

Agenda

SPECIAL COUNCIL MEETING (SCM 4/24)

6 June 2024
Commencing at 5.00 PM

WMRC Administration Office
2/317 Churchill Avenue, Subiaco
and
Online

Dear Chair and Councillors

I advise that a Special Council Meeting of the Western Metropolitan Regional Council will be held at the WMRC Offices on **6 June 2024** commencing at **5.00 pm** for the purposes of adopting the 2024-25 WMRC Budget and associated Fees and Charges.



Libby Eustance

Acting Chief Executive Officer

4 June 2024

Note for members of the public: Council Meetings – Procedures

1. All Council meetings are open to the public, except for matters raised by Council under “confidential items”.
2. Members of the public may ask a question at an Ordinary Council Meeting under “public question time” or prior to the meeting [online through this link](#).
3. Members of the public who are unfamiliar with meeting procedures are invited to seek advice at the meeting.
4. All other arrangements are in accordance with the Council’s Meeting Procedures Local Law, policies and decisions of the organisation.

Libby Eustance

Acting Chief Executive Officer

CONTENTS

1. DECLARATION OF OPENING	4
2. RECORD OF ATTENDANCE AND APOLOGIES.....	4
3. DISCLOSURES OF INTERESTS.....	5
4. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE	5
5. PUBLIC QUESTION TIME	5
6. APPLICATIONS FOR LEAVE OF ABSENCE	5
7. PETITIONS, APPROVED DEPUTATIONS AND PUBLIC STATEMENTS	5
8. ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSION.....	5
9. REPORTS OF COMMITTEES AND OFFICERS.....	6
9.1 ANNUAL BUDGET 2024-2025	6
10. INFORMATION BULLETINS.....	11
11. MOTIONS FOR WHICH PREVIOUS NOTICE HAS BEEN GIVEN	11
12. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN	11
13. MEMBERS' QUESTIONS WITHOUT NOTICE	11
14. URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION	11
15. BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING	11
17 GENERAL BUSINESS.....	11
18 CLOSURE OF MEETING.....	11

1. DECLARATION OF OPENING

2. RECORD OF ATTENDANCE AND APOLOGIES

Councillors

Cr. P Kelly	Chair	Town of Claremont
Cr. P Macintosh	Member	Shire of Peppermint Grove
Cr. R de Vries	Member	City of Subiaco
Mayor L Young	Deputy Member	Town of Cottesloe

Staff

L Eustance	Acting Chief Executive Officer	WMRC
Y Wang	Manager Corporate Services	WMRC
R Bryant	Acting Manager Operations	WMRC

Leave of Absence

Cr. A Maurice	Deputy Chair	Town of Mosman Park
---------------	--------------	---------------------

Visitors

Observers

Apology

Cr. B Wylynko	Member	Town of Cottesloe
---------------	--------	-------------------

- 3. DISCLOSURES OF INTERESTS**
- 4. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**
- 5. PUBLIC QUESTION TIME**
- 6. APPLICATIONS FOR LEAVE OF ABSENCE**
- 7. PETITIONS, APPROVED DEPUTATIONS AND PUBLIC STATEMENTS**
- 8. ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSION**

9. REPORTS OF COMMITTEES AND OFFICERS

9.1 ANNUAL BUDGET 2024-2025

Responsible Officer:	Acting Chief Executive Officer
Date:	31 May 2024
Attachments:	9.1A Fees and Charges 2024-2025 9.1B Annual Budget 2024-2025

PURPOSE

To recommend for adoption the Annual Budget for the 2024-25 financial year including supporting schedules, fees and charges, reserve funds, Councillor sitting fees and other matters.

BACKGROUND

The 2024-2025 Annual Budget has been prepared to include information required by the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996*, *WA Local Government Accounting Manual 2012*, and *Australian Accounting Standards*.

Options for this budget have been discussed at a Councillor Workshop held 9 May 2024, the CEO Advisory Committee Meeting of 16 May 2024 and at the OCM of 30 May 2024.

DETAIL AND OPTIONS ANALYSIS

The financial model, which both encourages customers from beyond Member Councils and delivers a cost-effective service to Member Councils and their residents, has been retained and refined. The main tenet of this model remains delivery of services to Member Councils on a cost recovery basis with administrative overheads apportioned on a population basis. Services to customers beyond Member Councils are based on commercial considerations and include a total overhead component in the tonnage-based fees.

The main assumptions used to frame the budget are:

1. Throughput and visitor numbers at the West Metro Recycling Centre remain largely stable.
2. Service Delivery Charge increasing in line with CPI (3.4%).
3. Participating Council Charge increasing in line with CPI (3.4%).
4. Waste to Energy becoming available for General Waste from late 2024.
5. WMRC FTE headcount increasing by 2 staff at the Recycling Centre.
6. Total Salary Budget increasing near Perth CPI (3.5%).
7. WMRC's reserves to be increased to manage costs associated with upgrading the general waste transfer system within the next few years.
8. Capital investment to be the minimum required to ensure safe and sustainable operations.

Several of our major waste processing and transportation contracts are due for renewal through 2024 as noted and approved at the March and May OCMs respectively. Large increases in fees and charges for waste haulage and processing are an industry-wide trend. The fees and charges in this

budget have been built from a thorough consideration of the cost of delivering services through the West Metro Recycling Centre.

Fees & Charges

The methodology for setting Fees & Charges for 2024-2025 has changed from that applied in prior years. A comprehensive model to calculate and understand all costs associated with each activity has been developed, and then used to inform the Fees & Charges values for each activity and customer segment.

The budget informing model applies the following logic in determining the appropriate fees:

- Tonnages of higher volume waste streams have been analysed, with tonnage forecast based on historic usage, and then adjusted for known changes in the next financial year. The overall total tonnage forecast that has been applied is consistent with the current year's total expected tonnage.
- Tonnages used in the calculation are based on the nine-month period July 2023 to March 2024, which is consistent with the remainder of the budget setting methodology.
- Unit costs applicable to disposal and transportation services have been reviewed, with activity-based rate adjustments based on actual contract rates or forecast based on known contract-driven annual rate increases on a contract-by-contract basis. Where an activity is due for contract renewal, and the future rate is not yet known, estimates have been provided based on known industry rates and trends.
- A market-based review has been completed to understand the WMRC fee position relative to similar operating facilities, namely Tamala Park Landfill, Recycling Centre Balcatta and EMRC operations at Red Hill and Hazelmere. It can be expected that a further review will be conducted once the other operators have released their Fees & Charges for FY 2024-2025,
- A review of all direct site operating expenses has been completed, inclusive of labour at the Recycling Centre, fuel and oil, repairs & maintenance, and other general site operating expenses. The total cost of the direct operating expenses has been apportioned as a cost per tonne across waste streams as a proportion of the total waste tonnage.

The cost per tonne for all waste streams is calculated as the direct activity costs (transport and disposal/processing plus the direct operating costs for the stream at the West Metro Recycling Centre) with a proportion of direct running expenses of the West Metro Recycling Centre allocated as a percentage of the total tonnage represented by that stream.

Three options with varying degrees of Member Council subsidy were presented to the OCM of 30 May 2024. The subsidy has been calculated as a percentage of the direct running expenses. The only effects of the three options are to decrease both Member Council fees and charges and the projected surplus to build reserves. No other fees and charges are affected.

The effects of the fees and charges on the total amount any Member Council pays to the WMRC vary depending on both the quantity and proportion of the various waste streams generated. On a per household basis, increases are larger for Member Councils whose households generate more waste and/or are not yet offering a FOGO service.

	Option 1	Option 2	Option 3
Subsidy as a percentage of direct RC running costs	0	33%	50%
Projected operating surplus	\$1,135,688	\$969,678	\$894,130
Projected reserves funds balance at 30 June 2025	\$2,277,957	\$2,111,947	\$2,036,399
Total subsidy provided to Member Councils	\$0	\$166,010	\$241,558
Mean % increase in Fees and Charges across main streams from 2023-24	31%	24%	20%
Mean annual cost increase per household compared to 2023-24	\$37.84	\$29.27	\$25.26

At the OCM of 30 May 2024, Councillors voted to develop the budget for the financial year 2024-2025 under Option 1 above. The resulting Fees and Charges are presented in **Attachment 9.1A**

The following changes have also been made to the Fees and Charges schedule for this year:

- Minimum charges for Bulk, Green and C&D wastes that apply to Member Councils have been removed.
- Charges which are applied under contracts have been removed, including separate Participating Council rates, Verge Valet cover charge, and all other residential kerbside collected commercial streams.
- Volume rates have been adjusted and better moderated.
- Addition of a new item “Any other waste not already provided for” as a price on application. This is included with the intention to capture other potential waste streams or provides the capability to support transfer of other waste streams that are not included within the Fees & Charges or programs provided through the Recycling Centre. This will provide flexibility for rates to be provided on a case-by-case basis, or for the establishment of temporary book rates for common items.

Reserves

Under Option 1 a surplus of \$1,135,688 has been budgeted to be added to reserves for the 2024-2025 financial year. We forecast a reserves balance of \$2,277,957 at June 2025. This transfer to reserves is higher than previous years but appropriate given that WMRC’s aged General Waste transfer system is at or past the end of its useful life. The system is vital to our operations but expensive to maintain, inefficient to run and has inherent risks in loading, transport and unloading use; it is appropriate that it is replaced at the earliest possible date.

Service Delivery Charge

The 2024-25 budget has been prepared with a CPI increase of 3.4% to be applied to the Service Delivery Charge.

Salaries Budget

The budget has been prepared with the addition of two more FTE to the Recycling Centre staff to decrease our dependence on overtime. The site is registering a 30% increase in transaction numbers over the previous year; safe operation requires more staff onsite at any time. During the latter part of 2023-2024, a benchmarking exercise has revealed that there are some changes to be made to selected pay rates. Overall, the budget has been calculated on a 3.5% increase to the projected actual salaries cost for 2023-2024.

Councillors' Sitting Fees and Allowances

The Salaries and Allowances Tribunal (SAT) on 5 April 2024 published its 2024-2025 determination for [Local Government Chief Executive Officers and Elected Members](#). The 2024-2025 Annual Budget provides for Councillors' Sitting Fees and Allowances at rates equivalent to 80% of the maximum published rates consistent with WMRC practice since the review of sitting fees and allowances approved by Council on 4 February 2021.

Capital Works

The Annual Budget provides for a capital works program totaling \$197,500 as follows:

Asset Class	Cost	Item
Plant & Equipment	\$10,000	Boom gate to improve access control to the left side of the weighbridge
Infrastructure	\$100,000	Refurbishment of 2 silos
Infrastructure	\$60,000	Improved spill walls to the green and bulk waste area
Plant	\$45,000	Van replacement (less \$17,500 trade-in income)
Total	\$197,500	

RISK MANAGEMENT

The budget and the process of building it contribute to managing the following risks:

Reputation (R3) Building the budget collaboratively increases understanding of the financial environment in which WMRC operates.

Governance (G1) Discussions with Member Council CEOs ensures that the WMRCs and Member Council priorities are aligned as much as possible.

Strategic (S2) The budget process ensures that allocation of resources is aligned with WMRC Strategy.

Commercial (C2) We include a review of the market and potential competitors in setting our Fees and Charges.

Financial (F1, F2, F3, F5, F7, F10) This budget aims to build our reserves which will improve our financial resilience.

COMMUNICATION AND CONSULTATION

The original draft annual budget was discussed with Councillors during the budget workshop on 9 May 2024.

The annual budget was also discussed in detail with CEOs of the Member Councils at the 16 May CEOAC meeting.

Options for building the annual budget were discussed at the OCM of 31 May

Budget advice will be communicated to Member Councils as soon as possible after the 6 June SCM.

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.

The *Local Government (Financial Management) Regulations 1996* detail the form and content of the budget. The 2024-2025 budget as presented is considered to meet annual requirements.

Sections 5.98(1)(b), 5.98(5), 5.98A(1), 5.99(b) of the *Local Government Act 1995*, Regulations 30, 33, 33A,34(A) of *Local Government (Financial Management) Regulations 1996*, Parts 6.2(1), 6.3(1)(a), 7.2(1), 7.3(1), 9.2(2) of the Determination of Local Government Elected Council Members, and Section 7B of the *Salaries and Allowances Act 1975* deal with the setting of allowances for Councillors.

Regulation 34(5) of the *Local Government (Financial Management) Regulations 1996* requires that a Local Government adopt a percentage or value for reporting material variances.

Regulation 33 of the *Local Government (Financial Management) Regulations 1996* requires a copy of the budget document to be submitted to the *Department of Local Government, Sport and Cultural Industries* within 30 days of its adoption.

Business and Strategic Alignment

The draft Annual Budget 2024-25 is in line with the following Key Strategies:

1. Achieve a comprehensive, cost-effective waste management service across the region.
2. Increase the number of Councils, businesses and people using our services
4. Promote and facilitate waste avoidance and responsible waste management in the community
5. Maintain a safe, strong and capable organisation

Financial and Resource Implications

The report represents the operating performance of the business and financial position of the WMRC.

COMMENTS

Nil

VOTING REQUIREMENT

Absolute majority

RESPONSIBLE OFFICER'S RECOMMENDATIONS

- 9.1.1 Council adopts the 2024-2025 budget as contained in Attachment 9.1B of this report.**
- 9.1.2 Council adopts the Fees and Charges included at Attachment 9.1A.**
- 9.1.3 Councillor, Chair and Deputy Chair annual allowances and ICT fees be set as detailed in the 2024-2025 budget.**
- 9.1.4 The level to be used in statements of financial activity for reporting variances be 10% or \$20,000 whichever is the greater.**

10. INFORMATION BULLETINS

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. BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

17 GENERAL BUSINESS

18 CLOSURE OF MEETING

2024-25 Fees & Charges

Fees and Charges 2024-25

Option 1 - 0% discount to Member Councils

Effective from 1 July 2024

PER TONNE RATES	Member Councils		Participating Council Commercials & Non MCs	
	ex GST	Inc GST	ex GST	Inc GST
General Waste	\$ 230.29	\$ 253.32		
Bulk Waste	\$ 231.12	\$ 254.24	\$ 250.00	\$ 275.00
Minimum charge (bulk waste)			\$ 77.27	\$ 85.00
Bulk Waste (Verge Valet)	\$ 180.00	\$ 198.00	\$ 213.64	\$ 235.00
FOGO	\$ 139.86	\$ 153.84		
FOGO Contaminated (5% to 10%)	\$ 147.11	\$ 161.82		
Note: Loads with greater 10% contamination charged at general waste rate.				
Greenwaste	\$ 72.85	\$ 80.13	\$ 86.36	\$ 95.00
Minimum charge (bulk greenwaste)			\$ 43.18	\$ 47.50
GO Bin Greenwaste	\$ 93.89	\$ 103.28		
Construction & Demolition (inert)	\$ 79.23	\$ 87.16	\$ 113.64	\$ 125.00
Minimum charge (construction+demolition)			\$ 56.82	\$ 62.50
Street Sweeper	\$ 231.12	\$ 254.24	\$ 250.00	\$ 275.00

OTHER SERVICES	Member Councils		Participating Councils		Commercials & Non MCs	
	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 Extra bulk waste per collection inc disposal	\$ 136.36	\$ 150.00	\$ 163.64	\$ 180.00	\$ 163.64	\$ 180.00
Verge Valet Extra green waste per collection inc disposal	\$ 81.82	\$ 90.00	\$ 90.91	\$ 100.00	\$ 90.91	\$ 100.00
Verge Valet Extra mattress per collection inc disposal	\$ 68.18	\$ 75.00	\$ 77.27	\$ 85.00	\$ 77.27	\$ 85.00
UNIT RATES	ex GST	Inc GST	ex GST	Inc GST	ex GST	Inc GST
Bulk Waste Pass (up to 1m ³)	\$ 45.45	\$ 50.00	\$ 54.55	\$ 60.00		
Bulk Waste (0.5m ³)	\$ 25.00	\$ 27.50	\$ 27.27	\$ 30.00	\$ 31.82	\$ 35.00
Bulk Waste (1.0m ³)	\$ 45.45	\$ 50.00	\$ 54.55	\$ 60.00	\$ 59.09	\$ 65.00
Bulk Waste (2.0m ³)	\$ 86.36	\$ 95.00	\$ 95.45	\$ 105.00	\$ 109.09	\$ 120.00
Greenwaste Pass (up to 1m ³)	\$ 22.73	\$ 25.00	\$ 27.27	\$ 30.00		
Greenwaste (0.5m ³)	\$ 13.64	\$ 15.00	\$ 15.91	\$ 17.50	\$ 18.18	\$ 20.00
Greenwaste (1.0m ³)	\$ 22.73	\$ 25.00	\$ 27.27	\$ 30.00	\$ 31.82	\$ 35.00
Greenwaste (2.0m ³)	\$ 40.91	\$ 45.00	\$ 50.00	\$ 55.00	\$ 59.09	\$ 65.00
Construction & Demolition Waste (0.5m ³)	\$ 25.00	\$ 27.50	\$ 29.55	\$ 32.50	\$ 31.82	\$ 35.00
Construction & Demolition Waste (1.0m ³)	\$ 45.45	\$ 50.00	\$ 54.55	\$ 60.00	\$ 59.09	\$ 65.00
Construction & Demolition Waste (2.0m ³)	\$ 86.36	\$ 95.00	\$ 100.00	\$ 110.00	\$ 109.09	\$ 120.00

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	\$ 54.55	\$ 60.00	\$ 54.55	\$ 60.00
Mattress Bases (each; will be recycled)	\$ 45.45	\$ 50.00	\$ 54.55	\$ 60.00	\$ 54.55	\$ 60.00
Degassing Refrigerated Appliances (each; will be recycled)	\$ 15.45	\$ 17.00	\$ 22.73	\$ 25.00	\$ 25.00	\$ 27.50
Asbestos (per sheet)	\$ 18.18	\$ 20.00	\$ 22.73	\$ 25.00	\$ 25.00	\$ 27.50
Asbestos per tonne	\$ 281.82	\$ 310.00	\$ 318.18	\$ 350.00	\$ 318.18	\$ 350.00
Tyre Passenger, L.T. & 4 x 4 (each)	\$ 9.09	\$ 10.00	\$ 11.82	\$ 13.00	\$ 13.64	\$ 15.00
Tyre Passenger, L.T. & 4 x 4 on rim (each)	\$ 13.64	\$ 15.00	\$ 16.36	\$ 18.00	\$ 18.18	\$ 20.00
Tyre Truck (each)	\$ 22.73	\$ 25.00	\$ 25.45	\$ 28.00	\$ 27.27	\$ 30.00
Tyre Truck on rim (each)	\$ 31.82	\$ 35.00	\$ 34.55	\$ 38.00	\$ 36.36	\$ 40.00
Tyre Other sizes on application		POA		POA		POA
Any other waste not already provided for		POA		POA		POA

OTHER CHARGES	ex GST	inc GST
Special Event Access (per visit)	\$ 118.18	\$ 130.00
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)	\$ 6.18	\$ 6.80
Recyclables Handling Fee (per tonne) (by prior arrangement; haulage to be reimbursed at cost)	\$ 62.00	\$ 68.20
Public Vehicle Tare Weighting - Weighbridge Usage	\$ 25.00	\$ 27.50
High volume low weight surcharge (at discretion of weighbridge operator)	\$ 113.64	\$ 125.00
Bagged FOGO-derived compost per bag	\$ 5.45	\$ 6.00
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
---	-------------------------------

West Metro Recycling Centre

Corner Brockway Road & Lemnos Street, Shenton Park

Weekdays: 7.30am-4pm | Weekends: 8am-4pm | Public Holidays 7.30am-2pm

Closed Christmas Day, New Year's Day & Good Friday

WMRC
ANNUAL BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

LOCAL GOVERNMENT ACT 1995

TABLE OF CONTENTS

Statement of Comprehensive Income by Nature or Type	2
Statement of Cash Flows	3
Statement of Financial Activity	4
Index of Notes to the Budget	5
Fees and Charges Schedule	34

WMRC'S VISION

Our environment protected through avoiding waste then reusing and recovering resources.

WMRC
STATEMENT OF COMPREHENSIVE INCOME BY NATURE
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2024/25 Budget	2023/24 Forecast	2023/24 Budget
Revenue				
		\$	\$	\$
Operating grants, subsidies and contributions	11	2,174,462	2,111,128	2,044,965
Fees and charges	14	8,452,979	6,432,531	6,024,967
Interest revenue	12(a)	50,415	48,947	49,737
Other revenue	12(b)	7,500	210,368	5,188
		10,685,356	8,802,974	8,124,857
Expenses				
Employee costs		(2,352,243)	(2,274,759)	(1,913,798)
Materials and contracts		(6,601,492)	(5,673,353)	(5,402,634)
Utility charges		(16,429)	(15,950)	(24,569)
Depreciation	6	(379,607)	(380,026)	(299,275)
Finance costs	12(d)	(4,606)	(4,472)	(1,082)
Insurance		(100,716)	(88,074)	(103,321)
Other expenditure		(112,075)	(108,811)	(176,267)
		(9,567,168)	(8,545,445)	(7,920,946)
		1,118,188	257,529	203,910
Profit on asset disposals	5	17,500	0	600
		17,500	0	600
Net result for the period		1,135,688	257,529	204,510
Total comprehensive income for the period		1,135,688	257,529	204,510

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

WMRC
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2025

		2024/25	2023/24	2023/24
	NOTE	Budget	Forecast	Budget
OPERATING ACTIVITIES				
Revenue from operating activities				
Operating grants, subsidies and contributions	11	\$ 2,174,462	\$ 2,111,128	\$ 2,044,965
Fees and charges	14	8,452,979	6,432,531	6,024,967
Interest revenue	12(a)	50,415	48,947	49,737
Other revenue	12(b)	7,500	210,368	5,188
Profit on asset disposals	5	17,500	0	600
		10,702,856	8,802,974	8,125,457
Expenditure from operating activities				
Employee costs		(2,352,243)	(2,274,759)	(1,913,798)
Materials and contracts		(6,601,492)	(5,673,353)	(5,402,635)
Utility charges		(16,429)	(15,950)	(24,569)
Depreciation	6	(379,607)	(380,026)	(299,275)
Finance costs	12(d)	(4,606)	(4,472)	(1,082)
Insurance		(100,716)	(88,074)	(103,321)
Other expenditure		(112,075)	(108,811)	(176,267)
		(9,567,168)	(8,545,445)	(7,920,946)
Non-cash amounts excluded from operating activities	3(b)	416,742	390,706	324,219
Amount attributable to operating activities		1,552,430	648,235	528,730
INVESTING ACTIVITIES				
Inflows from investing activities				
Proceeds from disposal of assets	5	17,500	0	600
		17,500	0	600
Outflows from investing activities				
Payments for property, plant and equipment	5(a)	(45,000)	(70,000)	(70,000)
Payments for construction of infrastructure	5(b)	(170,000)	(291,386)	(226,000)
		(215,000)	(361,386)	(296,000)
Amount attributable to investing activities		(197,500)	(361,386)	(295,400)
FINANCING ACTIVITIES				
Inflows from financing activities				
Transfers from reserve accounts	9(a)	2,389,462	2,472,514	2,304,965
		2,389,462	2,472,514	2,304,965
Outflows from financing activities				
Payments for principal portion of lease liabilities	8	(47,006)	(60,972)	(60,878)
Transfers to reserve accounts	9(a)	(3,689,757)	(2,748,683)	(2,537,402)
		(3,736,763)	(2,809,655)	(2,598,280)
Amount attributable to financing activities		(1,347,301)	(337,141)	(293,315)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	2	(125,010)	(74,718)	(289,037)
Amount attributable to operating activities		1,552,430	648,235	528,730
Amount attributable to investing activities		(197,500)	(361,386)	(295,400)
Amount attributable to financing activities		(1,347,301)	(337,141)	(293,315)
Surplus or deficit at the end of the financial year		(117,381)	(125,010)	(349,022)

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

WMRC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts

Operating grants, subsidies and contributions		\$ 2,174,462	\$ 2,111,128	\$ 1,844,965
Fees and charges		8,452,979	6,432,531	6,024,967
Interest revenue		50,415	48,947	49,737
Other revenue		7,500	210,368	5,188

Payments

Employee costs		(2,302,803)	(2,274,759)	(1,806,876)
Materials and contracts		(6,601,492)	(5,673,353)	(5,402,634)
Utility charges		(16,429)	(15,950)	(24,569)
Finance costs		(4,606)	(4,472)	(1,082)
Insurance		(100,716)	(88,074)	(103,321)
Other expenditure		(112,075)	(108,811)	(176,267)

Net cash provided by (used in) operating activities

4	1,547,235	637,554	410,108
---	-----------	---------	---------

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for purchase of property, plant & equipment	5(a)	(45,000)	(70,000)	(70,000)
Payments for construction of infrastructure	5(b)	(170,000)	(291,386)	(226,000)
Proceeds from sale of property, plant and equipment	5(a)	17,500	0	0

Net cash provided by (used in) investing activities

(197,500)	(361,386)	(295,400)
-----------	-----------	-----------

CASH FLOWS FROM FINANCING ACTIVITIES

Payments for principal portion of lease liabilities	8	(47,006)	(60,972)	(60,878)
---	---	----------	----------	----------

Net cash provided by (used in) financing activities

(47,006)	(60,972)	(60,878)
----------	----------	----------

Net increase (decrease) in cash held

1,302,729	215,197	53,829
-----------	---------	--------

Cash at beginning of year		1,394,562	1,179,365	1,160,653
---------------------------	--	-----------	-----------	-----------

Cash and cash equivalents at the end of the year

4	2,697,291	1,394,562	1,214,482
---	------------------	------------------	------------------

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

WMRC
FOR THE YEAR ENDED 30 JUNE 2025
INDEX OF NOTES TO THE BUDGET

Note 1	Basis of Preparation	6
Note 2	Rates and Service Charges	8
Note 3	Net Current Assets	8
Note 4	Reconciliation of cash	10
Note 5	Fixed Assets	11
Note 6	Depreciation	12
Note 7	Borrowings	13
Note 8	Lease Liabilities	13
Note 9	Reserve Accounts	14
Note 10	Revenue Recognition	15
Note 11	Program Information	16
Note 12	Other Information	18
Note 13	Elected Members Remuneration	19
Note 14	Fees and Charges	20

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.

2023/24 actual balances

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

Budget comparative figures

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

Comparative figures

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

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.

WMRC
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets

Current assets

Cash and cash equivalents
 Receivables

Less: current liabilities

Trade and other payables
 Lease liabilities
 Employee provisions

Net current assets

Less: Total adjustments to net current assets

Net current assets used in the Rate Setting Statement

Note	2024/25 Budget 30 June 2025	2023/24 Forecast 30 June 2024	2023/24 Budget 30 June 2024
	\$	\$	\$
4	2,697,291	1,394,562	1,214,482
	572,728	572,728	347,269
	3,270,019	1,967,290	1,561,751
	(858,177)	(858,177)	(673,060)
8	(3,280)	(50,286)	(85,160)
	(232,044)	(207,239)	(260,052)
	(1,093,501)	(1,115,702)	(1,018,272)
	2,176,518	851,588	543,479
3(c)	(2,274,677)	(976,597)	(892,502)
	(98,159)	(125,010)	(349,023)

WMRC
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

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*.

Adjustments to operating activities

Less: Profit on asset disposals
 Add: Depreciation

Non-cash movements in non-current assets and liabilities:
 - Employee provisions

Non cash amounts excluded from operating activities

Note	2024/25 Budget 30 June 2025	2023/24 Actual 29 June 2024	2023/24 Budget 29 June 2024
	\$	\$	\$
5	(17,500)	0	(600)
6	379,607	380,026	299,275
	54,635	10,680	25,544
	416,742	390,706	324,219

(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
 Add: Current liabilities not expected to be cleared at end of year
 - Current portion of lease liabilities

Total adjustments to net current assets

9	(2,277,957)	(1,026,883)	(977,662)
	3,280	50,286	85,160
	(2,274,677)	(976,597)	(892,502)

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
FOR THE YEAR ENDED 30 JUNE 2025

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	2024/25 Budget	2023/24 Forecast	2023/24 Budget
		\$	\$	\$
Cash at bank and on hand		1,597,310	294,581	502,623
Term deposits		1,099,981	1,099,981	711,859
Total cash and cash equivalents		2,697,291	1,394,562	1,214,482
Held as				
- Unrestricted cash and cash equivalents	3(a)	419,334	367,679	236,820
- Restricted cash and cash equivalents	3(a)	2,277,957	1,026,883	977,662
		2,697,291	1,394,562	1,214,482
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		2,277,957	1,026,883	977,662
		2,277,957	1,026,883	977,662
The assets are restricted as a result of the specified purposes associated with the liabilities below:				
Financially backed reserves	9	2,277,957	1,026,883	977,662
		2,277,957	1,026,883	977,662
Reconciliation of net cash provided by operating activities to net result				
Net result		1,135,688	257,529	204,511
Depreciation	6	379,607	380,026	299,275
(Profit)/loss on sale of asset	5	(17,500)	0	(600)
(Increase)/decrease in receivables		0	(80,089)	(200,000)
Increase/(decrease) in payables		0	44,073	0
Increase/(decrease) in employee provisions		49,440	36,015	106,922
Net cash from operating activities		1,547,235	637,554	410,107

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.

5. FIXED ASSETS

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

	2024/25 Budget Additions	2024/25 Budget Disposals - Sale Proceeds	2024/25 Budget Disposals - Profit or Loss	2023/24 Actual Additions	2023/24 Actual In-kind Additions	2023/24 Disposals - Net Book Value	2023/24 Actual Disposals - Sale Proceeds	2023/24 Actual Disposals - Profit or Loss	2023/24 Budget Additions	2023/24 Budget In-kind Additions	2023/24 Budget Disposals - Net Book Value	2023/24 Budget Disposals - Sale Proceeds	2023/24 Budget Disposals - Profit or Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Property, Plant and Equipment													
Furniture and equipment			0					0					0
Plant & Equipment	45,000	17,500	17,500					0					0
Plant & Equipment - Loader Repairs			0	20,000				0	20,000				0
Buildings - Staff Changeroom and Storage			0	50,000				0	50,000				0
Total	45,000	17,500	17,500	70,000	0	0	0	0	70,000	0	0	0	0
(b) Infrastructure													
Infrastructure - Sea Container	50,000		0	71,386	0	0	0	0	226,000	0	0	600	600
Infrastructure - Silo Refurbishment			0	150,000				0					0
Infrastructure - Waste Transfer System Upgrades	120,000		0	60,000				0					0
Infrastructure - CCTV Security System			0	10,000				0					0
Total	170,000	0	0	291,386	0	0	0	0	226,000	0	0	600	600
Total	215,000	17,500	17,500	361,386	0	0	0	0	296,000	0	0	600	600

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 2025

6. DEPRECIATION

By Class

Buildings - non-specialised
 Furniture and equipment
 Plant and equipment - General
 Infrastructure - General
 Right of use - Land
 Right of use - properties
 Right of use - plant and equipment

By Program

Community amenities

	2024/25 Budget	2023/24 Forecast	2023/24 Budget
	\$	\$	\$
	34,319	34,319	36,677
	2,448	2,448	2,447
	177,103	168,076	81,425
	115,342	115,342	112,115
	4,164	4,164	4,159
	38,588	37,278	44,109
	<u>7,643</u>	<u>18,399</u>	<u>18,343</u>
	379,607	380,026	299,275
	<u>379,607</u>	<u>380,026</u>	<u>299,275</u>
	379,607	380,026	299,275
	<u>379,607</u>	<u>380,026</u>	<u>299,275</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	30-50 Years
Furniture and equipment	3-5 Years
Plant and equipment - General	5-20 Years
Infrastructure - General	10-20 Years
Right of use - plant and equipment	Based on Lease

8. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease	2024/25 Budget	2024/25 Budget	Budget Lease	2024/25 Budget	Actual Principal	2023/24 Actual	2023/24 Actual	Actual Lease	2023/24 Actual	Budget Principal	2023/24 Budget	2023/24 Budget	Budget Lease	2023/24 Budget
					Principal 1 July 2024	New Leases	Lease Principal	Lease Principal	Lease Principal		Lease Interest	Principal 1 July 2023	New Leases	Lease repayments	Lease Principal	Lease Interest	Principal 1 July 2023	New Leases	Lease repayments
Admin Office Lease	AD1	Churchill Strata	1.50%	2	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,267	\$ 0	\$ (3,267)	\$ 0	\$ (310)	\$ 3,267	\$ 85,130	\$ (3,267)	\$ 0	\$ 0
Admin Office Lease	AD2	Churchill Strata	1.50%	2	42,643	(39,363)	3,280	(1,167)		82,005	(39,363)	42,643	(3,243)		24,245	85,130	(40,530)	44,600	(947)
2021 R430 Wheel Loader	RC2	Kubota Australia	0.90%	3	7,643	(7,643)	0	(11)		25,985	(18,342)	7,643	(135)		27,512	85,130	(17,081)	7,164	(135)
					50,286	0	(47,006)	3,280	(1,178)	29,252	82,005	(60,972)	50,286	(3,688)	27,512	85,130	(60,878)	51,764	(1,082)

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 2025

9. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2024/25 Budget Opening Balance	2024/25 Budget Transfer to	2024/25 Budget Transfer (from)	2024/25 Budget Closing Balance	2023/24 Actual Opening Balance	2023/24 Forecast Transfer to	2023/24 Forecast Transfer (from)	2023/24 Forecast Closing Balance	2023/24 Budget Opening Balance	2023/24 Budget Transfer to	2023/24 Budget Transfer (from)	2023/24 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by legislation												
(a) Development Reserve	827,662	1,515,295	(215,000)	2,127,957	600,714	637,555	(361,386)	876,883	595,225	492,437	(260,000)	827,662
(b) Operations Reserve	150,000	2,174,462	(2,174,462)	150,000	150,000	2,111,128	(2,111,128)	150,000	150,000	2,044,965	(2,044,965)	150,000
	977,662	3,689,757	(2,389,462)	2,277,957	750,714	2,748,683	(2,472,514)	1,026,883	745,225	2,537,402	(2,304,965)	977,662
Restricted by council												
	0	0	0	0	0	0	0	0	0	0	0	0
	977,662	3,689,757	(2,389,462)	2,277,957	750,714	2,748,683	(2,472,514)	1,026,883	745,225	2,537,402	(2,304,965)	977,662

(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:

Reserve name	Anticipated date of use	Purpose of the reserve
(a) Development Reserve	7/01/2026	Capital Expense
(b) Operations Reserve	on-going	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 2025

11. PROGRAM INFORMATION

(a) Key Terms and Definitions - Reporting Programs

WMRC operations as disclosed in this financial report encompass the following service orientated functions and activities.

Regional Purpose

- (a) To plan, coordinate and implement the removal, processing, treatment and disposal of waste for the benefit of the communities of the participants.
- (b) without loss being incurred by the Regional Local Government, to carry out the regional purposes so that services and facilities are provided to the broader community at a reasonable cost.
- (c) to reduce the quantity of waste disposed at landfill sites in accordance with targets set by the Regional Local Government

OBJECTIVE

Governance

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

ACTIVITIES

Member Council elected delegates and corporate support services. allocation of scarce resources. 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 as required by the community. maintenance of the West Metro Recycling Centre, including green waste, weighbridge activities, community education and Verge Valet.

WMRC
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

11 PROGRAM INFORMATION (Continued)

(b) Income and expenses

Income excluding grants, subsidies and contributions

General purpose funding

Community amenities

Operating grants, subsidies and contributions

General purpose funding

Expenses

Governance

General purpose funding

Total expenses

Net result for the period

	2024/25 Budget	2023/24 Forecast	2023/24 Budget
	\$	\$	\$
General purpose funding	0	0	40,001
Community amenities	8,528,394	6,691,846	6,040,491
	8,528,394	6,691,846	6,080,492
General purpose funding	2,174,462	2,111,128	2,044,965
	2,174,462	2,111,128	2,044,965
			0
Governance	(68,596)	(69,116)	(69,116)
General purpose funding	(9,498,572)	(8,476,329)	(7,851,831)
Total expenses	(9,567,168)	(8,545,445)	(7,920,946)
Net result for the period	1,135,688	257,529	204,511

WMRC
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

12. OTHER INFORMATION

The net result includes as revenues

	2024/25 Budget	2023/24 Forecast	2023/24 Budget
	\$	\$	\$
(a) Interest earnings			
Investments			
- Reserve accounts	37,536	41,447	42,237
- Other funds	12,879	7,500	7,500
	50,415	48,947	49,737

* 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	7,500	210,368	5,188
	7,500	210,368	5,188

The net result includes as expenses

(c) Auditors remuneration

Audit services			28,537
Other services			80,000
	0	0	108,537

(d) Interest expenses (finance costs)

expense on lease liabilities (refer Note 8)	1,178	3,688	1,082
	1,178	3,688	1,082

WMRC
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

13. ELECTED MEMBERS REMUNERATION

	2024/25	2023/24	2023/24
	Budget	Forecast	Budget
	\$	\$	\$
Cr Paul Kelly - Chair NEW			
President's allowance	11,430	6,681	0
Meeting attendance fees	13,711	11,155	8,792
Annual allowance for ICT expenses	1,000	545	500
Annual allowance for travel and accommodation expenses		0	100
	26,141	18,381	9,392
Cr Paul Macfarlane - Chair			
President's allowance	0	3,184	16,700
Meeting attendance fees	0	4,034	13,184
Annual allowance for ICT expenses	0	176	500
Annual allowance for travel and accommodation expenses	0	0	100
	0	7,394	30,484
Cr Andrew Maurice (NEW)			
Deputy President's allowance	2,860	1,673	0
Meeting attendance fees	9,144	8,335	8,792
Annual allowance for ICT expenses	1,000	545	500
Annual allowance for travel and accommodation expenses		0	100
	13,004	10,553	9,392
Cr Stephanie Stroud			
Deputy President's allowance	0	797	4,175
Meeting attendance fees	0	2,690	8,792
Annual allowance for ICT expenses	0	176	500
Annual allowance for travel and accommodation expenses	0	0	100
	0	3,663	13,567
Cr Peter Macintosh			
Meeting attendance fees	9,144	8,335	8,792
Annual allowance for ICT expenses	1,000	545	500
Annual allowance for travel and accommodation expenses		0	100
	10,144	8,880	9,392
Cr Rosemarie de Vries			
Meeting attendance fees	9,144	5,645	0
Annual allowance for ICT expenses	1,000	369	0
	10,144	6,014	0
Cr Brad Wylenko			
Meeting attendance fees	9,144	5,645	0
Annual allowance for ICT expenses	1,000	369	0
	10,144	6,014	0
Total Elected Member Remuneration			
	69,577	60,899	72,227
President's allowance	11,430	9,865	0
Deputy President's allowance	2,860	2,470	4,175
Meeting attendance fees	50,287	45,839	48,352
New Presidents Allowance	0	0	16,700
Annual allowance for ICT expenses	5,000	2,725	2,500
Annual allowance for travel and accommodation expenses	0	0	500
	69,577	60,899	72,227

WMRC
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2025

14. FEES AND CHARGES

	2024/25 Budget	2023/24 Forecast	2023/24 Budget
	\$	\$	\$
By Program:			
Community amenities	8,452,979	6,432,531	6,024,967
	<u>8,452,979</u>	<u>6,432,531</u>	<u>6,024,967</u>

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