></b>	<b><u>88,902</u></b>
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
<b>Surplus or deficit at the start of the financial year</b>	2	(289,037)	(325,374)	302,499
Amount attributable to operating activities		517,981	412,710	398,761
Amount attributable to investing activities		(295,400)	(455,775)	(438,900)
Amount attributable to financing activities		(293,315)	79,402	88,902
<b>Surplus or deficit at the end of the financial year</b>	2	<b><u>(289,037)</u></b>	<b><u>(289,037)</u></b>	<b><u>351,262</u></b>

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

**WMRC**  
**FOR THE YEAR ENDED 30 JUNE 2024**  
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## 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 WMRC 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 and rate setting 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 WMRC 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 at Note 13 to the annual budget.

### 2022/23 actual balances

Balances shown in this budget as 2022/23 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.

### 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 2021-2 Amendments to Australian Accounting Standards
  - Disclosure of Accounting Policies or Definition of Accounting Estimates
- AASB 2021-6 Amendments to Australian Accounting Standards
  - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards
- AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards

It is not expected these standards will have an impact on the annual 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 2020-1 Amendments to Australian Accounting Standards
  - Classification of Liabilities as Current or Non-current
- 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 2022-5 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 2022-10 Amendments to Australian Accounting Standards
  - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

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

### Rounding off figures

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

## **1(b) KEY TERMS AND DEFINITIONS - NATURE OR TYPE**

### **REVENUES**

#### **RATES**

All rates levied under the *Local Government Act 1995*. Includes general, differential, specific area rates, minimum payment, interim rates, back rates, ex-gratia rates, less discounts offered.

Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

#### **OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS**

All amounts received as grants, subsidies and contributions that are not capital grants.

#### **CAPITAL 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.

#### **REVENUE FROM CONTRACTS WITH CUSTOMERS**

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

#### **FEES AND CHARGES**

Revenues (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 the charges which can be raised. These are television and radio broadcasting, underground electricity and neighbourhood surveillance services and water.

Exclude rubbish removal charges which should not be classified as a service charge. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

#### **INTEREST EARNINGS**

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

#### **OTHER REVENUE / INCOME**

Other revenue, which cannot be classified under the above headings, includes dividends, discounts, rebates etc.

#### **PROFIT ON ASSET DISPOSAL**

Gain on the disposal of assets including gains on the disposal of long-term investments.

### **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.

Note *AASB 119 Employee Benefits* provides a definition of employee benefits which should be considered.

#### **MATERIALS 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 (such as telephone and internet charges), 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, consultancy, information technology and rental or lease expenditures.

#### **UTILITIES (GAS, ELECTRICITY, WATER)**

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.

#### **DEPRECIATION ON NON-CURRENT ASSETS**

Depreciation and amortisation expenses raised on all classes of assets.

#### **FINANCE COSTS**

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

#### **OTHER EXPENDITURE**

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

**2. RATES AND SERVICE CHARGES (CONTINUED)**

**(a) Service Charges**

The WMRC did not raise service charges for the year ended 30th June 2024.

**(b) Waivers or concessions**

The WMRC does not anticipate any waivers or concessions for the year ended 30th June 2024.

**WMRC**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**3. NET CURRENT ASSETS**

**(a) Composition of estimated net current assets**

	2023/24 Budget	2022/23 Forecast	2022/23 Budget
Note	30 June 2024	30 June 2023	30 June 2023
	\$	\$	\$
<b>Current assets</b>			
Cash and cash equivalents	1,203,734	1,160,653	1,376,918
Receivables	347,269	147,269	480,000
Other assets	0	0	26,500
	<u>1,551,003</u>	<u>1,307,922</u>	<u>1,883,418</u>
<b>Less: current liabilities</b>			
Trade and other payables	(673,060)	(673,060)	(544,811)
Lease liabilities	(85,130)	(60,878)	(27,512)
Employee provisions	(260,052)	(178,674)	(248,845)
	<u>(1,018,242)</u>	<u>(912,612)</u>	<u>(821,168)</u>
<b>Net current assets</b>	532,761	395,310	1,062,250
<b>Less: Total adjustments to net current assets</b>	(892,532)	(684,347)	(710,988)
<b>Net current assets used in the Rate Setting Statement</b>	<u>(359,771)</u>	<u>(289,037)</u>	<u>351,262</u>

**WMRC**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**2. NET CURRENT ASSETS (CONTINUED)**

**EXPLANATION OF DIFFERENCE IN NET CURRENT ASSETS AND SURPLUS/(DEFICIT)**

**Items excluded from calculation of budgeted deficiency**

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.

**(b) Non-cash amounts excluded from operating activities**

The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with *Financial Management Regulation 32*.

	2023/24 Budget	2022/23 Actual	2022/23 Budget
Note	30 June 2024	30 June 2023	30 June 2023
	\$	\$	\$
<b>Adjustments to operating activities</b>			
Less: Profit on asset disposals	(600)	0	0
Add: Depreciation	299,275	241,408	242,144
Non-cash movements in non-current assets and liabilities:			
- Employee provisions	25,544	(788)	(22,174)
<b>Non cash amounts excluded from operating activities</b>	<u>324,219</u>	<u>240,620</u>	<u>219,970</u>

**(c) Current assets and liabilities excluded from budgeted deficiency**

The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

**Adjustments to net current assets**

Less: Cash - reserve accounts	(977,662)	(745,225)	(738,500)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of lease liabilities	85,130	60,878	27,512
<b>Total adjustments to net current assets</b>	<u>(892,532)</u>	<u>(684,347)</u>	<u>(710,988)</u>

### 3(d) NET CURRENT ASSETS (CONTINUED)

#### MATERIAL ACCOUNTING POLICIES

##### CURRENT AND NON-CURRENT CLASSIFICATION

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the WMRC's operational cycle. In the case of liabilities where the WMRC 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 WMRC's intentions to release for sale.

##### TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the WMRC prior to the end of the financial year that are unpaid and arise when the WMRC 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.

##### PREPAID RATES

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the WMRC recognises revenue for the prepaid rates that have not been refunded.

##### INVENTORIES

###### General

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

##### 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 WMRC's intentions to release for sale.

##### GOODS 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 gross 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.

##### TRADE AND OTHER RECEIVABLES

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for grants, contributions, reimbursements, and goods sold and services performed in the ordinary course of business.

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

Trade receivables are held with the objective to collect the contractual cashflows and therefore the WMRC 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 WMRC 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 WMRC 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.

##### EMPLOYEE BENEFITS

###### Short-term employee benefits

Provision is made for the WMRC'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 WMRC'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 determination of the net current asset position. The WMRC's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the determination of the net current asset position.

###### Other 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 remeasurements 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 WMRC's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the WMRC 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.



**WMRC**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
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**4. RECONCILIATION OF CASH**

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

Note	2023/24 Budget	2022/23 Forecast	2022/23 Budget
	\$	\$	\$
Cash at bank and on hand	458,509	415,428	496,918
Term deposits	745,225	745,225	880,000
<b>Total cash and cash equivalents</b>	<b>1,203,734</b>	<b>1,160,653</b>	<b>1,376,918</b>
Held as			
- Unrestricted cash and cash equivalents	3(a) 226,072	415,428	638,418
- Restricted cash and cash equivalents	3(a) 977,662	745,225	738,500
	<b>1,203,734</b>	<b>1,160,653</b>	<b>1,376,918</b>

**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:

- Cash and cash equivalents	977,662	745,225	738,500
	<b>977,662</b>	<b>745,225</b>	<b>738,500</b>

The assets are restricted as a result of the specified purposes associated with the liabilities below:

Financially backed reserves	9 977,662	745,225	738,500
	<b>977,662</b>	<b>745,225</b>	<b>738,500</b>

**Reconciliation of net cash provided by operating activities to net result**

<b>Net result</b>		193,762	172,090	178,791
Depreciation	6	299,275	241,408	242,144
(Profit)/loss on sale of asset	5	(600)	0	0
(Increase)/decrease in receivables		(200,000)	267,880	(6,122)
Increase/(decrease) in payables		0	(374,265)	4,366
Increase/(decrease) in other provision		0	0	19,706
Increase/(decrease) in employee provisions		106,922	(22,174)	(3,426)
<b>Net cash from operating activities</b>		<b>399,359</b>	<b>284,939</b>	<b>435,459</b>

**MATERIAL ACCOUNTING POLICES**

**CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, 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 overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities in Note 3 - Net Current Assets.

**FINANCIAL ASSETS AT AMORTISED COST**

The WMRC 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.

**WMRC**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**5. FIXED ASSETS**

The following assets are budgeted to be acquired and/or disposed of during the year.

	<b>2023/24 Budget Additions</b>	<b>2023/24 Budget Disposals - Sale Proceeds</b>	<b>2023/24 Budget Disposals - Profit or Loss</b>	<b>2022/23 Forecast Additions</b>	<b>2022/23 Budget Additions</b>
	\$	\$	\$	\$	\$
<b>(a) Property, Plant and Equipment</b>					
Buildings - non-specialised	50,000		0		
Plant and equipment	20,000		0	379,900	379,900
<b>Total</b>	<b>70,000</b>	<b>0</b>	<b>0</b>	<b>379,900</b>	<b>379,900</b>
<b>(b) Infrastructure</b>					
Infrastructure	226,000	600	600	75,875	59,000
<b>Total</b>	<b>226,000</b>	<b>600</b>	<b>600</b>	<b>75,875</b>	<b>59,000</b>
<b>(c) Right of Use Assets</b>					
Right of use - Office Lease 2023-25	85,130		0		
<b>Total</b>	<b>85,130</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>381,130</b>	<b>600</b>	<b>600</b>	<b>455,775</b>	<b>438,900</b>

**MATERIAL 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.

**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.

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.

**WMRC**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**6. DEPRECIATION**

**By Class**

	<b>2023/24 Budget</b>	<b>2022/23 Forecast</b>	<b>2022/23 Budget</b>
	\$	\$	\$
Buildings - non-specialised	36,677	35,010	35,010
Furniture and equipment	2,447	2,447	2,447
Plant and equipment	81,425	71,511	73,086
Infrastructure	112,115	71,507	70,638
Right of use - land	4,159	4,159	4,159
Right of use - Office Lease 2023-25	40,862		
Right of use - Kubota	18,343	18,343	18,343
Right of use - Office Lease 2021-23	3,247	38,432	38,462
	<u>299,275</u>	<u>241,408</u>	<u>242,144</u>

**By Program**

Community amenities	299,275	241,408	242,144
	<u>299,275</u>	<u>241,408</u>	<u>242,144</u>

**MATERIAL 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:

Buildings - non-specialised	50 Years
Furniture and equipment	3-5 Years
Plant and equipment	5-20 Years
Infrastructure	10-20 Years
Right of use - land	40 Years
Right of use - Office Lease 2023-25	Based on Lease
Right of use - Kubota	Based on Lease
Right of use - Office Lease 2021-23	Based on Lease

**WMRC**  
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**7. BORROWINGS**

**(a) New borrowings - 2023/24**

The WMRC does not intend to undertake any new borrowings for the year ended 30th June 2024

**(b) Unspent borrowings**

The WMRC had no unspent borrowing funds as at 30th June 2023 nor is it expected to have unspent borrowing funds as at 30th June 2024.

**(c) Credit Facilities**

	<b>2023/24 Budget</b>	<b>2022/23 Forecast</b>	<b>2022/23 Budget</b>
	\$	\$	\$
<b>Undrawn borrowing facilities credit standby arrangements</b>			
Bank overdraft limit	0	0	0
Bank overdraft at balance date	0	0	0
Credit card limit	14,000	14,000	14,000
Credit card balance at balance date	300	6	6
<b>Total amount of credit unused</b>	<b>14,300</b>	<b>14,006</b>	<b>14,006</b>

**MATERIAL 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.

WMRC  
 NOTES TO AND FORMING PART OF THE BUDGET  
 FOR THE YEAR ENDED 30 JUNE 2024

8. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease	2023/24 Budget	2023/24 Budget Lease	Budget Lease	2023/24 Budget Lease	Forecast	2022/23 Forecast	Forecast Lease	2022/23 Forecast Lease	Budget	2022/23 Budget	2022/23 Budget Lease	Budget Lease	2022/23 Budget Lease	
					Principal	New Leases	Principal Repayments	Principal outstanding 30 June 2024	Interest Repayments	Principal 1 July 2022	New Leases	Principal repayments	Principal outstanding 30 June 2023	Interest repayments	Principal 1 July 2022	New Leases	Principal repayments	Principal outstanding 30 June 2023	Interest repayments
Admin Office Lease	AD1	Churchill Strata	1.50%	2	\$ 3,267	\$	\$ (3,267)	\$ 0	\$ 0	\$ 41,712	\$	\$ (38,445)	\$ 3,267	\$ (310)	\$ 39,251	\$	\$ (35,670)	\$ 3,581	\$ (295)
Admin Office Lease	AD2	Churchill Strata	1.50%	2	0	85,130	(40,530)	44,600	(947)				0				0		
2021 R430 Wheel Loader	RC2	Kubota Australia	0.90%	3	24,245		(17,081)	7,164	(135)	41,173		(16,928)	24,245	(288)	41,173		(16,928)	24,245	(288)
					27,512	85,130	(60,878)	51,764	(1,082)	82,885	0	(55,373)	27,512	(598)	80,424	0	(52,598)	27,826	(583)

MATERIAL ACCOUNTING POLICIES

LEASES

At the inception of a contract, the WMRC 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 WMRC 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.

**WMRC**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**9. RESERVE ACCOUNTS**

**(a) Reserve Accounts - Movement**

	<b>2023/24 Budget Opening Balance</b>	<b>2023/24 Budget Transfer to</b>	<b>2023/24 Budget Transfer (from)</b>	<b>2023/24 Budget Closing Balance</b>	<b>2022/23 Actual Opening Balance</b>	<b>2022/23 Forecast Transfer to</b>	<b>2022/23 Forecast Transfer (from)</b>	<b>2022/23 Forecast Closing Balance</b>	<b>2022/23 Budget Opening Balance</b>	<b>2022/23 Budget Transfer to</b>	<b>2022/23 Budget Transfer (from)</b>	<b>2022/23 Budget Closing Balance</b>
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by legislation</b>												
(a) Development Reserve	595,225	492,437	(260,000)	827,662	28,228	1,538,783	(971,786)	595,225	28,228	731,211	(421,670)	337,769
(b) Operations Reserve	150,000	2,044,965	(2,044,965)	150,000	851,772	604,909	(1,306,681)	150,000	851,772	278,959	(730,000)	400,731
	745,225	2,537,402	(2,304,965)	977,662	880,000	2,143,692	(2,278,467)	745,225	880,000	1,010,170	(1,151,670)	738,500
<b>Restricted by council</b>												
	0	0	0	0	0	0	0	0	0	0	0	0
	745,225	2,537,402	(2,304,965)	977,662	880,000	2,143,692	(2,278,467)	745,225	880,000	1,010,170	(1,151,670)	738,500

**(b) Reserve Accounts - Purposes**

In accordance with Council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

<b>Reserve name</b>	<b>Anticipated date of use</b>	<b>Purpose of the reserve</b>
(a) Development Reserve	2023-2024	Capital Expenses
(b) Operations Reserve	2023-2024	Shared Services Charge

10 REVENUE RECOGNITION

MATERIAL ACCOUNTING POLICIES

Recognition of revenue from contracts with customers is dependant 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	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of Revenue recognition
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods

**WMRC**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**11. PROGRAM INFORMATION**

**(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 WMRC's Community Vision, and for each of its broad activities/programs.

**OBJECTIVE**

**ACTIVITIES**

**Governance**

To provide a decision making process for the efficient allocation of resources

Member Council elected delegates and corporate support services. Includes the administration and operation of facilities and services to members and other costs that relate to the tasks of assisting members on matters which do not concern specific Council services.

**Community amenities**

To provide essential waste services to Member councils as required by the community.

Costs associated with the financing, administration, operation, and maintenance of the West Metro Recycling Centre, including green waste, weightbridge activities, community education and Verge Valet.



**WMRC**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**11 PROGRAM INFORMATION (Continued)**

**(b) Income and expenses**

	<b>2023/24</b>	<b>2022/23</b>	<b>2022/23</b>
	<b>Budget</b>	<b>Forecast</b>	<b>Budget</b>
<b>Income excluding grants, subsidies and contributions</b>	\$	\$	\$
General purpose funding	49,737	42,841	47,473
Community amenities	5,966,825	5,558,024	5,547,108
	<u>6,016,562</u>	<u>5,600,865</u>	<u>5,594,581</u>
<b>Operating grants, subsidies and contributions</b>			
Community amenities	2,128,980	1,954,437	1,947,586
	<u>2,128,980</u>	<u>1,954,437</u>	<u>1,947,586</u>
<b>Expenses</b>			
Community amenities	(7,951,780)	(7,383,212)	(7,363,376)
<b>Total expenses</b>	<u>(7,951,780)</u>	<u>(7,383,212)</u>	<u>(7,363,376)</u>
<b>Net result for the period</b>	<u>193,762</u>	<u>172,090</u>	<u>178,791</u>

**WMRC**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**12. OTHER INFORMATION**

**The net result includes as revenues**

	<b>2023/24 Budget</b>	<b>2022/23 Forecast</b>	<b>2022/23 Budget</b>
	\$	\$	\$
<b>(a) Interest earnings</b>			
Investments			
- Reserve accounts	42,237	35,341	37,737
- Other funds	7,500	7,500	9,736
	<u>49,737</u>	<u>42,841</u>	<u>47,473</u>

\* The WMRC has resolved to charge interest under section 6.13 for the late payment of any amount of money at 5%.

**(b) Other revenue**

Reimbursements and recoveries	5,188	6,431	5,914
	<u>5,188</u>	<u>6,431</u>	<u>5,914</u>

**The net result includes as expenses**

**(c) Auditors remuneration**

Audit services	28,537	19,025	19,025
	<u>28,537</u>	<u>19,025</u>	<u>19,025</u>

**(d) Interest expenses (finance costs)**

expense on lease liabilities (refer Note 8)	1,082	598	583
	<u>1,082</u>	<u>598</u>	<u>583</u>

**WMRC**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**13. ELECTED MEMBERS REMUNERATION**

	<b>2023/24 Budget</b>	<b>2022/23 Forecast</b>	<b>2022/23 Budget</b>
	\$	\$	\$
<b>Cr Paul Macfarlane</b>			
President's allowance	16,700	7,498	
Meeting attendance fees	13,184	11,683	8,659
Annual allowance for ICT expenses	500	500	500
Annual allowance for travel and accommodation expenses	100	66	66
	30,484	19,747	9,225
<b>Cr Stephanie Stroud</b>			
Deputy President's allowance	4,175	2,563	2,563
Meeting attendance fees	8,792	8,659	8,659
Annual allowance for ICT expenses	500	500	500
Annual allowance for travel and accommodation expenses	100	66	66
	13,567	11,788	11,788
<b>Cr Andrew Maurice</b>			
Meeting attendance fees	8,792	8,659	8,659
Annual allowance for ICT expenses	500	500	500
Annual allowance for travel and accommodation expenses	100	66	66
	9,392	9,225	9,225
<b>Cr Paul Kelly</b>			
Meeting attendance fees	8,792	8,659	8,659
Annual allowance for ICT expenses	500	500	500
Annual allowance for travel and accommodation expenses	100	66	66
	9,392	9,225	9,225
<b>Cr Peter Macintosh</b>			
Meeting attendance fees	8,792	6,477	
Annual allowance for ICT expenses	500	400	
Annual allowance for travel and accommodation expenses	100	50	
	9,392	6,927	0
<b>Cr Charles Hohnen - Retired</b>			
Presidents allowance		2,752	10,250
Meeting attendance fees		3,487	12,988
Annual allowance for ICT expenses		100	500
Annual allowance for travel and accommodation expenses		16	66
	0	3,603	13,554
<b>Total Elected Member Remuneration</b>	72,227	60,515	53,017
President's allowance	16,700	10,250	10,250
Deputy President's allowance	4,175	2,563	2,563
Meeting attendance fees	48,352	47,624	47,624
Annual allowance for ICT expenses	2,500	2,500	2,500
Annual allowance for travel and accommodation expenses	500	330	330
	72,227	63,267	63,267

**WMRC**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**14. FEES AND CHARGES**

	<b>2023/24 Budget</b>	<b>2022/23 Forecast</b>	<b>2022/23 Budget</b>
	\$	\$	\$
<b>By Program:</b>			
Community amenities	5,961,037	5,551,593	5,541,194
	<u>5,961,037</u>	<u>5,551,593</u>	<u>5,541,194</u>

The subsequent pages detail the fees and charges proposed to be imposed by the local government.

## 2023-24 Fees & Charges

Effective 1 July 2023

PER TONNE RATES	Member Councils		Participating Councils		Commercials & Non MCs	
	ex GST	inc GST	ex GST	inc GST	ex GST	inc GST
General Waste	\$ 170.00	\$ 187.00	\$ 222.73	\$ 245.00	\$ 222.73	\$ 245.00
Bulk Waste	\$ 185.00	\$ 203.50	\$ 222.73	\$ 245.00	\$ 222.73	\$ 245.00
<i>Minimum charge (bulk waste)</i>	\$ 38.47	\$ 42.32	\$ 57.71	\$ 63.49	\$ 76.95	\$ 84.64
Bulk Waste (Verge Valet)	\$ 147.59	\$ 162.35	\$ 200.00	\$ 220.00	\$ 209.25	\$ 230.18
FOGO	\$ 122.78	\$ 135.06	\$ 139.22	\$ 153.14	\$ 139.22	\$ 153.14
FOGO Contaminated (5% to 10%) <i>Note: Loads with greater than 10% contamination charged at general waste rate.</i>	\$ 142.83	\$ 157.11	\$ 161.50	\$ 177.65	\$ 161.50	\$ 177.65
Greenwaste	\$ 45.00	\$ 49.50	\$ 78.00	\$ 85.80	\$ 84.08	\$ 92.49
<i>Minimum charge (bulk greenwaste)</i>	\$ 19.23	\$ 21.16	\$ 38.47	\$ 42.32	\$ 38.47	\$ 42.32
GO Bin Greenwaste	\$ 70.05	\$ 77.06	\$ 88.96	\$ 97.85	\$ 88.96	\$ 97.85
Construction & Demolition (inert)	\$ 66.72	\$ 73.39	\$ 75.82	\$ 83.40	\$ 90.97	\$ 100.06
<i>Minimum charge (construction+demolition)</i>	\$ 33.67	\$ 37.03	\$ 43.28	\$ 47.61	\$ 43.28	\$ 47.61
Street sweeper	\$ 185.00	\$ 203.50	\$ 222.73	\$ 245.00	\$ 222.73	\$ 245.00

OTHER SERVICES	ex GST	inc GST	ex GST	inc GST	ex GST	inc GST
Consultant Fees - Manager (per hour)	\$ 150.00	\$ 165.00	\$ 250.00	\$ 275.00	\$ 250.00	\$ 275.00
Consultant Fees - Officer (per hour)	\$ 100.00	\$ 110.00	\$ 150.00	\$ 165.00	\$ 150.00	\$ 165.00
Verge Valet Collections (per collection)	* as per contract rate					
Verge Valet Cover Charge (percentage of collection charge)	7%		12%		12%	
Verge Valet Extra bulk waste per collection inc disposal	\$ 136.36	\$ 150.00	\$ 163.64	\$ 180.00	\$ 181.82	\$ 200.00
Verge Valet Extra green waste per collection inc disposal	\$ 68.18	\$ 75.00	\$ 86.36	\$ 95.00	\$ 90.91	\$ 100.00
Verge Valet Extra mattress per collection inc disposal	\$ 61.82	\$ 68.00	\$ 70.91	\$ 78.00	\$ 77.27	\$ 85.00

UNIT RATES	ex GST	inc GST	ex GST	inc GST	ex GST	inc GST
Bulk Waste Pass (up to 1m3)	\$ 38.18	\$ 42.00	\$ 54.54	\$ 60.00		
Bulk Waste (0.5m3)	\$ 22.73	\$ 25.00	\$ 27.27	\$ 30.00	\$ 31.82	\$ 35.00
Bulk Waste (1.0m3)	\$ 38.18	\$ 42.00	\$ 45.45	\$ 50.00	\$ 54.55	\$ 60.00
Bulk Waste (2.0m3)	\$ 77.27	\$ 85.00	\$ 86.36	\$ 95.00	\$ 90.91	\$ 100.00
Greenwaste Pass (up to 1m3)	\$ 20.00	\$ 22.00	\$ 27.27	\$ 30.00		
Greenwaste (0.5m3)	\$ 11.82	\$ 13.00	\$ 13.64	\$ 15.00	\$ 18.18	\$ 20.00
Greenwaste (1.0m3)	\$ 20.00	\$ 22.00	\$ 22.73	\$ 25.00	\$ 27.27	\$ 30.00
Greenwaste (2.0m3)	\$ 38.18	\$ 42.00	\$ 43.64	\$ 48.00	\$ 54.55	\$ 60.00
Construction & Demolition Waste (0.5m3)	\$ 18.18	\$ 20.00	\$ 25.45	\$ 28.00	\$ 27.27	\$ 30.00
Construction & Demolition Waste (1.0m3)	\$ 36.36	\$ 40.00	\$ 43.64	\$ 48.00	\$ 45.45	\$ 50.00
Construction & Demolition Waste (2.0m3)	\$ 72.73	\$ 80.00	\$ 80.00	\$ 88.00	\$ 81.82	\$ 90.00

NB: A small bootload is generally 0.5m3, a large bootload is 1-2m3 and a small trailer is 6x4 ft or 1.8x1.2 m, a ute tray or smaller. All larger trailers will be charged at the per tonne rate

PROBLEMATIC WASTE CHARGES	ex GST	inc GST	ex GST	inc GST	ex GST	inc GST
Mattresses (each; will be recycled)	\$ 45.45	\$ 50.00	\$ 50.00	\$ 55.00	\$ 50.00	\$ 55.00
Mattress Bases (each; will be recycled)	\$ 45.45	\$ 50.00	\$ 50.00	\$ 55.00	\$ 50.00	\$ 55.00
Degassing Refrigerated Appliances (each; will be recycled) Covers domestic and commercial refrigerators, freezers and air-conditioners	\$ 14.55	\$ 16.00	\$ 18.18	\$ 20.00	\$ 18.18	\$ 20.00
Asbestos (per sheet)	\$ 16.36	\$ 18.00	\$ 18.18	\$ 20.00	\$ 18.18	\$ 20.00
Asbestos per tonne	\$ 200.00	\$ 220.00	\$ 260.00	\$ 286.00	\$ 260.00	\$ 286.00
Tyre Passenger, L.T. & 4 x 4 (each)	\$ 8.18	\$ 9.00	\$ 10.00	\$ 11.00	\$ 10.00	\$ 11.00
Tyre Passenger, L.T. & 4 x 4 on rim (each)	\$ 12.73	\$ 14.00	\$ 16.36	\$ 18.00	\$ 16.36	\$ 18.00
Tyre Truck (each)	\$ 20.91	\$ 23.00	\$ 22.73	\$ 25.00	\$ 22.73	\$ 25.00
Tyre Truck on rim (each)	\$ 31.82	\$ 35.00	\$ 33.64	\$ 37.00	\$ 33.64	\$ 37.00
Tyre Other sizes on application	as applicable		as applicable		as applicable	

OTHER CHARGES	ex GST	inc GST
Special Event Access (per visit)	\$ 115.88	\$ 127.47
Single Session Workshop (each) - Requires registration via online booking portal which may impose small booking fee	\$ 4.55	\$ 5.00
Greenwaste handling charge (per tonne)	\$ 6.00	\$ 6.60
Recyclables Handling Fee (per tonne) (by prior arrangement; haulage to be reimbursed at cost)	\$ 63.48	\$ 66.00
Weighbridge usage charge	\$ 24.55	\$ 27.00
High volume low weight surcharge (at discretion of weighbridge operator)	\$ 110.36	\$ 121.40
Bagged FOGO-derived compost per bag	\$ 5.00	\$ 5.50
Bagged FOGO-derived compost per pallet (handling charge)	20% of the supplied per pallet charge	
Interest Payable on accounts outstanding for >35 days	8% per annum calculated daily	