



NOTICE OF MEETING

ORDINARY COUNCIL

Members of Council are advised that a meeting will be held in the Council Chambers 83 Mandurah Terrace, Mandurah on:

Tuesday 28 February 2023 at 5.30pm

MARK R NEWMAN
Chief Executive Officer
16 February 2023

AGENDA

1. OPENING OF MEETING AND ANNOUNCEMENT OF VISITORS

2. ACKNOWLEDGEMENT OF COUNTRY

3. APOLOGIES

4. IMPORTANT NOTE

Members of the public are advised that any decisions made at the meeting tonight, can be revoked, pursuant to the *Local Government Act 1995*. Therefore, members of the public should not rely on any decisions until formal notification in writing by Council has been received.

5. ANSWERS TO QUESTIONS TAKEN ON NOTICE

6. AMENDMENT TO STANDING ORDERS

Modification to *Standing Orders Local Law 2016* - electronic attendance at meeting.

7. PUBLIC QUESTION TIME

Public Question time provides an opportunity for members of the public to ask a question of Council. For more information regarding Public Question Time please visit the City's website mandurah.wa.gov.au or telephone 9550 3787.

8. PUBLIC STATEMENT TIME

Any person or group wishing to make a Public Statement to Council regarding a matter concerning local government must complete an application form. For more information regarding Public Statement Time please visit the City's website mandurah.wa.gov.au or telephone 9550 3787.

9. LEAVE OF ABSENCE REQUESTS

10. PETITIONS

11. PRESENTATIONS**12. DEPUTATIONS**

Any person or group wishing to make a Deputation to Council regarding a matter listed on this agenda for consideration must complete an application form. For more information regarding making a deputation please visit the City's website mandurah.wa.gov.au or telephone 9550 3787.

13. CONFIRMATION OF MINUTES

13.1 Ordinary Council Meeting: 24 January 2023

13.2 Special Council Meeting: 7 February 2023

Minutes available on the City's website via mandurah.wa.gov.au/council/council-meetings/agendas-and-minutes

14. ANNOUNCEMENTS BY THE PRESIDING MEMBER (WITHOUT DISCUSSION)**15. DECLARATIONS OF FINANCIAL, PROXIMITY AND IMPARTIALITY INTERESTS****16. QUESTIONS FROM ELECTED MEMBERS (WITHOUT DISCUSSION)**

16.1 Questions of which due notice has been given

16.2 Questions of which notice has not been given

17. BUSINESS LEFT OVER FROM PREVIOUS MEETING**18. RECOMMENDATIONS OF COMMITTEES****19. REPORTS**

No.	Item	Page No	Note
1	Financial Report December 2022	4-36	Absolute Majority Required
2	Financial Report January 2022	37-67	Absolute Majority Required
3	Collection of Overdue Debts Policy	68-75	
4	Change to Audit and Risk Committee Meeting Date	76-78	

5	Transition to Rivers Regional Subsidiary – Endorsement of Revised Charter	79-150
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20. MOTIONS OF WHICH NOTICE HAS BEEN GIVEN

21. NOTICE OF MOTIONS FOR CONSIDERATION AT THE FOLLOWING MEETING

22. LATE AND URGENT BUSINESS ITEMS

23. CONFIDENTIAL ITEMS

24. CLOSE OF MEETING

1	SUBJECT:	Financial Report December 2022
	DIRECTOR:	Business Services
	MEETING:	Council Meeting
	MEETING DATE:	28 February 2023

Summary

The Financial Report for December 2022 together with associated commentaries, notes on investments, balance sheet information and the schedule of accounts are presented for Elected Members' consideration.

Council are requested to approve an additional allocation of \$1,267.10 to the 2022/2023 training and development allocation for Councillor Ryan Burns and \$763.60 for Councillor Bob Pond, in accordance with the Elected Member and CEO Training, Professional Development, Travel and Events Council Policy.

Disclosure of Interest

Nil

Previous Relevant Documentation

- G.6/6/22 28/06/2022 Adoption of Annual Budget 2022/23

Background

Nil

Comment

Financial Summary

The financial report for December 2022 shows an actual surplus for this period of \$64.82 million. The reason why the first six months of any financial year has a large surplus is because over 80% of the total revenue has been recognised (from raising of rates and fees and charges), however most of the City's expenditure occurs evenly over the 12 months. This results in a timing variance and the actual surplus reduces as the financial year progresses.

The opening surplus is currently \$3.86 million. The actual opening surplus at 30 June 2022 is close to being finalised, however may change until such time as the Audit Report and the 2021/22 Annual Financial Statements are adopted by Council which is estimated to occur in March 2023. Once the remaining surplus is finalised it will be presented to Council as part of the annual budget review in March 2023.

This is considered a reasonable surplus at the current point in time and is sufficient to meet the City's obligations up to 30 June 2023.

A summary of the financial position for December 2022 is detailed in the table below:

	Current Budget	YTD Budget (a)	YTD Actual (b)	Var. (b)-(a)	Var. % (b)-(a)/(a)
	\$ 000	\$ 000	\$ 000	\$ 000	
Opening Funding Surplus / (Deficit)	600	600	3,865	3,265	544%
Revenue					
Revenue from operating activities	124,194	112,015	115,112	3,098	3%
Capital revenue, grants and Contribution	19,369	9,685	2,031	(7,654)	-79%
	143,563	121,700	117,143	(4,557)	
Expenditure					
Operating Expenditure	(144,882)	(72,380)	(64,254)	8,126	-11%
Capital Expenditure	(48,175)	(19,354)	(8,729)	10,625	-55%
	(193,058)	(91,734)	(72,983)	18,751	
Non-cash amounts excluded from operating activities	30,535	15,448	15,803	355	2%
Non-cash amounts excluded from investing activities	(5,277)	-	3,558	3,558	0%
Other Capital Movements	23,097	(2,173)	(2,570)	(397)	18%
Closing Funding Surplus / (Deficit)	(539)	43,841	64,816	20,975	48%

Key Capital Projects

The following table highlights the status of the City's key capital projects for the 2022/2023 financial year:

Project	2022/23 Actuals Incl. CMT \$`000s	2022/23 Annual Budget \$`000s	On Time / On Budget	Comment
Western Foreshore Recreation Precinct	1,272	3,330	<p><i>Project original date of completion was March 2022, the project was substantially complete in October 2022 with minor finishing works progressing.</i></p> <p><i>Project remains within the budget allocated.</i></p>	<p><i>Project status:</i></p> <p>The Play Space was opened to the public on Sunday, 30 October 2022</p> <p>The special feature rope tunnel and the playground boat structure are expected to be completed in February 2023.</p> <p>Additional shade shelters (skate park and play space) are to be procured and installed in early 2023.</p> <p>A review of the funding of the Waterfront Project is currently being undertaken and will be presented to Council in due course.</p>

Eastern Foreshore South Precinct	647	3,412	<p><i>Completed</i></p> <p><i>Project original date of completion was January 2022, the project was substantially completed in August 2022 with toilet block progressing. Project remains within the budget allocated.</i></p> <p><i>Project estimated to be completed by June 2023</i></p>	<p><i>Project status:</i></p> <p><u>Estuary Pool</u> The Estuary Pool was opened to the public on 24 December 2021.</p> <p><u>Eastern Foreshore South – Reserve Area</u> Carpark reconfiguration and paving is complete.</p> <p>The concrete seating wall and soft landscaping works are complete.</p> <p>Works to the southern end of the eastern foreshore area are complete other than the Mobility Scooter Charging Station.</p> <p><u>Toilet Block</u> Design of the new toilet block has commenced with construction expected to commence after Crab Fest (March 23) and be completed by June 2023.</p>
RC Pinjarra Road Stage 4	810	1,534	<p><i>Project stage 4 completion date is May 2023.</i></p> <p><i>Project remains within the budget allocated.</i></p>	<p><i>Project status:</i></p> <p>Reconstruction of the section between Randell Street and Foulkes Place commenced in October. East bound lanes were completed in December and the west bound lanes are to commence early in 2023 with completion in May 2023.</p>
RC Peel Street Stage 3	548	1,528	<p><i>Project stage 3 completion date is June 2023.</i></p>	<p><i>Project status:</i></p> <p>The engaged electricity network operator has secured a contractor for the underground power works which will commence in April 2023. Preliminaries for other service relocation works including telephone, water, internet and gas has commenced with onsite works in early 2023.</p> <p>Utility service relocations are expected to be completed by June 2023.</p>
MARC Roof Repairs	125	7,536	<p><i>Project completion date is subject to confirmation with contractor.</i></p>	<p><i>Project status:</i></p> <p>Council at its Special Council meeting on 16 November 2022 accepted the preferred respondent for RFQ 22-2022 MARC Roof Replacement Design and Construct Separable Portions One (Pool Hall One) and Separable Portion Two (Acoustic Panelling).</p>

Statutory Environment

Local Government Act 1995 Section 6.4 Financial Report
Local Government (Financial Management) Regulations 1996 Part 4 Financial Reports

Policy Implications

Nil

Financial Implications

Any material variances that have an impact on the outcome of the budgeted surplus position are explained in the Monthly Financial Report, as detailed in Attachment 1.1.

Risk Analysis

Nil

Strategic Implications

The following strategy from the City of Mandurah Strategic Community Plan 2020 – 2040 is relevant to this report:

Organisational Excellence:

- Ensure the City has the capacity and capability to deliver quality services and facilities through accountable and transparent business practices.

2022/23 Budget Variations

Mandurah Aquatic and Recreation Centre (MARC) Showcourts Emergency Exit Egress Pathways

The MARC currently have three emergency exits in the Showcourts, which open on to compacted sand. This is unsafe for patrons with mobility issues or who are wheelchair bound. The Showcourts are utilised for multiple activities throughout the year and have a capacity of 980 patrons. During 2021/22 the MARC had 878,529 attendees. Quotes to supply and install two egress pathways have been obtained at an approximate cost of \$23,000.

The increased safety concerns at the MARC have prioritised the requirement for egress pathways, therefore it is proposed that the MARC dry operations operational budget be reduced to enable completion of this new project. The dry operations have incurred savings of \$40,000 due to improved rostering, resulting in the best use of staff resources, therefore it is recommended that this budget be reduced by \$23,000 to enable \$23,000 to be transferred to the new MARC Showcourts Emergency Exit Egress Pathways project.

Accounts Payable Invoice Review

The invoice review process completed prior to invoice payment has identified that the following two invoices have been processed as a maintenance transaction through an operating account instead of being costed to capital accounts:

Replacement of Park Rd Road Barrier	\$16,470
Repairs to Creery Wetland Lookout	\$29,200

These completed purchases are capital in nature as the invoice value is greater than \$5,000 and the purpose of the works was to improve the condition of the assets beyond the original condition, and to lengthen the life of the assets. To enable capitalisation of these invoices, it is recommended that approval

be granted to move a budget for the value of the invoices, from the operating budget they are being paid from, to a new capital works project. The operating budgets concerned are CityWorks Maintenance - Traffic Management - Signs Other and Miscellaneous – Facility Management – Scheduled Maintenance respectively.

Additional Allocation for Training and Professional Development

Councillor Ryan Burns has indicated that he would like to use his 2021/2022 and 2022/2023 training and professional development allocation (total of \$8,000) to undertake the Australian Institute of Company Directors (AICD) Course in mid-2023. In accordance with clause 3(c) of the Elected Member and CEO Training, Professional Development, Travel and Events Council Policy, a resolution of Council is required to approve Elected Members to attend training and professional development where the estimated event expenses exceed the available balance of the Elected Member's two-year expense allocation, which is \$8,000. The total cost of the course is \$8,449 for AICD members and is exempt from GST. For the City to take advantage of the AICD member cost, it is recommended that Council approve Councillor Ryan Burns annual subscription of \$563.60 (excluding GST) and joining fee of \$200 (excluding GST) to be paid for by the City. The non-member cost of the course is \$11,849 (difference of \$2,520 between non-member price and member price with annual subscription and joining fee included). It is proposed that Council approve the additional amount of \$1,267.10 for course fees (\$449), joining fee (\$200), annual subscription (\$563.60) and travel expenses (\$54.50 excluding GST). There are sufficient funds in the Elected Member training budget to cover this additional amount.

At the January 2023 Ordinary Council Meeting, Council approved the additional allocation of \$509 for Councillor Bob Pond to attend the AICD course. It was unknown to City officers that Councillor Bob Pond had paid the joining fee and annual subscription personally. It is requested that Council approve the reimbursement of \$763.60 to Councillor Bob Pond and increase the training and development allocation of Councillor Bob Pond by an additional \$763.60. There are sufficient funds in the Elected Member training budget to cover this additional amount.

Conclusion

The City strives to manage its finances adequately and maintain expenditure within budget to ensure services that have been approved through the budget process are fully funded.

It is recommended that Council receive the Monthly Financial Report, the Schedule of Accounts, the budget variations, approve the additional allocations of \$1,267.10 for Councillor Ryan Burns to undertake the Australian Institute of Company Directors Course in mid May 2023 and \$763.60 for Councillor Bob Pond for the joining fee and annual subscription to Australian Institute of Company Directors.

NOTE:

- Refer **Attachment 1.1** **Monthly Financial Report**
Attachment 1.2 **Schedule of Accounts (electronic only)**

RECOMMENDATION

That Council

- 1 Receives the Financial Report for December 2022 as detailed in Attachment 1.1 of the report.**
- 2 Receives the Schedule of Accounts for the following amounts as detailed in Attachment 1.2 of the report:**

Total Municipal Fund	\$ 7,278,167.08
Total Trust Fund	\$ 0.00
	<u>\$ 7,278,167.08</u>

- 3 Approves the following budget variations for 2022/23 annual budget:**
 - 3.1 Unbudgeted capital expenditure of \$23,000* for MARC Showcourts Emergency Exit Egress Pathway**
 - To be funded from MARC - MARC Dry Operations operating budget \$23,000*
 - 3.2 Unbudgeted capital expenditure of \$16,470* for Replacement of Park Rd Road Barrier**
 - To be funded from CityWorks Maintenance - Traffic Management - Signs Other operating budget \$16,470*
 - 3.3 Unbudgeted capital expenditure of \$29,200* for Repairs to Creery Wetland Lookout**
 - To be funded from Miscellaneous – Facility Management – Scheduled Maintenance operating budget \$29,200*
- 4 Approves an additional allocation of \$1,267.10 to the 2022/2023 training and development allocation for Councillor Ryan Burns in accordance with the Elected Member Entitlements Council Policy to be funded within the existing Elected Member training budget.**
- 5 Approves an additional allocation of \$763.60 to the 2022/2023 training and development allocation for Councillor Bob Pond in accordance with the Elected Member Entitlements Council Policy to be funded within the existing Elected Member training budget.**

****ABSOLUTE MAJORITY REQUIRED***

Monthly Financial Report

December 2022



City of Mandurah December 2022

\$539.4K

Estimated Deficit at 30 June 2023 with proposed budget amendments

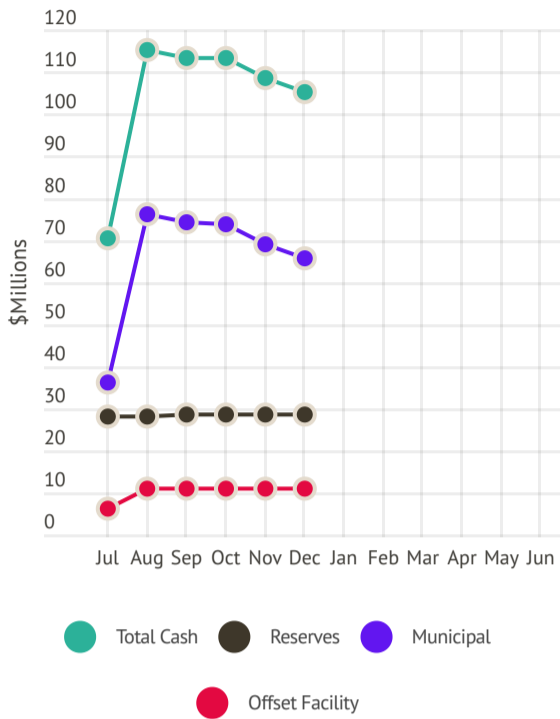
\$64.82 million

Year to Date Actual Surplus

Summary

- Actual Rates Raised \$87.1M ▲
- Actual Rates Received \$68.5M (77% collected) ▲
- Actual Operating Revenue \$115.1M ▲
- Actual Capital Revenue \$1.83M ▲
- Actual Operating Expenditure \$64.3M ▲
- Actual Capital Expenditure \$8.7M ▲
- Actual Proceeds from Sale of Assets \$202K ▲

Investments



Year to Date Revenue Actuals Compared to Current Budget



Legend: Rates (yellow), Operating Grants (blue), Fees and Charges (green), Interest (orange), Other (brown), Total (purple)

Loans

- Actual Principal Outstanding \$21.8M ▼
- Actual Principal Repayments Made \$2.1M ▲
- Actual Interest Paid \$283K ▲
- Actual New Loans Drawdown \$0M —
- Amount of Interest Saved from Loan Offset Facility \$85K ▲

Year to Date Expenditure Actuals Compared to Current Budget



Legend: Employee (yellow), Materials/Contracts (blue), Utility (green), Interest (orange), Insurance (brown), Other (purple), Total (dark brown)

Rates Outstanding

- 23 Properties with >\$10K outstanding —
- 105 Properties \$3K to \$10K outstanding ▼
- 0 Properties commenced legal action in 22/23 —
- \$2.12M Rates Exemptions —

Sundry Debtors Outstanding

- 85 current accounts due (\$472K) ▼
- 230 accounts overdue i.e >30 days (\$1.44M) ▲

Year to Date Capital Actuals Compared to Current Budget



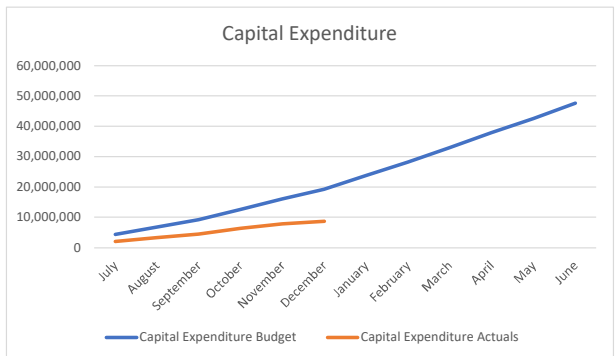
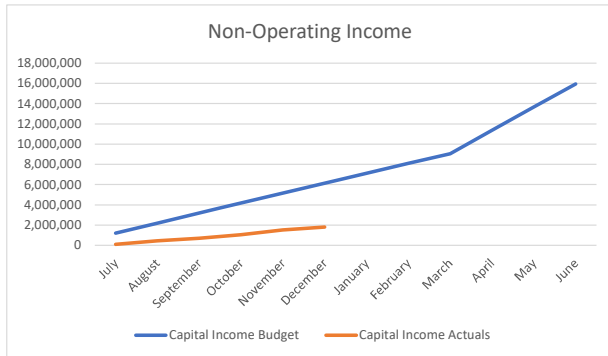
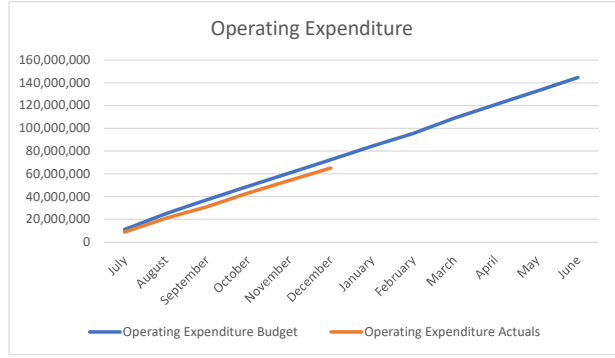
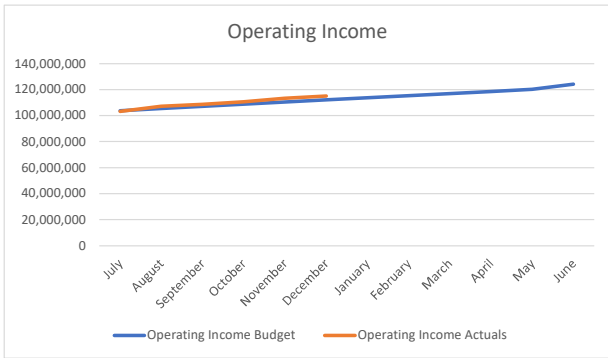
Legend: Buildings (yellow), Plant, Equip, Mach (blue), Infrastructure (green), Other (orange), Coastal (brown), Land (purple), Total (dark brown)

Budget Proposed Amendments

- Unbudgeted capital expenditure for MARC Showcourts Emergency Exit Egress Pathway \$23,000, funded from MARC Dry Operations operating budget.
- Unbudgeted capital expenditure for Replacement of Park Rd Road Barrier \$16,470, funded from CityWorks Maintenance - Traffic Management operating budget.
- Unbudgeted capital expenditure for Repairs to Creery Wetland Lookout \$29,00, funded from Miscellaneous -Facility Management operating budget.

4 Tenders awarded during the month through CEO delegation ▼

14.8% Grants received for the 22/23 year ▲
Council Meeting 28 February 2023



CITY OF MANDURAH
MONTHLY FINANCIAL REPORT
For the Period Ended 31 December 2022

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STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2022

BY NATURE OR TYPE

	Ref Note	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
Opening Funding Surplus / (Deficit)		600,000	600,000	3,864,653			
Revenue from operating activities							
Rates		87,148,305	86,835,015	87,063,126	228,111	0.26%	
Operating grants, subsidies and contributions		4,998,860	1,316,643	1,275,598	(41,045)	(3.12%)	
Fees and charges		29,770,724	22,725,106	24,220,127	1,495,021	6.58%	
Interest earnings		1,480,000	740,000	1,742,307	1,002,307	135.45%	▲
Other revenue		796,103	398,051	811,172	413,121	103.79%	▲
		124,193,992	112,014,815	115,112,330	3,097,515	2.77%	
Expenditure from operating activities							
Employee costs		(50,250,312)	(24,839,043)	(22,532,066)	2,306,977	9.29%	
Materials and contracts		(57,014,636)	(28,572,276)	(22,339,368)	6,232,908	21.81%	▲
Utility charges		(4,561,221)	(2,280,609)	(1,719,176)	561,433	24.62%	▲
Depreciation on non-current assets		(30,575,421)	(15,447,588)	(15,430,107)	17,481	0.11%	
Interest expenses		(1,222,929)	(611,465)	(465,486)	145,979	23.87%	▲
Insurance expenses		(1,257,846)	(628,923)	(965,882)	(336,959)	(53.58%)	▼
Other expenditure		-	-	(36,623)	(36,623)	100.00%	▼
Loss on disposal of assets	1(a) & 4	-	-	(765,400)	(765,400)	100.00%	▼
		(144,882,365)	(72,379,904)	(64,254,108)	8,125,796	11.23%	
Non-cash amounts excluded from operating activities	1(a)	30,535,421	15,447,588	15,803,064	355,476	2.30%	
Amount attributable to operating activities		9,847,048	55,082,499	66,661,285	11,578,786	(21.02%)	
Investing activities							
Non-operating grants, subsidies and contributions	10	15,963,753	7,981,877	1,828,594	(6,153,283)	(77.09%)	▼
Proceeds from disposal of assets	4	3,405,703	1,702,852	202,028	(1,500,824)	(88.14%)	▼
Payments for property, plant and equipment	6	(48,175,421)	(19,353,696)	(8,728,532)	10,625,163	54.90%	▲
Amount attributable to investing activities		(28,805,965)	(9,668,967)	(6,697,910)	2,971,057	30.73%	
Non-cash amounts excluded from investing activities	1(b)	(5,277,120)	-	3,557,770	3,557,770	100.00%	
Amount attributable to investing activities		(34,083,085)	(9,668,967)	(3,140,140)	6,528,827	67.52%	
Financing Activities							
Proceeds from new debentures	7	6,407,463	-	-	0	0.00%	
Unspent Loans Utilised		3,083,698	-	-	0	0.00%	
Repayment of debentures	7	(4,365,891)	(2,182,946)	(2,095,791)	87,155	3.99%	
Payment of lease liability		(588,199)	(294,100)	(239,117)	54,983	18.70%	▲
Proceeds from new interest earning liability		1,109,469	554,735	-	(554,735)	(100.00%)	▼
Principal elements of interest earning liability		(551,075)	(275,538)	(261,732)	13,806	5.01%	
Proceeds from community loans		50,271	25,136	26,948	1,812	7.21%	
Transfer from reserves	8	20,676,724	-	-	0	0.00%	
Transfer to reserves	8	(2,725,843)	-	-	0	0.00%	
Amount attributable to financing activities		23,096,617	(2,172,713)	(2,569,692)	(396,979)	(18.27%)	
Closing Funding Surplus / (Deficit)	1(d)	(539,420)	43,840,819	64,816,106	20,975,287	47.84%	

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Actual and YTD Budget data as per the adopted materiality threshold.

Refer to Note 13 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with Local Government (Financial Management) Regulation 1996.

Notes	Annual Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities			
	\$	\$	\$
Adjustments to operating activities			
Movement in liabilities associated with restricted cash	(40,000)	-	56,950
Movement in pensioner deferred rates (non-current)	-	-	(83,114)
Movement in employee benefit provisions (non-current)	-	-	(366,279)
Add: Loss on asset disposals	4	-	(23,856)
Add: Loss on asset write offs	-	-	789,256
Add: Depreciation on assets	30,575,421	15,447,588	15,430,107
Total non-cash items excluded from operating activities	30,535,421	15,447,588	15,803,064

(b) Non-cash items excluded from investing activities

The following non-cash revenue and expenditure has been excluded from investing activities within the Statement of Financial Activity in accordance with Financial Management Regulation 32.

Adjustments to investing activities

Movement in non current liabilities for transfers to acquire or construct non-financial assets to be controlled by the entity			
Movement in current liabilities for transfers to acquire or construct non-financial assets to be controlled by the entity associated with restricted cash	(5,277,120)	-	3,557,770
Total non-cash amounts excluded from investing activities	(5,277,120)	-	3,557,770

(c) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with regulation 32 of the Local Government (Financial Management) Regulations 1996 to agree to the surplus/(deficit) after imposition of general rates.

	Budget Closing 30 Jun 2022	Budget Closing 30 Jun 2023	Year to Date 31 Dec 2022
Adjustments to net current assets			
Less: Reserves - restricted cash	(24,888,945)	(31,689,865)	(51,301,746)
Less: Unspent loans	(207,137)	(295,779)	(3,470,667)
Less: Other receivables	(80,000)	-	(23,323)
Less: Prepaid Rates	-	-	-
Add: Borrowings	7	9,826,754	4,158,994
Add: Other liabilities	3,417,743	1,115,424	8,845,527
Add: Lease liability	759,243	-	175,781
Add: Provisions - employee	5,216,724	4,206,636	4,907,402
Add: Loan Facility offset	-	-	11,000,000
Total adjustments to net current assets	(5,955,618)	(22,504,590)	(27,252,455)

(d) Net current assets used in the Statement of Financial Activity

Current assets				
Cash and cash equivalents	2	23,842,754	45,752,832	93,404,044
Rates receivables	3	2,480,445	2,365,697	20,550,378
Receivables	3	4,341,798	3,257,820	7,808,032
Other current assets		549,233	1,488,370	3,444,143
Less: Current liabilities				
Payables		(9,848,897)	(17,503,876)	(11,215,636)
Borrowings	7	(5,105,388)	(4,158,994)	(2,614,571)
Interest earning liabilities		-	16,848	(272,495)
Unspent non-operating grant, subsidies and contributions liability		(1,065,909)	-	(8,973,845)
Lease liabilities		(759,243)	(421,216)	(175,781)
Provisions		(8,396,241)	(8,832,311)	(9,885,708)
Less: Total adjustments to net current assets	1(c)	(5,955,618)	(22,504,590)	(27,252,455)
Closing Funding Surplus / (Deficit)		82,934	(539,420)	64,816,106

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

	Total Amount	Interest rate	Total Interest Earnings at Maturity Date	Institution	S&P rating	Deposit Date	Maturity Date	Term days
	\$	\$	\$	\$				
Cash on hand								
Westpac Municipal Bank Account (inc. Bonds Investments & Notice Savers)	16,007,286	Variable		Westpac	AA-	NA	NA	
	16,007,286							
Municipal Investments								
Muni 10 - 9652-46197	29,997	1.50%	112	ANZ	AA-	1/01/2023	1/04/2023	90
Muni 40 - 24-879-6372	3,059,135	3.40%	50,998	NAB	AA-	29/08/2022	27/02/2023	182
Muni 41 - 24-055-4504	3,064,995	3.70%	28,015	NAB	AA-	28/11/2022	27/02/2023	91
Muni 42 - 98-829-1441	6,177,337	4.11%	102,605	NAB	AA-	19/12/2022	18/05/2023	150
Muni 46 - B33713404.115	3,081,112	3.98%	59,956	CBA	AA-	22/11/2022	23/05/2023	182
Muni 47 - B33713404.114	3,092,399	4.06%	71,243	CBA	AA-	22/11/2022	22/06/2023	212
Muni 48 - B33713404.116	3,082,656	4.17%	52,278	CBA	AA-	22/12/2022	22/05/2023	151
Muni 49 - 97-760-7420	3,083,288	4.15%	61,836	NAB	AA-	23/11/2022	22/05/2023	180
Muni 50 - B33713404.117	3,068,976	3.82%	47,745	CBA	AA-	23/11/2022	24/04/2023	152
Muni 51 - B33713404.118	3,058,752	3.77%	37,448	CBA	AA-	24/11/2022	24/03/2023	120
Muni 52 - B33713404.120	3,069,801	3.88%	48,496	CBA	AA-	24/11/2022	24/04/2023	151
Muni 53 - B33713404.119	3,052,373	3.54%	52,373	CBA	AA-	26/08/2022	22/02/2023	180
Muni 54 - 27-028-9270	3,049,942	3.70%	27,878	NAB	AA-	28/11/2022	27/02/2023	91
Muni 55 - B33713404.121	3,046,852	3.33%	25,087	CBA	AA-	28/11/2022	28/02/2023	92
MNS 31 - 582058	157,680	3.70%	478	Westpac	AA-	30/11/2022	30/12/2022	30
MNS 60 - 582007	6,477,240	3.85%	20,432	Westpac	AA-	30/11/2022	30/12/2022	30
	49,652,535							
Reserve Investments								
Reserve 42 - 36-976-7906	3,118,927	4.25%	64,027	NAB	AA-	19/12/2022	19/06/2023	182
Reserve 44 - 70-586-3025	3,081,643	3.85%	28,979	NAB	AA-	28/12/2022	28/03/2023	90
Reserve 45 - 70-568-6989	3,079,747	4.05%	60,635	NAB	AA-	27/09/2022	27/03/2023	181
Reserve 47 - B33713404.106	4,072,989	3.52%	35,047	CBA	AA-	19/10/2022	17/01/2023	90
Reserve 48 - B33713404.106	6,158,255	3.87%	115,329	CBA	AA-	19/10/2022	17/04/2023	180
RNS 31 - 581565	5,960,610	3.70%	18,072	Westpac	AA-	30/11/2022	30/12/2022	30
RNS 60 - 581573	3,291,504	3.85%	10,383	Westpac	AA-	30/11/2022	30/12/2022	30
	28,763,675							
Total Municipal and Reserve Funds	94,423,496		1,019,452					

Interest revenue	Interest Earned
Investment Interest Accrued	300,180
Investment Interest Matured	853,445
Rates Interest	588,683
	1,742,307

Loan Offset Facility	Amount	Interest rate on loans	Interest Saved	YTD Interest Saved
Westpac	11,000,000	4.51%	19,184	85,350

KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments highly liquid investments with original maturities of twelve months or less 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 reported as short term borrowings in current liabilities in the statement of net current assets.

The local government 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.

Total Municipal Cash	Unrestricted
\$105.42 M	\$76.66 M

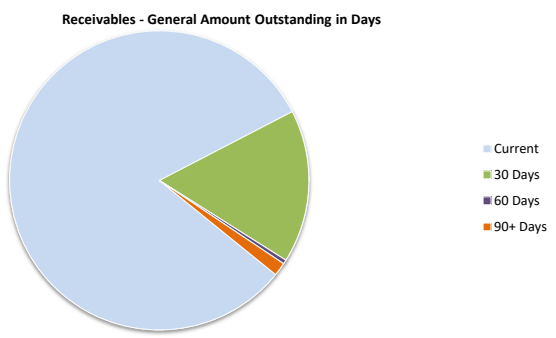
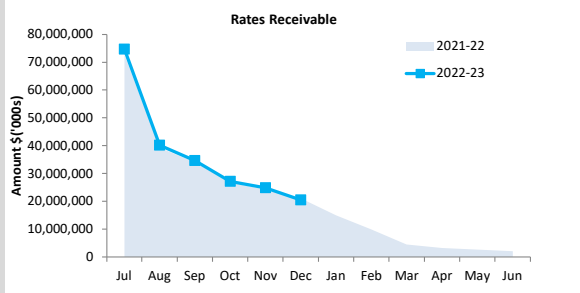
Rates Receivable	30-Jun-22	31-Dec-21	31 Dec 22
	\$		\$
Opening Arrears Previous Years	3,093,324	3,093,324	2,028,200
Rates levied	82,607,155	82,481,237	87,063,126
Less - Collections to date	(83,672,279)	(64,559,755)	(68,540,948)
Equals Current Outstanding	2,028,200	21,014,806	20,550,378
Net Rates Collectable	2,028,200	21,014,806	20,550,378
% Collected	97.6%	75.4%	76.9%

Receivables - General	31-Dec-21	Current	30 Days	60 Days	90+ Days	31 Dec 22
	\$	\$	\$	\$	\$	\$
Balance per Trial Balance						
Sundry receivable	1,740,677	786,519	1,292,166	32,699	113,166	2,224,549
Recreation Centres	144,923	177,764				177,764
Mandurah Ocean Marina	0	170,635	0	0		170,635
GST receivable	336,708	338,956				338,956
Allowance for impairment of receivables	(158,610)	(210,870)				(210,870)
Infringements	973,987	881,392				881,392
Pensioners rates and ESL deferred	3,474,026	3,589,155				3,589,155
Other Receivables	690,684	636,450				636,450
Total Receivables General Outstanding	7,202,393	6,370,002	1,292,166	32,699	113,166	7,808,032
Percentage		81.6%	16.5%	0.4%	1.4%	

	31 Dec 21	31 Dec 22
- No. of Legal Proceedings Commenced for the financial year	7	0
- No. of properties > \$10,000 outstanding	24	23
- No. of properties between \$3,000 and \$10,000 outstanding	174	105
- Value of Rates Concession	69,766	68,587
- Value of Rates Exemptions	2,027,889	2,117,724

KEY INFORMATION

Rates and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of rates and other receivables is reviewed on an ongoing basis. Other receivables that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.



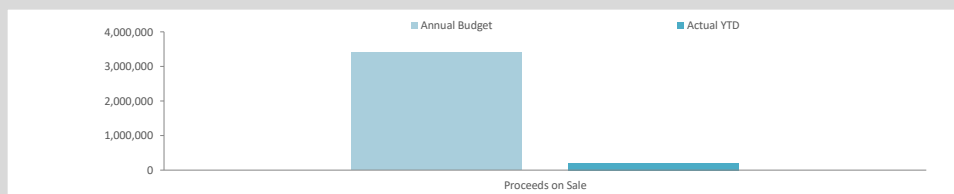
Debtors Due
\$7,808,032
Over 30 Days
18%
Over 90 Days
1%

Collected	Rates Due
76.9%	\$20,550,378

Asset	Asset ID	Asset Owner	Budget		YTD Actual			
			Net Book Value	Proceeds	Net Book Value	Proceeds	Profit	(Loss)
			\$	\$	\$	\$	\$	\$
Land								
Land			2,000,000	2,000,000	0	0	0	0
Infrastructure Assets								
Light Passenger Vehicles - Replacement								
Toyota Rav4 MH8428A	C00918	Infrastructure Management	11,096	11,096	0	0	0	0
Toyota Rav4 MH8442A	C06018	Development Compliance	14,891	14,891	0	0	0	0
Toyota Rav4 MH8976A	C06218	Infrastructure Management	13,088	13,088	0	0	0	0
Subaru Outback MH4947B	C03418	Strategic Planning	21,773	21,773	0	0	0	0
Toyota Rav4 MH9326A	C06818	Community Capacity Building	15,593	15,593	0	0	0	0
Honda HR-V MH8513A	C00619	CityParks	14,853	14,853	0	0	0	0
Toyota Prius MH9886A	C07019	Youth Development	12,400	12,400	0	0	0	0
Subaru XV MH8534A	C07519	Design and Development	15,460	15,460	0	0	0	0
Light Commercial Vehicles - Replacement								
Holden Trailblazer MH8622A	C05018	Development Compliance	13,708	13,708	0	0	0	0
Holden Colorado MH8957A	U03518	Rangers	21,003	21,003	0	0	0	0
Holden Colorado MH8958A	U04018	CityWorks	16,547	16,547	0	0	0	0
Isuzu D'MAX MH7872A	U04218	Marina	19,990	19,990	0	0	0	0
Ford Ranger MH7913A	U07518	CityWorks	21,365	21,365	0	0	0	0
Isuzu D'MAX MH7534A	U07618	Marina	17,094	17,094	0	0	0	0
Ford Ranger MH8305A	U04318	CityWorks	21,848	21,848	0	0	0	0
Ford Ranger MH8349A	U01918	CityWorks	17,927	17,927	0	0	0	0
Nissan Navara MH9384A	U06818	CityBuild	16,826	16,826	0	0	0	0
Mitsubishi Triton MH8327A	U07918	Festival and Events	16,871	16,871	0	0	0	0
Holden Colorado MH9619A	U01218	Rangers	19,425	19,425	0	0	0	0
Isuzu D'MAX MH9172A	U01319	ICT	18,445	18,445	0	0	0	0
Ford Ranger MH0438B	U08019	CityParks	24,359	24,359	0	0	0	0
Holden Colorado MH1036B	U02819	Rangers	15,438	15,438	0	0	0	0
Holden Trailblazer MH0176B	C07819	CityFleet	17,087	17,087	0	0	0	0
Trucks & Buses Replacements								
Hino FG1628 5	T006	Built & Natural Environment	44,376	44,376	0	0	0	0
Hino 500-FG1628-HIAB-88	T026	Built & Natural Environment	48,954	48,954	0	0	0	0
Nissan PK16 28	T002	Built & Natural Environment	44,443	44,443	0	0	0	0
Hino 300-716-KEVREK-1000	T005	Built & Natural Environment	35,985	35,985	0	0	0	0
Hino 300-716-KEVREK-1500	T007	Built & Natural Environment	35,985	35,985	0	0	0	0
Trailers								
Parks & Mowers								
Kubota Outfront Mower 60 F369	M03018	Parks South	10,853	10,853	0	0	0	0
Kubota Outfront Mower 72 F369	M03618	Parks North	10,853	10,853	0	0	0	0
Kubota Outfront Mower 72 F369	M02118	Parks Central	10,853	10,853	0	0	0	0
John Deere Outfront Mower 60I	M02717	Parks Assets	13,044	13,044	0	0	0	0
Kubota Outfront Mower 72	M01419	Parks Assets	18,113	18,113	0	0	0	0
Kubota Outfront Mower 60 F369	M03119	Parks Central	12,253	12,253	0	0	0	0
Toro Zero Turn 72	M02219	Parks South	20,094	20,094	0	0	0	0
Toro Zero Turn 72	M01119	Parks Central	20,094	20,094	0	0	0	0
Toro Zero Turn 72	M00419	Parks South	20,795	20,795	0	0	0	0
Minor Equipment >\$5000								
Construction Vehicles - Replacement								
KOMATSU WHEEL LOADER	G004	Built & Natural Environment	109,579	109,579	0	0	0	0
Plant disposals carried over from 2021/22 budget:								
Light Passenger Vehicles - Replacement								
Mazda CX-5 MH3806A	C04016	Place & Communities - RECREATION SERVICES	16,150	16,150	0	0	0	0
SUBARU-OUTBACK MH6704A	C02518	People & Communities - GENERAL MANAGER MPAC	15,765	15,765	0	0	0	0
TOYOTA-RAV4 MH7382A	C03818	Built & Natural - DESIGN & DEVELOPMENT SERVICES	12,326	12,326	0	0	0	0
MAZDA-CX-5 MH7550A	C04318	Built & Natural - CIVIL MAINTENANCE	15,478	15,478	15,897	19,813	3,916	0
MITSUBISHI-LS OUTLANDER MH5475A	C04717	Built & Natural - ENGINEERING COORDINATOR	12,500	12,500	12,834	20,268	7,434	0
MAZDA-CX-5 MH8253A	C07618	Business Services - RANGER SERVICES COORDINATOR	15,400	15,400	0	0	0	0
Toyota Prado MH7056A	C01117	Mayor's Office	24,367	24,367	0	0	0	0
HYUNDAI-SANTE MH7641A	FEC01718 - C01718	Built & Natural - DESIGN & DEVELOPMENT SERVICES	15,836	15,836	0	0	0	0
Light Commercial Vehicles - Replacement								
FORD-RANGER MH7859A	U00417	Built & Natural -CITYWORKS	20,353	20,353	0	0	0	0
FORD-RANGER MH8377A	U01018	Built & Natural -CITYWORKS	12,451	12,451	0	0	0	0
HOLDEN-COLORADO MH6352A	U02317	Built & Natural -CITYBUILD	16,569	16,569	17,753	27,313	9,560	0
FORD-RANGER MH8056A	U02418	Built & Natural -SURVEYING SERVICES	19,329	19,329	0	0	0	0
HOLDEN-COLORADO MH6112A	U03117	Built & Natural -CITYBUILD	18,228	18,228	0	0	0	0
FORD-RANGER MH7543A	U03417	Built & Natural -TRAFFIC MANAGMENT	20,507	20,507	0	0	0	0
HYUNDAI-ILOAD MH6241A	U03617	Built & Natural -PARKS MAINTENANCE - RETIC	18,607	18,607	0	0	0	0
HOLDEN-COLORADO MH6110A	U06717	Built & Natural -CITYBUILD	18,228	18,228	0	0	0	0
HYUNDAI-ILOAD MH6169A	U07117	Built & Natural -CITYBUILD	20,157	20,157	0	0	0	0
FORD-RANGER MH4982A	U07417	Built & Natural -CITYWORKS	16,048	16,048	0	0	0	0
HOLDEN-COLORADO MH9283A	U07818	Built & Natural -RANGERS	22,036	22,036	0	0	0	0
TOYOTA-HILUX MH6817A	U03817	Built & Natural -CITYBUILD	17,486	17,486	0	0	0	0
ISUZU-D'MAX MH5394A	U05717	Business Services -ENVIRONMENTAL HEALTH COORDINATOR	18,815	18,815	0	0	0	0
Mazda CX-5 MH5068A	C05517	Asset Management	0	0	15,824	22,072	6,248	0
Trucks & Buses Replacements								
Trailers								
Wastech Semi Trailer	V05020-	Built & Natural	35,327	35,327	0	0	0	0
Wastech Semi Trailer	V05120-	Built & Natural	35,327	35,327	0	0	0	0
Parks & Mowers								
TORO - ZERO TURN 60" SD DECK	M00117	Built & Natural -PARKS CENTRAL	12,000	12,000	0	0	0	0
TORO - ZERO TURN 72" RD DECK	M01817	Built & Natural -PARKS SOUTHERN	7,643	7,643	0	0	0	0

Asset	Asset ID	Asset Owner	Budget		YTD Actual			
			Net Book Value	Proceeds	Net Book Value	Proceeds	Profit	(Loss)
Minor Equipment >\$5000								
PUMPS AUSTRALIA-HPM WATER CLEANER HOT AND COLD	P61517	Built & Natural -CITYBUILD	2,500	2,500	0	0	0	0
PUMPS AUSTRALIA-HPM WATER CLEANER HOT AND COLD	P61617	Built & Natural -CITYBUILD	2,500	2,500	0	0	0	0
HAKO-CITYMASTER	P61817	Built & Natural -CIVIL MAINTENANCE	25,000	25,000	0	0	0	0
Construction Vehicles - Replacement								
KOMATSU - WHEEL LOADER	G005	Built & Natural -WORKS CONSTRUCTION	65,410	65,410	0	0	0	0
Plant disposals from 2021/22 budget:								
Light Commercial Vehicles - Replacement								
FORD RANGER PU MK11 - MH3964A	U02617	Business Services - Ranger Services		0	16,100	22,086	5,986	0
FORD RANGER PU MK11 - MH4447A	U06617	Business Services - Ranger Services		0	18,311	29,359	11,048	0
MAZDA CX-5 - MH5012A	C07317	Built & Natural -PARKS		0	12,868	20,041	7,173	0
Construction Vehicles - Replacement								
BOMAG - MULTI-TYRE ROLLER BW24R	R002	Built & Natural - Civil Construction		0	48,584	32,818	0	(15,766)
Parks & Mowers								
TORO - REEL MASTER 7000-D	M02517	Built & Natural -PARKS		0	20,000	8,258	0	(11,742)
			3,405,703	3,405,703	178,172	202,028	51,364	(27,508)

KEY INFORMATION



Proceeds on Sale		
Annual Budget	YTD Actual	%
\$3,405,703	\$202,028	6%

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2022**

**NOTE 5
TENDERS/QUOTES AWARDED FOR THE MONTH**

CEO delegation – accepted/rejected tenders during the month
Awarded under Financial Authorisation \$250,000 and above

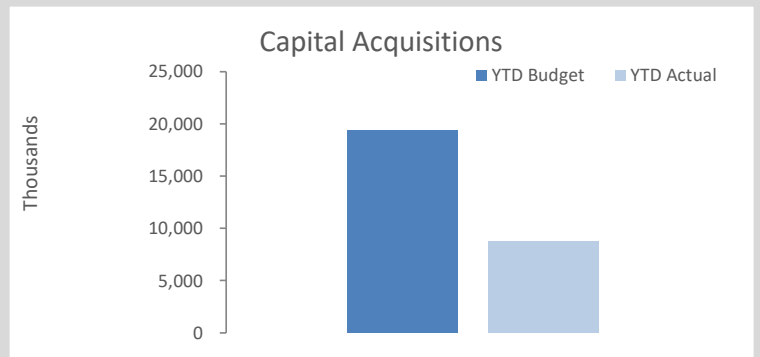
Tender code	Tender Description	Company Awarded to	Contract Term	Contract Amount
T09-2022	Feral Animal Control - SP1, SP2 & SP3	Natural Area Holdings Pty Ltd T/as Natural Area Consulting Management Services	Period of two(2) with a two(2) further 1-year option	Estimated value \$300,000 over contract term
RFQ28-2022	Provision of Maintenance Services for Pumps and Water Control Systems	Kloof Investments Pty Ltd	Period of One (1) year with a further two (2) by one (1) year option	Estimated Total Contract Value excl GST is \$1,364.734
RFQ32-2022	Provision of Rostering Software	WFS Australia Pty Ltd	For a period of four (4) years with one (1) option to extend for a further four (4) years	Total Lump Sum of \$47,200.00 exclusive of GST
T16-2022	Provision of Mini Skid Steer	Alternative Power Solutions Pty Ltd trading as Donald Contracting	Period of three (3) years with one (1) option to extend for a further two (2) years.	Estimated value \$500,000 over contract term

Capital Acquisitions	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	YTD Actual Variance
	\$		\$	\$	\$
Buildings	2,855,325	13,202,570	2,853,931	1,196,203	(1,657,728)
Equipment	95,853	129,480	80,016	32,865	(47,151)
Machinery	3,495,770	5,606,144	3,113,505	567,507	(2,545,998)
Infrastructure - Roads	10,939,402	12,967,861	5,741,280	3,805,641	(1,935,638)
Bridges	370,137	595,326	482,732	38,542	(444,189)
Parks	4,721,351	12,538,233	5,648,443	2,410,209	(3,238,234)
Drainage	756,649	1,104,671	599,321	510,830	(88,491)
Coastal & Estuary	375,698	794,796	238,682	39,837	(198,845)
Other Infrastructure	275,634	1,236,341	595,786	126,897	(468,889)
Capital Expenditure Totals	23,885,819	48,175,421	19,353,696	8,728,532	(10,625,163)
Capital Acquisitions Funded By:					
	\$		\$	\$	\$
City of Mandurah Contribution	11,268,603	11,258,368	12,502,789	6,697,910	(5,804,879)
Capital grants and contributions	5,262,383	15,963,753	6,148,055	1,828,594	(4,319,461)
Borrowings	4,159,000	9,491,161	-	-	-
Other (Disposals & C/Fwd)	853,359	1,405,703	702,852	202,028	(500,824)
Cash Backed Reserves					
Building Reserve	-	474,833	-	-	-
Asset Management Reserve	890,474	6,228,111	-	-	-
Cultural Centre Reserve	-	213,495	-	-	-
Sustainability Reserve	77,000	196,000	-	-	-
Sanitation Reserve	1,275,000	1,654,695	-	-	-
City Centre Land Acquisition Reserve	100,000	100,000	-	0	0
Plant Reserve	-	1,189,302	-	-	-
Capital Funding Total	23,885,819	48,175,421	19,353,696	8,728,532	(10,625,163)

SIGNIFICANT ACCOUNTING POLICIES

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

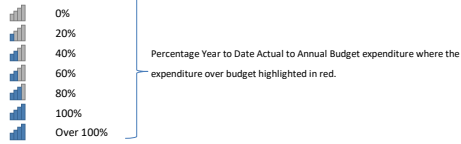
KEY INFORMATION



Acquisitions	Annual Budget	YTD Actual	% Spent
	\$48.18 M	\$8.73 M	18%
Capital Grant	Annual Budget	YTD Actual	% Received
	\$15.96 M	\$1.83 M	11%

Capital Expenditure Total

Level of Completion Indicators



Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	Remaining Unspent Funds	Comment
Land						
Buildings						
750686 22-23 Enhancements to Reserve Changerooms	56,316	56,316	6,316	6,316	50,000	Design only.
750687 22-23 LED Buildings Plan	77,418	77,418	418	418	77,000	Ongoing program 2022/23.
750688 22-23 MPAC Internal Refurb	122,858	122,858	22,858	22,858	100,000	Design only.
750689 Works & Services Building Refurb	218,644	218,644	118,644	18,644	200,000	Construction to commence Q3/4.
750690 Install walls and roof to the Camera Deck at Rushton Main	25,350	25,350	5,350	5,350	20,000	Design only.
750691 Install of Emergency Door - Shower Service	52,423	26,423	4,423	11,207	15,216	Construction complete. Finances to be finalised.
750692 Upgrade to the Bortolo Pavilion Kitchen	13,263	13,263	3,263	3,263	10,000	Scope of work to be confirmed.
750693 Minor Improvements to Lakelands Community House	24,423	24,423	4,423	22,991	2,032	Construction complete. Finances to be finalised.
750694 Tims Thicket Waste Facility - Decommissioning	150,000	150,000	0	0	150,000	Design only.
750695 WMC - Upgrade Fire Fighting Infrastructure	150,000	150,000	0	0	150,000	Construction to commence Q3.
750696 MPAC - External Steelwork	95,426	95,426	10,426	10,426	85,000	Scope of work to be confirmed.
750697 Minor Improvements to Sutton Hall	57,098	57,098	32,098	46,294	10,804	Construction 95% complete.
750699 Admin. Building Foyer - Front Door Reveals Replacement	8,006	8,006	8,006	2,506	5,500	Construction to commence Q3.
750700 Administration Building - Foyer Upgrade	238,435	238,435	18,435	18,435	220,000	Construction to commence Q3.
750701 Billy Dower Flooring	60,637	60,637	34,637	8,637	52,000	Construction to commence Q3.
750702 Civic Building Roof Renewal	89,535	89,535	89,535	14,535	75,000	Construction to commence Q3.
750703 Dudley Park Bowling Club - Dance Floor Ceiling Replacement	34,528	34,528	4,528	4,528	30,000	Construction 20% complete.
750704 Mandurah Bridge Club - Air Conditioner	56,203	56,203	56,203	41,073	15,130	Construction complete. Finances to be finalised.
750705 Mandurah Community House (MFHS & Pottery House) Roof Renewal	35,213	35,213	5,213	5,213	30,000	Construction to commence Q3.
750706 Mandurah Community Museum Roof & Gutters	179,326	179,326	14,326	14,326	165,000	Construction to commence Q3.
750707 MARC - Creche Blind Replacement	53,053	53,053	53,053	3,053	50,000	Construction to commence Q3.
750708 MARC Sauna Expansion & Refurbishment	48,742	28,742	8,742	8,742	20,000	Construction to commence Q4.
750710 PBSLSC - External Steelwork Painting	25,314	25,314	314	314	25,000	Construction to commence Q3.
750711 Mandurah Tennis Club	34,423	34,423	4,423	4,423	30,000	Construction to commence Q3.
750712 Refurbishment of Billy Dower Youth Centre	57,372	57,372	7,372	7,372	50,000	Concept development only.
750713 Port Bouvard Surf Life Saving Club Floor	16,158	16,158	16,158	3,158	13,000	Construction to commence Q3.
750714 Rushton Park North Pavilion Roof (inc Verandah Redesign)	58,847	58,847	58,847	9,847	49,000	Design only.
750715 Rushton Park Stadium - External Painting Walls and Steelwork	35,209	61,209	209	209	61,000	Construction to commence Q3.
750718 Verandah on the air pistol shed at Port Bouvard Pistol Club	25,365	25,365	5,365	5,365	20,000	Construction to commence Q3.
750719 22-23 Reserve Meter Replacement Program	50,418	50,418	418	418	50,000	Ongoing program 2022/23.
750720 22-23 Site Main Switchboard Program	50,418	50,418	418	10,418	40,000	Ongoing program 2022/23.
750649 Falcon Family Centre - External Works	58,401	58,401	8,401	8,401	50,000	Scope of work to be confirmed.
750655 MARC Leisure Pool Acoustics	218,435	325,835	18,435	18,435	307,400	Works to be undertaken in conjunction with MARC Roof Repairs project.
750722 Admin Building - CEO Area Refurbishment	82,065	82,065	82,065	69,110	12,956	Complete.
750725 Other Buildings Renewal	296,000	146,000	0	0	146,000	Budget variation processed in November to allocate \$146k to Falcon eLibrary Air Conditioning.
750647 Dawesville Community Centre	0	692,899	346,449	26,645	666,254	Design only.
750657 MPAC Internal Refurb	0	328,800	328,800	188,032	140,768	Construction to commence Q3.
750660 WMC Tipping Shed	0	155,215	77,607	1,276	153,939	Construction to commence Q3.
750661 Works & Services Building Refurb	0	186,400	93,200	33,070	153,330	Construction to commence Q3/4.
750671 Mandurah Library Re Roofing Project	0	165,365	165,365	132,785	32,580	Construction complete. Finances to be finalised.
750673 Mewburn Ablution Refurbishment	0	170,450	170,450	0	170,450	Project is not proceeding in 2022-23.
400030 Owen Avenue Ablution	0	144,090	144,090	98,622	45,468	Construction 95% complete.
750623 Administration Building - Foyer Security	0	22,758	22,758	8,481	14,277	Construction complete. Finances to be finalised.
750633 Stage 2 of Upgrades to Peelwood Reserve	0	253,343	253,343	232,351	20,992	Complete.
750643 Falcon Family Centre Upgrade	0	71,796	71,796	0	71,796	Scope of work to be confirmed.
750679 Solar Plan 2021/22	0	119,000	119,000	0	119,000	Construction to commence Q3.
750678 ManPAC RVIF Lighting	0	238,495	238,495	740	237,755	Construction to commence Q3.
750679 Council Meeting	0	7,535,654	7,535,654	201,483	7,334,171	Refer to Financial Report, Key Capital Projects table.

Level of completion indicator, please see table at the end of this note for further detail.

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750684	Southern Operations Ramp	0	20,000	20,000	640	19,360	Construction 95% complete.
750685	Visitors Centre Transit Station	0	15,000	15,000	0	15,000	Scope of work to be confirmed.
750721	Rushton Park Main - Staircase Remedial Work	0	18,000	18,000	13,910	4,090	Complete.
750726	Changing Places - Eastern Foreshore Mandurah	0	140,075	0	0	140,075	Construction to commence Q4.
750728	MARC Additional CCTV	0	32,506	16,253	2,506	30,000	Construction to commence Q4.
750729	MPAC Fly Tower and Auditorium Façade Cladding and Roof	0	100,000	50,000	1,389	98,611	Design only.
Bridges							
880014	Cambria Island Abutment Walls Repair	370,137	370,137	370,137	20,137	350,000	Design only.
880012	Lakelands-Madora Bay Pedestrian Bridge	0	225,189	112,594	18,405	206,784	Durability report options being assessed.
Parks							
700518	Eastport Foreshore Upgrade	164,384	164,384	113,985	13,186	151,198	Construction to commence Q3.
700519	South East Dawesville - Boundary Fence	79,115	79,115	79,115	4,115	75,000	Construction to commence Q3.
700520	Bortolo Reserve Soccer Goals	11,199	11,199	1,199	12,158	(959)	Soccer goals acquired. Installation to commence Q3.
700521	Lakes Lawn Cemetery - Plinths and Irrigation Upgrade	56,791	56,791	56,791	8,220	48,571	Construction to commence Q3.
700522	Capital Replacement Cost of Artesian Pump Assets	53,106	53,106	3,106	47,485	5,621	Ongoing program 2022/23.
700523	Kangaroo Paw Park	443,109	443,109	233,109	33,494	409,615	Construction 40% complete.
700524	Relocate Hard Wicket on Northern Oval at Lakelands Park	26,926	26,926	1,926	1,926	25,000	Construction to commence Q3.
700525	Westbury Way Offset Bird Waterer	27,389	27,389	1,389	16,009	10,780	Complete.
700526	Seascapes Village Shade Structure	56,002	56,002	6,002	59,270	(3,268)	Shade structure acquired. Construction to commence Q3. Budget variation for overspend to be processed in due course.
700529	Observation Deck, Watersun Drive	39,831	39,831	2,831	2,831	37,000	Construction to commence Q3.
700527	Mandurah Ocean Marina Bocce Court Upgrade	22,256	22,256	22,256	2,256	20,000	Construction to commence Q3.
700530	Falcon Bay Stage 5 of 5	423,334	423,334	23,334	23,334	400,000	Construction to commence Q4.
700531	2022-23 Falcon Reserve Activation Plan - Implementation	53,149	53,149	13,149	13,149	40,000	Complete.
700532	Merlin Street Activation Plan - Implementation	56,593	56,593	6,593	6,593	50,000	Design only.
700533	2022-23 South Harbour Paving Upgrades	160,482	160,482	3,082	3,082	157,400	Construction to commence Q3.
700534	Riverside Boardwalk	121,643	121,643	18,143	19,393	102,250	Construction to commence Q3/4.
700535	St Ives Boardwalk	119,402	119,402	18,352	18,352	101,050	Construction to commence Q3/4.
700536	Seascapes boardwalk, steps lookout node	326,639	326,639	23,727	24,474	302,165	Construction to commence Q3/4.
700537	Duverney Park - track renewal	104,981	104,981	104,981	98,749	6,232	Complete.
700538	Orion Street Beach Access Fencing	21,147	21,147	21,147	16,634	4,513	Complete.
700539	Lakes Lawn Cemetery - Stage 2 Fencing	33,592	33,592	33,592	3,592	30,000	Construction 40% complete.
700540	Diadem Place Fencing	17,650	8,650	8,650	3,614	5,036	Complete.
700541	Philante Street Carpark Fencing	10,711	3,711	3,711	2,411	1,300	Complete.
700542	Karinga Foreshore Car Park Fencing	10,411	4,411	4,411	3,491	920	Complete.
700543	Dawesville Channel South Fencing	12,232	9,232	9,232	4,332	4,900	Complete.
700544	Central Irrigation Management System	96,317	96,317	6,317	6,317	90,000	Construction to commence Q4.
700545	Suncrest Meander Playground	41,489	41,489	41,489	6,489	35,000	Construction to commence Q3.
700546	Bruce Cresswell Reserve Playground	46,289	46,289	46,289	6,489	39,800	Construction to commence Q3.
700547	Tickner Reserve Playground	41,489	41,489	41,489	6,489	35,000	Construction to commence Q3.
700548	Karri Karri Pass Playground	46,593	46,593	46,593	6,593	40,000	Construction to commence Q3.
700549	Bortolo Reserve Playground	39,489	39,489	39,489	7,099	32,390	Construction to commence Q3.
700550	Signage new	45,689	45,689	25,689	5,689	40,000	Ongoing program 2022/23.
700551	Signage renewal	45,689	45,689	25,689	5,689	40,000	Ongoing program 2022/23.
700552	Quarry Park Softfall Replacement	106,703	106,703	106,703	38,118	68,585	Construction 30% complete.
700553	Signature Circle (Edgbaston Road) Softfall Replacement	31,926	31,926	31,926	21,378	10,548	Construction complete. Finances to be finalised.
700554	Floribunda Park Softfall Replacement	28,889	28,889	28,889	1,389	27,500	Construction to commence Q3.
700555	Lilac Park Softfall Replacement	12,889	25,278	25,278	1,389	23,889	Construction complete. Finances to be finalised.
700556	Seascapes Village Softfall Replacement	16,389	0	0	0	0	Construction to commence Q3.
700557	Caterpillar Park Softfall Replacement	31,389	31,389	31,389	27,922	3,597	Construction complete. Finances to be finalised.
700558	Osprey Waters Softfall Replacement	19,351	19,351	19,351	12,200	7,151	Construction complete. Finances to be finalised.
700559	Greenhouse Park Softfall Replacement	10,851	14,851	14,851	851	14,000	Construction complete. Finances to be finalised.
700561	Upgrade of Playing Surface on Field 1 Peelwood Reserve	409,247	409,247	9,247	16,875	392,373	Project is not proceeding in 2022-23.
700562	Basketball Court Suncrest Meander	65,584	65,584	65,584	54,991	10,594	Complete.
700563	Shelters Florida Foreshore	19,856	19,856	3,856	3,856	16,000	Construction to commence Q3.
700564	Estuary Road Foreshore - shelter	25,106	25,106	25,106	9,271	15,835	Construction complete. Finances to be finalised.
700565	Duverney Park - drinking fountain	11,449	11,449	11,449	11,722	(274)	Complete.
700566	Bruce Cresswell Reserve Stage 1 of 2	334,750	334,750	8,297	9,423	325,327	Construction to commence Q3.
700567	Peelwood Reserve Cricket Nets	37,545	62,545	62,545	7,818	54,728	Construction to commence Q4.
700568	Path Connection Bridgewater	46,593	46,593	46,593	6,593	40,000	Construction to commence Q3.
700494	Pleasant Grove Foreshore	80,559	80,559	12,559	12,559	68,000	Construction to commence Q3.
700515	Mandurah Netball Feasibility Study - CSRF	38,219	78,219	78,219	8,219	70,000	Feasibility study in progress.
700516	Yalgorup National Park	448,940	477,045	23,940	49,870	427,175	Consultant work underway.
700440	Major Public Artworks	90,000	90,000	0	0	90,000	Ongoing program 2022/23.
700478	Meadow Springs Golf Course Fence	0	40,000	40,000	0	40,000	Construction to commence Q3.
700480	Central Irrigation Management System Renewal	0	90,000	0	0	90,000	Construction to commence Q4.

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Account Description	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	Remaining Unspent Funds	Comment
700481 Bin Enclosures for Eastern/Western foreshore	0	50,000	50,000	48,130	1,870	Complete.
700485 Bortolo Park Drainage Basin	0	50,000	50,000	3,234	46,766	Construction to commence Q3.
700495 Kangaroo Paw Park	0	28,248	14,124	7,780	20,468	Construction 40% complete.
700498 Tickner Reserve Final Stage	0	75,170	75,170	4,796	70,374	Construction to commence Q3/4.
700443 Falcon Bay Upgrade - Stage 4 of 5	0	18,117	18,117	4,116	14,001	Construction 95% complete.
700444 Novara Foreshore Stage 4	0	14,832	14,832	13,763	1,070	Construction complete. Finances to be finalised.
700462 Madora Bay Beach	0	100,000	0	0	100,000	Construction to commence Q3.
700511 Mandurah Parks - Shade Sails	0	56,443	56,443	643	55,800	Construction complete. Finances to be finalised.
700514 Bortolo Fire Track Water Infrastructure	0	100,000	100,000	21,517	78,483	Construction to commence Q3.
700571 MBRC Resurface	0	39,897	0	0	39,897	CSRF contributions to club for capital works.
700572 SM Tennis Club Resurface	0	11,830	0	0	11,830	CSRF contributions to club for capital works.
Roads						
501130 City Centre Streetscape Upgrades	120,023	120,023	70,023	20,023	100,000	Design only.
501131 Dawesville Channel SE Foreshore Upgrade	173,107	173,107	98,107	23,107	150,000	Design only.
501134 MARC Carpark Additional & Formalise Overflow Carpark	74,792	74,792	14,792	14,792	60,000	Construction to commence Q4.
501135 Resurface of the Driveway to the Mandurah Tennis Club	31,794	31,794	20,794	15,467	16,327	Construction to commence Q3.
501136 Senior Citizens Carpark	117,826	117,826	17,826	17,826	100,000	Construction to commence Q4.
501137 Torcello Mews Canal PAW Renewal	134,058	134,058	134,058	2,058	132,000	Construction to commence Q3.
501138 Upgrade Luminaries to LED's at the PBSRC	11,861	11,861	11,861	13,047	(1,186)	Complete.
501139 WMC - Upgrade Recycling Area Stage 1	500,000	500,000	0	0	500,000	Construction to commence Q3.
501132 Installation of Flood Lighting at Mandurah Tennis Club	178,228	232,228	124,942	18,906	213,322	Construction to commence Q3.
501141 SL Car Park lighting replacement	100,523	100,523	523	44,881	55,642	Ongoing program 2022/23.
501142 SL Light pole replacement	120,523	120,523	523	16,325	104,198	Ongoing program 2022/23.
501143 SL Marina Pole Canal light poles	79,482	79,482	11,482	11,482	68,000	Ongoing program 2022/23.
501144 SL Parks and Reserves	90,523	90,523	523	523	90,000	Ongoing program 2022/23.
501145 RC Pinjarra Road Stage 4	1,533,896	1,533,896	676,753	685,639	848,257	Refer to Financial Report, Key Capital Projects table.
501146 RR Mariners Cove/Hudson Drives Roundabout	421,615	421,615	421,615	377,502	44,113	Construction complete. Finances to be finalised.
501148 RR Olive Road	421,615	421,615	21,615	27,578	394,037	Construction to commence Q3.
501150 RR Harlem Place	301,170	301,170	301,170	229,235	71,935	Construction complete. Finances to be finalised.
501151 RR Ocean Road/Dandaragan Drive	170,000	170,000	0	0	170,000	Construction to commence Q3.
501152 RS Flavia Street, Falcon	64,839	64,839	34,839	5,359	59,480	Construction to commence Q3.
501153 RS Flinders Street, Falcon	59,944	59,944	32,444	5,424	54,520	Construction to commence Q3.
501154 RS Baloo Crescent, Falcon	233,195	233,195	128,195	23,473	209,722	Construction to commence Q3.
501155 RS Kyrean Street, Falcon	33,059	33,059	17,559	2,059	31,000	Construction to commence Q3.
501156 RS Cesia Lane, Falcon	15,059	15,059	8,559	2,539	12,520	Construction to commence Q3.
501157 RS Burna Street, Falcon	29,059	29,059	15,559	2,539	26,520	Construction to commence Q3.
501158 RS Ivanhoe Crescent, Falcon	141,334	141,334	73,834	6,934	134,400	Construction to commence Q3.
501159 RS Yeedong Road, Falcon	54,754	54,754	28,754	3,314	51,440	Construction to commence Q3.
501160 RS Dewar Street, Wannanup	84,363	84,363	45,363	6,923	77,440	Construction to commence Q3.
501161 RS Cathryn Street, Halls Head	88,944	88,944	46,944	5,544	83,400	Construction to commence Q3.
501162 RS Hill Street, Halls Head	252,485	252,485	134,985	18,085	234,400	Construction to commence Q3.
501163 RS Amar Close, Herron	22,059	22,059	12,059	2,059	20,000	Construction to commence Q3.
501164 RS Caledonia Close, Herron	22,468	22,468	11,968	1,468	21,000	Construction to commence Q3.
501165 RS Clifton Downs Road, Herron	34,059	34,059	18,059	2,059	32,000	Construction to commence Q3.
501166 RS Dunkeld Drive, Herron	29,559	29,559	15,809	5,533	24,026	Construction to commence Q3.
501167 RS Hexham Close, Herron	40,184	40,184	25,684	11,184	29,000	Construction to commence Q3.
501168 RS Raywood Road, Bouvard	42,559	42,559	22,309	2,059	40,500	Construction to commence Q3.
501169 RS Stock Road, Parklands	52,859	52,859	27,859	4,659	48,200	Construction to commence Q4.
501113 SP Halls Head PSP	820,835	820,835	820,835	20,835	800,000	Construction to commence Q3/4.
501171 SP Lanyon Street Stage 2	51,726	51,726	51,726	54,512	(2,787)	Construction has commenced.
501172 SP Lewis Street	35,614	35,614	35,614	47,316	(11,701)	Construction has commenced. Overspend being investigated, budget to be adjusted at Budget Review.
501173 Missing Links	37,477	37,477	37,477	3,477	34,000	Ongoing program 2022/23.
501174 SP Baloo Crescent	115,617	115,617	115,617	12,657	102,960	Construction to commence Q3.
501175 22-23 TM Discretionary Traffic Management	166,079	166,079	166,079	60,039	106,039	Ongoing program 2022/23.
501176 Baloo Crescent/Yeedong Road Intersection	44,866	44,866	44,866	4,866	40,000	Construction to commence Q3.
501177 Halls Head Parade Car Park Stage 2a	73,148	73,148	73,148	80,043	(6,896)	Construction 50% complete. Overspend being investigated, budget to be adjusted at Budget Review.
501178 Merlin Street Reserve Southern Car Park	92,057	92,057	92,057	13,611	78,446	Construction to commence Q3/4.
501179 22-23 SF Street Furniture New Program	53,581	53,581	28,581	3,581	50,000	Ongoing program 2022/23.
501180 22-23 SL Street Lighting New Program	74,684	74,684	39,482	49,350	25,334	Ongoing program 2022/23.
501127 Falcon Reserve Activation Plan - Stage 3	428,252	428,252	28,252	86,555	341,697	Construction to commence Q3/4.
501089 RC Peel Street Stage 3	1,528,100	1,528,100	28,100	182,544	1,345,556	Refer to Financial Report, Key Capital Projects table.
501116 SP Pleasant Grove POS	52,289	52,289	10,789	10,789	41,500	Construction to commence Q3.
501181 TM Estuary Road Delineation	37,814	37,814	37,814	10,142	27,672	Construction to commence Q3.
501182 SL Old Coast Road/McLarty Road/Leeward Road Ent	48,903	48,903	2,295	2,295	46,608	Construction to commence Q4.
501183 SL Lakes Road/Murdoch Drive	103,224	103,224	14,433	14,433	88,791	Construction to commence Q4.
501129 Trails Project	997,321	997,321	22,321	59,037	938,283	Consultant work underway.
501084 Other Road Renewals	296,000	296,000			296,000	Ongoing program 2022/23.

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501090 RC Pinjarra Road Stage 3	0	512,225	512,225	664,986	(152,761)	Refer to Financial Report, Key Capital Projects table. Overspend being investigated, budget to be adjusted at Budget Review.
501091 SL Street Lighting New Program	0	98,263	49,131	0	98,263	Ongoing program 2021/22.
501115 SP Biara Court PAW Renewal	0	64,855	32,427	1,520	63,335	Planning only.
501124 Emulsion tank with bunding	0	45,000	0	0	45,000	Acquisition to be completed in Q4.
501101 Halls Head Beach Car Park Stage 2	0	106,307	53,153	149,714	(43,408)	Construction complete. Overspend being investigated, budget to be adjusted at Budget Review.
500016 Smart Street Mall Upgrade	0	660,679	330,339	409,407	251,272	Construction 95% complete.
501084 Peel Street - Power Relocation	0	479,671	479,671	313,477	166,194	Electrical works to re-commence Q3/4.
501123 Ayrton St POS Carpark	0	7,460	7,460	21,275	(13,815)	Carried over from 2021/22. Overspend being investigated, budget to be adjusted at Budget Review.
Drainage						
600188 Install Drainage in Bin Storage Area	13,993	13,993	13,993	12,313	1,680	Complete.
600189 DR 130 Mandurah Terrace	41,227	41,227	16,227	16,227	25,000	Construction to commence Q4.
600190 DR 30 George Street Drainage Improvement	62,872	62,872	15,872	17,005	45,867	Construction to commence Q3/4.
600191 DR Baloo Crescent Drainage Upgrade	198,813	198,813	198,813	23,313	175,500	Construction to commence Q3.
600192 DR Cervantes Drive	36,499	36,499	15,977	15,977	20,522	Construction to commence Q3.
600193 DR Colonial Court Drainage Upgrade - Stage 1	221,108	221,108	17,108	20,172	200,937	Construction to commence Q3.
600194 Discretionary Drainage Projects	43,028	43,028	23,528	9,427	33,601	Ongoing program 2022/23.
600195 DR Hopetoun Bend Drainage Upgrade	68,150	68,150	15,150	15,150	53,000	Construction to commence Q3.
600196 DR Loton Road/Ashley Terrace Intersection Stage 1	70,960	70,960	12,960	15,640	55,319	Construction to commence Q3.
600183 Halls Head Pde Beach Central CP Stage 2	0	108,740	108,740	122,743	(14,003)	Construction complete. Finances to be finalised. Overspend being investigated, budget to be adjusted at Budget Review.
600184 DR Mathew Street, Falcon	0	156,656	78,328	202,029	(45,373)	Construction complete. Finances to be finalised. Overspend being investigated, budget to be adjusted at Budget Review.
600186 DR Yeedong Road, Falcon - Stage 2	0	82,626	82,626	40,836	41,789	Construction 75% complete.
Coastal & Estuary						
910071 Mandjar Bay Lower Landing Jetty Replacement Stage 1	67,261	67,261	2,261	2,261	65,000	Construction to commence Q3.
910075 Birchley Road Boat Ramp Jetty	80,328	80,328	5,328	5,502	74,826	Construction to commence Q3.
910076 Dawesville Foreshore Reserve (Leura Street) Rock Protection	86,165	86,165	2,465	2,465	83,700	Construction to commence Q3.
910077 Dawesville Foreshore Reserve (Avon Court) Rock Protection	99,611	99,611	2,611	2,611	97,000	Construction to commence Q3.
910078 Hall Park (Leighton Place) Rock Protection	42,333	42,333	1,744	1,744	40,589	Construction to commence Q3.
910108 South Harbour Paving Upgrade Stage 3 to 6	0	16,103	16,103	7,293	8,811	Construction complete. Finances to be finalised.
910109 Cambria Island Abutment Walls Repair	0	389,649	194,825	4,616	385,033	Design only.
911000 Riverside Retaining Wall	0	13,345	13,345	13,345	0	Complete.
Equipment						
820188 MARC Replacement Pool Inflatable	12,506	0	0	0	0	Acquisition to be completed Q3.
820189 MARC Stadium Court 3 Scoreboard Replacement	12,506	12,506	12,506	2,506	10,000	Acquisition to be completed Q3.
820191 Senior Citizens Stage Curtain	15,585	15,585	15,585	3,085	12,500	Acquisition to be completed Q3.
820190 22-23 Furniture & Equipment	55,257	55,257	5,793	8,293	46,964	Balance of ongoing program from 2021/22.
820185 All Terrain Wheelchair	0	8,500	8,500	0	8,500	Acquisition to be completed Q3.
820186 Sand Cleaning Machine	0	18,673	18,673	18,982	(309)	Complete.
820192 MARC Court Netting	0	18,960	18,960	0	18,960	Acquisition to be completed Q3.
Plant & Machinery						
770001 Replacement Light Passenger Vehicles	256,000	551,827	275,914	130,256	421,571	Ongoing program 2022/23.
770002 Replacement Light Commercial Vehicles	606,230	1,112,200	556,100	74,499	1,037,701	Ongoing program 2022/23.
770005 New - Light Passenger Vehicles	0	40,000	20,000	0	40,000	Ongoing program 2022/23.
770006 Trucks and Buses	780,000	780,000	390,000	0	780,000	Ongoing program 2022/23.
770007 Trailers	346,040	630,838	315,419	18,150	612,688	Ongoing program 2022/23.
770008 Construction Vehicles	282,000	564,648	282,324	0	564,648	Ongoing program 2022/23.
770009 Parks and Mowers	362,000	432,599	216,300	0	432,599	Ongoing program 2022/23.
770010 New - Heavy Vehicles Plant and Equipment	680,000	770,865	770,865	0	770,865	Ongoing program 2022/23.
770011 Miscellaneous Equipment	6,000	525,667	262,834	338,147	187,520	Ongoing program 2022/23.
770012 New - Vehicle and Small Plant Program	27,500	7,500	3,750	6,455	1,045	Ongoing program 2022/23.
770018 New - Light Commercial Vehicles	0	40,000	20,000	0	40,000	Ongoing program 2022/23.
770020 Tim's Thicket Weighbridge	150,000	150,000	0	0	150,000	Construction to commence Q3.
Other Infrastructure						
930039 CSRF Program - Small Grants	106,065	338	0	0	338	To date funding has been allocated to Upgrade luminaries to LED's at PBSRC (\$11,861), Installation of Flood Lighting at Mandurah Tennis Club (\$32,074), SM Tennis Club Resurface (\$11,830) and MBRC Resurface (\$39,891).
930040 22-23 Christmas Decorations Program	169,569	169,569	169,569	73,769	95,800	Ongoing program 2022/23.
930035 Restart Mandurah - Other	0	852,434	426,217	0	852,434	Remaining balance of Restart Mandurah funds.
930038 MARC Geothermal Pump & VSD	0	214,000	0	53,128	160,872	Construction to commence Q3.
700053 Lakelands DOS Sports Specific Infrastructure	0	332,398	166,199	160,647	171,751	Construction of all baseball diamonds complete.
700055 Eastern Foreshore South Precinct	0	3,412,166	1,706,083	307,792	3,104,373	Refer to Financial Report, Key Capital Projects table.
700056 Western Foreshore Recreation Precinct	0	3,329,677	1,664,838	1,049,875	2,279,801	Refer to Financial Report, Key Capital Projects table.
Grand Total	23,885,819	48,175,421	19,353,696	8,828,957	39,346,464	

Repayments - Borrowings

Information on Borrowings Particulars	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments		
	1 July 2022	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Law, order, public safety									
Bortolo Fire Track Water Infrastructure		0	40,000	0	0	0	40,000	0	
Community amenities									
Compactor Waste Trailers and Dolly [336]	123,407	0	0	29,251	59345	94,156	63885	2,285	3367
Waste Water Reuse [349]	100,257	0	0	10,985	22475	89,272	77632	1,825	3145
Halls Head Ablution Block [350]	66,864	0	0	7,321	14978	59,543	51783	1,217	2098
Halls Head Recycled Water 2019/20	164,810	0	0	8,339	17864	156,472	145028	3,077	5416
Ablutions 2020/21	0	0	0	0	21265	0	228735	0	0
Ablutions 2021/22	250,051	0	0	8,951	0	241,100	0	5,294	8411
Recreation and culture									
Rushton Park Redevelopment [318(ii)]	147,980	0	0	46,774	90350	101,206	58,812	903	3661
Meadow Springs Recreation Facility [318(iii)]	111,159	0	0	35,135	68838	76,024	42,210	678	2789
Mandurah Football & Sporting Club [324]	1,703	0	0	1,703	1701	0	0	0	5
Mandurah Rugby Club [325]	158	0	0	158	148	0	0	(0)	0
Bowling Club Relocation [326]	13	0	0	13	-	0	0	(13)	0
Ablutions - Netball Centre [329(i)]	4	0	0	4	-	0	0	(4)	0
Parks Construction [329(v)]	4	0	0	4	-	0	0	(4)	0
Halls Head Bowling Club upgrade [331]	235,855	0	0	17,449	35791	218,406	199,730	4,377	7673
Parks - Falcon Bay Reserve [333(i)]	22,699	0	0	12,202	22669	10,497	0	337	400
MARC Redevelopment [338]	431,781	0	0	82,496	158725	349,286	272,846	3,154	12575
MARC Redevelopment Stage 1 [340]	334,858	0	0	39,326	80362	295,533	254,226	6,070	10430
MARC Redevelopment Stage 2 [341]	823,803	0	0	112,261	208805	711,541	614,366	4,883	25483
Eastern Foreshore Wall [344]	541,704	0	0	71,630	134904	470,073	406,548	4,222	16800
MARC Stage 2 [345]	806,207	0	0	103,637	193127	702,570	612,473	5,485	25117
Falcon Bay Seawall [351]	167,937	0	0	18,356	37557	149,581	130,139	3,058	5271
MARC Solar Plan [353]	132,135	0	0	9,645	19733	122,490	112,210	2,454	4303
Novara Foreshore Development [355]	264,429	0	0	19,139	39459	245,289	224,592	5,079	8613
Falcon Bay Foreshore Upgrades [356]	264,225	0	0	19,291	39466	244,934	224,385	4,907	8606
Mandjar Square Development [358]	328,933	0	0	24,114	49368	304,818	279,299	6,108	10716
Lakelands DOS [360]	1,713,179	0	0	161,062	281019	1,552,118	1,430,886	7,166	55437
Mandjar Square Stage 3 and 4	367,421	0	0	20,685	86589	346,736	221,671	7,263	23091
Falcon Seawall	708,669	0	0	49,907	42827	658,762	710,844	5,526	12013
Novara Foreshore Stage 3	148,124	0	0	8,268	17089	139,857	129,170	2,929	4847
Smart Street Mall Upgrade 2019/20	401,335	0	0	23,018	45040	378,317	351126	7,354	13148
Falcon Bay Foreshore Stage 3 of 4	247,218	0	0	12,604	26795	234,614	217,551	4,519	8125
Mandjar Square Final Stage	247,205	0	0	12,604	26795	234,601	217,538	4,519	8125
Falcon Skate Park Upgrade	96,801	0	0	5,377	10796	91,424	84,761	1,913	3172
Westbury Way North side POS Stage 3	164,825	0	0	8,339	17863	156,486	145,043	3,077	5417
Eastern/ Western Foreshore 2020/21	1,031,140	0	0	58,972	96793	972,168	923,037	4,911	34151
Smart Street Mall 2020/21	1,004,804	0	0	50,009	93163	954,795	901,520	7,748	33329
Novara Foreshore Stage 4	91,576	0	0	3,818	8435	87,758	82,172	1,804	3037
Bortolo Reserve - Shared Use Parking and Fire Track Facility	274,702	0	0	11,838	25330	262,864	246,491	5,028	9110
Falcon Bay Upgrade - Stage 4 of 5	256,387	0	0	11,075	23633	245,312	230,066	4,668	8503
Enclosed Dog Park	18,466	0	0	767	1704	17,699	16,559	364	612
South Harbour Paving Upgrade Stage 2	45,794	0	0	1,909	4218	43,885	41,086	902	1518
Falcon Skate Park Upgrade 2020/21	69,102	0	0	2,880	6373	66,222	61,995	1,362	2291
Eastern/ Western Foreshore 2021/22	1,534,700	0	0	78,188	130452	1,456,512	1,403,935	8,039	51624
Smart Street Mall 2021/22	630,568	0	0	30,465	53609	600,103	576,830	5,096	21211
Enclosed Dog Park 2021/22	179,886	0	0	6,399	15297	173,486	164,552	3,905	6051
Novara Foreshore Stage 4 2021/22	230,047	0	0	8,284	19562	221,763	210,438	4,835	7738
Falcon Bay Upgrade - Stage 4 of 5 2021/22	71,455	0	0	2,576	6081	68,878	65,359	1,637	2403
Parks and Reserves Upgrades 2021/22	495,101	0	0	24,016	42098	471,085	452,902	3,950	16654
Mandurah Library Re Roofing Project	115,023	0	0	4,132	9787	110,891	105,213	2,526	3869
Falcon Reserve Activation Plan Stage 3	0	0	400,000	0	34014	0	365,986	0	13458
Pleasant Grove Foreshore	0	0	59,000	0	5023	0	53,977	0	1985
Kangaroo Paw Park	0	0	400,000	0	34014	0	365,986	0	13458
Falcon Bay Stage 5 of 5	0	0	350,000	0	29756	0	320,244	0	11776
2022/23 South Harbour Upgrades	0	0	150,000	0	12761	0	137,239	0	5047
Upgrade of Playing Surface Peelwood Parade	0	0	350,000	0	29756	0	320,244	0	11776
Bruce Creswell Reserve	0	0	300,000	0	25511	0	274,489	0	10093
Seascapes Boardwalk	0	0	200,000	0	17007	0	182,993	0	6729
Mandurah Community Museum Roof and Gutters	0	0	150,000	0	12761	0	137,239	0	5047
Stage 2 of Upgrades to Peelwood Reserve	0	0	70,000	0	0	0	0	0	0
Smart Street Mall Upgrade	0	0	267,396	0	0	0	0	0	0
Eastern Foreshore South Precinct	0	0	94,683	0	0	0	0	0	0
Western Foreshore Recreation Precinct	0	0	800,000	0	0	0	0	0	0
Transport									
Drainage [318(iv)]	36,821	0	0	11,639	21512	25,183	16,602	225	872
Road Construction [318(v)]	369,604	0	0	116,825	232329	252,779	133,359	2,255	9414
Road Construction [329(ii)]	9	0	0	9	0	0	0	(9)	0
Drainage Construction [329(iii)]	3	0	0	3	0	0	0	(3)	0
Peelwood Oval - Parking [329(iv)]	1	0	0	1	0	0	0	(1)	0
Path Construction [329(vi)]	1	0	0	1	0	0	0	(1)	0
Street Lighting [329(viii)]	1	0	0	1	0	0	0	(1)	0
Road Construction [333(ii)]	103,407	0	0	55,587	103271	47,820	0	1,534	1822
New Pedestrian Bridge Construction [335]	243,718	0	0	58,903	120092	184,815	123,290	4,498	6604
New Road Construction [339]	313,715	0	0	54,822	113063	258,894	200,409	6,186	9169
New Road Construction [342]	425,086	0	0	55,056	103930	370,030	320,960	3,516	13214
WMC Tims Thicket [343]	67,049	0	0	7,630	15484	59,419	51,461	1,218	2096

Repayments - Borrowings

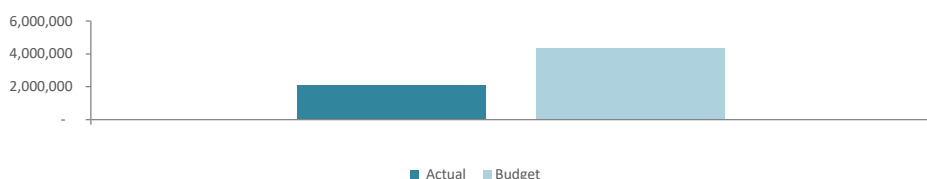
Information on Borrowings Particulars	1 July 2022	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
		Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Road Construction [346]	263,877	0	0	28,922	59172	234,955	204,336	4,804	8280
MARC Carpark [347]	200,493	0	0	21,970	44949	178,523	155,258	3,650	6291
MPAC Forecourt [348]	83,566	0	0	9,153	18726	74,414	64,715	1,521	2622
Mandurah Marina [352]	132,128	0	0	9,645	19733	122,483	112,203	2,454	4303
MARC Carpark [354]	198,193	0	0	14,466	29593	183,727	168,318	3,681	6455
Mandurah Foreshore Boardwalk Renewal [357]	296,245	0	0	21,701	44419	274,544	251,604	5,501	9653
New Road Construction [359]	864,540	0	0	74,816	142058	789,724	721,781	10,198	27970
Smoke Bush Retreat Footpath [361]	66,065	0	0	4,825	9873	61,239	56,090	1,227	2151
New Boardwalks 18/19	369,640	0	0	20,673	42735	348,968	322,592	7,309	12105
Coodanup Drive - Road Rehabilitation	74,083	0	0	4,132	8544	69,950	64,602	1,465	2424
Pinjarra Road Carpark	148,124	0	0	8,268	17089	139,857	129,170	2,929	4847
New Road Construction 2018/19	1,172,269	0	0	83,500	142756	1,088,770	1,013,818	7,986	38204
New Road Construction 2019/20	703,305	0	0	46,410	81755	656,895	612,092	8,262	22981
South Harbour Upgrade 2019/20	189,552	0	0	9,558	20542	179,994	166804	3,568	6230
New Roads 2020/21	543,876	0	0	30,839	56675	513,037	481,409	2,779	17929
Carryover Roads 2020/21	500,102	0	0	19,023	42518	481,079	457,482	9,089	16822
Roads 2021/22	250,051	0	0	8,640	21265	241,411	228,735	5,299	8411
SP Halls Head PSP	0	0	200,000	0	17007	0	182,993	0	6729
Carparks 2021/22	165,673	0	0	5,925	14095	159,747	151,544	3,578	5573
RC Peel Street	0	0	500,000	0	42518	0	457,482	0	16822
Cambria Island Abutment Wall	58,989	0	0	2,161	5024	56,828	53,953	1,351	1984
Senior Citizens Carpark	0	0	100,000	0	8504	0	91,496	0	3364
Torcello Mews Canal PAW Renewal	0	0	100,000	0	8504	0	91,496	0	3364
MARC Carpark Additional and overflow	0	0	50,000	0	4258	0	45,742	0	1682
Halls Head Parade Car Park Stage 2a	0	0	50,000	0	4258	0	45,742	0	1682
RC Pinjarra Road Stage 4	0	0	500,000	0	42518	0	457,482	0	16822
Cambria Island Abutment Walls Repair	0	0	300,000	0	25511	0	274,489	0	10093
RC Pinjarra Road Stage 3	0	0	500,000	0	0	0	0	0	0
Halls Head Pde Beach Central CP Stage 2	0	0	135,361	0	0	0	0	0	0
Cambria Island Abutment Walls Repair	0	0	341,023	0	0	0	0	0	0
Economic services									
Mandurah Ocean Marina Chalets Refurbishment	150,031	0	0	5,409	12761	144,622	137,239	3,219	5047
Other property and services									
IT Communications Equipment [318(i)]	29,179	0	0	9,223	17210	19,956	12,827	178	697
IT Equipment [329(vii)]	1	0	0	1	0	0	0	(1)	0
Land Purchase [330]	3	0	0	3	0	0	0	0	0
Civic Building - Tuckey Room Extension	369,237	0	0	20,675	42761	348,563	321,815	7,300	12079
	23,853,143	0	6,407,463	2,095,791	4,365,891	21,757,352	23,569,427	283,196	906,534
Total	23,853,143	0	6,407,463	2,095,791	4,365,891	21,757,352	23,569,427	283,196	906,534
Current borrowings	4,365,891		6,407,463	2,095,791	4,365,891	2,614,571	4,365,891	283,196	906,534
Non-current borrowings	19,487,252					19,142,781	19,203,536		
	23,853,143					21,757,352	23,569,427		

All debenture repayments were financed by general purpose revenue.

KEY INFORMATION

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

2022/23 Principal Repayments



Principal
\$2,095,791

Interest Expense
\$283,196

Loans Due
\$21.76 M

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2022

OPERATING ACTIVITIES
NOTE 8
CASH RESERVES

Cash Backed Reserve

Reserve Name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Building	1,627,162	12,443	0	0	0	(474,833)	0	1,164,771	1,627,162
Parking	481,438	6,412	0	0	0	0	0	487,851	481,438
Asset Management	15,417,266	119,918	0	2,000,000	0	(6,235,111)	0	11,302,073	15,417,266
Cultural Centre	215,975	0	0	0	0	(213,495)	0	2,480	215,975
Property Acquisition	0	0	0	0	0	0	0	0	0
Sustainability	531,204	4,902	0	0	0	(196,000)	0	340,105	531,204
Waste Facilities Reserve Fund	6,053,666	41,850	0	0	0	(1,686,611)	0	4,408,906	6,053,666
Traffic Bridge	0	0	0	0	0	0	0	0	0
Interest Free Loans	145,562	0	0	0	0	0	0	145,562	145,562
CLAG	11,917	16	0	0	0	0	0	11,933	11,917
Mandurah Ocean Marina	177,997	2,371	0	0	0	0	0	180,368	177,997
Waterways	811,550	9,515	0	0	0	(63,377)	0	757,689	811,550
Port Mandurah Canals Stage 2 Maintenance	93,112	1,240	0	0	0	0	0	94,352	93,112
Mariners Cove Canals	84,837	1,130	0	0	0	0	0	85,967	84,837
Port Bouvard Canal Maintenance Contributions	267,030	3,556	0	0	0	0	0	270,587	267,030
Unspent Grants & Contributions	8,773,649	0	0	0	0	(7,655,333)	0	1,118,316	8,773,649
Long Service Leave	4,592,006	0	0	0	0	(905,791)	0	3,686,215	4,592,006
Bushland and Environmental Protection	1,307,640	17,090	0	200,000	0	0	0	1,524,731	1,307,640
Coastal Storm Contingency	258,494	3,443	0	0	0	0	0	261,937	258,494
Digital Futures	56,866	929	0	0	0	0	0	57,795	56,866
Decked Carparking	1,008,622	13,433	0	0	0	0	0	1,022,056	1,008,622
Specified Area Rates - Waterside Canals	116,972	1,496	0	0	0	(6,738)	0	111,730	116,972
Specified Area Rates - Port Mandurah Canals	212,247	1,903	0	64,900	0	(1,131)	0	277,919	212,247
Specified Area Rates - Mandurah Quay Canals	222,331	2,917	0	8,965	0	0	0	234,213	222,331
Specified Area Rates - Mandurah Ocean Marina	564,257	5,392	0	151,390	0	0	0	721,039	564,257
Specified Area Rate - Port Bouvard Canals	131,740	1,609	0	588	0	0	0	133,937	131,740
Specified Area Rate - Mariners Cove	10,331	69	0	0	0	(5,317)	0	5,083	10,331
Specified Area Rate - Eastport	43,891	476	0	0	0	(31)	0	44,336	43,891
Sportclubs Maintenance Levy	242,545	2,681	0	0	0	0	0	245,226	242,545
City Centre Land Acquisition Reserve	1,010,931	13,215	0	0	0	(100,000)	0	924,146	1,010,931
Lakelands Community Infrastructure Reserve	1,102,123	14,679	0	0	0	0	0	1,116,802	1,102,123
Plant Reserve	2,014,060	10,966	0	0	0	(1,189,302)	0	835,724	2,014,060
Workers Compensation Reserve	673,563	6,349	0	0	0	0	0	679,912	673,563
Restricted Cash Reserve	3,040,759	0	0	0	0	(1,943,654)	0	1,097,105	3,040,759
	51,301,746	300,000	0	2,425,843	0	(20,676,724)	0	33,350,865	51,301,746

OPERATING GRANTS AND CONTRIBUTIONS

Provider	Unspent Operating Grant, Subsidies and Contributions Liability				Operating Grants, Subsidies and Contributions Revenue			
	Liability 1-Jul	Increase in Liability	Liability Reduction (As revenue)	Liability 30-Jun	Adopted Budget	Budget Variations	Annual Budget	YTD Revenue Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Operating Grants and Subsidies								
General purpose funding								
Financial Assistance Grant - General Purpose	0	0	0	0	1,903,527	0	1,903,527	320,183
Financial Assistance Grant - Local Roads	0	0	0	0	1,439,746	0	1,439,746	164,755
Law, order, public safety								
Southern Districts Bush Fire Brigade LGGs: DFES	0	0	0	0	32,928	0	32,928	15,057
SES LGGs: DFES	0	0	0	0	57,629	0	57,629	28,815
Bushfire Mitigation Activity Fund (MAF) Grants: DFES	0	22,800	0	22,800	65,000	0	65,000	0
Education and welfare								
Waterwise Verge Grant: Water Corp	0	0	0	0	10,000	0	10,000	0
International Day of People with Disability: Development Dis:	0	1,000	(1,000)	0	0	0	0	1,000
Stay on your Feet: Injury Matters	0	3,650		3,650	0	0	0	0
Recreation and culture								
Christmas Pageant: Lotterywest	0	20,000	0	20,000	10,000	0	10,000	0
Christmas Pageant: Tourism WA	0	10,500	0	10,500	0	0	0	0
Crabfest: Tourism WA	0	0	0	0	145,250	0	145,250	0
Every Club Funding 2022: DLGSC	40,000	0	0	40,000	0	0	40,000	0
Every Club Funding 2023: DLGSC	0	0	0	0	21,325	0	21,325	0
Wearable Art	0	0	0	0	41,500	0	41,500	0
Gnoonie Youth Football Cup: Healthway	0	2,000	(2,000)	0	1,500	0	1,500	2,000
2 & 5 Children's Week: Healthway	0	1,000	(1,000)	0	0	0	0	1,000
CHRMAP: DPLH	0	0	0	0	0	0	37,500	37,500
	40,000	60,950	(4,000)	96,950	3,728,405	0	3,805,905	570,309
Operating Contributions								
Recreation and culture				0				
She Codes Workshop: PDC	5,000	0	0	5,000	0	5,000	5,000	0
	5,000	0	0	5,000	0	5,000	5,000	0
TOTALS	45,000	60,950	(4,000)	101,950	3,728,405	5,000	3,810,905	570,309

Provider	Unspent Non Operating Grants, Subsidies and Contributions Liability				Non Operating Grants, Subsidies and Contributions Revenue			
	Liability	Increase in Liability	Liability Reduction (As revenue)	Liability	Adopted Budget Revenue	Budget Variations	Annual Budget	YTD Revenue Actual (b)
	1-Jul			30-Jun	\$	\$	\$	\$
Non-Operating Grants and Subsidies								
Community amenities				0				
Changing Places - Eastern Foreshore	45,454	94,621	0	140,075	0	140,075	140,075	0
Recreation and culture								
Eastern Foreshore South Precinct: DoH	2,500,000	0	0	2,500,000	0	2,500,000	2,500,000	0
Eastern Foreshore South Precinct: DoH 22-23	0	2,500,000	0	2,500,000	0	0	0	0
Eastern Foreshore South Precinct: RFR	729,490	0	(307,792)	421,697	0	729,490	729,490	307,792
Mandurah Parks - Shade Sails: DPIRD	56,235	0	0	56,235	0	56,443	56,443	0
MPAC Internal Refurb: DPIRD	155,716	0	(155,716)	0	0	155,716	155,716	155,716
22-23 MPAC Internal Refurb	0	0	0	0	50,000	0	50,000	0
Mandurah Netball Feasibility Study - CSRFF	11,200	0	0	11,200	0	11,200	11,200	0
Mandurah Netball Feasibility Study - Netball WA	4,545	0	0	4,545	0	4,545	4,545	0
Stage 2 of Upgrades to Peelwood Reserve	66,465	0	(66,465)	0	0	66,465	66,465	66,465
All Terrain Wheelchair	8,500	0	0	8,500	0	8,500	8,500	0
Dawesville Community Centre	0	1,000,000	0	1,000,000	0	673,052	673,052	0
Yalgorup National Park	300,000	0	(49,870)	250,130	225,000	0	225,000	49,870
Merlin Street Activation Plan - Implementation	150,000	0	0	150,000	0	0	0	0
MARC Roof Repairs	740,545	0	(50,071)	690,474	0	0	1,618,069	50,071
SP Halls Head PSP	0	25,000	0	25,000	400,000	0	400,000	0
Trails Project	155,655	0	(59,037)	96,618	900,000	0	900,000	59,037
Transport								
RC Peel Street Stage 3	400,000	0	(182,544)	217,456	1,000,000	0	1,000,000	182,544
Peel Street - Power Relocation	140,320	0	(140,320)	0	0	479,671	479,671	140,320
RC Pinjarra Road Stage 4	0	400,000	(400,000)	0	1,000,000	0	1,000,000	400,000
RR Mariners Cove/Hudson Drives Roundabout	0	300,000	(300,000)	0	300,000	0	300,000	300,000
RR Olive Road	0	200,000	(27,578)	172,422	300,000	0	300,000	27,578
RR Harlem Place	0	40,708	(40,708)	0	240,000	0	240,000	40,708
TM Estuary Road Delineation	0	7,379	0	7,379	18,448	0	18,448	0
SL Lakes Road/Murdoch Drive	0	23,678	0	23,678	59,194	0	59,194	0
SL Old Coast Road/McLarty Road/Leeward Road Ent	0	18,643	0	18,643	46,608	0	46,608	0
RS Baloo Crescent, Falcon	0	122,000	(23,473)	98,527	122,000	0	122,000	23,473
RS Ivanhoe Crescent, Falcon	0	100,000	(6,934)	93,066	100,000	0	100,000	6,934
RS Hill Street, Halls Head	0	154,335	(18,085)	136,250	146,411	0	146,411	18,085
Installation of Flood Lighting at Mandurah Tennis Club	0	0	0	0	53,524	0	53,524	0
Peel Street 23-24 Project	0	400,000	0	400,000	0	0	0	0
	5,464,125	5,386,364	(1,828,594)	9,021,895	4,961,185	4,825,156	11,404,410	1,828,594
Non-Operating Contributions								
Recreation and culture								
PEET - Cash in Lieu Contribution	1,065,909	0	0	1,065,909	0	0	0	0
Eastport Foreshore Upgrade	0	0	0	0	151,198	0	151,198	0
MARC Roof Repairs	0	0	0	0	0	4,000,000	4,000,000	0
Transport								
Dawesville Channel SE Foreshore Upgrade	0	0	0	0	150,000	0	150,000	0
Other property and services								
MARC Geothermal Pump & VSD	0	0	0	0	0	63,897	63,897	0
Trailers	0	0	0	0	0	18,896	18,896	0
Miscellaneous Equipment	0	0	0	0	0	175,352	175,352	0
	1,065,909	0	0	1,065,909	301,198	4,258,145	4,559,343	0
Total Non-operating grants, subsidies and contributions	6,530,034	5,386,364	(1,828,594)	10,087,804	5,262,383	9,083,301	15,963,753	1,828,594

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2022**

**NOTE 11
BUDGET AMENDMENTS APPROVED**

Amendments to original budget since budget adoption. Surplus/(Deficit)
A positive number in the amended budget running balance represents an estimated closing surplus.
A negative number in the amended budget running balance represents an estimated closing deficit

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	Budget Adoption		Opening Surplus/(Deficit)				(560,210)
100010-3780-1263-41400	Every Club Funding Operating Grant	June FR G.8/7/22	Operating Revenue		40,000		(520,210)
	Contract Liability	June FR G.8/7/22	Other	(40,000)			(560,210)
100010-5850-1263-41400	CHRMAP Operating Grant	June FR G.8/7/22	Operating Revenue		37,500		(522,710)
	Unspent Grant Reserve	June FR G.8/7/22	Other: Transfer Out of Reserve		39,099		(483,611)
	2021/22 Operating Carryover - Unspent Grants	June FR G.8/7/22	Operating Expenses			(39,099)	(522,710)
	Restricted Cash Reserve	June FR G.8/7/22	Other: Transfer Out of Reserve		2,050,114		1,527,404
	2021/22 Operating Carryovers	June FR G.8/7/22	Operating Expenses			(2,050,114)	(522,710)
	Capital Works 2021/22 Carryovers	June FR G.8/7/22	Capital Expenses			(19,076,830)	(19,599,540)
	Capital Works 2021/22 Carryovers	June FR G.8/7/22	Other: Proceeds from Debentures		2,248,463		(17,351,077)
	Capital Works 2021/22 Carryovers	June FR G.8/7/22	Other: Unutilised Loans		3,247,526		(14,103,551)
	Capital Works 2021/22 Carryovers	June FR G.8/7/22	Other: Proceeds From Sale of Assets		552,344		(13,551,207)
	Capital Works 2021/22 Carryovers	June FR G.8/7/22	Capital Revenue		6,431,383		(7,119,824)
	Capital Works 2021/22 Carryovers - various reserve reductions	June FR G.8/7/22	Other: Transfer Out of Reserve		2,657,365		(4,462,459)
	Capital Works 2021/22 Carryovers	June FR G.8/7/22	Other	(4,541,456)			(9,003,915)
	Capital Works 2021/22 Carryovers - Unspent Grant Reserve	June FR G.8/7/22	Other: Transfer Out of Reserve		4,541,456		(4,462,459)
	Capital Works 2021/22 Carryovers - Restricted Cash Reserve	June FR G.8/7/22	Other: Transfer Out of Reserve		3,939,749		(522,710)
100010-4530-1263-41450	Mandurah Libraries - Contributions - Operating (She Codes Workshop)	June FR G.8/7/22	Operating Revenue		5,000		(517,710)
	Falcon Library - Library Learning Projects (She Codes Workshop)	June FR G.8/7/22	Operating Expenses			(5,000)	(522,710)
100010-4540-1343-61001	Other Buildings Renewal	June FR G.8/7/22	Capital Expenses		50,000		(472,710)
750725-6100-1045-61129	CEO Corporate Projects	July FR G.7/9/22	Operating Expenses		35,000		(437,710)
100010-1000-1169-61001	Environmental Services Corporate Projects	July FR G.7/9/22	Operating Expenses			(35,000)	(472,710)
700540-6600-1045-61129	Diadem Place Fencing	July FR G.7/9/22	Capital Expenses		9,000		(463,710)
700541-6600-1045-61129	Philante Street Carpark Fencing	July FR G.7/9/22	Capital Expenses		7,000		(456,710)
700541-6600-1045-61129	Karinga Foreshore Car Park Fencing	July FR G.7/9/22	Capital Expenses		6,000		(450,710)
700543-6600-1045-61129	Dawesville Channel South Fencing	July FR G.7/9/22	Capital Expenses		3,000		(447,710)
700567-6600-1045-61129	Peelwood Cricket Nets	July FR G.7/9/22	Capital Expenses			(25,000)	(472,710)
101870-4210-1263-61129	Environmental Education Project	July FR G.7/9/22	Operating Expenses			(4,000)	(476,710)
100010-4210-1263-41450	Environmental Services Operating Contribution	July FR G.7/9/22	Operating Revenue		4,000		(472,710)
770007-6300-1045-41403	DFES Capital Contribution	July FR G.7/9/22	Capital Revenue		18,896		(453,814)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2022**

**NOTE 11
BUDGET AMENDMENTS APPROVED**

Amendments to original budget since budget adoption. Surplus/(Deficit)
A positive number in the amended budget running balance represents an estimated closing surplus.
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GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
770011-6300-1045-41403	DFES Capital Contribution	July FR G.7/9/22	Capital Revenue		175,352		(278,462)
770007-6300-1045-61001	Trailers	July FR G.7/9/22	Capital Expenses			(18,896)	(297,358)
770011-6300-1045-61001	Miscellaneous Equipment	July FR G.7/9/22	Capital Expenses			(175,352)	(472,710)
New-6100-1045-41403	Department of Communities Grant	July FR G.7/9/22	Capital Revenue		140,075		(332,635)
New-6100-1045-61129	Changing Places - Eastern Foreshore Mandurah	Aug FR G. 8/9/22	Capital Expenses			(140,075)	(472,710)
105000-5570-2150-61129	MARC - Facility Management	Aug FR G. 8/9/22	Operating Expenses		18,960		(453,750)
820192-6700-1045-61129	MARC Court Netting	Aug FR G. 8/9/22	Capital Expenses			(18,960)	(472,710)
501123-6250-1045-xxxx	Ayrton St POS Carpark	Aug FR G. 8/9/22	Capital Expenses			(7,460)	(480,170)
100010-4000-1114-61129	Administration - Director of Place & Community - Consultants	Aug FR G. 8/9/22	Operating Expenses			(59,250)	(539,420)
162000-4410-1366-xxxx	Emergency Management	Aug FR G. 8/9/22	Operating Expenses		31,460		(507,960)
100010-1110-1045-61001	Administration - Economic Development	Aug FR G. 8/9/22	Operating Expenses		205,000		(302,960)
	Restricted Cash Reserve	Aug FR G. 8/9/22	Other: Transfer Out of Reserve			(236,460)	(539,420)
	Capital Works 2021/22 Carryovers Reconciliation	Aug FR G. 8/9/22	Capital Expenses		391,348		(148,072)
	Capital Works 2021/22 Carryovers Reconciliation	Aug FR G. 8/9/22	Capital Revenue			(64,336)	(212,408)
	Capital Works 2021/22 Carryovers Reconciliation - Contract Liability	Aug FR G. 8/9/22	Other: Transfer Out of Reserve	64,336			(148,072)
	Capital Works 2021/22 Carryovers Reconciliation - Unspent Grants	Aug FR G. 8/9/22	Other: Transfer Out of Reserve			(64,336)	(212,408)
	Capital Works 2021/22 Carryovers Reconciliation	Aug FR G. 8/9/22	Other: Unutilised Loans			(163,828)	(376,236)
	Capital Works 2021/22 Carryovers Reconciliation	Aug FR G. 8/9/22	Other: Transfer Out of Reserve			(163,184)	(539,420)
750708-6100-1045-61129	MARC Sauna Expansion and Refurbishment	Sept FR G.6/10/22	Capital Expenses		20,000		(519,420)
820188-6700-1045-61001	MARC Replacement Pool Inflatable	Sept FR G.6/10/22	Capital Expenses		12,506		(506,914)
750728-6100-1045-61129	MARC Additional CCTV's	Sept FR G.6/10/22	Capital Expenses			(32,506)	(539,420)
700555-6600-1045-61129	Lilac Park Softfall Replacment	Sept FR G.6/10/22	Capital Expenses			(12,389)	(551,809)
700559-6600-1045-61129	Greenhouse Park Softfall Replacement	Sept FR G.6/10/22	Capital Expenses			(4,000)	(555,809)
700556-6600-1045-61129	Seascapes Village Softfall Replacement	Sept FR G.6/10/22	Capital Expenses		16,389		(539,420)
750715-6100-1045-61129	Rushton Park Stadium - External Painting Walls and Steelwork	Sept FR G.6/10/22	Capital Expenses			(26,000)	(565,420)
750691-6100-1045-61129	Install of Emergency Door - Shower Service	Sept FR G.6/10/22	Capital Expenses		26,000		(539,420)
770011-6300-1045-61001	Miscellaneous Equipment	Sept FR G.6/10/22	Capital Expenses			(20,000)	(559,420)
770012-6300-1045-61001	New - Vehicle & Small Plant Program	Sept FR G.6/10/22	Capital Expenses		20,000		(539,420)
750729-6100-1045-61129	MPAC Fly Tower and Auditorium Facade Cladding and Roof	Sept FR G.6/10/22	Capital Expenses			(100,000)	(639,420)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2022**

**NOTE 11
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GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
750725-6100-1045-61129	Other Buildings Renewal	Sept FR G.6/10/22	Capital Expenses		100,000		(539,420)
124032-5850-2150-61129	Erosion Control - Waterways	Oct FR G.8/11/22	Operating Expenses		13,345		(526,075)
New-6400-1045-61129	Riverside Retaining Wall	Oct FR G.8/11/22	Capital Expenses			(13,345)	(539,420)
501132-6250-1045-61129	Installation of Flood Lighting at Mandurah Tennis Club	Oct FR G.8/11/22	Capital Expenses			(54,000)	(593,420)
930039-6500-1045-61129	CSRFF Program - Small Grants	Oct FR G.8/11/22	Capital Expenses		54,000		(539,420)
750681-6100-1263-41452	MARC Insurance Claim	SP.1/11/22	Capital Revenue		4,000,000		3,460,580
	Asset Management Reserve	SP.1/11/22	Other: Transfer Out of Reserve		1,280,033		4,740,613
750681-6100-1045-61129	MARC Roof Repairs	SP.1/11/22	Capital Expenses			(5,172,633)	(432,020)
750655-6100-1045-61129	MARC Acoustic Panelling	SP.1/11/22	Capital Expenses			(107,400)	(539,420)
930039-6500-1045-61129	CSRFF Program - Small Grants	G.10/8/22	Capital Expenses		51,727		(487,693)
700571-6600-1045-61129	MBRC Resurface	G.10/8/22	Capital Expenses			(39,897)	(527,590)
700572-6600-1045-61129	SM Tennis Club Resurface	G.10/8/22	Capital Expenses			(11,830)	(539,420)
700561-6600-1045-xxxx	Upgrade of Playing Surface on Field 1 Peelwood Reserve		Capital Expenses		235,000		(304,420)
700552-6600-1045-61129	Quarry Park Softfall Replacement		Capital Expenses			(20,000)	(324,420)
700523-6600-1045-61001	Kangaroo Paw Park		Capital Expenses			(30,000)	(354,420)
700547-6600-1045-xxxx	Tickner Reserve Playground		Capital Expenses			(10,000)	(364,420)
700548-6600-1045-xxxx	Karri Karri Pass Playground		Capital Expenses			(5,000)	(369,420)
700549-6600-1045-xxxx	Bortolo Reserve Playground		Capital Expenses			(20,000)	(389,420)
700546-6600-1045-xxxx	Bruce Cresswell Reserve Playground		Capital Expenses			(10,000)	(399,420)
700566-6600-1045-61129	Bruce Cresswell Reserve Stage 1 of 2		Capital Expenses			(140,000)	(539,420)
750703-6100-1045-61129	Dudley Park Bowling Club - Dance Floor Ceiling Replacement		Capital Expenses			(17,955)	(557,375)
750722-6100-1045-61129	Admin Building - CEO Area Refurbishment		Capital Expenses		12,955		(544,420)
750671-6100-1045-61129	Mandurah Library Re Roofing Project		Capital Expenses		11,430		(532,990)
750718-6100-1045-61129	Verandah on the Air Pistol Shed at Port Bouvard Pistol Club		Capital Expenses			(28,701)	(561,691)
750633-6100-1045-61129	Stage 2 of Upgrades to Peelwood Reserve		Capital Expenses		11,562		(550,129)
750691-6100-1045-61129	Install of Emergency Door - Shower Service		Capital Expenses		10,709		(539,420)
750673-6100-1045-61129	Mewburn Ablution Refurbishment		Capital Expenses		96,538		(442,882)
750526-6600-1045-61129	Seascapes Village Shade Shelter		Capital Expenses			(7,538)	(450,420)
	Mandurah Community House (MFHS & Pottery House) Roof					(70,000)	(520,420)
750705-6100-1045-xxxx	Renewal		Capital Expenses				
750730-6100-1045-61129	Falcon eLibrary Air Conditioning		Capital Expenses			(165,000)	(685,420)
750725-6100-1045-61129	Other Building Renewal		Capital Expenses		146,000		(539,420)
501139-6250-1045-61129	WMC - Upgrade Recycling Area Stage 1		Capital Expenses		480,000		(59,420)
	Waste Facilities Reserve		Other: Transfer Out of Reserve			(480,000)	(539,420)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2022**

**NOTE 11
BUDGET AMENDMENTS APPROVED**

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100010-5550-1045-61001	CityBuild Overhead - Minor Equip/Furniture - Under \$5,000		Operating Expenses		5,067		(534,353)
820194-6700-1045-61001	Inspection Camera		Capital Expenses			(5,067)	(539,420)
	Mewburn Ablution Refurbishment		Other: Unutilised Loans			(41,567)	(580,987)
	Owen Avenue Ablution		Other: Unutilised Loans		41,567		(539,420)
	Building Reserve - Mewburn Ablution Refurbishment		Other: Transfer Out of Reserve		41,567		(497,853)
	Building Reserve - Owen Avenue Ablution		Other: Transfer Out of Reserve			(41,567)	(539,420)
				(4,517,120)	33,571,485	(29,033,575)	(539,420)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2022**

**NOTE 12
PROPOSED BUDGET VARIATIONS FOR COUNCIL APPROVAL**

The following are for consideration for Council to approve as budget variations

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
			Opening Surplus/(Deficit)				(539,420)
105000-3463-1132-60100	MARC - MARC Dry Operations		Operating Revenue		23,000		(516,420)
New-6100-1045-61001	MARC Showcourts Emergency Exit Egress Pathway		Capital Expenses			(23,000)	(539,420)
New-6250-1045-61001	Replacement of Park Rd Road Barrier		Capital Expenses			(16,470)	(555,890)
132001-5290-1652-61129	CityWorks Maintenance - Traffic Management - Signs Other		Operating Expenses		16,470		(539,420)
New-6600-1045-61129	Repairs to Creery Wetland Lookout		Capital Expenses			(29,200)	(568,620)
127011-5570-2150-61129	Miscellaneous – Facility Management – Scheduled Maintenance		Operating Expenses		29,200		(539,420)
				0	68,670	(68,670)	

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2022**

**NOTE 13
EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.

The material variance adopted by Council for the 2022-23 year is 10.00%

Reporting Program	Var. \$	Var. %	Timing/ Permanent	Explanation of Variance
	\$	%		
Revenue from operating activities				
Interest earnings	1,002,307	135.45%	▲ Permanent	Favourable variance primarily due to unforeseen increase in interest rates.
Other revenue	413,121	103.79%	▲ Permanent	Variance primarily due to unbudgeted reimbursements received.
Expenditure from operating activities				
Materials and contracts	6,232,908	21.81%	▲ Timing	Variance due to waste tipping fees not yet incurred and maintenance projects, programs and events that haven't commenced, to be monitored as year progresses.
Utility charges	561,433	24.62%	▲ Timing	Variance due to utility invoices not yet received, to be monitored as year progresses.
Interest expenses	145,979	23.87%	▲ Timing	Favourable variance an indication of interest savings due to loan offset facility.
Insurance expenses	(336,959)	(53.58%)	▼ Permanent	Work Care performance based adjustment to November 2022 was higher than expected.
Other expenditure	(36,623)	100.00%	▼ Permanent	Variance due to small debt write off in accordance with the Write-Off Debts Delegation (DA-FCM06).
Loss on disposal of assets	(765,400)	100.00%	▼ Permanent	Non-cash variance due to asset write-offs for scrapped assets not budgeted for. Process usually performed as part of the year end financials preparation.
Investing Activities				
Non-operating Grants, Subsidies and Contributions	(6,153,283)	(77.09%)	▼ Timing	Capital grants are recognised in line with capital expenditure. Will be monitored throughout the remainder of the year.
Proceeds from Disposal of Assets	(1,500,824)	(88.14%)	▼ Timing	Will be monitored throughout the year. Refer to note 4.
Capital Acquisitions	10,625,163	54.90%	▲ Timing	Refer to note 6.
Financing Activities				
Payment of lease liability	54,983	18.70%	▲ Timing	Varying repayment terms on lease agreements. Will be monitored throughout the remainder of the year.
Proceeds from new interest earning liability	(554,735)	(100.00%)	▼ Timing	Proceeds not yet received from MAIA as dependent on timing of new lease take ups.

2	SUBJECT:	Financial Report January 2023
	DIRECTOR:	Business Services
	MEETING:	Council Meeting
	MEETING DATE:	28 February 2023

Summary

The Financial Report for January 2023 together with associated commentaries, notes on investments, balance sheet information and the schedule of accounts are presented for Elected Members' consideration.

Disclosure of Interest

Nil

Previous Relevant Documentation

- G.6/6/22 28/06/2022 Adoption of Annual Budget 2022/23

Background

Nil

Comment

Financial Summary

The financial report for January 2023 shows an actual surplus for this period of \$53.58 million. The reason why the first six to seven months of any financial year has a large surplus is because over 80% of the total revenue has been recognised (from raising of rates and fees and charges), however most of the City's expenditure occurs evenly over the 12 months. This results in a timing variance and the actual surplus reduces as the financial year progresses.

The opening surplus is currently \$3.86 million. The actual opening surplus at 30 June 2022 is close to being finalised, however may change until such time as the Audit Report and the 2021/22 Annual Financial Statements are adopted by Council which is estimated to occur in March 2023. Once the remaining surplus is finalised it will be presented to Council as part of the annual budget review in March 2023.

This is considered a reasonable surplus at this current point in time and is sufficient to meet the City's obligations up to 30 June 2023.

A summary of the financial position for January 2023 is detailed in the table below:

	Current Budget \$ 000s	YTD Budget (a) \$ 000s	YTD Actual (b) \$ 000s	Var. (b)-(a) \$ 000s	Var.% (b)-(a)/(a)
Opening Funding Surplus / (Deficit)	600	600	3,865	3,265	544%
Revenue					
Revenue from operating activities	124,194	113,530	116,641	3,112	3%
Capital revenue, grants and Contribution	19,369	11,299	2,367	(8,932)	-79%
	143,563	124,829	119,008	(5,821)	
Expenditure					
Operating Expenditure	(144,877)	(84,095)	(81,025)	3,071	-4%
Capital Expenditure	(47,659)	(23,703)	(10,137)	13,565	-57%
	(192,536)	(107,798)	(91,162)	16,636	
Non-cash amounts excluded from operating activities	30,535	18,044	21,540	3,496	19%
Non-cash amounts excluded from investing activities	(5,277)	-	3,289	3,289	0%
Other Capital Movements	22,575	(2,532)	(2,959)	(426)	17%
Closing Funding Surplus / (Deficit)	(539)	33,142	53,581	20,439	62%

Key Capital Projects

The following table highlights the status of the City's key capital projects for the 2022/2023 financial year:

Project	2022/23 Actuals Incl. CMT \$`000s	2022/23 Annual Budget \$`000s	On Time / On Budget	Comment
Western Foreshore Recreation Precinct	1,283	3,330	<p><i>Project original date of completion was March 2022, the project was substantially complete in October 2022 with minor finishing works progressing.</i></p> <p><i>Project remains within the budget allocated.</i></p>	<p><i>Project status:</i></p> <p>The Play Space was opened to the public on Sunday, 30 October 2022.</p> <p>The special feature rope tunnel and the playground boat structure are expected to be completed in February 2023.</p> <p>Procurement planning is underway for the additional shade shelters.</p> <p>A review of the funding of the Waterfront Project is currently being undertaken and will be presented to Council in due course.</p>

Eastern Foreshore South Precinct	661	3,412	<p><i>Completed</i></p> <p><i>Project original date of completion was January 2022, the project was substantially completed in August 2022 with toilet block progressing. Project remains within the budget allocated.</i></p> <p><i>Project estimated to be completed by mid-2023</i></p>	<p><i>Project status:</i></p> <p><u>Estuary Pool</u> The Estuary Pool was opened to the public on 24 December 2021.</p> <p><u>Eastern Foreshore South – Reserve Area</u> Carpark reconfiguration and paving is complete.</p> <p>The concrete seating wall and soft landscaping works are complete.</p> <p>Works to the southern end of the eastern foreshore area are complete other than the Mobility Scooter Charging Station.</p> <p><u>Toilet Block</u> Design of the new toilet block to be presented to Elected Members ahead of the construction tender. Construction expected to commence after Crab Fest (March 23) and be completed by mid-2023.</p>
RC Pinjarra Road Stage 4	962	1,534	<p><i>Project stage 4 completion date is May 2023.</i></p> <p><i>Project remains within the budget allocated</i></p>	<p><i>Project status:</i></p> <p>Reconstruction of the section between Randell Street and Foulkes Place commenced in October. East bound lanes were completed December 2022 and the west bound lanes commenced January 2023 with completion in May 2023.</p>
RC Peel Street Stage 3	548	1,528	<p><i>Project stage 3 completion date is June 2023</i></p>	<p><i>Project status:</i></p> <p>The engaged electricity network operator has secured a contractor for the underground power works which will commence in April 2023. Preliminaries for other service relocation works including telephone, water, internet and gas are expected to commence onsite in early 2023.</p>
MARC Roof Repairs	132	1,256	<p><i>Project completion date is expected to be late 2023.</i></p>	<p><i>Project status:</i></p> <p>The contract for the design and construction of the new roof was executed in December 2022.</p> <p>The contractor will mobilise to site in early February. It is expected that the works will be completed in late 2023.</p>

Statutory Environment

Local Government Act 1995 Section 6.4 Financial Report
Local Government (Financial Management) Regulations 1996 Part 4 Financial Reports

Policy Implications

Nil

Financial Implications

Any material variances that have an impact on the outcome of the budgeted surplus position are explained in the Monthly Financial Report, as detailed in Attachment 2.1.

Risk Analysis

Nil

Strategic Implications

The following strategy from the City of Mandurah Strategic Community Plan 2020 – 2040 is relevant to this report:

Organisational Excellence:

- Ensure the City has the capacity and capability to deliver quality services and facilities through accountable and transparent business practices.

Conclusion

The City strives to manage its finances adequately and maintain expenditure within budget to ensure services that have been approved through the budget process are fully funded.

It is recommended that Council receive the Monthly Financial Report and the Schedule of Accounts.

NOTE:

- Refer **Attachment 2.1 Monthly Financial Report**
Attachment 2.2 Schedule of Accounts (electronic only)

RECOMMENDATION

That Council:

- 1 **Receives the Financial Report for January 2023 as detailed in Attachment 2.1 of the report.**
- 2 **Receives the Schedule of Accounts for the following amounts as detailed in Attachment 2.2 of the report:**

Total Municipal Fund	\$ 6,150,419.49
Total Trust Fund	\$ 0.00
	<u>\$ 6,150,419.49</u>

ABSOLUTE MAJORITY REQUIRED

Monthly Financial Report

January 2023



City of Mandurah January 2023

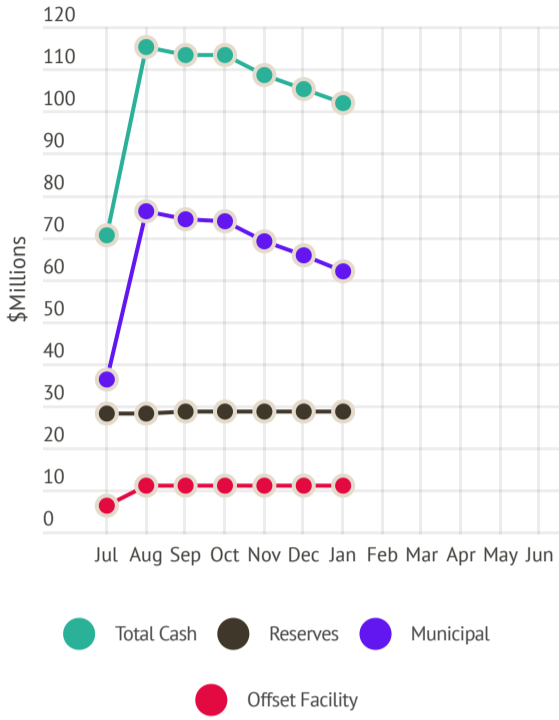
\$539.4K —

Estimated Deficit at 30 June 2023 with proposed budget amendments

\$53.58 million ▼

Year to Date Actual Surplus

Investments



Loans

- Actual Principal Outstanding \$21.4M ▼
- Actual Principal Repayments Made \$2.5M ▲
- Actual Interest Paid \$331K ▲
- Actual New Loans Drawdown \$0M —
- Amount of Interest Saved from Loan Offset Facility \$107K ▲

Rates Outstanding

- 22** Properties with >\$10K outstanding ▼
- 103** Properties \$3K to \$10K outstanding ▼
- 6** Properties commenced legal action in 22/23 ▲
- \$2.12M** Rates Exemptions —

Sundry Debtors Outstanding

- 149** current accounts due (\$804K) ▲
- 201** accounts overdue i.e >30 days (\$428k) ▼

Budget Proposed Amendments

- Nil

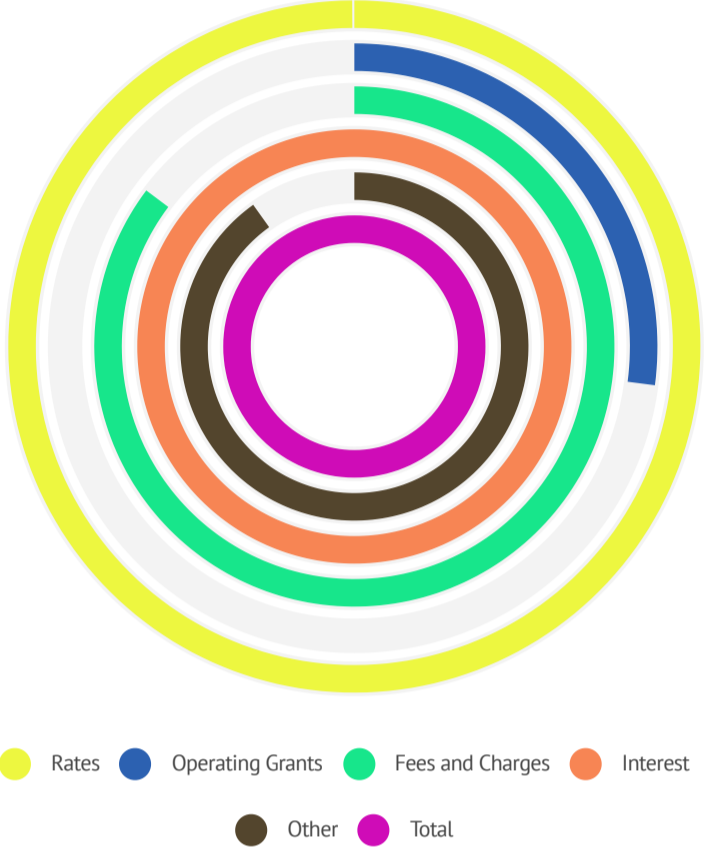
- 1** Tenders awarded during the month through CEO delegation ▼

- 16.7%** Grants received for the 22/23 year ▲

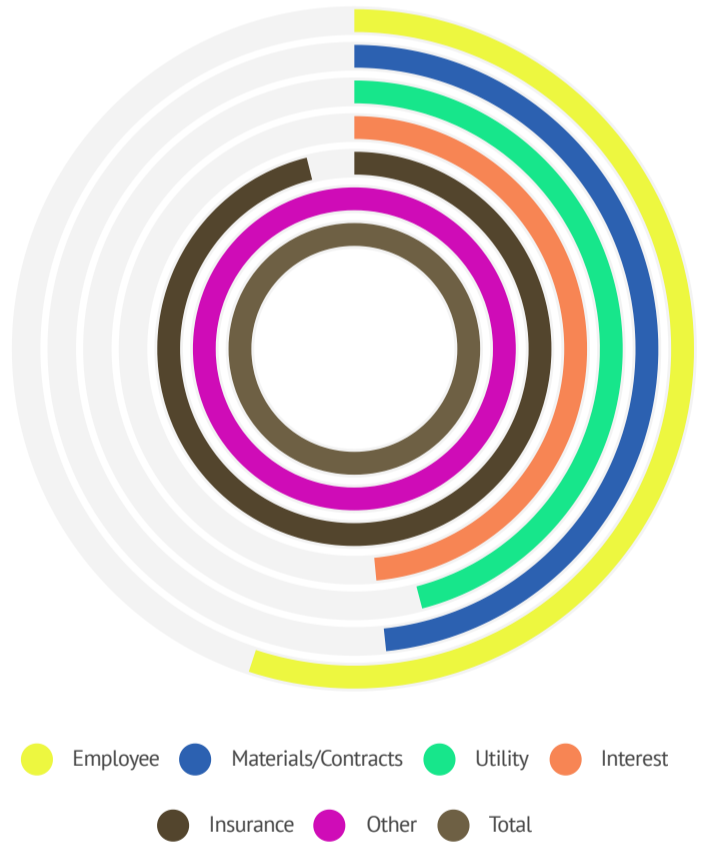
Summary

- Actual Rates Raised \$87.1M —
- Actual Rates Received \$73.7M (82.8% collected) ▲
- Actual Operating Revenue \$116.6M ▲
- Actual Capital Revenue \$2.15M ▲
- Actual Operating Expenditure \$81.0M ▲
- Actual Capital Expenditure \$10.1M ▲
- Actual Proceeds from Sale of Assets \$220K ▲

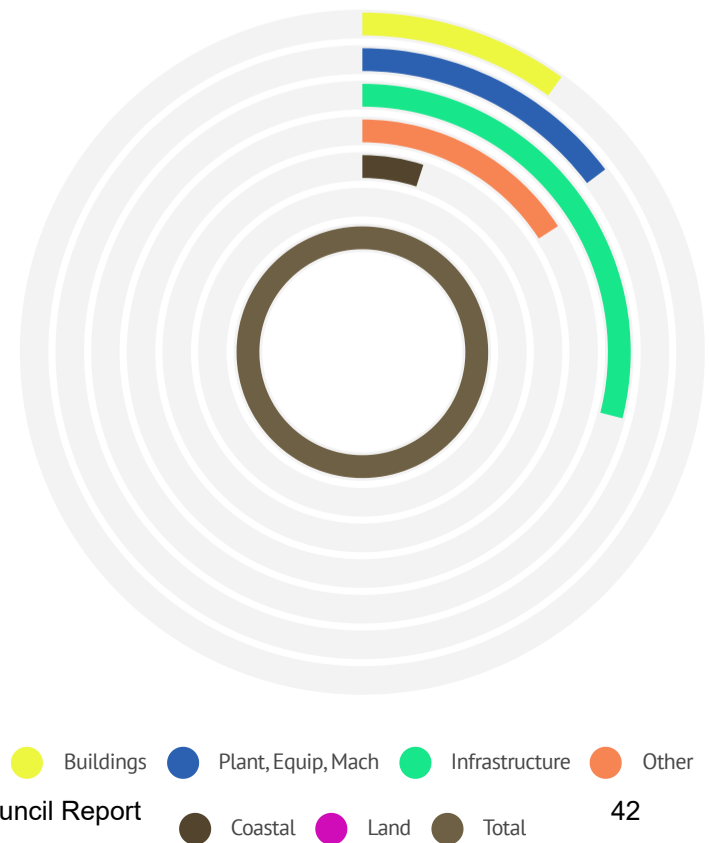
Year to Date Revenue Actuals Compared to Current Budget

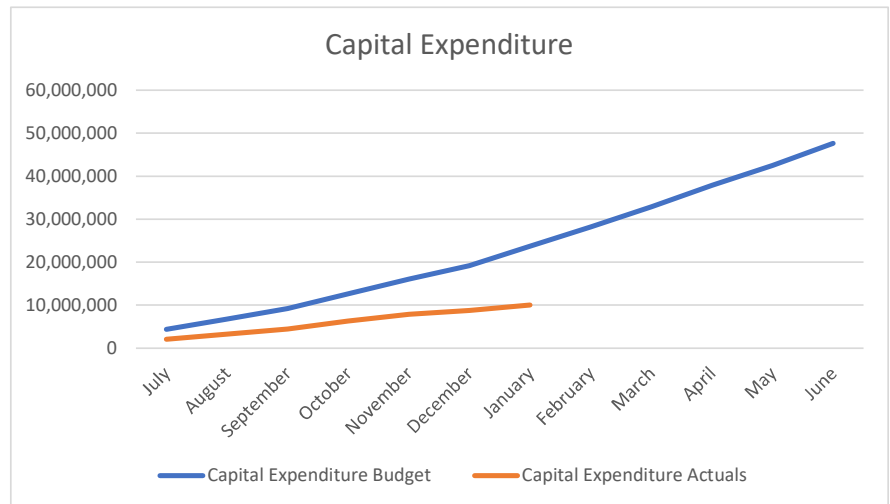
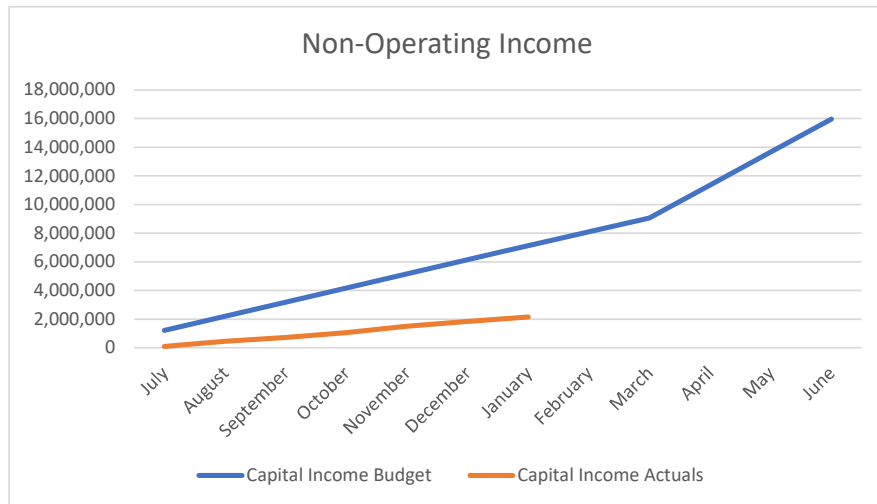
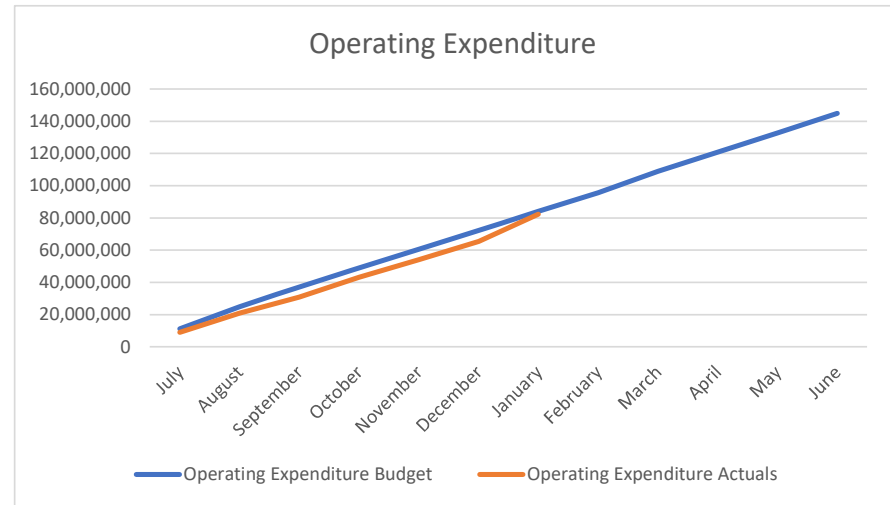
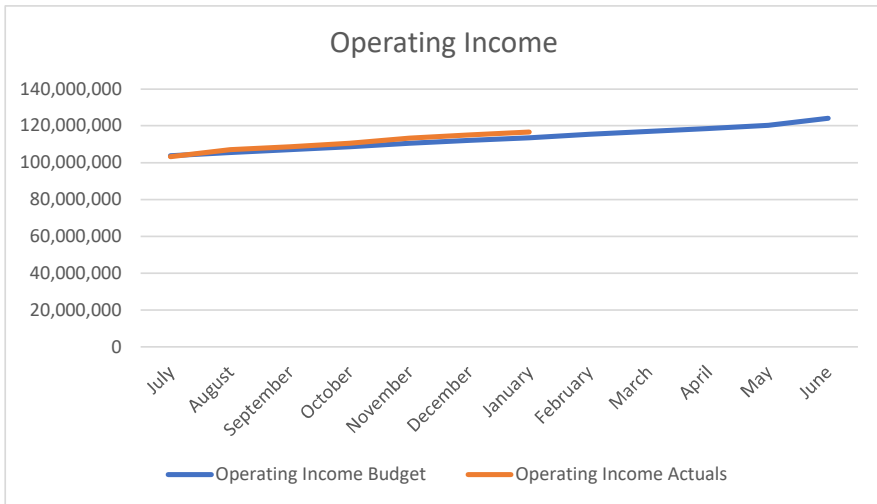


Year to Date Expenditure Actuals Compared to Current Budget



Year to Date Capital Actuals Compared to Current Budget





CITY OF MANDURAH
MONTHLY FINANCIAL REPORT
For the Period Ended 31 January 2023

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STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023

BY NATURE OR TYPE

	Ref Note	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
Opening Funding Surplus / (Deficit)		600,000	600,000	3,864,653			
Revenue from operating activities							
Rates		87,148,305	86,887,230	87,139,354	252,124	0.29%	
Operating grants, subsidies and contributions		4,998,860	1,487,290	1,351,500	(135,790)	(9.13%)	
Fees and charges		29,770,724	23,838,343	25,375,401	1,537,058	6.45%	
Interest earnings		1,480,000	863,333	2,057,494	1,194,161	138.32%	▲
Other revenue		796,103	453,560	717,559	263,999	58.21%	▲
		124,193,992	113,529,756	116,641,308	3,111,552	2.74%	
Expenditure from operating activities							
Employee costs		(50,250,312)	(28,849,411)	(27,655,079)	1,194,332	4.14%	
Materials and contracts		(57,009,569)	(33,044,072)	(27,553,254)	5,490,818	16.62%	▲
Utility charges		(4,561,221)	(2,660,710)	(2,094,979)	565,731	21.26%	▲
Depreciation on non-current assets		(30,575,421)	(18,043,632)	(20,222,107)	(2,178,475)	(12.07%)	▼
Interest expenses		(1,222,929)	(763,830)	(592,965)	170,865	22.37%	▲
Insurance expenses		(1,257,846)	(733,743)	(1,208,890)	(475,147)	(64.76%)	▼
Other expenditure		-	-	(40,077)	(40,077)	100.00%	▼
Loss on disposal of assets	1(a) & 4	-	-	(1,657,441)	(1,657,441)	100.00%	▼
		(144,877,298)	(84,095,398)	(81,024,792)	3,070,606	3.65%	
Non-cash amounts excluded from operating activities	1(a)	30,535,421	18,043,632	21,539,571	3,495,939	19.37%	
Amount attributable to operating activities		9,852,115	47,477,990	57,156,087	9,678,097	(20.38%)	
Investing activities							
Non-operating grants, subsidies and contributions	10	15,963,753	9,312,189	2,147,032	(7,165,157)	(76.94%)	▼
Proceeds from disposal of assets	4	3,405,703	1,986,660	219,602	(1,767,059)	(88.95%)	▼
Payments for property, plant and equipment	6	(47,658,921)	(23,702,586)	(10,137,153)	13,565,434	57.23%	▲
Amount attributable to investing activities		(28,289,465)	(12,403,737)	(7,770,519)	4,633,217	37.35%	
Non-cash amounts excluded from investing activities	1(b)	(5,277,120)	-	3,289,331	3,289,331	100.00%	
Amount attributable to investing activities		(33,566,585)	(12,403,737)	(4,481,188)	7,922,549	63.87%	
Financing Activities							
Proceeds from new debentures	7	6,407,463	-	-	0	0.00%	
Unspent Loans Utilised		3,083,698	-	-	0	0.00%	
Repayment of debentures	7	(4,365,891)	(2,546,770)	(2,457,579)	89,191	3.50%	
Payment of lease liability		(588,199)	(294,100)	(318,571)	(24,471)	(8.32%)	
Proceeds from new interest earning liability		1,109,469	554,735	192,050	(362,684)	(65.38%)	▼
Principal elements of interest earning liability		(551,075)	(275,538)	(401,897)	(126,360)	(45.86%)	▼
Proceeds from community loans		50,271	29,325	27,281	(2,044)	(6.97%)	
Transfer from reserves	8	20,155,157	-	-	0	0.00%	
Transfer to reserves	8	(2,725,843)	-	-	0	0.00%	
Amount attributable to financing activities		22,575,050	(2,532,348)	(2,958,716)	(426,368)	(16.84%)	
Closing Funding Surplus / (Deficit)	1(d)	(539,420)	33,141,906	53,580,836	20,438,930	61.67%	

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Actual and YTD Budget data as per the adopted materiality threshold.

Refer to Note 13 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with Local Government (Financial Management) Regulation 1996.

	Notes	Annual Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities				
		\$	\$	\$
Adjustments to operating activities				
Movement in liabilities associated with restricted cash		(40,000)	-	80,950
Movement in pensioner deferred rates (non-current)		-	-	(87,871)
Movement in employee benefit provisions (non-current)		-	-	(333,056)
Add: Loss on asset disposals	4	-	-	(30,034)
Add: Loss on asset write offs		-	-	1,687,475
Add: Depreciation on assets		30,575,421	18,043,632	20,222,107
Total non-cash items excluded from operating activities		30,535,421	18,043,632	21,539,571

(b) Non-cash items excluded from investing activities

The following non-cash revenue and expenditure has been excluded from investing activities within the Statement of Financial Activity in accordance with Financial Management Regulation 32.

Adjustments to investing activities

Movement in non current liabilities for transfers to acquire or construct non-financial assets to be controlled by the entity				
Movement in current liabilities for transfers to acquire or construct non-financial assets to be controlled by the entity associated with restricted cash		(5,277,120)	-	3,289,331
Total non-cash amounts excluded from investing activities		(5,277,120)	-	3,289,331

(c) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with regulation 32 of the Local Government (Financial Management) Regulations 1996 to agree to the surplus/(deficit) after imposition of general rates.

		Budget Closing 30 Jun 2022	Budget Closing 30 Jun 2023	Year to Date 31 Jan 2023
Adjustments to net current assets				
Less: Reserves - restricted cash		(24,888,945)	(31,689,865)	(51,301,746)
Less: Unspent loans		(207,137)	(295,779)	(3,470,667)
Less: Other receivables		(80,000)	-	(22,990)
Less: Prepaid Rates		-	-	-
Less: Clearing accounts		-	-	(1,735)
Add: Borrowings	7	9,826,754	4,158,994	2,252,783
Add: Other liabilities		3,417,743	1,115,424	8,430,420
Add: Lease liability		759,243	-	96,614
Add: Provisions - employee		5,216,724	4,206,636	4,816,076
Add: Loan Facility offset		-	-	11,000,000
Total adjustments to net current assets		(5,955,618)	(22,504,590)	(28,201,245)

(d) Net current assets used in the Statement of Financial Activity

Current assets				
Cash and cash equivalents	2	23,842,754	45,752,832	89,719,969
Rates receivables	3	2,480,445	2,365,697	15,425,934
Receivables	3	4,341,798	3,257,820	6,758,411
Other current assets		549,233	1,488,370	3,472,338
Less: Current liabilities				
Payables		(9,848,897)	(17,503,876)	(13,186,386)
Borrowings	7	(5,105,388)	(4,158,994)	(2,252,783)
Interest earning liabilities		-	16,848	(155,866)
Unspent non-operating grant, subsidies and contributions liability		(1,065,909)	-	(8,729,407)
Lease liabilities		(759,243)	(421,216)	(96,614)
Provisions		(8,396,241)	(8,832,311)	(9,173,516)
Less: Total adjustments to net current assets	1(c)	(5,955,618)	(22,504,590)	(28,201,245)
Closing Funding Surplus / (Deficit)		82,934	(539,420)	53,580,836

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

	Total Amount	Interest rate	Total Interest Earnings at Maturity Date	Institution	S&P rating	Deposit Date	Maturity Date	Term days
	\$	\$	\$	\$				
Cash on hand								
Westpac Municipal Bank Account (inc. Bonds Investments & Notice Savers)	12,238,799	Variable		Westpac	AA-	NA	NA	
	12,238,799							
Municipal Investments								
Muni 10 - 9652-46197	29,997	1.50%	112	ANZ	AA-	1/01/2023	1/04/2023	90
Muni 40 - 24-879-6372	3,059,135	3.40%	50,998	NAB	AA-	29/08/2022	27/02/2023	182
Muni 41 - 24-055-4504	3,064,995	3.70%	28,015	NAB	AA-	28/11/2022	27/02/2023	91
Muni 42 - 98-829-1441	6,177,337	4.11%	102,605	NAB	AA-	19/12/2022	18/05/2023	150
Muni 46 - B33713404.115	3,081,112	3.98%	59,956	CBA	AA-	22/11/2022	23/05/2023	182
Muni 47 - B33713404.114	3,092,399	4.06%	71,243	CBA	AA-	22/11/2022	22/06/2023	212
Muni 48 - B33713404.116	3,082,656	4.17%	52,278	CBA	AA-	22/12/2022	22/05/2023	151
Muni 49 - 97-760-7420	3,083,288	4.15%	61,836	NAB	AA-	23/11/2022	22/05/2023	180
Muni 50 - B33713404.117	3,068,976	3.82%	47,745	CBA	AA-	23/11/2022	24/04/2023	152
Muni 51 - B33713404.118	3,058,752	3.77%	37,448	CBA	AA-	24/11/2022	24/03/2023	120
Muni 52 - B33713404.120	3,069,801	3.88%	48,496	CBA	AA-	24/11/2022	24/04/2023	151
Muni 53 - B33713404.119	3,052,373	3.54%	52,373	CBA	AA-	26/08/2022	22/02/2023	180
Muni 54 - 27-028-9270	3,049,942	3.70%	27,878	NAB	AA-	28/11/2022	27/02/2023	91
Muni 55 - B33713404.121	3,046,852	3.33%	25,087	CBA	AA-	28/11/2022	28/02/2023	92
MNS 31 - 582058	158,192	3.70%	511	Westpac	AA-	30/12/2022	31/01/2023	32
MNS 60 - 582007	6,499,103	3.85%	21,863	Westpac	AA-	30/12/2022	31/01/2023	32
	49,674,909							
Reserve Investments								
Reserve 42 - 36-976-7906	3,118,927	4.25%	64,027	NAB	AA-	19/12/2022	19/06/2023	182
Reserve 44 - 70-586-3025	3,081,643	3.85%	28,979	NAB	AA-	28/12/2022	28/03/2023	90
Reserve 45 - 70-568-6989	3,079,747	4.05%	60,635	NAB	AA-	27/09/2022	27/03/2023	181
Reserve 47 - B33713404.106	4,108,341	3.52%	35,351	CBA	AA-	17/01/2023	17/04/2023	90
Reserve 48 - B33713404.106	6,158,255	3.87%	115,329	CBA	AA-	19/10/2022	17/04/2023	180
RNS 31 - 581565	5,979,945	3.70%	19,335	Westpac	AA-	30/12/2022	31/01/2023	32
RNS 60 - 581573	3,302,614	3.85%	11,110	Westpac	AA-	30/12/2022	31/01/2023	32
	28,829,471							
Total Municipal and Reserve Funds	90,743,180		1,023,211					

Interest revenue		Interest Earned
Investment Interest Accrued	466,091	\$2,057,494
Investment Interest Matured	942,737	
Rates Interest	648,665	
	2,057,494	

Loan Offset Facility	Amount	Interest rate on loans	Interest Saved	YTD Interest Saved
Westpac	11,000,000	4.82%	21,878	107,228

KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments highly liquid investments with original maturities of twelve months or less 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 reported as short term borrowings in current liabilities in the statement of net current assets.

The local government 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.

Total Municipal Cash	Unrestricted
\$101.74 M	\$72.91 M

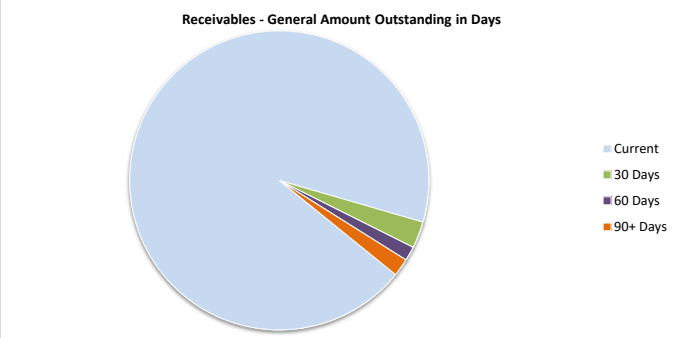
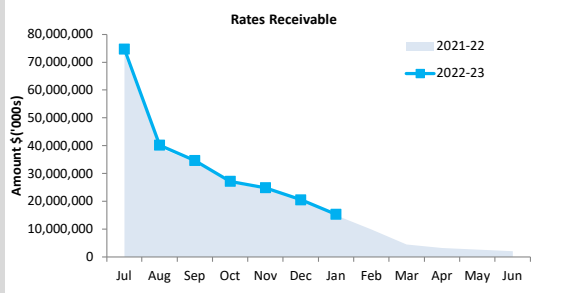
Rates Receivable	30-Jun-22	31-Jan-22	31 Jan 23
	\$		\$
Opening Arrears Previous Years	3,093,324	3,093,324	2,028,200
Rates levied	82,607,155	82,493,818	87,139,354
Less - Collections to date	(83,672,279)	(70,603,998)	(73,741,620)
Equals Current Outstanding	2,028,200	14,983,143	15,425,934
Net Rates Collectable	2,028,200	14,983,143	15,425,934
% Collected	97.6%	82.5%	82.7%

Receivables - General	31-Jan-22	Current	30 Days	60 Days	90+ Days	31 Jan 23
	\$	\$	\$	\$	\$	\$
Balance per Trial Balance						
Sundry receivable	1,360,685	888,175	194,781	104,325	128,912	1,316,193
Recreation Centres	82,584	138,103				138,103
Mandurah Ocean Marina	0	108,514	0	0		108,514
GST receivable	292,884	520,006				520,006
Allowance for impairment of receivables	(158,610)	(210,870)				(210,870)
Infringements	969,042	868,656				868,656
Pensioners rates and ESL deferred	3,269,259	3,467,861				3,467,861
Other Receivables	583,252	549,948				549,948
Total Receivables General Outstanding	6,399,095	6,330,393	194,781	104,325	128,912	6,758,411
Percentage		93.7%	2.9%	1.5%	1.9%	

	31 Jan 22	31 Jan 23
- No. of Legal Proceedings Commenced for the financial year	23	6
- No. of properties > \$10,000 outstanding	20	22
- No. of properties between \$3,000 and \$10,000 outstanding	133	103
- Value of Rates Concession	69,766	68,587
- Value of Rates Exemptions	2,027,889	2,117,724

KEY INFORMATION

Rates and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of rates and other receivables is reviewed on an ongoing basis. Other receivables that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.



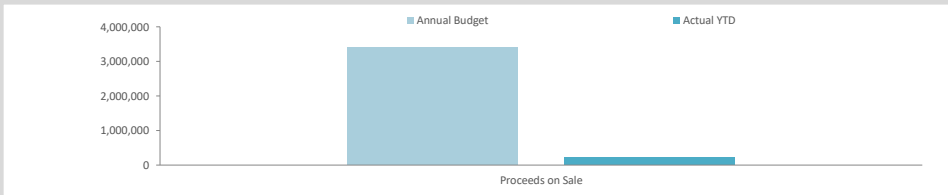
Debtors Due
\$6,758,411
Over 30 Days
6%
Over 90 Days
2%

Collected	Rates Due
82.7%	\$15,425,934

Asset	Asset ID	Asset Owner	Budget		YTD Actual			
			Net Book Value	Proceeds	Net Book Value	Proceeds	Profit	(Loss)
			\$	\$	\$	\$	\$	\$
Land								
Land			2,000,000	2,000,000	0	0	0	0
Infrastructure Assets								
Light Passenger Vehicles - Replacement								
Toyota Rav4 MH8428A	C00918	Infrastructure Management	11,096	11,096	0	0	0	0
Toyota Rav4 MH8442A	C06018	Development Compliance	14,891	14,891	0	0	0	0
Toyota Rav4 MH8976A	C06218	Infrastructure Management	13,088	13,088	0	0	0	0
Subaru Outback MH4947B	C03418	Strategic Planning	21,773	21,773	0	0	0	0
Toyota Rav4 MH9326A	C06818	Community Capacity Building	15,593	15,593	0	0	0	0
Honda HR-V MH8513A	C00619	CityParks	14,853	14,853	0	0	0	0
Toyota Prius MH9886A	C07019	Youth Development	12,400	12,400	0	0	0	0
Subaru XV MH8534A	C07519	Design and Development	15,460	15,460	0	0	0	0
Light Commercial Vehicles - Replacement								
Holden Trailblazer MH8622A	C05018	Development Compliance	13,708	13,708	0	0	0	0
Holden Colorado MH8957A	U03518	Rangers	21,003	21,003	0	0	0	0
Holden Colorado MH8958A	U04018	CityWorks	16,547	16,547	0	0	0	0
Isuzu D'MAX MH7872A	U04218	Marina	19,990	19,990	0	0	0	0
Ford Ranger MH7913A	U07518	CityWorks	21,365	21,365	0	0	0	0
Isuzu D'MAX MH7534A	U07618	Marina	17,094	17,094	0	0	0	0
Ford Ranger MH8305A	U04318	CityWorks	21,848	21,848	0	0	0	0
Ford Ranger MH8349A	U01918	CityWorks	17,927	17,927	0	0	0	0
Nissan Navara MH9384A	U06818	CityBuild	16,826	16,826	0	0	0	0
Mitsubishi Triton MH8327A	U07918	Festival and Events	16,871	16,871	0	0	0	0
Holden Colorado MH9619A	U01218	Rangers	19,425	19,425	0	0	0	0
Isuzu D'MAX MH9172A	U01319	ICT	18,445	18,445	0	0	0	0
Ford Ranger MH0438B	U08019	CityParks	24,359	24,359	0	0	0	0
Holden Colorado MH1036B	U02819	Rangers	15,438	15,438	0	0	0	0
Holden Trailblazer MH0176B	C07819	CityFleet	17,087	17,087	0	0	0	0
Trucks & Buses Replacements								
Hino FG1628 5	T006	Built & Natural Environment	44,376	44,376	0	0	0	0
Hino 500-FG1628-HIAB-88	T026	Built & Natural Environment	48,954	48,954	0	0	0	0
Nissan PK16 28	T002	Built & Natural Environment	44,443	44,443	0	0	0	0
Hino 300-716-KEVREK-1000	T005	Built & Natural Environment	35,985	35,985	0	0	0	0
Hino 300-716-KEVREK-1500	T007	Built & Natural Environment	35,985	35,985	0	0	0	0
Trailers								
Parks & Mowers								
Kubota Outfront Mower 60 F369	M03018	Parks South	10,853	10,853	0	0	0	0
Kubota Outfront Mower 72 F369	M03618	Parks North	10,853	10,853	0	0	0	0
Kubota Outfront Mower 72 F369	M02118	Parks Central	10,853	10,853	0	0	0	0
John Deere Outfront Mower 60I	M02717	Parks Assets	13,044	13,044	0	0	0	0
Kubota Outfront Mower 72	M01419	Parks Assets	18,113	18,113	0	0	0	0
Kubota Outfront Mower 60 F369	M03119	Parks Central	12,253	12,253	0	0	0	0
Toro Zero Turn 72	M02219	Parks South	20,094	20,094	0	0	0	0
Toro Zero Turn 72	M01119	Parks Central	20,094	20,094	0	0	0	0
Toro Zero Turn 72	M00419	Parks South	20,795	20,795	0	0	0	0
Minor Equipment >\$5000								
Construction Vehicles - Replacement								
KOMATSU WHEEL LOADER	G004	Built & Natural Environment	109,579	109,579	0	0	0	0
Plant disposals carried over from 2021/22 budget:								
Light Passenger Vehicles - Replacement								
Mazda CX-5 MH3806A	C04016	Place & Communities - RECREATION SERVICES	16,150	16,150	0	0	0	0
SUBARU-OUTBACK MH6704A	C02518	People & Communities - GENERAL MANAGER MPAC	15,765	15,765	0	0	0	0
TOYOTA-RAV4 MH7382A	C03818	Built & Natural - DESIGN & DEVELOPMENT SERVICES	12,326	12,326	0	0	0	0
MAZDA-CX-5 MH7550A	C04318	Built & Natural - CIVIL MAINTENANCE	15,478	15,478	15,897	19,813	3,916	0
MITSUBISHI-LS OUTLANDER MH5475A	C04717	Built & Natural - ENGINEERING COORDINATOR	12,500	12,500	12,834	20,268	7,434	0
MAZDA-CX-5 MH8253A	C07618	Business Services - RANGER SERVICES COORDINATOR	15,400	15,400	0	0	0	0
Toyota Prado MH7056A	C01117	Mayor's Office	24,367	24,367	0	0	0	0
HYUNDAI-SANTE MH7641A	FEC01718 - C01718	Built & Natural - DESIGN & DEVELOPMENT SERVICES	15,836	15,836	0	0	0	0
Light Commercial Vehicles - Replacement								
FORD-RANGER MH7859A	U00417	Built & Natural -CITYWORKS	20,353	20,353	0	0	0	0
FORD-RANGER MH8377A	U01018	Built & Natural -CITYWORKS	12,451	12,451	0	0	0	0
HOLDEN-COLORADO MH6352A	U02317	Built & Natural -CITYBUILD	16,569	16,569	17,753	27,313	9,560	0
FORD-RANGER MH8056A	U02418	Built & Natural -SURVEYING SERVICES	19,329	19,329	0	0	0	0
HOLDEN-COLORADO MH6112A	U03117	Built & Natural -CITYBUILD	18,228	18,228	0	0	0	0
FORD-RANGER MH7543A	U03417	Built & Natural -TRAFFIC MANAGMENT	20,507	20,507	0	0	0	0
HYUNDAI-ILOAD MH6241A	U03617	Built & Natural -PARKS MAINTENANCE - RETIC	18,607	18,607	0	0	0	0
HOLDEN-COLORADO MH6110A	U06717	Built & Natural -CITYBUILD	18,228	18,228	0	0	0	0
HYUNDAI-ILOAD MH6169A	U07117	Built & Natural -CITYBUILD	20,157	20,157	0	0	0	0
FORD-RANGER MH4982A	U07417	Built & Natural -CITYWORKS	16,048	16,048	0	0	0	0
HOLDEN-COLORADO MH9283A	U07818	Built & Natural -RANGERS	22,036	22,036	0	0	0	0
TOYOTA-HILUX MH6817A	U03817	Built & Natural -CITYBUILD	17,486	17,486	0	0	0	0
ISUZU-D'MAX MH5394A	U05717	Business Services -ENVIRONMENTAL HEALTH COORDINATOR	18,815	18,815	0	0	0	0
Mazda CX-5 MH5068A	C05517	Asset Management	0	0	15,824	22,072	6,248	0
Trucks & Buses Replacements								
Trailers								
Wastech Semi Trailer	V05020-	Built & Natural	35,327	35,327	0	0	0	0
Wastech Semi Trailer	V05120-	Built & Natural	35,327	35,327	0	0	0	0
Parks & Mowers								
TORO - ZERO TURN 60" SD DECK	M00117	Built & Natural -PARKS CENTRAL	12,000	12,000	0	0	0	0
TORO - ZERO TURN 72" RD DECK	M01817	Built & Natural -PARKS SOUTHERN	7,643	7,643	0	0	0	0

Asset	Asset ID	Asset Owner	Budget		YTD Actual			
			Net Book Value	Proceeds	Net Book Value	Proceeds	Profit	(Loss)
Minor Equipment >\$5000								
PUMPS AUSTRALIA-HPM WATER CLEANER HOT AND COLD	P61517	Built & Natural -CITYBUILD	2,500	2,500	5,698	9,448	3,750	0
PUMPS AUSTRALIA-HPM WATER CLEANER HOT AND COLD	P61617	Built & Natural -CITYBUILD	2,500	2,500	5,698	8,126	2,428	0
HAKO-CITYMASTER	P61817	Built & Natural -CIVIL MAINTENANCE	25,000	25,000	0	0	0	0
Construction Vehicles - Replacement								
KOMATSU - WHEEL LOADER	G005	Built & Natural -WORKS CONSTRUCTION	65,410	65,410	0	0	0	0
Plant disposals from 2021/22 budget:								
Light Commercial Vehicles - Replacement								
FORD RANGER PU MK11 - MH3964A	U02617	Business Services - Ranger Services		0	16,100	22,086	5,986	0
FORD RANGER PU MK11 - MH4447A	U06617	Business Services - Ranger Services		0	18,311	29,359	11,048	0
MAZDA CX-5 - MH5012A	C07317	Built & Natural -PARKS		0	12,868	20,041	7,173	0
Construction Vehicles - Replacement								
BOMAG - MULTI-TYRE ROLLER BW24R	R002	Build & Natural - Civil Contraction		0	48,584	32,818	0	(15,766)
Parks & Mowers								
TORO - REEL MASTER 7000-D	M02517	Built & Natural -PARKS		0	20,000	8,258	0	(11,742)
			3,405,703	3,405,703	189,567	219,602	57,543	(27,508)

KEY INFORMATION



Proceeds on Sale		
Annual Budget	YTD Actual	%
\$3,405,703	\$219,602	6%

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023**

**NOTE 5
TENDERS/QUOTES AWARDED FOR THE MONTH**

CEO delegation – accepted/rejected tenders during the month
Awarded under Financial Authorisation \$250,000 and above

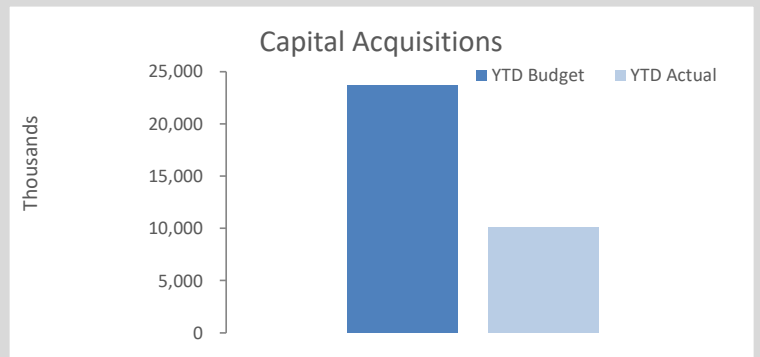
Tender code	Tender Description	Company Awarded to	Contract Term	Contract Amount
T28-2022	Boardwalk Renewal Project	Sprewell Pty. Ltd. T/As Mandurah Jetty Constructions	Project Completion	Separable Work Package 1 for a maximum lump sum price of \$226,417.00 exclusive GST Separable Work Package 2 for \$338,776.00 exclusive GST

Capital Acquisitions	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	YTD Actual Variance
	\$		\$	\$	\$
Buildings	2,855,325	13,153,465	4,386,563	1,311,872	(3,074,691)
Equipment	95,853	134,547	93,327	37,932	(55,396)
Machinery	3,495,770	5,606,144	3,528,945	807,850	(2,721,095)
Infrastructure - Roads	10,939,402	12,487,861	6,783,222	4,264,654	(2,518,568)
Bridges	370,137	595,326	501,497	38,792	(462,705)
Parks	4,721,351	12,545,771	6,732,993	2,875,312	(3,857,681)
Drainage	756,649	1,104,671	642,126	564,418	(77,708)
Coastal & Estuary	375,698	794,796	331,368	39,837	(291,530)
Other Infrastructure	275,634	1,236,341	702,545	196,486	(506,059)
Capital Expenditure Totals	23,885,819	47,658,921	23,702,586	10,137,153	(13,565,434)
Capital Acquisitions Funded By:					
	\$		\$	\$	\$
City of Mandurah Contribution	11,268,603	11,263,435	15,765,255	7,770,519	(7,994,736)
Capital grants and contributions	5,262,383	15,963,753	7,117,338	2,147,032	(4,970,306)
Borrowings	4,159,000	9,491,161	-	-	-
Other (Disposals & C/Fwd)	853,359	1,405,703	819,994	219,602	(600,392)
Cash Backed Reserves					
Building Reserve	-	433,266	-	-	-
Asset Management Reserve	890,474	6,228,112	-	-	-
Cultural Centre Reserve	-	213,495	-	-	-
Sustainability Reserve	77,000	196,000	-	-	-
Sanitation Reserve	1,275,000	1,174,695	-	-	-
City Centre Land Acquisition Reserve	100,000	100,000	-	0	0
Plant Reserve	-	1,189,302	-	-	-
Capital Funding Total	23,885,819	47,658,921	23,702,586	10,137,153	(13,565,434)

SIGNIFICANT ACCOUNTING POLICIES

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

KEY INFORMATION

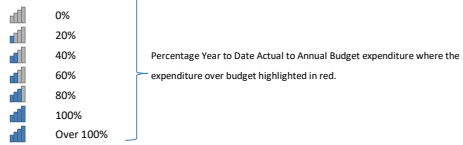


Acquisitions	Annual Budget	YTD Actual	% Spent
	\$47.66 M	\$10.14 M	21%
Capital Grant	Annual Budget	YTD Actual	% Received
	\$15.96 M	\$2.15 M	13%

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023

Capital Expenditure Total

Level of Completion Indicators



Increase

Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	Remaining Unspent Funds	Comment
Land						
Buildings						
750686 22-23 Enhancements to Reserve Changerooms	56,316	56,316	22,983	6,316	50,000	Design only.
750687 22-23 LED Buildings Plan	77,418	77,418	13,252	418	77,000	Ongoing program 2022/23.
750688 22-23 MPAC Internal Refurb	122,858	122,858	39,525	22,858	100,000	Design only.
750689 Works & Services Building Refurb	218,644	218,644	151,978	18,644	200,000	Construction to commence Q3/4.
750690 Install walls and roof to the Camera Deck at Rushton Main	25,350	25,350	12,016	6,250	19,100	Design only.
750691 Install of Emergency Door - Shower Service	52,423	15,714	15,714	13,847	1,867	Complete.
750692 Upgrade to the Bortolo Pavilion Kitchen	13,263	13,263	6,596	3,263	10,000	Scope of work to be confirmed.
750693 Minor Improvements to Lakelands Community House	24,423	24,423	11,090	22,391	2,032	Complete.
750694 Tims Thicket Waste Facility - Decommissioning	150,000	150,000	0	0	150,000	Design only.
750695 WMC - Upgrade Fire Fighting Infrastructure	150,000	150,000	25,000	0	150,000	Construction to commence Q3.
750696 MPAC - External Steelwork	95,426	95,426	24,592	10,426	85,000	Scope of work to be confirmed.
750697 Minor Improvements to Sutton Hall	57,098	57,098	40,431	47,164	9,935	Construction 95% complete.
750699 Admin. Building Foyer - Front Door Reveals Replacement	8,006	8,006	8,006	2,506	5,500	Construction to commence Q3.
750700 Administration Building - Foyer Upgrade	238,435	238,435	55,102	20,057	218,378	Construction to commence Q3.
750701 Billy Dower Flooring	60,637	60,637	43,304	8,637	52,000	Construction to commence Q3.
750702 Civic Building Roof Renewal	89,535	89,535	89,535	14,535	75,000	Construction to commence Q3.
750703 Dudley Park Bowling Club - Dance Floor Ceiling Replacement	34,528	52,483	20,513	42,225	10,258	Construction 80% complete.
750704 Mandurah Bridge Club - Air Conditioner	56,203	56,203	56,203	41,073	15,130	Construction complete.
750705 Mandurah Community House (MFHS & Pottery House) Roof Renewal	35,213	105,213	38,546	5,213	100,000	Construction to commence Q3.
750706 Mandurah Community Museum Roof & Gutters	179,326	179,326	41,826	14,326	165,000	Construction to commence Q3.
750707 MARC - Creche Blind Replacement	53,053	53,053	53,053	3,053	50,000	Construction to commence Q3.
750708 MARC Sauna Expansion & Refurbishment	48,742	28,742	8,742	8,742	20,000	Construction to commence Q4.
750710 PBSLSC - External Steelwork Painting	25,314	25,314	4,481	314	25,000	Construction to commence Q3.
750711 Mandurah Tennis Club	34,423	34,423	14,423	4,423	30,000	Construction to commence Q3.
750712 Refurbishment of Billy Dower Youth Centre	57,372	57,372	15,705	7,372	50,000	Concept development only.
750713 Port Bouvard Surf Life Saving Club Floor	16,158	16,158	16,158	3,158	13,000	Construction to commence Q3.
750714 Rushton Park North Pavilion Roof (inc Verandah Redesign)	58,847	58,847	58,847	9,847	49,000	Design only.
750715 Rushton Park Stadium - External Painting Walls and Steelwork	35,209	61,209	20,543	209	61,000	Construction to commence Q3.
750718 Verandah on the air pistol shed at Port Bouvard Pistol Club	25,365	54,066	21,599	5,365	48,701	Construction to commence Q3.
750719 22-23 Reserve Meter Replacement Program	50,418	50,418	8,752	418	50,000	Ongoing program 2022/23.
750720 22-23 Site Main Switchboard Program	50,418	50,418	8,752	16,856	33,562	Ongoing program 2022/23.
750649 Falcon Family Centre - External Works	58,401	58,401	8,401	8,401	50,000	Scope of work to be confirmed.
750655 MARC Leisure Pool Acoustics	218,435	325,835	69,668	18,435	307,400	Works to be undertaken in conjunction with MARC Roof Repairs project.
750722 Admin Building - CEO Area Refurbishment	82,065	82,065	82,065	69,110	12,956	Complete.
750725 Other Buildings Renewal	296,000	14,390	0	0	14,390	Ongoing program 2022/23.
750647 Dawesville Community Centre	0	692,899	404,191	28,645	664,254	Design only.
750657 MPAC Internal Refurb	0	328,800	328,800	188,032	140,768	Construction to commence Q3.
750660 WMC Tipping Shed	0	155,215	90,542	1,276	153,939	Construction to commence Q3.
750661 Works & Services Building Refurb	0	186,400	108,733	33,070	153,330	Construction to commence Q3/4.
750671 Mandurah Library Re Roofing Project	0	158,935	26,489	132,785	26,150	Construction complete. Finances to be finalised.
750673 Mewburn Ablution Refurbishment	0	0	0	0	0	Project is not proceeding in 2022-23.
400030 Owen Avenue Ablution	0	144,090	144,090	98,720	45,370	Construction 95% complete.
750623 Administration Building - Foyer Security	0	22,758	22,758	8,481	14,277	Construction complete. Finances to be finalised.
750633 Stage 2 of Upgrades to Peelwood Reserve	0	241,781	241,781	232,351	9,430	Complete.
750643 Falcon Family Centre Upgrade	0	71,796	71,796	0	71,796	Scope of work to be confirmed.
750679 Solar Plan 2021/22	0	119,000	119,000	0	119,000	Construction to commence Q3.
750678 ManPAC RVIF Lighting	0	238,495	238,495	740	237,755	Construction to commence Q3.
750675 ManPAC RVIF Lighting	0	7,535,654	1,255,500	114,740	2,018,000	Refer to Financial Report, Key Capital Projects table.

Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	Remaining Unspent Funds	Comment
750684 Southern Operations Ramp	0	20,000	20,000	640	19,360	Construction 95% complete.
750685 Visitors Centre Transit Station	0	15,000	15,000	0	15,000	Scope of work to be confirmed.
750721 Rushton Park Main - Staircase Remedial Work	0	18,000	18,000	13,910	4,090	Complete.
750726 Changing Places - Eastern Foreshore Mandurah	0	140,075	0	0	140,075	Construction to commence Q4.
750728 MARC Additional CCTV	0	32,506	18,962	2,506	30,000	Construction to commence Q4.
750729 MPAC Fly Tower and Auditorium Façade Cladding and Roof	0	100,000	58,333	1,389	98,611	Design only.
750730 Falcon eLibrary Air Conditioning	0	165,000	96,250	0	165,000	Construction to commence Q4.
Bridges						
880014 Cambria Island Abutment Walls Repair	370,137	370,137	370,137	20,137	350,000	Design only.
880012 Lakelands-Madora Bay Pedestrian Bridge	0	225,189	131,360	18,655	206,534	Durability report options being assessed.
Parks						
700518 Eastport Foreshore Upgrade	164,384	164,384	164,384	13,186	151,198	Construction to commence Q4.
700519 South East Dawesville - Boundary Fence	79,115	79,115	79,115	4,115	75,000	Construction to commence Q3.
700520 Bortolo Reserve Soccer Goals	11,199	11,199	4,532	12,158	(959)	Soccer goals acquired. Installation to commence Q4.
700521 Lakes Lawn Cemetery - Plinths and Irrigation Upgrade	56,791	56,791	56,791	8,220	48,571	Construction 50% complete.
700522 Capital Replacement Cost of Artesian Pump Assets	53,106	53,106	3,106	47,485	5,621	Ongoing program 2022/23.
700523 Kangaroo Paw Park	443,109	473,109	323,109	57,553	415,557	Construction 40% complete.
700524 Relocate Hard Wicket on Northern Oval at Lakelands Park	26,926	26,926	10,260	1,926	25,000	Construction to commence Q3.
700525 Westbury Way Offset Bird Waterer	27,389	27,389	10,056	16,609	10,780	Complete.
700526 Seascapes Village Shade Structure	56,002	63,540	63,540	59,270	4,270	Construction to commence Q3.
700529 Observation Deck, Watersun Drive	39,831	39,831	2,831	2,831	37,000	Construction to commence Q3.
700527 Mandurah Ocean Marina Bocce Court Upgrade	22,256	22,256	22,256	2,256	20,000	Construction to commence Q3.
700530 Falcon Bay Stage 5 of 5	423,334	423,334	23,334	23,334	400,000	Construction to commence Q4.
700531 2022-23 Falcon Reserve Activation Plan - Implementation	53,149	53,149	19,816	13,149	40,000	Complete.
700532 Merlin Street Activation Plan - Implementation	56,593	56,593	14,926	6,593	50,000	Design only.
700533 2022-23 South Harbour Paving Upgrades	160,482	160,482	29,315	3,082	157,400	Construction to commence Q3.
700534 Riverside Boardwalk	121,643	121,643	18,143	19,393	102,250	Construction to commence Q3/4.
700535 St Ives Boardwalk	119,402	119,402	18,352	18,352	101,050	Construction to commence Q3/4.
700536 Seascapes boardwalk, steps lookout node	326,639	326,639	23,727	24,458	302,181	Construction to commence Q3/4.
700537 Duverney Park - track renewal	104,981	104,981	104,981	98,749	6,232	Complete.
700538 Orion Street Beach Access Fencing	21,147	21,147	21,147	16,634	4,513	Complete.
700539 Lakes Lawn Cemetery - Stage 2 Fencing	33,592	33,592	33,592	10,647	22,945	Construction 40% complete.
700540 Diadem Place Fencing	17,650	8,650	8,650	3,614	5,036	Complete.
700541 Philante Street Carpark Fencing	10,711	3,711	3,711	2,411	1,300	Complete.
700542 Karinga Foreshore Car Park Fencing	10,411	4,411	4,411	3,491	920	Complete.
700543 Dawesville Channel South Fencing	12,232	9,232	9,232	4,332	4,900	Complete.
700544 Central Irrigation Management System	96,317	96,317	6,317	6,317	90,000	Construction to commence Q4.
700545 Suncrest Meander Playground	41,489	41,489	41,489	6,489	35,000	Construction to commence Q3/4.
700546 Bruce Cresswell Reserve Playground	46,289	56,289	56,289	6,489	49,800	Construction to commence Q3/4.
700547 Tickner Reserve Playground	41,489	51,489	36,889	6,489	45,000	Construction to commence Q3/4.
700548 Karri Karri Pass Playground	46,593	51,593	51,593	6,593	45,000	Construction to commence Q3/4.
700549 Bortolo Reserve Playground	39,489	59,489	59,489	7,099	52,390	Construction to commence Q3.
700550 Signage new	45,689	45,689	32,356	5,689	40,000	Ongoing program 2022/23.
700551 Signage renewal	45,689	45,689	32,356	5,689	40,000	Ongoing program 2022/23.
700552 Quarry Park Softfall Replacement	106,703	126,703	126,703	38,118	88,585	Construction 30% complete.
700553 Signature Circle (Edgbaston Road) Softfall Replacement	31,926	31,926	31,926	21,378	10,548	Construction complete. Finances to be finalised.
700554 Floribunda Park Softfall Replacement	28,889	28,889	28,889	1,389	27,500	Construction to commence Q3.
700555 Lilac Park Softfall Replacement	12,889	25,278	25,278	20,540	4,738	Complete.
700556 Seascapes Village Softfall Replacement	16,389	0	0	0	0	Project is not proceeding in 2022-23.
700557 Caterpillar Park Softfall Replacement	31,389	31,389	31,389	27,792	3,597	Construction complete. Finances to be finalised.
700558 Osprey Waters Softfall Replacement	19,351	19,351	19,351	12,200	7,151	Construction complete. Finances to be finalised.
700559 Greenhouse Park Softfall Replacement	10,851	14,851	14,851	12,053	2,798	Construction complete. Finances to be finalised.
700561 Upgrade of Playing Surface on Field 1 Peelwood Reserve	409,247	174,247	9,247	16,875	157,373	Project is not proceeding in 2022-23.
700562 Basketball Court Suncrest Meander	65,584	65,584	65,584	54,991	10,594	Complete.
700563 Shelters Florida Foreshore	19,856	19,856	9,189	3,856	16,000	Construction to commence Q3.
700564 Estuary Road Foreshore - shelter	25,106	25,106	25,106	20,755	4,351	Construction complete. Finances to be finalised.
700565 Duverney Park - drinking fountain	11,449	11,449	11,449	11,722	(274)	Complete.
700566 Bruce Cresswell Reserve Stage 1 of 2	334,750	474,750	163,782	46,666	428,084	Construction 25% complete.
700567 Peelwood Reserve Cricket Nets	37,545	62,545	62,545	7,818	54,728	Construction to commence Q4.
700568 Path Connection Bridgewater	46,593	46,593	46,593	6,593	40,000	Construction to commence Q3/4.
700494 Pleasant Grove Foreshore	80,559	80,559	12,559	12,559	68,000	Construction to commence Q3/4.
700515 Mandurah Netball Feasibility Study - CSRF	38,219	78,219	78,219	8,219	70,000	Feasibility study in progress.
700516 Yalgourup National Park	448,940	477,045	23,940	49,870	427,175	Consultant work underway.
700440 Major Public Artworks	90,000	90,000	0	0	90,000	Ongoing program 2022/23.
700478 Moolay Springs Golf Course Fence	0	40,000	40,000	40,000	0	Construction to commence Q3.

Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted Budget	Annual Budget	YTD Budget	YTD Actual	Remaining Unspent Funds	Comment
700480 Central Irrigation Management System Renewal	0	90,000	0	0	90,000	Construction to commence Q4.
700481 Bin Enclosures for Eastern/Western foreshore	0	50,000	50,000	48,130	1,870	Complete.
700485 Bortolo Park Drainage Basin	0	50,000	50,000	3,234	46,766	Construction to commence Q4.
700495 Kangaroo Paw Park	0	28,248	16,478	29,382	(1,134)	Construction 40% complete. Overspend being investigated, budget to be adjusted at Budget Review.
700498 Tickner Reserve Final Stage	0	75,170	75,170	4,796	70,374	Construction to commence Q3/4.
700443 Falcon Bay Upgrade - Stage 4 of 5	0	18,117	18,117	4,116	14,001	2021-22 Carryover. Construction 95% complete.
700444 Novara Foreshore Stage 4	0	14,832	14,832	13,763	1,070	Construction complete. Finances to be finalised.
700462 Madora Bay Beach	0	100,000	0	0	100,000	Project is not proceeding in 2022-23.
700511 Mandurah Parks - Shade Sails	0	56,443	56,443	53,017	3,426	Complete.
700514 Bortolo Fire Track Water Infrastructure	0	100,000	100,000	30,697	69,303	Construction to commence Q3.
700571 MBRC Resurface	0	39,897	6,649	0	39,897	CSRF contributions to club for capital works.
700572 SM Tennis Club Resurface	0	11,830	1,972	0	11,830	CSRF contributions to club for capital works.
Roads						
501130 City Centre Streetscape Upgrades	120,023	120,023	86,690	20,023	100,000	Design only.
501131 Dawesville Channel SE Foreshore Upgrade	173,107	173,107	123,107	23,107	150,000	Design only.
501134 MARC Carpark Additional & Formalise Overflow Carpark	74,792	74,792	14,792	14,792	60,000	Project is not proceeding in 2022-23.
501135 Resurface of the Driveway to the Mandurah Tennis Club	31,794	31,794	24,461	15,467	16,327	Construction to commence Q3.
501136 Senior Citizens Carpark	117,826	117,826	34,492	17,826	100,000	Construction to commence Q4.
501137 Torcello Mews Canal PAW Renewal	134,058	134,058	134,058	2,058	132,000	Construction to commence Q3.
501138 Upgrade Luminaries to LED's at the PBSRC	11,861	11,861	11,861	13,047	(1,186)	Complete.
501139 WMC - Upgrade Recycling Area Stage 1	500,000	20,000	3,333	0	20,000	Construction to commence Q3.
501132 Installation of Flood Lighting at Mandurah Tennis Club	178,228	232,228	142,823	18,906	213,322	Construction to commence Q3.
501141 SL Car Park lighting replacement	100,523	100,523	17,190	44,881	55,642	Ongoing program 2022/23.
501142 SL Light pole replacement	120,523	120,523	20,523	16,325	104,198	Ongoing program 2022/23.
501143 SL Marina Pole Canal light poles	79,482	79,482	34,148	11,482	68,000	Ongoing program 2022/23.
501144 SL Parks and Reserves	90,523	90,523	15,523	523	90,000	Ongoing program 2022/23.
501145 RC Pinjarra Road Stage 4	1,533,896	1,533,896	891,039	863,688	670,208	Refer to Financial Report, Key Capital Projects table.
501146 RR Mariners Cove/Hudson Drives Roundabout	421,615	421,615	421,615	377,502	44,113	Construction complete. Finances to be finalised.
501148 RR Olive Road	421,615	421,615	154,948	27,578	394,037	Construction to commence Q3/4.
501150 RR Harlem Place	301,170	301,170	301,170	229,235	71,935	Construction complete.
501151 RR Ocean Road/Dandaragan Drive	170,000	170,000	56,667	0	170,000	Design only.
501152 RS Flavia Street, Falcon	64,839	64,839	44,839	5,359	59,480	Construction to commence Q3.
501153 RS Flinders Street, Falcon	59,944	59,944	41,611	5,424	54,520	Construction to commence Q3.
501154 RS Baloo Crescent, Falcon	233,195	233,195	163,195	23,473	209,722	Construction to commence Q3.
501155 RS Kyreen Street, Falcon	33,059	33,059	22,726	2,059	31,000	Construction to commence Q3.
501156 RS Cesia Lane, Falcon	15,059	15,059	10,726	2,539	12,520	Construction to commence Q3.
501157 RS Burna Street, Falcon	29,059	29,059	20,059	2,539	26,520	Construction to commence Q3.
501158 RS Ivanhoe Crescent, Falcon	141,334	141,334	96,334	6,934	134,400	Construction to commence Q3.
501159 RS Yeedong Road, Falcon	54,754	54,754	37,421	3,314	51,440	Construction to commence Q3.
501160 RS Dewar Street, Wannanup	84,363	84,363	58,363	6,923	77,440	Construction to commence Q3.
501161 RS Cathryn Street, Halls Head	88,944	88,944	60,944	5,544	83,400	Construction to commence Q3.
501162 RS Hill Street, Halls Head	252,485	252,485	174,151	18,085	234,400	Construction to commence Q3.
501163 RS Amar Close, Herron	22,059	22,059	15,392	2,059	20,000	Construction to commence Q3.
501164 RS Caledonia Close, Herron	22,468	22,468	15,468	1,468	21,000	Construction to commence Q3.
501165 RS Clifton Downs Road, Herron	34,059	34,059	23,392	2,059	32,000	Construction to commence Q3.
501166 RS Dunkeld Drive, Herron	29,559	29,559	20,392	5,533	24,026	Construction to commence Q3.
501167 RS Hexham Close, Herron	40,184	40,184	30,518	11,184	29,000	Construction to commence Q3.
501168 RS Raywood Road, Bouvard	42,559	42,559	29,059	2,059	40,500	Construction to commence Q3.
501169 RS Stock Road, Parklands	52,859	52,859	36,192	4,659	48,200	Construction to commence Q4.
501113 SP Halls Head PSP	820,835	820,835	820,835	20,835	800,000	Construction to commence Q3/4.
501171 SP Lanyon Street Stage 2	51,726	51,726	51,726	56,345	(4,619)	Construction 95% complete. Overspend being investigated, budget to be adjusted at Budget Review.
501172 SP Lewis Street	35,614	35,614	35,614	47,419	(11,804)	Construction 95% complete. Overspend being investigated, budget to be adjusted at Budget Review.
501173 Missing Links	37,477	37,477	37,477	3,477	34,000	Ongoing program 2022/23.
501174 SP Baloo Crescent	115,617	115,617	115,617	12,657	102,960	Construction to commence Q3.
501175 22-23 TM Discretionary Traffic Management	166,079	166,079	166,079	62,246	103,832	Ongoing program 2022/23.
501176 Baloo Crescent/Yeedong Road Intersection	44,866	44,866	44,866	4,866	40,000	Construction to commence Q3.
501177 Halls Head Parade Car Park Stage 2a	73,148	73,148	73,148	80,122	(6,974)	Construction 75% complete. Overspend being investigated, budget to be adjusted at Budget Review.
501178 Merlin Street Reserve Southern Car Park	92,057	92,057	92,057	13,611	78,446	Construction to commence Q3/4.
501179 22-23 SF Street Furniture New Program	53,581	53,581	32,748	3,581	50,000	Ongoing program 2022/23.
501180 22-23 SL Street Lighting New Program	74,684	74,684	45,349	49,350	25,334	Ongoing program 2022/23.
501127 Falcon Reserve Activation Plan - Stage 3	428,252	428,252	28,252	164,813	263,439	Construction 50%.
501089 RC Peel Street Stage 3	1,528,100	1,528,100	28,100	184,014	1,344,086	Refer to Financial Report, Key Capital Projects table.
501116 SP Pleasant Grove POS	52,289	52,289	10,789	10,789	41,500	Construction to commence Q3.
501181 TM Estuary Road Delineation	37,814	37,814	37,814	10,142	27,672	Construction to commence Q3.
501182 SL Old Coast Road/McLarty Road/Leeward Road Ent	48,903	48,903	10,063	2,295	46,608	Design only.
501183 SL Lakes Road/Murdoch Drive	103,224	103,224	29,232	14,433	88,791	Design only.
501184 ITM Project	997,321	997,321	184,821	71,830	0	Consultant work underway.

Level of completion indicator, please see table at the end of this note for further detail.

Account Description		Adopted Budget	Annual Budget	YTD Budget	YTD Actual	Remaining Unspent Funds	Comment
501184	Other Road Renewals	296,000	296,000	0	0	296,000	Ongoing program 2022/23.
501090	RC Pinjarra Road Stage 3	0	512,225	512,225	666,531	(154,306)	Refer to Financial Report, Key Capital Projects table. Overspend being investigated, budget to be adjusted at Budget Review.
501091	SL Street Lighting New Program	0	98,263	57,320	0	98,263	Ongoing program 2021/22.
501115	SP Biara Court PAW Renewal	0	64,855	37,832	1,520	63,335	Project is not proceeding in 2022-23.
501124	Emulsion tank with bunding	0	45,000	7,500	0	45,000	Acquisition to be completed in Q4.
501101	Halls Head Beach Car Park Stage 2	0	106,307	62,012	149,714	(43,408)	Construction complete. Overspend being investigated, budget to be adjusted at Budget Review.
500016	Smart Street Mall Upgrade	0	660,679	385,396	435,947	224,732	Construction 95% complete.
501084	Peel Street - Power Relocation	0	479,671	479,671	361,127	118,544	Electrical works to re-commence Q3/4.
501123	Ayrton St POS Carpark	0	7,460	7,460	21,275	(13,815)	Carried over from 2021/22. Overspend being investigated, budget to be adjusted at Budget Review.
Drainage							
600188	Install Drainage in Bin Storage Area	13,993	13,993	13,993	12,313	1,680	Complete.
600189	DR 130 Mandurah Terrace	41,227	41,227	16,227	16,227	25,000	Construction to commence Q4.
600190	DR 30 George Street Drainage Improvement	62,872	62,872	15,872	18,073	44,799	Construction to commence Q3/4.
600191	DR Baloo Crescent Drainage Upgrade	198,813	198,813	198,813	43,689	155,124	Construction to commence Q3.
600192	DR Cervantes Drive	36,499	36,499	15,977	15,977	20,522	Construction to commence Q4.
600193	DR Colonial Court Drainage Upgrade - Stage 1	221,108	221,108	17,108	41,548	179,561	Construction to commence Q3/4.
600194	Discretionary Drainage Projects	43,028	43,028	26,778	9,427	33,601	Ongoing program 2022/23.
600195	DR Hopetoun Bend Drainage Upgrade	68,150	68,150	41,650	15,150	53,000	Construction to commence Q3.
600196	DR Loton Road/Ashley Terrace Intersection Stage 1	70,960	70,960	12,960	22,792	48,167	Construction to commence Q3/4.
600183	Halls Head Pde Beach Central CP Stage 2	0	108,740	108,740	122,743	(14,003)	Construction complete. Finances to be finalised. Overspend being investigated, budget to be adjusted at Budget Review.
600184	DR Mathew Street, Falcon	0	156,656	91,383	202,029	(45,373)	Construction complete. Finances to be finalised. Overspend being investigated, budget to be adjusted at Budget Review.
600186	DR Yeedong Road, Falcon - Stage 2	0	82,626	82,626	44,452	38,174	Construction 75% complete.
Coastal & Estuary							
910071	Mandjar Bay Lower Landing Jetty Replacement Stage 1	67,261	67,261	13,094	2,261	65,000	Construction to commence Q3.
910075	Birchley Road Boat Ramp Jetty	80,328	80,328	17,828	5,502	74,826	Construction to commence Q3.
910076	Dawesville Foreshore Reserve (Leura Street) Rock Protection	86,165	86,165	16,415	2,465	83,700	Construction to commence Q3.
910077	Dawesville Foreshore Reserve (Avon Court) Rock Protection	99,611	99,611	18,778	2,611	97,000	Construction to commence Q3.
910078	Hall Park (Leighton Place) Rock Protection	42,333	42,333	8,509	1,744	40,589	Construction to commence Q3.
910108	South Harbour Paving Upgrade Stage 3 to 6	0	16,103	16,103	7,293	8,811	Construction complete. Finances to be finalised.
910109	Cambria Island Abutment Walls Repair	0	389,649	227,295	4,616	385,033	Design only.
911000	Riverside Retaining Wall	0	13,345	13,345	13,345	0	Complete.
Equipment							
820188	MARC Replacement Pool Inflatable	12,506	0	0	0	0	Acquisition to be completed Q3.
820189	MARC Stadium Court 3 Scoreboard Replacement	12,506	12,506	12,506	2,506	10,000	Acquisition to be completed Q3.
820191	Senior Citizens Stage Curtain	15,585	15,585	15,585	3,085	12,500	Acquisition to be completed Q3.
820190	22-23 Furniture & Equipment	55,257	55,257	14,037	8,293	46,964	Balance of ongoing program from 2021/22.
820185	All Terrain Wheelchair	0	8,500	8,500	0	8,500	Acquisition to be completed Q3.
820186	Sand Cleaning Machine	0	18,673	18,673	18,982	(309)	Complete.
820192	MARC Court Netting	0	18,960	18,960	0	18,960	Acquisition to be completed Q3.
820194	Inspection Camera	0	5,067	5,067	5,067	0	Complete.
Plant & Machinery							
770001	Replacement Light Passenger Vehicles	256,000	551,827	321,899	160,386	391,442	Ongoing program 2022/23.
770002	Replacement Light Commercial Vehicles	606,230	1,112,200	648,783	284,713	827,487	Ongoing program 2022/23.
770005	New - Light Passenger Vehicles	0	40,000	23,333	0	40,000	Ongoing program 2022/23.
770006	Trucks and Buses	780,000	780,000	455,000	0	780,000	Ongoing program 2022/23.
770007	Trailers	346,040	630,838	367,989	18,150	612,688	Ongoing program 2022/23.
770008	Construction Vehicles	282,000	564,648	329,378	0	564,648	Ongoing program 2022/23.
770009	Parks and Mowers	362,000	432,599	252,349	0	432,599	Ongoing program 2022/23.
770010	New - Heavy Vehicles Plant and Equipment	680,000	770,865	770,865	0	770,865	Ongoing program 2022/23.
770011	Miscellaneous Equipment	6,000	525,667	306,639	338,147	187,520	Ongoing program 2022/23.
770012	New - Vehicle and Small Plant Program	27,500	7,500	4,375	6,455	1,045	Ongoing program 2022/23.
770018	New - Light Commercial Vehicles	0	40,000	23,333	0	40,000	Ongoing program 2022/23.
770020	Tim's Thicket Weighbridge	150,000	150,000	25,000	0	150,000	Construction to commence Q3.
Other Infrastructure							
930039	CSRF Program - Small Grants	106,065	338	56	0	338	To date funding has been allocated to Upgrade luminaries to LED's at PBSRC (\$11,861), Installation of Flood Lighting at Mandurah Tennis Club (\$32,074), SM Tennis Club Resurface (\$11,830) and MBRC Resurface (\$39,891).
930040	22-23 Christmas Decorations Program	169,569	169,569	169,569	74,959	94,610	Ongoing program 2022/23.
930035	Restart Mandurah - Other	0	852,434	497,253	0	852,434	Remaining balance of Restart Mandurah funds.
930038	MARC Geothermal Pump & VSD	0	214,000	35,667	121,527	92,473	Construction to commence Q3.
700053	Lakelands DOS Sports Specific Infrastructure	0	332,398	193,899	163,049	169,349	Construction of all baseball diamonds complete.
700055	Eastern Foreshore South Precinct	0	3,412,166	1,990,430	487,486	2,924,679	Refer to Financial Report, Key Capital Projects table.
700056	Western Foreshore Recreation Precinct	0	3,329,677	1,942,311	1,139,548	2,190,128	Refer to Financial Report, Key Capital Projects table.
Grand Total		23,885,819	47,658,921	23,702,586	10,137,153	37,521,769	

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023

FINANCING ACTIVITIES
NOTE 7
BORROWINGS

Repayments - Borrowings

Information on Borrowings Particulars	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments		
	1 July 2022	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Law, order, public safety									
Bortolo Fire Track Water Infrastructure		0	40,000	0	-	0	40,000	0	
Community amenities									
Compactor Waste Trailers and Dolly [336]	123,407	0	-	34,249	59,345	89,158	63,885	2,693	3,367
Waste Water Reuse [349]	100,257	0	-	12,756	22,475	87,501	77,632	2,189	3,145
Halls Head Ablution Block [350]	66,864	0	-	8,501	14,978	58,363	51,783	1,460	2,098
Halls Head Recycled Water 2019/20	164,810	0	-	10,110	17,864	154,701	145,028	3,341	5,416
Ablutions 2020/21	0	0	-	0	21,265	0	228,735	0	-
Ablutions 2021/22	250,051	0	-	11,347	-	238,704	-	5,539	8,411
Recreation and culture									
Rushton Park Redevelopment [318(ii)]	147,980	0	-	54,547	90,350	93,434	58,812	1,076	3,661
Meadow Springs Recreation Facility [318(iii)]	111,159	0	-	40,974	68,838	70,185	42,210	809	2,789
Mandurah Football & Sporting Club [324]	1,703	0	-	1,703	1,701	0	0	0	5
Mandurah Rugby Club [325]	158	0	-	158	148	0	0	(0)	-
Bowling Club Relocation [326]	13	0	-	13	-	0	0	(13)	-
Ablutions - Netball Centre [329(i)]	4	0	-	4	-	0	0	(4)	-
Parks Construction [329(v)]	4	0	-	4	-	0	0	(4)	-
Halls Head Bowling Club upgrade [331]	235,855	0	-	20,273	35,791	215,582	199,730	5,270	7,673
Parks - Falcon Bay Reserve [333(i)]	22,699	0	-	14,249	22,669	8,450	0	379	400
MARC Redevelopment [338]	431,781	0	-	96,492	158,725	335,289	272,846	3,433	12,575
MARC Redevelopment Stage 1 [340]	334,858	0	-	45,688	80,362	289,171	254,226	7,274	10,430
MARC Redevelopment Stage 2 [341]	823,803	0	-	131,200	208,805	692,603	614,366	5,468	25,483
Eastern Foreshore Wall [344]	541,704	0	-	82,358	134,904	459,346	406,548	6,136	16,800
MARC Stage 2 [345]	806,207	0	-	120,503	193,127	685,704	612,473	6,806	25,117
Falcon Bay Seawall [351]	167,937	0	-	21,316	37,557	146,622	130,139	3,667	5,271
MARC Solar Plan [353]	132,135	0	-	11,229	19,733	120,906	112,210	2,954	4,303
Novara Foreshore Development [355]	264,429	0	-	22,297	39,459	242,131	224,592	6,109	8,613
Falcon Bay Foreshore Upgrades [356]	264,225	0	-	22,458	39,466	241,767	224,385	5,908	8,606
Mandjar Square Development [358]	328,933	0	-	28,056	49,368	300,877	279,299	7,353	10,716
Lakelands DOS [360]	1,713,179	0	-	188,539	281,019	1,524,640	1,430,886	7,727	55,437
Mandjar Square Stage 3 and 4	367,421	0	-	24,308	86,589	343,113	221,671	8,739	23,091
Falcon Seawall	708,669	0	-	56,836	42,827	651,833	710,844	8,329	12,013
Novara Foreshore Stage 3	148,124	0	-	9,729	17,089	138,395	129,170	3,524	4,847
Smart Street Mall Upgrade 2019/20	401,335	0	-	27,675	45,040	373,660	351,126	7,759	13,148
Falcon Bay Foreshore Stage 3 of 4	247,218	0	-	15,462	26,795	231,756	217,551	4,714	8,125
Mandjar Square Final Stage	247,205	0	-	15,462	26,795	231,743	217,538	4,714	8,125
Falcon Skate Park Upgrade	96,801	0	-	6,203	10,796	90,598	84,761	2,302	3,172
Westbury Way North side POS Stage 3	164,825	0	-	10,110	17,863	154,715	145,043	3,341	5,417
Eastern/ Western Foreshore 2020/21	1,031,140	0	-	69,844	96,793	961,297	923,037	5,432	34,151
Smart Street Mall 2020/21	1,004,804	0	-	60,343	93,163	944,461	901,520	8,597	33,329
Novara Foreshore Stage 4	91,576	0	-	4,468	8,435	87,107	82,172	2,176	3,037
Bortolo Reserve - Shared Use Parking and Fire Track Facility	274,702	0	-	14,590	25,330	260,112	246,491	5,343	9,110
Falcon Bay Upgrade - Stage 4 of 5	256,387	0	-	13,697	23,633	242,690	230,066	4,908	8,503
Enclosed Dog Park	18,466	0	-	899	1,704	17,568	16,559	439	612
South Harbour Paving Upgrade Stage 2	45,794	0	-	2,234	4,218	43,560	41,086	1,088	1,518
Falcon Skate Park Upgrade 2020/21	69,102	0	-	3,371	6,373	65,732	61,995	1,642	2,291
Eastern/ Western Foreshore 2021/22	1,534,700	0	-	93,629	130,452	1,441,071	1,403,935	8,644	51,624
Smart Street Mall 2021/22	630,568	0	-	36,699	53,609	593,869	576,830	5,468	21,211
Enclosed Dog Park 2021/22	179,886	0	-	7,922	15,297	171,964	164,552	4,281	6,051
Novara Foreshore Stage 4 2021/22	230,047	0	-	10,561	19,562	219,486	210,438	4,988	7,738
Falcon Bay Upgrade - Stage 4 of 5 2021/22	71,455	0	-	2,999	6,081	68,456	65,359	1,967	2,403
Parks and Reserves Upgrades 2021/22	495,101	0	-	28,764	42,098	466,337	452,902	4,387	16,654
Mandurah Library Re Roofing Project	115,023	0	-	5,042	9,787	109,982	105,213	2,831	3,869
Falcon Reserve Activation Plan Stage 3	0	0	400,000	0	34,014	0	365,986	0	13,458
Pleasant Grove Foreshore	0	0	59,000	0	5,023	0	53,977	0	1,985
Kangaroo Paw Park	0	0	400,000	0	34,014	0	365,986	0	13,458
Falcon Bay Stage 5 of 5	0	0	350,000	0	29,756	0	320,244	0	11,776
2022/23 South Harbour Upgrades	0	0	150,000	0	12,761	0	137,239	0	5,047
Upgrade of Playing Surface Peelwood Parade	0	0	-	0	-	0	-	0	-
Bruce Cresswell Reserve	0	0	300,000	0	25,511	0	274,489	0	10,093
Seascapes Boardwalk	0	0	200,000	0	17,007	0	182,993	0	6,729
Mandurah Community Museum Roof and Gutters	0	0	150,000	0	12,761	0	137,239	0	5,047
Stage 2 of Upgrades to Peelwood Reserve	0	0	70,000	0	-	0	-	0	-
Smart Street Mall Upgrade	0	0	267,396	0	-	0	-	0	-
Eastern Foreshore South Precinct	0	0	94,683	0	-	0	-	0	-
Western Foreshore Recreation Precinct	0	0	800,000	0	-	0	-	0	-
2022/23 Parks and Reserves Upgrades	0	0	350,000	0	29,756	0	320,244	0	11,776
Transport									
Drainage [318(iv)]	36,821	0	-	13,573	21,512	23,249	16,602	268	872
Road Construction [318(v)]	369,604	0	-	136,239	232,329	233,365	133,359	2,688	9,414
Road Construction [329(ii)]	9	0	-	9	-	0	0	(9)	-
Drainage Construction [329(iii)]	3	0	-	3	-	0	0	(3)	-
Peelwood Oval - Parking [329(iv)]	1	0	-	1	-	0	0	(1)	-
Path Construction [329(vi)]	1	0	-	1	-	0	0	(1)	-
Street Lighting [329(viii)]	1	0	-	1	-	0	0	(1)	-
Road Construction [333(ii)]	103,407	0	-	64,914	103,271	38,493	0	1,727	1,822
New Pedestrian Bridge Construction [335]	243,718	0	-	68,714	120,092	175,005	123,290	5,299	6,604
New Road Construction [339]	313,715	0	-	63,834	113,063	249,881	200,409	7,342	9,169
New Road Construction [342]	425,086	0	-	63,311	103,930	361,775	320,960	5,023	13,214
WMC Tims Thicket [343]	67,049	0	-	8,911	15,484	58,138	51,461	1,460	2,096

Repayments - Borrowings

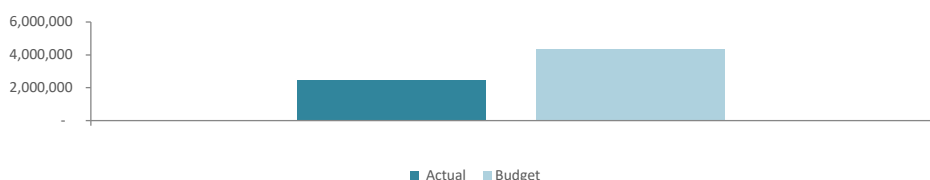
Information on Borrowings Particulars	1 July 2022	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
		Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Road Construction [346]	263,877	0	-	33,585	59,172	230,292	204,336	5,762	8,280
MARC Carpark [347]	200,493	0	-	25,512	44,949	174,980	155,258	4,378	6,291
MPAC Forecourt [348]	83,566	0	-	10,628	18,726	72,938	64,715	1,825	2,622
Mandurah Marina [352]	132,128	0	-	11,229	19,733	120,899	112,203	2,954	4,303
MARC Carpark [354]	198,193	0	-	16,841	29,593	181,352	168,318	4,431	6,455
Mandurah Foreshore Boardwalk Renewal [357]	296,245	0	-	25,251	44,419	270,994	251,604	6,623	9,653
New Road Construction [359]	864,540	0	-	85,759	142,058	778,781	721,781	13,424	27,970
Smoke Bush Retreat Footpath [361]	66,065	0	-	5,617	9,873	60,447	56,090	1,477	2,151
New Boardwalks 18/19	369,640	0	-	24,319	42,735	345,322	322,592	8,794	12,105
Coodanup Drive - Road Rehabilitation	74,083	0	-	4,862	8,544	69,221	64,602	1,763	2,424
Pinjarra Road Carpark	148,124	0	-	9,729	17,089	138,395	129,170	3,524	4,847
New Road Construction 2018/19	1,172,269	0	-	94,952	142,756	1,077,317	1,013,818	12,620	38,204
New Road Construction 2019/20	703,305	0	-	55,138	81,755	648,167	612,092	8,646	22,981
South Harbour Upgrade 2019/20	189,552	0	-	11,535	20,542	178,017	166,804	3,932	6,230
New Roads 2020/21	543,876	0	-	36,681	56,675	507,195	481,409	2,954	17,929
Carryover Roads 2020/21	500,102	0	-	23,820	42,518	476,282	457,482	9,573	16,822
Roads 2021/22	250,051	0	-	11,038	21,265	239,013	228,735	5,545	8,411
SP Halls Head PSP	0	0	200,000	0	17,007	0	182,993	0	6,729
Carparks 2021/22	165,673	0	-	7,364	14,095	158,309	151,544	3,889	5,573
RC Peel Street	0	0	500,000	0	42,518	0	457,482	0	16,822
Cambria Island Abutment Wall	58,989	0	-	2,509	5,024	56,480	53,953	1,623	1,984
Senior Citizens Carpark	0	0	100,000	0	8,504	0	91,496	0	3,364
Torcello Mews Canal PAW Renewal	0	0	100,000	0	8,504	0	91,496	0	3,364
MARC Carpark Additional and overflow	0	0	50,000	0	4,258	0	45,742	0	1,682
Halls Head Parade Car Park Stage 2a	0	0	50,000	0	4,258	0	45,742	0	1,682
RC Pinjarra Road Stage 4	0	0	500,000	0	42,518	0	457,482	0	16,822
Cambria Island Abutment Walls Repair	0	0	300,000	0	25,511	0	274,489	0	10,093
RC Pinjarra Road Stage 3	0	0	500,000	0	0	0	0	0	0
Halls Head Pde Beach Central CP Stage 2	0	0	135,361	0	0	0	0	0	0
Cambria Island Abutment Walls Repair	0	0	341,023	0	0	0	0	0	0
Economic services									
Mandurah Ocean Marina Chalets Refurbishment	150,031	0	-	6,754	12,761	143,276	137,239	3,458	5,047
Other property and services									
IT Communications Equipment [318(i)]	29,179	0	-	10,756	17,210	18,424	12,827	212	697
IT Equipment [329(vii)]	1	0	-	1	-	0	-	(1)	-
Land Purchase [330]	3	0	-	3	-	0	-	0	-
Civic Building - Tuckey Room Extension	369,237	0	-	24,317	42,761	344,921	321,815	8,784	12,079
Total	23,853,143	0	6,407,463	2,457,579	4,365,891	21,395,564	23,569,427	331,166	906,534
Total	23,853,143	0	6,407,463	2,457,579	4,365,891	21,395,564	23,569,427	331,166	906,534
Current borrowings	4,365,891		6,407,463	2,457,579	4,365,891	2,252,783	4,365,891	331,166	906,534
Non-current borrowings	19,487,252					19,142,781	19,203,536		
	23,853,143					21,395,564	23,569,427		

All debenture repayments were financed by general purpose revenue.

KEY INFORMATION

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

2022/23 Principal Repayments



Principal
\$2,457,579

Interest Expense
\$331,166

Loans Due
\$21.4 M

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023

OPERATING ACTIVITIES
NOTE 8
CASH RESERVES

Cash Backed Reserve

Reserve Name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Building	1,627,162	12,443	0	0	0	(433,266)	0	1,206,338	1,627,162
Parking	481,438	6,412	0	0	0	0	0	487,851	481,438
Asset Management	15,417,266	119,918	0	2,000,000	0	(6,235,112)	0	11,302,072	15,417,266
Cultural Centre	215,975	0	0	0	0	(213,495)	0	2,480	215,975
Property Acquisition	0	0	0	0	0	0	0	0	0
Sustainability	531,204	4,902	0	0	0	(196,000)	0	340,105	531,204
Waste Facilities Reserve Fund	6,053,666	41,850	0	0	0	(1,206,611)	0	4,888,906	6,053,666
Traffic Bridge	0	0	0	0	0	0	0	0	0
Interest Free Loans	145,562	0	0	0	0	0	0	145,562	145,562
CLAG	11,917	16	0	0	0	0	0	11,933	11,917
Mandurah Ocean Marina	177,997	2,371	0	0	0	0	0	180,368	177,997
Waterways	811,550	9,515	0	0	0	(63,377)	0	757,689	811,550
Port Mandurah Canals Stage 2 Maintenance	93,112	1,240	0	0	0	0	0	94,352	93,112
Mariners Cove Canals	84,837	1,130	0	0	0	0	0	85,967	84,837
Port Bouvard Canal Maintenance Contributions	267,030	3,556	0	0	0	0	0	270,587	267,030
Unspent Grants & Contributions	8,773,649	0	0	0	0	(7,639,231)	0	1,134,418	8,773,649
Long Service Leave	4,592,006	0	0	0	0	(905,791)	0	3,686,215	4,592,006
Bushland and Environmental Protection	1,307,640	17,090	0	200,000	0	0	0	1,524,731	1,307,640
Coastal Storm Contingency	258,494	3,443	0	0	0	0	0	261,937	258,494
Digital Futures	56,866	929	0	0	0	0	0	57,795	56,866
Decked Carparking	1,008,622	13,433	0	0	0	0	0	1,022,056	1,008,622
Specified Area Rates - Waterside Canals	116,972	1,496	0	0	0	(6,738)	0	111,730	116,972
Specified Area Rates - Port Mandurah Canals	212,247	1,903	0	64,900	0	(1,131)	0	277,919	212,247
Specified Area Rates - Mandurah Quay Canals	222,331	2,917	0	8,965	0	0	0	234,213	222,331
Specified Area Rates - Mandurah Ocean Marina	564,257	5,392	0	151,390	0	0	0	721,039	564,257
Specified Area Rate - Port Bouvard Canals	131,740	1,609	0	588	0	0	0	133,937	131,740
Specified Area Rate - Mariners Cove	10,331	69	0	0	0	(5,317)	0	5,083	10,331
Specified Area Rate - Eastport	43,891	476	0	0	0	(31)	0	44,336	43,891
Sportclubs Maintenance Levy	242,545	2,681	0	0	0	0	0	245,226	242,545
City Centre Land Acquisition Reserve	1,010,931	13,215	0	0	0	(100,000)	0	924,146	1,010,931
Lakelands Community Infrastructure Reserve	1,102,123	14,679	0	0	0	0	0	1,116,802	1,102,123
Plant Reserve	2,014,060	10,966	0	0	0	(1,189,302)	0	835,724	2,014,060
Workers Compensation Reserve	673,563	6,349	0	0	0	0	0	679,912	673,563
Restricted Cash Reserve	3,040,759	0	0	0	0	(1,959,756)	0	1,081,004	3,040,759
	51,301,746	300,000	0	2,425,843	0	(20,155,157)	0	33,872,432	51,301,746

OPERATING GRANTS AND CONTRIBUTIONS

Provider	Unspent Operating Grant, Subsidies and Contributions Liability				Operating Grants, Subsidies and Contributions Revenue			
	Liability 1-Jul	Increase in Liability	Liability Reduction (As revenue)	Liability 30-Jun	Adopted Budget	Budget Variations	Annual Budget	YTD Revenue Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Operating Grants and Subsidies								
General purpose funding								
Financial Assistance Grant - General Purpose	0	0	0	0	1,903,527	0	1,903,527	320,183
Financial Assistance Grant - Local Roads	0	0	0	0	1,439,746	0	1,439,746	164,755
Law, order, public safety								
Southern Districts Bush Fire Brigade LGGS: DFES	0	0	0	0	32,928	0	32,928	23,676
SES LGGS: DFES	0	0	0	0	57,629	0	57,629	43,222
Bushfire Mitigation Activity Fund (MAF) Grants: DFES	0	22,800	0	22,800	65,000	0	65,000	0
Education and welfare								
Waterwise Verge Grant: Water Corp	0	0	0	0	10,000	0	10,000	0
International Day of People with Disability: Development Dis:	0	1,000	(1,000)	0	0	0	0	1,000
Stay on your Feet: Injury Matters	0	3,650	0	3,650	0	0	0	0
Recreation and culture								
Christmas Pageant: Lotterywest	0	20,000	0	20,000	10,000	0	10,000	0
Christmas Pageant: Tourism WA	0	10,500	0	10,500	0	0	0	0
Christmas Pageant: Ray White	0	22,727	(22,727)	0	0	0	0	22,727
Crabfest: Tourism WA	0	0	0	0	145,250	0	145,250	0
Every Club Funding 2022: DLGSC	40,000	0	0	40,000	0	0	40,000	0
Every Club Funding 2023: DLGSC	0	0	0	0	21,325	0	21,325	0
Wearable Art	0	0	0	0	41,500	0	41,500	0
Gnoonie Youth Football Cup: Healthway	0	2,000	(2,000)	0	1,500	0	1,500	2,000
2 & 5 Children's Week: Healthway	0	1,000	(1,000)	0	0	0	0	1,000
CHRMAP: DPLH	0	0	0	0	0	0	37,500	37,500
Australia Day: National Australia Day Council Ltd	0	24,000	0	24,000	0	0	0	0
	40,000	107,677	(26,727)	120,950	3,728,405	0	3,805,905	616,063
Operating Contributions								
Recreation and culture								
She Codes Workshop: PDC	5,000	0	0	5,000	0	5,000	5,000	0
	5,000	0	0	5,000	0	5,000	5,000	0
TOTALS	45,000	107,677	(26,727)	125,950	3,728,405	5,000	3,810,905	616,063

Provider	Unspent Non Operating Grants, Subsidies and Contributions Liability				Non Operating Grants, Subsidies and Contributions Revenue			
	Liability	Increase in Liability	Liability Reduction (As revenue)	Liability	Adopted Budget Revenue	Budget Variations	Annual Budget	YTD Revenue Actual (b)
	1-Jul			30-Jun	\$	\$	\$	\$
Non-Operating Grants and Subsidies								
Community amenities				0				
Changing Places - Eastern Foreshore	45,454	94,621	0	140,075	0	140,075	140,075	0
Recreation and culture								
Eastern Foreshore South Precinct: DoH	2,500,000	0	0	2,500,000	0	2,500,000	2,500,000	0
Eastern Foreshore South Precinct: DoH 22-23	0	2,500,000	0	2,500,000	0	0	0	0
Eastern Foreshore South Precinct: RFR	729,490	0	(487,486)	242,003	0	729,490	729,490	487,486
Mandurah Parks - Shade Sails: DPIRD	56,235	0	(53,017)	3,218	0	56,443	56,443	53,017
MPAC Internal Refurb: DPIRD	155,716	0	(155,716)	0	0	155,716	155,716	155,716
22-23 MPAC Internal Refurb	0	0	0	0	50,000	0	50,000	0
Mandurah Netball Feasibility Study - CSRFF	11,200	0	0	11,200	0	11,200	11,200	0
Mandurah Netball Feasibility Study - Netball WA	4,545	0	0	4,545	0	4,545	4,545	0
Stage 2 of Upgrades to Peelwood Reserve	66,465	0	(66,465)	0	0	66,465	66,465	66,465
All Terrain Wheelchair	8,500	0	0	8,500	0	8,500	8,500	0
Dawesville Community Centre	0	1,000,000	0	1,000,000	0	673,052	673,052	0
Yalgorup National Park	300,000	0	(49,870)	250,130	225,000	0	225,000	49,870
Merlin Street Activation Plan - Implementation	150,000	0	0	150,000	0	0	0	0
MARC Roof Repairs	740,545	0	(113,475)	627,071	0	0	1,618,069	113,475
SP Halls Head PSP	0	75,000	0	75,000	400,000	0	400,000	0
Trails Project	155,655	0	(79,891)	75,765	900,000	0	900,000	79,891
Transport								
RC Peel Street Stage 3	400,000	0	(184,014)	215,986	1,000,000	0	1,000,000	184,014
Peel Street - Power Relocation	140,320	0	(140,320)	0	0	479,671	479,671	140,320
RC Pinjarra Road Stage 4	0	400,000	(400,000)	0	1,000,000	0	1,000,000	400,000
RR Mariners Cove/Hudson Drives Roundabout	0	300,000	(300,000)	0	300,000	0	300,000	300,000
RR Olive Road	0	200,000	(27,578)	172,422	300,000	0	300,000	27,578
RR Harlem Place	0	40,708	(40,708)	0	240,000	0	240,000	40,708
TM Estuary Road Delineation	0	7,379	0	7,379	18,448	0	18,448	0
SL Lakes Road/Murdoch Drive	0	23,678	0	23,678	59,194	0	59,194	0
SL Old Coast Road/McLarty Road/Leeward Road Ent	0	18,643	0	18,643	46,608	0	46,608	0
RS Baloo Crescent, Falcon	0	122,000	(23,473)	98,527	122,000	0	122,000	23,473
RS Ivanhoe Crescent, Falcon	0	100,000	(6,934)	93,066	100,000	0	100,000	6,934
RS Hill Street, Halls Head	0	154,335	(18,085)	136,250	146,411	0	146,411	18,085
Installation of Flood Lighting at Mandurah Tennis Club	0	0	0	0	53,524	0	53,524	0
Peel Street 23-24 Project	0	400,000	0	400,000	0	0	0	0
	5,464,125	5,436,364	(2,147,032)	8,753,457	4,961,185	4,825,156	11,404,410	2,147,032
Non-Operating Contributions								
Recreation and culture								
PEET - Cash in Lieu Contribution	1,065,909	0	0	1,065,909	0	0	0	0
Eastport Foreshore Upgrade	0	0	0	0	151,198	0	151,198	0
MARC Roof Repairs	0	0	0	0	0	4,000,000	4,000,000	0
Transport								
Dawesville Channel SE Foreshore Upgrade	0	0	0	0	150,000	0	150,000	0
Other property and services								
MARC Geothermal Pump & VSD	0	0	0	0	0	63,897	63,897	0
Trailers	0	0	0	0	0	18,896	18,896	0
Miscellaneous Equipment	0	0	0	0	0	175,352	175,352	0
	1,065,909	0	0	1,065,909	301,198	4,258,145	4,559,343	0
Total Non-operating grants, subsidies and contributions	6,530,034	5,436,364	(2,147,032)	9,819,366	5,262,383	9,083,301	15,963,753	2,147,032

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023**

**NOTE 11
BUDGET AMENDMENTS APPROVED**

Amendments to original budget since budget adoption. Surplus/(Deficit)
A positive number in the amended budget running balance represents an estimated closing surplus.
A negative number in the amended budget running balance represents an estimated closing deficit

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	Budget Adoption		Opening Surplus/(Deficit)				(560,210)
100010-3780-1263-41400	Every Club Funding Operating Grant	June FR G.8/7/22	Operating Revenue		40,000		(520,210)
	Contract Liability	June FR G.8/7/22	Other	(40,000)			(560,210)
100010-5850-1263-41400	CHRMAP Operating Grant	June FR G.8/7/22	Operating Revenue		37,500		(522,710)
	Unspent Grant Reserve	June FR G.8/7/22	Other: Transfer Out of Reserve		39,099		(483,611)
	2021/22 Operating Carryover - Unspent Grants	June FR G.8/7/22	Operating Expenses			(39,099)	(522,710)
	Restricted Cash Reserve	June FR G.8/7/22	Other: Transfer Out of Reserve		2,050,114		1,527,404
	2021/22 Operating Carryovers	June FR G.8/7/22	Operating Expenses			(2,050,114)	(522,710)
	Capital Works 2021/22 Carryovers	June FR G.8/7/22	Capital Expenses			(19,076,830)	(19,599,540)
	Capital Works 2021/22 Carryovers	June FR G.8/7/22	Other: Proceeds from Debentures		2,248,463		(17,351,077)
	Capital Works 2021/22 Carryovers	June FR G.8/7/22	Other: Unutilised Loans		3,247,526		(14,103,551)
	Capital Works 2021/22 Carryovers	June FR G.8/7/22	Other: Proceeds From Sale of Assets		552,344		(13,551,207)
	Capital Works 2021/22 Carryovers	June FR G.8/7/22	Capital Revenue		6,431,383		(7,119,824)
	Capital Works 2021/22 Carryovers - various reserve reductions	June FR G.8/7/22	Other: Transfer Out of Reserve		2,657,365		(4,462,459)
	Capital Works 2021/22 Carryovers	June FR G.8/7/22	Other	(4,541,456)			(9,003,915)
	Capital Works 2021/22 Carryovers - Unspent Grant Reserve	June FR G.8/7/22	Other: Transfer Out of Reserve		4,541,456		(4,462,459)
	Capital Works 2021/22 Carryovers - Restricted Cash Reserve	June FR G.8/7/22	Other: Transfer Out of Reserve		3,939,749		(522,710)
100010-4530-1263-41450	Mandurah Libraries - Contributions - Operating (She Codes Workshop)	June FR G.8/7/22	Operating Revenue		5,000		(517,710)
	Falcon Library - Library Learning Projects (She Codes Workshop)	June FR G.8/7/22	Operating Expenses			(5,000)	(522,710)
100010-4540-1343-61001	Other Buildings Renewal	June FR G.8/7/22	Capital Expenses		50,000		(472,710)
750725-6100-1045-61129	CEO Corporate Projects	July FR G.7/9/22	Operating Expenses		35,000		(437,710)
100010-1000-1169-61001	Environmental Services Corporate Projects	July FR G.7/9/22	Operating Expenses			(35,000)	(472,710)
700540-6600-1045-61129	Diadem Place Fencing	July FR G.7/9/22	Capital Expenses		9,000		(463,710)
700541-6600-1045-61129	Philante Street Carpark Fencing	July FR G.7/9/22	Capital Expenses		7,000		(456,710)
700541-6600-1045-61129	Karinga Foreshore Car Park Fencing	July FR G.7/9/22	Capital Expenses		6,000		(450,710)
700543-6600-1045-61129	Dawesville Channel South Fencing	July FR G.7/9/22	Capital Expenses		3,000		(447,710)
700567-6600-1045-61129	Peelwood Cricket Nets	July FR G.7/9/22	Capital Expenses			(25,000)	(472,710)
101870-4210-1263-61129	Environmental Education Project	July FR G.7/9/22	Operating Expenses			(4,000)	(476,710)
100010-4210-1263-41450	Environmental Services Operating Contribution	July FR G.7/9/22	Operating Revenue		4,000		(472,710)
770007-6300-1045-41403	DFES Capital Contribution	July FR G.7/9/22	Capital Revenue		18,896		(453,814)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023**

**NOTE 11
BUDGET AMENDMENTS APPROVED**

Amendments to original budget since budget adoption. Surplus/(Deficit)
A positive number in the amended budget running balance represents an estimated closing surplus.
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GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
770011-6300-1045-41403	DFES Capital Contribution	July FR G.7/9/22	Capital Revenue		175,352		(278,462)
770007-6300-1045-61001	Trailers	July FR G.7/9/22	Capital Expenses			(18,896)	(297,358)
770011-6300-1045-61001	Miscellaneous Equipment	July FR G.7/9/22	Capital Expenses			(175,352)	(472,710)
New-6100-1045-41403	Department of Communities Grant	July FR G.7/9/22	Capital Revenue		140,075		(332,635)
New-6100-1045-61129	Changing Places - Eastern Foreshore Mandurah	Aug FR G. 8/9/22	Capital Expenses			(140,075)	(472,710)
105000-5570-2150-61129	MARC - Facility Management	Aug FR G. 8/9/22	Operating Expenses		18,960		(453,750)
820192-6700-1045-61129	MARC Court Netting	Aug FR G. 8/9/22	Capital Expenses			(18,960)	(472,710)
501123-6250-1045-xxxx	Ayrton St POS Carpark	Aug FR G. 8/9/22	Capital Expenses			(7,460)	(480,170)
100010-4000-1114-61129	Administration - Director of Place & Community - Consultants	Aug FR G. 8/9/22	Operating Expenses			(59,250)	(539,420)
162000-4410-1366-xxxx	Emergency Management	Aug FR G. 8/9/22	Operating Expenses		31,460		(507,960)
100010-1110-1045-61001	Administration - Economic Development	Aug FR G. 8/9/22	Operating Expenses		205,000		(302,960)
	Restricted Cash Reserve	Aug FR G. 8/9/22	Other: Transfer Out of Reserve			(236,460)	(539,420)
	Capital Works 2021/22 Carryovers Reconciliation	Aug FR G. 8/9/22	Capital Expenses		391,348		(148,072)
	Capital Works 2021/22 Carryovers Reconciliation	Aug FR G. 8/9/22	Capital Revenue			(64,336)	(212,408)
	Capital Works 2021/22 Carryovers Reconciliation - Contract Liability	Aug FR G. 8/9/22	Other: Transfer Out of Reserve	64,336			(148,072)
	Capital Works 2021/22 Carryovers Reconciliation - Unspent Grants	Aug FR G. 8/9/22	Other: Transfer Out of Reserve			(64,336)	(212,408)
	Capital Works 2021/22 Carryovers Reconciliation	Aug FR G. 8/9/22	Other: Unutilised Loans			(163,828)	(376,236)
	Capital Works 2021/22 Carryovers Reconciliation	Aug FR G. 8/9/22	Other: Transfer Out of Reserve			(163,184)	(539,420)
750708-6100-1045-61129	MARC Sauna Expansion and Refurbishment	Sept FR G.6/10/22	Capital Expenses		20,000		(519,420)
820188-6700-1045-61001	MARC Replacement Pool Inflatable	Sept FR G.6/10/22	Capital Expenses		12,506		(506,914)
750728-6100-1045-61129	MARC Additional CCTVs	Sept FR G.6/10/22	Capital Expenses			(32,506)	(539,420)
700555-6600-1045-61129	Lilac Park Softfall Replacment	Sept FR G.6/10/22	Capital Expenses			(12,389)	(551,809)
700559-6600-1045-61129	Greenhouse Park Softfall Replacement	Sept FR G.6/10/22	Capital Expenses			(4,000)	(555,809)
700556-6600-1045-61129	Seascapes Village Softfall Replacement	Sept FR G.6/10/22	Capital Expenses		16,389		(539,420)
750715-6100-1045-61129	Rushton Park Stadium - External Painting Walls and Steelwork	Sept FR G.6/10/22	Capital Expenses			(26,000)	(565,420)
750691-6100-1045-61129	Install of Emergency Door - Shower Service	Sept FR G.6/10/22	Capital Expenses		26,000		(539,420)
770011-6300-1045-61001	Miscellaneous Equipment	Sept FR G.6/10/22	Capital Expenses			(20,000)	(559,420)
770012-6300-1045-61001	New - Vehicle & Small Plant Program	Sept FR G.6/10/22	Capital Expenses		20,000		(539,420)
750729-6100-1045-61129	MPAC Fly Tower and Auditorium Facade Cladding and Roof	Sept FR G.6/10/22	Capital Expenses			(100,000)	(639,420)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023**

**NOTE 11
BUDGET AMENDMENTS APPROVED**

Amendments to original budget since budget adoption. Surplus/(Deficit)

A positive number in the amended budget running balance represents an estimated closing surplus.

A negative number in the amended budget running balance represents an estimated closing deficit

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
750725-6100-1045-61129	Other Buildings Renewal	Sept FR G.6/10/22	Capital Expenses		100,000		(539,420)
124032-5850-2150-61129	Erosion Control - Waterways	Oct FR G.8/11/22	Operating Expenses		13,345		(526,075)
New-6400-1045-61129	Riverside Retaining Wall	Oct FR G.8/11/22	Capital Expenses			(13,345)	(539,420)
501132-6250-1045-61129	Installation of Flood Lighting at Mandurah Tennis Club	Oct FR G.8/11/22	Capital Expenses			(54,000)	(593,420)
930039-6500-1045-61129	CSRFF Program - Small Grants	Oct FR G.8/11/22	Capital Expenses		54,000		(539,420)
750681-6100-1263-41452	MARC Insurance Claim	SP.1/11/22	Capital Revenue		4,000,000		3,460,580
	Asset Management Reserve	SP.1/11/22	Other: Transfer Out of Reserve		1,280,033		4,740,613
750681-6100-1045-61129	MARC Roof Repairs	SP.1/11/22	Capital Expenses			(5,172,633)	(432,020)
750655-6100-1045-61129	MARC Acoustic Panelling	SP.1/11/22	Capital Expenses			(107,400)	(539,420)
930039-6500-1045-61129	CSRFF Program - Small Grants	G.10/8/22	Capital Expenses		51,727		(487,693)
700571-6600-1045-61129	MBRC Resurface	G.10/8/22	Capital Expenses			(39,897)	(527,590)
700572-6600-1045-61129	SM Tennis Club Resurface	G.10/8/22	Capital Expenses			(11,830)	(539,420)
700561-6600-1045-xxxx	Upgrade of Playing Surface on Field 1 Peelwood Reserve	G.4/1/23	Capital Expenses		235,000		(304,420)
700552-6600-1045-61129	Quarry Park Softfall Replacement	G.4/1/24	Capital Expenses			(20,000)	(324,420)
700523-6600-1045-61001	Kangaroo Paw Park	G.4/1/25	Capital Expenses			(30,000)	(354,420)
700547-6600-1045-xxxx	Tickner Reserve Playground	G.4/1/26	Capital Expenses			(10,000)	(364,420)
700548-6600-1045-xxxx	Karri Karri Pass Playground	G.4/1/27	Capital Expenses			(5,000)	(369,420)
700549-6600-1045-xxxx	Bortolo Reserve Playground	G.4/1/28	Capital Expenses			(20,000)	(389,420)
700546-6600-1045-xxxx	Bruce Cresswell Reserve Playground	G.4/1/29	Capital Expenses			(10,000)	(399,420)
700566-6600-1045-61129	Bruce Cresswell Reserve Stage 1 of 2	G.4/1/30	Capital Expenses			(140,000)	(539,420)
750703-6100-1045-61129	Dudley Park Bowling Club - Dance Floor Ceiling Replacement	G.4/1/31	Capital Expenses			(17,955)	(557,375)
750722-6100-1045-61129	Admin Building - CEO Area Refurbishment	G.4/1/32	Capital Expenses		12,955		(544,420)
750671-6100-1045-61129	Mandurah Library Re Roofing Project	G.4/1/33	Capital Expenses		11,430		(532,990)
750718-6100-1045-61129	Verandah on the Air Pistol Shed at Port Bouvard Pistol Club	G.4/1/34	Capital Expenses			(28,701)	(561,691)
750633-6100-1045-61129	Stage 2 of Upgrades to Peelwood Reserve	G.4/1/35	Capital Expenses		11,562		(550,129)
750691-6100-1045-61129	Install of Emergency Door - Shower Service	G.4/1/36	Capital Expenses		10,709		(539,420)
750673-6100-1045-61129	Mewburn Ablution Refurbishment	G.4/1/37	Capital Expenses		96,538		(442,882)
750256-6600-1045-61129	Seascapes Village Shade Shelter	G.4/1/38	Capital Expenses			(7,538)	(450,420)
	Mandurah Community House (MFHS & Pottery House) Roof					(70,000)	(520,420)
750705-6100-1045-xxxx	Renewal	G.4/1/39	Capital Expenses				
New-6100-1045-61129	Falcon eLibrary Air Conditioning	G.4/1/40	Capital Expenses			(165,000)	(685,420)
750725-6100-1045-61129	Other Building Renewal	G.4/1/41	Capital Expenses		146,000		(539,420)
501139-6250-1045-61129	WMC - Upgrade Recycling Area Stage 1	G.4/1/42	Capital Expenses		480,000		(59,420)
	Waste Facilities Reserve	G.4/1/43	Other: Transfer Out of Reserve			(480,000)	(539,420)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023**

**NOTE 11
BUDGET AMENDMENTS APPROVED**

Amendments to original budget since budget adoption. Surplus/(Deficit)
A positive number in the amended budget running balance represents an estimated closing surplus.
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GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
100010-5550-1045-61001	CityBuild Overhead - Minor Equip/Furniture - Under \$5,000	G.4/1/44	Operating Expenses		5,067		(534,353)
New-6700-1045-61001	Inspection Camera	G.4/1/45	Capital Expenses			(5,067)	(539,420)
	Mewburn Ablution Refurbishment	G.4/1/46	Other: Unutilised Loans			(41,567)	(580,987)
	Owen Avenue Ablution	G.4/1/47	Other: Unutilised Loans		41,567		(539,420)
	Building Reserve - Mewburn Ablution Refurbishment	G.4/1/48	Other: Transfer Out of Reserve		41,567		(497,853)
	Building Reserve - Owen Avenue Ablution	G.4/1/49	Other: Transfer Out of Reserve			(41,567)	(539,420)
105000-3463-1132-60100	MARC - MARC Dry Operations		Operating Revenue		23,000		(516,420)
New-6100-1045-61001	MARC Showcourts Emergency Exit Egress Pathway		Capital Expenses			(23,000)	(539,420)
New-6250-1045-61001	Replacement of Park Rd Road Barrier		Capital Expenses			(16,470)	(555,890)
132001-5290-1652-61129	CityWorks Maintenance - Traffic Management - Signs Other		Operating Expenses		16,470		(539,420)
New-6600-1045-61129	Repairs to Creery Wetland Lookout		Capital Expenses			(29,200)	(568,620)
127011-5570-2150-61129	Miscellaneous – Facility Management – Scheduled Maintenance		Operating Expenses		29,200		(539,420)
				(4,517,120)	33,640,155	(29,102,245)	(539,420)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023**

**NOTE 12
PROPOSED BUDGET VARIATIONS FOR COUNCIL APPROVAL**

The following are for consideration for Council to approve as budget variations

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
			Opening Surplus/(Deficit)				(539,420)
				0	0	0	(539,420)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023**

**NOTE 13
EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.

The material variance adopted by Council for the 2022-23 year is 10.00%

Reporting Program	Var. \$	Var. %	Timing/ Permanent	Explanation of Variance
	\$	%		
Revenue from operating activities				
Interest earnings	1,194,161	138.32%	▲ Permanent	Favourable variance primarily due to unforeseen increase in rates.
Other revenue	263,999	58.21%	▲ Permanent	Variance primarily due to unbudgeted reimbursements received.
Expenditure from operating activities				
Materials and contracts	5,490,818	16.62%	▲ Timing	Variance primarily due to Ratings Financial Valuations, Enterprise Resource Management System and Waste Transfer Energy operating projects not having progressed in line with budget, to be monitored as year progresses.
Utility charges	565,731	21.26%	▲ Timing	Variance due to utility invoices not yet received, to be monitored as year progresses.
Depreciation on non-current assets	(2,178,475)	(12.07%)	▲ Permanent	Will be adjusted at budget review to reflect 2022/23 actuals.
Interest expenses	170,865	22.37%	▲ Timing	Favourable variance an indication of interest savings due to loan offset facility.
Insurance expenses	(475,147)	(64.76%)	▼ Permanent	Work Care performance based adjustment to November 2022 was higher than expected.
Other expenditure	(40,077)	100.00%	▼ Permanent	Variance due to small debt write off in accordance with the Write-Off Debts Delegation (DA-FCM06).
Loss on disposal of assets	(1,657,441)	100.00%	▼ Permanent	Non-cash variance due to asset write-offs for scrapped assets not budgeted for. Process usually performed as part of the year end financials preparation.
Investing Activities				
Non-operating Grants, Subsidies and Contributions	(7,165,157)	(76.94%)	▼ Timing	Capital grants are recognised in line with capital expenditure. Will be monitored throughout the remainder of the year.
Proceeds from Disposal of Assets	(1,767,059)	(88.95%)	▼ Timing	Will be monitored throughout the year. Refer to note 4.
Capital Acquisitions	13,565,434	57.23%	▲ Timing	Refer to note 6.
Financing Activities				
Proceeds from new interest earning liability	(362,684)	(65.38%)	▼ Timing	Proceeds not yet received from MAIA as dependent on timing of new lease take ups.
Principal elements of interest earning liability	(126,360)	(45.86%)	▼ Timing	Change in accounting treatment for Technology One leases with MAIA post 30 June 2021 audit from Low Value Lease expense to Interest Bearing Liability. New liability agreements with MAIA not yet taken up.

3	SUBJECT:	Collection of Overdue Debts Policy
	DIRECTOR:	Business Services
	MEETING:	Council Meeting
	MEETING DATE:	28 February 2023

Summary

City officers have reviewed the Collection of Overdue Debts Council Policy (Policy) that provides a consistent and transparent approach to recovery and collection of debts including outstanding rates whilst recognising the need to ensure that all payments due are collected to deliver essential City of Mandurah services. City officers have made a minor change and are recommending Council approve the Policy as detailed in Attachment 3.1.

Disclosure of Interest

N/A

Previous Relevant Documentation

- G.17/6/19 11/06/2019 Rates Hardship Assistance Program
- G.14/2/20 25/02/2020 Collection of Overdue Debts Policy

Background

Prior to 2020, the City utilised a debt collection agency. The City moved this service in-house and Council adopted the Collection of Overdue Rates Council Policy (Policy) at the Council meeting held on 25 February 2020. City officers have successfully administered the Policy resulting in a decrease in the overdue rates, reduced costs to ratepayer and a more personalised debt collection service.

Comment

The purpose of this Policy is to outline the process for collection of outstanding debtor amounts. This Policy is applicable to all City debtors and depending on the type of debt, the collection process will vary. Council are required to provide the City officers with their direction and support in relation to the collection process for pursuing outstanding debts.

Debt is money owing to the City of Mandurah. A debtor is an individual, organisation or other party that owes the City money and has a financial obligation to pay the amount for goods or services being provided to them. This could be for rates and charges, bookings, fee for services, fines and application fees.

It is important to note, that City officers spend a considerable amount of time encouraging debtors to agree to payment arrangements. Legal action is not preferred and is the City's the last option. However, there are a small number of ratepayers who avoid payment arrangements, refuse to seek financial counselling and default on more than three occasions from their payment arrangement.

The current Collection of Overdue Debts Council Policy has been effective in assisting City officers in debt collection. The City's rates revenue totalled \$79.97 million for the 2019 financial year with rate debtors being \$4.12 million (excluding deferred pensioner rates) at year end meaning that the City's debt recovery ratio was 5.28%. This is considered high and is at a level where a review would be required. This ratio has been steadily improving over the previous five years. For the 2022 financial year, rate revenue totalled \$82.61 million with rate debtors being \$2.41 million, resulting in the City's debt recovery ratio being 3.01%. The City's debt recovery ratio has improved by 2.27% since the implementation of this Policy.

Consultation

N/A

Statutory Environment

Section 6.56 of the *Local Government Act 1995* states:

(1) If a rate or service charge remains unpaid after it becomes due and payable, the local government may recover it, as well as the costs of proceedings, if any, for that recovery, in a court of competent jurisdiction.

(2) Rates or service charges due by the same person to the local government may be included in one writ, summons, or other process.

Section 6.64 of the *Local Government Act 1995* states:

(1) If any rates or service charges which are due to a local government in respect of any rateable land have been unpaid for at least 3 years the local government may, in accordance with the appropriate provisions of this Subdivision take possession of the land and hold the land as against a person having an estate or interest in the land and —

(a) from time to time lease the land; or

(b) sell the land; or

(c) cause the land to be transferred to the Crown; or

(d) cause the land to be transferred to itself.

(2) On taking possession of any land under this section, the local government is to give to the owner of the land such notification as is prescribed and then to affix on a conspicuous part of the land a notice, in the form or substantially in the form prescribed.

(3) Where payment of rates or service charges imposed in respect of any land is in arrears the local government has an interest in the land in respect of which it may lodge a caveat to preclude dealings in respect of the land, and may withdraw caveats so lodged by it.

Policy Implications

N/A

Financial Implications

The non-collection of payments owing to the City results in:

1. Reduced cash available to carry out and deliver projects, works and services;
2. Precedence for others to not pay their debts; and
3. Adjustments to the rate setting statement in the budget to reduce the revenue received in one year because of non-payment.

Risk Analysis

The risk to the City is that there is insufficient cashflow to pay for its services and program. Rates represents just under 70% of the City's total operating revenue. The City expects that the amount outstanding in any one year is the same as the next. If the City does not actively pursue its outstanding payments due, future budgets will need to factor the increase of the rates amounts not collected and this amount will need to be raised as an additional rate increase.

Strategic Implications

The following strategy from the City of Mandurah Strategic Community Plan 2020 – 2040 is relevant to this report:

Organisational Excellence:

- Ensure the City has the capacity and capability to deliver quality services and facilities through accountable and transparent business practices.

Conclusion

The objective of the Collection of Overdue Debts Council Policy is to maintain a high-quality customer service experience. The Policy provides a consistent and transparent approach to recovery and collection of debts including outstanding rates whilst recognising the need to ensure that all payments due are collected to deliver essential City of Mandurah services. City officers have reviewed the Collection of Overdue Debts Council Policy with minimal change.

NOTE:

- Refer **Attachment 3.1 Collection of Overdue Debts Policy (with tracked changes)**

RECOMMENDATION

That Council adopts the Collection of Overdue Debts Council Policy as detailed in Attachment 3.1.

Objective

To maintain a high-quality customer service experience by having a consistent and transparent approach to recovery and collection of debts including outstanding rates whilst recognising the need to ensure that all payments due are collected in order to deliver essential City of Mandurah services.

Applicability

This policy is binding on City Staff

Statement

Definitions

Minor Case Claim means a claim lodged with the Magistrates Court where the value of the debt or damages claimed does not exceed \$10,000.

General Procedure Claim (GPC) means a claim lodged with the Magistrates Court where the value of the claim or the relief claimed does not exceed \$75,000.

Means Enquiry is an inquiry conducted in the Magistrates Court to determine the judgement debtor's means to pay the judgement debt.

Skip Trace is the process of locating a person's whereabouts.

Special Payment Arrangement means an arrangement for the debtor to pay amounts over a period, agreed to by the City, in order to pay the total amount outstanding. This arrangement is outside of the formal instalment options stated on the annual rates notice or invoice sent by the City. All debts are to be paid in full by 30 June in the financial year the debt is raised. Any Special Payment Arrangements that will extend past the end of the financial year that the debt is raised can be agreed to by the Chief Executive Officer or their delegate. These arrangements are for exceptional circumstances and include when a debtor is experiencing financial hardship in line with this Policy.

Policy Statement

1. Any debtor payments due to the City of Mandurah that has not been received by the due date shall be recovered in accordance with this Policy and any relevant legislation.
2. The actions taken against outstanding amounts due to the City will be as follows:
 - a. Amounts outstanding after the due date for payment will be followed up within 30 days with a reminder letter requesting full payment within fourteen (14) days unless an agreed Special Payment Arrangement has been entered into with the City. If contact details are not provided City Officers will contact utilities and potential other leads (such as settlement agents, financial institutions, State Government departments).
 - b. The City will commence a contact call campaign – which includes multiple attempts to contact the debtor by telephone, SMS or email in order to seek payment or enter into a Special Payment Arrangement. Contact may be extended to the financial institution, who is the mortgagee, to advise of the outstanding amount.

Collection of Overdue Debts

POL-FCM 08



- c. If payment has not been made the City will issue a Notice of Intended Legal Action letter to the debtor, demanding immediate payment.
 - d. For payment of rates outstanding between \$3,000 to \$10,000, the City may lodge a Minor Case Claim, in accordance with section 6.56 of the *Local Government Act 1995*.
 - e. For payment of rates, at the same time as commencing legal proceedings, the City may lodge a caveat on the title of the land.
 - f. If the Minor Case Claim is not served and the debtor cannot be located, the City may instruct an agent to undertake a Skip Trace.
 - g. Should a Minor Case Claim be lodged but there is no response within fourteen (14) days of issuing the claim, default judgment can be requested.
 - h. For debts outstanding over \$10,000 the City may lodge a GPC and commence legal proceedings, in accordance with section 6.56 of the *Local Government Act 1995*.
 - i. Costs incurred as a result of proceedings on rating debts are to be charged to the property's rates account as per section 6.56 of the *Local Government Act 1995*.
3. Other debt recovery actions that the City can undertake if it is in the City's interest to do so includes:
- a. **Means Inquiry**
Where a judgement has been obtained for a Minor Case Claim or GPC and no payment has been received or the payment amount is insufficient to pay the outstanding amount within a reasonable time, the City may lodge a Means Inquiry with the Magistrates Court.
 - b. **Lodging a Caveat on the Title of land**
In accordance with section 6.64(3) of the *Local Government Act 1995*, where payment of rates or service charges is in arrears, the City can lodge a caveat, and this will be registered on the title for the land that has unpaid rates and service charges. The cost of lodging a caveat cannot be charged to the property. This option will be at the discretion of the authorised officer in accordance with the Authority to Execute Documents Council Policy.
 - c. **Sale of Land**
In accordance with section 6.64 of the *Local Government Act 1995*, if any rates or service charges which is due to the City in respect of any rateable land, has been unpaid for at least three years and the City has attempted to commence legal proceedings at least once within the period of three years prior to the exercise of the power of sale, the Council if it resolves, may take possession of the land and sell the land to recover the outstanding payment amounts.
4. Discontinuance of Legal Action
- a. A Notice of Discontinuance or Memorandum of Consent, whichever is appropriate, may be lodged by the City for whole or part of the claim, if the payment has been made in full or no further legal action will be undertaken due to other circumstances.
 - b. An administration fee will apply, in accordance with the Fees and Charges schedule, which is to be paid by the debtor before the City lodges the Notice of Discontinuance or Memorandum of Consent.

Collection of Overdue Debts

POL-FCM 08



5. The City will not proceed with further legal action if the debt has been paid in full or an approved Special Payment Arrangement is being adhered to.
6. Where the debtor has defaulted three times or more from a Special Payment Arrangement, the City may proceed with further legal action and not agree to enter into another Special Payment Arrangement.

Financial Hardship

The general principle of rates collection is that, in all circumstances, rates must be paid. This ensures fairness in the community that all property owners accept and carry out their obligations to contribute to the cost of the provision of essential community infrastructure and services.

However, the ability to pay overdue rates by individual ratepayers varies and, in some instances, ratepayers can be experiencing financial stress caused by a wide range of factors such as unemployment, marital difficulties, and illness.

The City's overall approach in these circumstances is that the City will act in a sympathetic manner and work with each individual to tailor a payment plan considering their individual circumstances. This will be based on the following principles:

- a) The City regards proceedings such as legal action and sale of the property as a last resort and tries to avoid this avenue as much as possible.
- b) The City aims to achieve the payment of outstanding rates and in some circumstances where necessary, payment plans will not recoup outstanding rates in one financial year.
- c) The maximum length of time that is considered reasonable is three years and the payment plan ~~does not~~ includes [an estimate of future rates and interest](#), which are expected to be paid through the payment options made available to ratepayers for the respective rate year.
- d) The objective is to help those in genuine difficulties work through their issues, even if it takes time.

There are many circumstances that cause difficulties for people to pay their rates, ranging from temporary cash flow issues to genuine financial hardship which requires the implementation of plans and possible decisions about such actions as the charging of interest and the commencement of legal proceedings.

While payment difficulties tend to be short term, financial hardship tends to be more entrenched. It is difficult to be precise but those who are undergoing financial hardship are generally unable to provide for the costs of one or more of the following items:

- Accommodation costs – arrears of rent, mortgage and/or utility costs.
- Food
- Clothing
- Medical treatment
- Education
- Other basic necessities

In these circumstances, sometimes a ratepayer's actions include poor decision-making, withdrawing and avoiding the issue by not responding to attempts to contact, or they become aggressive. The City's attempts to contact ratepayers occurs throughout the debt recovery process.

Collection of Overdue Debts

POL-FCM 08



Regardless of when the first contact is made with the person, the City needs to assess financial hardship in accordance with this Policy and that the ratepayer is willing to follow the requirements of the Policy.

Evidence of hardship

Evidence of hardship is required, and the information provided to the City will be treated with strict confidentiality. The ratepayer can provide evidence by attending the City's Administration Building or via electronic means.

Evidence required is:

- a) Financial Counsellor report detailing all debts due, income and proposed payment arrangement.
- b) The ratepayer should ensure that the following documents are supplied to the Financial Counsellor to ensure a full assessment can be undertaken:
 - Bank notice, for example, for mortgage arrears
 - Disconnection notice for utilities
 - Notice of impending legal action
 - Repossession notice of essential items such as a car or motorcycle
 - Evidence of loss of employment/registration for Newstart allowance
 - Final notice from school regarding payment of mandatory fees
 - Medical certificate confirming inability to work

Authorisations

- a) *Writing off debts*

A fundamental rule is that the City never writes off rates. However, in some cases the City may write off court fees incurred or outstanding interest. Write-off of debt is authorised under delegated authority.
- b) *Suspending charging of interest*

This is a useful way of providing immediate help. Authorisation of interest suspension authorised under the write-off of debt delegated authority.

Deferring interest and write off of charges

- a) A suspension of interest for three months will occur immediately from the date of receiving the completed application form and confirmation of the appointment made with a Financial Counsellor. The City recognises that there may be a waiting period to see a Financial Counsellor, and so long as there has been a booking made and the City receives confirmation of this, the interest will be suspended. Once the Financial Counsellor has sent the City the report and recommended payment amount, the maximum length of time interest can be suspended is 12 months.
- b) Any action such as writing off debts or interest suspension is in accordance with the delegated authority of Council and the sub delegated authority by the CEO.

Debt recovery action and legal proceedings

While the City is awaiting the ratepayer to meet with a Financial Counsellor to commence a

Collection of Overdue Debts

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payment plan, all legal proceedings are put on hold.

Financial counselling

It is a requirement for the ratepayer to meet with a Financial Counsellor, who will provide advice to the ratepayer in relation to managing their debts. There are not-for-profit organisations in Mandurah who provide these services free of charge.

Legislative Context

[Section 6.56 of the Local Government Act 1995.](#)

Review

At a minimum this Council Policy will be reviewed every two years.

Related Documents

These documents are mandatory and required to give effect to this policy:

- DA-FCM 07 Payment Arrangements for Unpaid Rates and Service Charges
- DA-FCM 06 Defer, Grant Concession, Waive or Write off debts
- DA-LWE 01 Prosecutions/Legal Proceedings

Responsible Directorate: Business Services

Responsible Department: Financial Services

Reviewer: Manager Financial Services

Creation date and reference: 25 February 2020

Last Review: N/A

Amendments			
Version #	Council Approval Date, Reference	Date Document In force	Date Document Ceased

4	SUBJECT:	Change to Audit and Risk Committee Meeting Date
	DIRECTOR:	Business Services
	MEETING:	Council Meeting
	MEETING DATE:	28 February 2023

Summary

Council is requested to approve the scheduling of an additional Audit and Risk Committee Meeting to be held on Monday 3 April 2023 for the purposes of considering the CEO's review of the appropriateness and effectiveness of the City's systems, controls and procedures in accordance with Regulation 17 of the *Local Government (Audit) Regulations 1996*.

Disclosure of Interest

Nil

Previous Relevant Documentation

- G.10/11/22 22 November 2022 Council and Committee Meeting Dates Committee Meeting Structure 2023

Background

At the Ordinary Council Meeting of 22 November 2022 Council adopted the meeting structure and meeting dates for 2023.

Comment

In accordance with Regulation 17 of the *Local Government (Audit) Regulations 1996* (Regulations) the City of Mandurah Council's Audit and Risk Committee is required to consider the CEO's review of the appropriateness and effectiveness of the City's systems, controls and procedures. The last Regulation 17 review was presented to the Audit and Risk Committee and Council (G.13/5/20) in May 2020 and under the Regulations, the review must be undertaken not less than once in every 3 financial years.

In order to meet the compliance timeframe under the Regulations, Council is requested to approve an additional Audit and Risk Committee Meeting to be held on Monday 3 April 2023.

Consultation

The Presiding Member for the Audit and Risk Committee has been contacted.

Statutory Environment

Local Government Act 1995

5.5. Convening council meetings

- (1) *The CEO is to convene an ordinary meeting by giving each council member at least 72 hours' notice of the date, time and place of the meeting and an agenda for the meeting.*
- (2) *The CEO is to convene a special meeting by giving each council member notice, before the meeting, of the date, time, place and purpose of the meeting.*

Local Government (Administration) Regulations 1996

12. *Publication of meeting details (Act s. 5.25(1)(g))*

- (1) *In this regulation —
meeting details, for a meeting, means the date and time when, and the place where, the meeting is to be held.*
- (2) *The CEO must publish on the local government's official website the meeting details for the following meetings before the beginning of the year in which the meetings are to be held —*
 - (a) *ordinary council meetings;*
 - (b) *committee meetings that are required under the Act to be open to members of the public or that are proposed to be open to members of the public.*
- (3) *Any change to the meeting details for a meeting referred to in subregulation (2) must be published on the local government's official website as soon as practicable after the change is made.*
- (4) *If a local government decides that a special meeting of the council is to be open to members of the public, the CEO must publish the meeting details for the meeting and the purpose of the meeting on the local government's official website as soon as practicable after the decision is made.*

Policy Implications

N/A

Financial Implications

There are no additional financial implications associated with the change of date for the Audit and Risk Committee.

Risk Analysis

In the event that the Regulation 17 Review is not adopted by Council within the specified timeframe, the City will be required to report a breach of non-compliance.

Strategic Implications

The following strategies from the City of Mandurah Strategic Community Plan 2020 – 2040 are relevant to this report:

Organisational Excellence:

- Build and retain a skilled, agile, motivated and healthy workforce.
- Ensure the City has the capacity and capability to deliver quality services and facilities through accountable and transparent business practices, governance, risk and financial management.

Conclusion

Council is requested to approve an additional meeting date for the Audit and Risk Committee.

RECOMMENDATION

That Council approve an additional Audit and Risk Committee meeting date and advertise on the City of Mandurah website:

Meeting	Date and Time	Location
Audit and Risk Committee	Monday, 3 April 2023 at 5:30pm	City of Mandurah Council Chambers

5	SUBJECT:	Transition to Rivers Regional Subsidiary – Endorsement of Revised Charter
	DIRECTOR:	Built and Natural Environment
	MEETING:	Council Meeting
	MEETING DATE:	28 February 2023

Summary

Council considered the future structure of the Rivers Regional Council and resolved to support the dissolution of the current Rivers Regional Council and instead transition to a Regional Subsidiary model, subject to the requisite approvals being obtained, at its meeting on 22 May 2018.

Subsequently, Council considered and endorsed the Rivers Regional Subsidiary business plan and charter and endorsed the transition of the Rivers Regional Council to a Regional Subsidiary, at its meeting on 26 May 2020.

An application to form the Rivers Regional Subsidiary was lodged by Rivers Regional Council with the Minister for Local Government on 9 June 2021. Ministerial approval of the Rivers Regional Subsidiary was delayed due to a review of the *Local Government Act*.

Following several meetings with Ministerial and Department of Local Government staff, an agreement was reached to allow the formation of the Rivers Regional Subsidiary subject to the following:

- Minor amendments to the Rivers Regional Subsidiary Charter that was endorsed by members; and
- Each member Council must resolve to adopt the amended Rivers Regional Subsidiary Charter by absolute majority.

The amended Rivers Regional Subsidiary Charter (with marked changes) is detailed in **Attachment 5.1**.

Subject to the necessary Ministerial approvals, the proposed date for the creation of the Rivers Regional Subsidiary is 31 March 2023. The proposed wind up date for the Rivers Regional Council would be 30 June 2023 (subject to necessary approvals).

Council is therefore requested to consider and endorse the amended Rivers Regional Subsidiary Charter.

Disclosure of Interest

Nil

Previous Relevant Documentation

- G.23/5/20 26 May 2020 Council endorsed the Rivers Regional Subsidiary Business Plan 2020 – 2025 and Charter and re-confirmed the proposal to transition the Rivers Regional Council to a regional subsidiary.
- G.15/5/19 22 May 2018 Council agreed in principle to the windup of the Rivers Regional Council and transition to a Regional Subsidiary as soon as the requisite approvals can be obtained.

Background

The City of Mandurah is a member of the Rivers Regional Council (RRC).

The purpose of the RRC, as per the Establishment Agreement is:

- To undertake the processing, recycling, treatment, sale and disposal of Household Waste delivered by Member Councils;
- To investigate and assess the possibilities and methodologies of carrying out and to identify funding opportunities for any service or facility on a regional basis;
- To investigate and assess the possibilities and methodologies of undertaking the processing, recycling, treatment, sale and disposal of waste, other than Household Waste, which is delivered by the member Councils;
- To acquire any interest in land considered by the RRC to be necessary or desirable to accommodate facilities for the processing, recycling, treatment, sale and disposal of waste other than Household Waste;
- To influence and liaise with local, State and Federal Governments in the development of policies and legislation for the benefit of the region; and
- To provide advice, information and education to all Member Councils and their communities.

The future structure of the RRC has been an ongoing point of discussion for member Councils for a number of years, particularly, since the establishment of the Waste to Energy Agreements (also known as the Waste to Energy Contract) with Avertas Energy (the Contractor) and the shift in its primary role to the management of the Waste to Energy Agreements.

In 2018, consensus was reached amongst member Councils that a Regional Subsidiary is the preferred model for the future management structure of the current RRC.

A Regional Subsidiary is a semi-independent collaborative organisation established by two or more local governments to provide new or existing services that can be more effectively delivered together than by one local government alone. It is considered a corporate body managed by a Board comprising of representatives from each member local government and may have two optional 'expert members. A Regional Subsidiary can determine its own rules in accordance with an adopted charter, which is similar to a constitution, and may employ staff and have its own premises. Each Regional Subsidiary can determine its own rules.

The model being proposed for the Rivers Regional Subsidiary (Subsidiary) is one where each member Council will appoint a City officer to represent them on the Board and also a deputy representative.

The RRC, at its meeting on 2 May 2019, resolved:

1. *That RRC seek formal approval from participating Councils to dissolve the Rivers Regional Council and transition to a Regional Subsidiary as soon as all approvals can be obtained;*
2. *The CEO of RRC arrange preparation of:*
 - *The "Windup Agreement" and relevant legal processes including individual Council and Ministerial approval, and*
 - *The Subsidiary Charter and Business Plan.*

Council considered a report on the transition of the RRC to a Regional Subsidiary structure, at its meeting on 22 May 2019, and agreed in principle to the dissolution of the RRC and transition to a Regional Subsidiary model.

Following that, Council then considered a further report on 26 May 2020, and resolved as follows:

“That Council:

1. *Endorse the Rivers Regional Subsidiary Business Plan 2020 – 2025 and the Charter of the Rivers Regional Subsidiary as detailed in Attachment 10.1 and 10.2.*
2. *Proceed with the proposal to form a Regional Subsidiary and notify the Rivers Regional Council of Council’s endorsement of the Rivers Regional Subsidiary Business Plan 2020 – 2025 and the Charter of the Rivers Regional Subsidiary.*
3. *Authorise, on approval of the Minister for Local Government to form the Rivers Regional Subsidiary, the Mayor and Chief Executive Officer to execute the following deeds once all arrangements are in place for the Rivers Regional Subsidiary to be established:*
 - *Deed of Dissolution of the Rivers Regional Council (Attachment 10.3)*
 - *Deed of Asset Transfer (Attachment 10.4)*
 - *Deed of Novation (Attachment 10.5).*

Note: Changes to the above deeds can be authorised by the Mayor and Chief Executive Officer so long as the changes do not alter the intent and purpose of the Deeds detailed in Attachments 10.3, 10.4 and 10.5.”

Subsequently, the RRC has been facilitating ongoing discussion with relevant State Government agencies and Avertas Energy in an effort to progress the arrangements to transition the RRC to a Regional Subsidiary model.

The RRC in conjunction with participating members has since established formal consent to dissolve the RRC and transition to the Subsidiary and adopted a Charter to govern the operations of the Subsidiary.

An Establishment Agreement has been created which provides for the RRC to be wound up by agreement between the parties, facilitated by a Deed of Dissolution. All participating Councils have previously executed the Deed of Dissolution, Deed of Asset Transfer and Deed of Novation documents, which will transfer all Assets, Liabilities and Contractual Responsibilities from the RRC to the Subsidiary.

An application to form the Subsidiary was submitted to the Minister for Local Government on 9 June 2021. Approval was delayed due to a review of the Local Government Act.

Comment

Following several meetings between the RRC Chief Executive Officer and Ministerial and Department of Local Government, Sport and Cultural Industries staff, an agreement has been reached to allow the proposal to establish the Subsidiary to proceed.

This will be the first Regional Subsidiary in the State and both the Minister and Departmental staff have thoroughly examined the documentation regarding how the Subsidiary is formed. As such some minor amendments are sought to the Subsidiary Charter (Charter) before approval to proceed is granted.

The amendments to the Charter do not appear to adversely impact the objectives of the Subsidiary. The proposed changes to the Charter include:

- Requirement for the CEO to be a natural person;
- Restrict the objectives to Waste Management related projects;
- Information requested by one participant to be provided to all participants;
- No participation (i.e. member) in another Body Corporate; and

- Any agreement to undertake projects outside the current Waste Agreements to require approval of the Subsidiary (i.e., all participants) regardless of who participates and shares the costs and how projects are to be funded.

The Minister has also advised that each participating local government will be required to pass a resolution by absolute majority to adopt the revised Charter before it can be formally submitted to the Department for approval.

A copy of the Charter which details marked changes is included as **Attachment 5.1**. A final clean copy of the Charter is attached as **Attachment 5.2**.

Subject to the necessary Ministerial approvals, the proposed date for the creation of the Subsidiary is 31 March 2023. The proposed wind-up date for the RRC will be 30 June 2023.

Council is therefore requested to consider and endorse the amended Charter (by absolute majority) to facilitate the transition of the RRC to the Rivers Regional Subsidiary.

Council is also requested to approve the Chief Executive Officer as the Board member and the Director Built and Natural Environment as the deputy Board member for the Subsidiary in accordance with clause 8 of the Charter.

Consultation

- Rivers Regional Council
- Rivers Regional Council Technical Advisory Group

Statutory Environment

The Local Government Act 1995 governs the activities of a Regional Council and a Regional Subsidiary:

Section 3.69 Regional Subsidiaries

Section 3.70 Regional Subsidiaries to have Charter

Section 3.71 Regulations about Regional Subsidiaries

The *Local Government (Regional Subsidiaries) Regulations 2017* govern the setup and operation of a Regional Subsidiary.

The *Waste Avoidance and Resource Recovery Act 2007* provide the legislative framework for the management of waste within the State.

Approval from the Minister for Local Government is required for both the dissolution of the RRC and the transition to the Subsidiary. The operative date for the RRC wind-up is 60 days after the Minister has approved the Subsidiary or 14 days after receipt of the final Audit. Based on these outcomes an operative date for creation of the Subsidiary would be 31 March 2023.

All Regional Subsidiary participants will be required to appoint a board member and deputy member under Clause 8 of the Charter.

The rights and obligations under the RRC Waste Agreements will be transferred to the Subsidiary via the Deed of Novation, which has previously been executed by all RRC members. The Subsidiary has no power to amend the Waste to Energy Agreements (including the Waste Agreement or Participants Agreement) without consultation and the approval of each participating Council and the Contractor.

Policy Implications

Nil

Financial Implications

The City's Rivers Regional Council member fee contributions over the last 5 years are detailed as follows:

<u>Year</u>	<u>Contribution</u>
2022/2023	\$79,740
2021/2022	\$50,026
2020/2021	\$94,785
2019/2020	Nil (existing RRC reserves were used to offset member fees)
2018/2019	\$110,000

The proposed budget for the Subsidiary is provided in the Rivers Regional Subsidiary Business Plan that is enclosed in **Attachment 5.3**. Expenses primarily relate to employee related costs, administration, legal fees and consultants. The City's contribution to these expenses is based on its waste tonnages.

The RRC Chief Executive Officer has indicated that the City's membership fee for the Subsidiary is expected to be approximately \$62,000 per annum.

Risk Analysis

The move from a Regional Council to a Regional Subsidiary does not pose any risk to the Waste to Energy Agreements with Avertas Energy. All parties, which includes the lead contractor, would have to agree to the 'principal' being a Regional Subsidiary rather than a Regional Council.

A Regional Subsidiary requires a 'Charter' within which the responsibilities of the respective parties will be reinforced.

The rights and obligations under the RRC Waste Agreements will be transferred to the Subsidiary via the Deed of Novation, which has previously been executed by all RRC members. The Subsidiary has no power to amend the Waste Agreement or Participants Agreement without consulting and the approval of each participating Council and the Contractor.

Both the Waste Agreement and Participants Agreement contain very specific clauses relating to the withdrawal of a participant Council from the Waste to Energy Agreements. Essentially, a Participant wishing to withdraw from the Waste to Energy Agreements would need to first demonstrate that they have sought a third-party local government that is prepared to take over their financial and waste tonnage commitments under the Agreement, and then seek the written approval of each of the other participant Councils and the Contractor.

Strategic Implications

The following strategies from the City of Mandurah Strategic Community Plan 2020 – 2040 are relevant to this report:

Organisational Excellence:

- Deliver excellent governance and financial management
- Demonstrate regional leadership and advocate for the needs of our community
- Ensure the City has the capacity and capability to deliver quality services and facilities through accountable and transparent business practices.

Conclusion

Council has previously approved, in principle, to the transition of the RRC to the Subsidiary.

Ministerial approval has been sought to transition the RRC to a Regional Subsidiary. An agreement has been reached with Ministerial and Department staff to allow the RRC to proceed, but is subject to further minor amendments to the Charter.

The amendments are relatively minor in nature and it is recommended that Council endorse the amended Charter to enable the formation of the Subsidiary to proceed.

Council is also requested to approve the Chief Executive Officer as the Board member and the Director Built and Natural Environment as the deputy Board member for the Subsidiary in accordance with clause 8 of the Charter.

NOTE:

- **Refer Attachment 5.1** *Charter of the Rivers Regional Subsidiary (marked amendments)*
- **Refer Attachment 5.2** *Charter of the Rivers Regional Subsidiary (clean copy)*
- **Refer Attachment 5.3** *Rivers Regional Subsidiary Business Plan 2020 – 2025*

RECOMMENDATION

That Council:

1. ***Endorse the revised Charter of the Rivers Regional Subsidiary as detailed in Attachment 5.2.***
2. ***Approves the Chief Executive Officer as the Board member and the Director Built and Natural Environment as the deputy Board member of the Rivers Regional Subsidiary.***

***ABSOLUTE MAJORITY REQUIRED**

CHARTER OF THE RIVERS REGIONAL SUBSIDIARY

A Regional Subsidiary

incorporated pursuant to section 3.69 of the Local Government Act 1995 (WA)



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RIVERS REGIONAL SUBSIDIARY

CHARTER

Local Government Act 1995 (WA)

1. ESTABLISHMENT & OBJECTS

1.1 Local Government Act 1995

- (a) This Charter governs the operation of the Subsidiary and both this Charter and the Subsidiary are subject to the requirements of Part 3, Division 4 of the Act and the Regional Subsidiaries Regulations.
- (b) Pursuant to section 3.69(3) of the Act, the Subsidiary is a body corporate and has a common seal. Its Board has responsibility for the management of the business and other affairs of the Subsidiary.

1.2 Definitions

In this Charter:

“Act” means the *Local Government Act 1995 (WA)*;

“Anticipated Exceptional Deficit” means the amount, if any, of a Deficit which, during a financial year the Subsidiary determines will, or is likely to, occur in that year by reason of:

- (a) an expense for which no expenditure estimate is included in the Subsidiary’s annual budget for that year; or
- (b) an expense for which an expenditure estimate is included in the Subsidiary’s annual budget for that year but the expense is exceptional having regard to that estimate; or
- (c) a shortfall in income for which an income estimate is included in the annual budget for that year but the shortfall is exceptional having regard to that estimate.

“Board” means the Board of Management established under Clause 8;

“Board member” means a person who has been appointed to the Board by a participant in accordance with clause 8.2(a);

“Budget Deficiency” has the same meaning as the expression is given in Part 6 of the Act;

“Business Plan” means the business plan prepared by the participants pursuant to regulation 4 of the Regional Subsidiaries Regulations;

“Chairperson” means the person elected as Chairperson of the Board pursuant to Clause 8.4(a) and includes a person authorised by this Charter to act in place of the Chairperson;

“CEO” means the chief executive officer of the Subsidiary or a participant as specified in this Charter;

“district” means district as that term is defined in the Act;

“Deficit”, for a financial year, means the amount, if any:

- (a) by which the expenses of the Subsidiary exceeds the revenues and other income of the Subsidiary; and
- (b) which is shown as such in the annual financial report, for that year, prepared by the Subsidiary in accordance with the provisions of section 5.53 of the Act as those provisions are modified by regulation 18 of the Regional Subsidiaries Regulations;

“local government” means a local government constituted under the *Local Government Act 1995 (WA)*;

“elected member” means a Mayor, President or Councillor of a Council;

“financial year” means a year beginning on 1 July in each year and ending on 30 June of the following year;

“meeting” includes both ordinary and special meetings of the Board;

“Minister” means the Minister for the time being responsible for the administration of the *Local Government Act 1995 (WA)*;

“Objects” means the objects of the Subsidiary as set out in clause 1.4;

“participant” means a local government that is a member of the Subsidiary named in clause 1.3;

“parties” as described in clause 11 means a participant or participants or the Subsidiary and party means any one or more of them according to context;

“Region” means the total area of the districts of the participants;

“Regional Subsidiaries Regulations” means the *Local Government (Regional Subsidiaries) Regulations 2017 (WA)*

“RRC” means the Rivers Regional Council;

“RRC Waste Agreements” means the agreements and documents itemised in Schedule 1;

“special resolution” means a resolution passed by a two thirds majority of all Board members present at a meeting and entitled to vote on the issue;

“Subsidiary” means the Rivers Regional Subsidiary; and

“Surplus”, for a financial year, means the amount if any:

- (a) by which the revenues and other income of the Subsidiary exceeds the expenses of the Subsidiary; and
- (b) which is shown as such in the annual financial report, for that year, prepared by the Subsidiary in accordance with the provisions of section 5.53 of the Act as those provisions are modified by regulation 18 of the Regional Subsidiaries Regulations.

1.3 Establishment

The Subsidiary is a regional subsidiary established pursuant to section 3.69 of the Act by the following local governments:

- (a) The City of Gosnells;
- (b) The City of Armadale;
- (c) The City of South Perth;
- (d) The City of Mandurah;
- (e) The Shire of Serpentine-Jarrahdale; and
- (f) The Shire of Murray.

1.4 Objects

The Subsidiary is established to:

- (a) replace the RRC and act as principal under the terms of the:
 - (i) Agreement for Receipt and Processing of Waste for Resource Recovery dated 4 November 2015 referred to in item 2 of Schedule 1; and
 - (ii) Participant's Agreement for the Receipt and Processing Waste for Resource Recovery dated 15 October 2015 referred to in item 1 of Schedule 1.
 - (iii) Financier Direct Deed dated 16 October 2018 and referred to in item 6 of Schedule 1; and
 - (iv) Supplemental Deed dated 16 July 2018 and referred to in item 4 of Schedule 1.
- (b) assist in the coordination of resource sharing between the participants, to reduce costs and increase operational efficiencies associated with waste management;
- (c) associate, collaborate and work in conjunction with other local government bodies for the advancement of matters of common interest relating to waste management;
- (d) undertake coordination, advocacy, education and representation roles for the participants at a regional level and, in particular, coordinate waste recovery, reuse and disposal education programs;
- (e) develop cooperation between the participants so as to improve waste management and recycling programs and practices within the Region;
- (f) assist participants to minimise the volume of waste collected in the districts of the participants which is required to be disposed of by landfill;
- (g) develop, encourage, promote, foster and maintain consultation and cooperation with the Western Australian Local Government Association

(WALGA), other levels of government, private enterprise and the community with regard to matters relating to waste management;

- (h) strengthen the representation and status of local government waste management matters when dealing with other levels of government, private enterprise and the community;
- (i) develop further waste management cooperation between the participants for the benefit of the communities of the Region;
- (j) develop and manage waste management policies which guide the conduct of programs and projects in the Region with the objective of securing the best outcomes for the communities of the Region; and
- (k) undertake waste management projects that benefit the Region and its communities.

1.5 Review of Charter

- a) This Charter will be reviewed by the participants acting in concurrence at least once in every four (4) years.
- b) Where the participants determine that the Charter ought to be amended, either at the time of review or any other time, then the participants shall thereafter comply with the provisions of regulation 6 and 7 of the Regional Subsidiaries Regulations to enable any proposed amendment to be made.

2. THE RIVERS REGIONAL COUNCIL

2.1 Establishment

The RRC is a regional local government established under section 3.61 of the Act.

2.2 Novation of Rights and Obligations

Upon the establishment of the Subsidiary it is the intention of both the RRC and the Subsidiary-Participants that:

- (a) the RRC shall novate all of its rights, title, interest and obligations in the RRC Waste Agreements (Novation) to the Subsidiary subject to the consents where required of the parties to the RRC Waste Agreements; and
- (b) the Subsidiary shall take the Novation.

2.3 Transfer of Assets as Deemed Contributions

It is also the intention of the both the RRC and the Subsidiary-Participants that:

- (a) the RRC shall transfer all of its assets to the Subsidiary (**Transfer**) and the Subsidiary shall deem these assets to be contributions from the participants.
- (b) the deemed contributions shall be apportioned by the Subsidiary to each participant by multiplying the total asset value received from the RRC

by each participant's waste volume in tonnes for the previous five (5) financial years as a percentage of the participant's total waste for the same period.

2.4 Order of Precedence

To the extent that any of the provisions of this Charter, as set out below, are also dealt with in any of the RRC Waste Agreements then, for the purposes only of the RRC Waste Agreements, the provisions of the RRC Waste Agreement/s shall take precedence over the provisions of this Charter to the extent of any inconsistency.

- (a) Clause 4 - Non Derogation and Direction of Participants;
- (b) Clause 5 - Funding by the Participants; and
- (c) Clause 11 – Dispute Resolution

2.5 Wind Up of RRC

It is the intention of the RRC to wind itself up after completion of the Novation and Transfer referred to in clauses 2.2 and 2.3.

3. POWERS FUNCTIONS AND DUTIES

The powers, functions and duties of the Subsidiary are to be exercised in the performance of the Subsidiary's Objects. The Subsidiary shall have those powers and functions provided under the Act, the Regional Subsidiaries Regulations and this Charter which include:

- (a) ~~becoming a member of or~~ cooperating or contracting with any other association or organisation, whether within or outside of the area of the participants, which shares similar objects ~~and purposes~~ to those of the Subsidiary;
- (b) entering into contracts or arrangements with any Government agency or authority that are incidental or conducive to the attainment of the Objects and the exercise of the powers of the Subsidiary;
- (c) entering into contracts with any person or body including a participant for the acquisition or supply of goods and services or for any other reason that is consistent with the Subsidiary's Objects;
- (d) Subject to clause 9, appointing, employing, remunerating, removing or suspending officers, managers, employees and agents;
- (e) raising revenue by:
 - (i) charging the participants fees incurred by the Subsidiary in undertaking and carrying out its Objects;
 - (ii) arrangements with sponsor organisations;
 - (iii) making submissions for and accepting grants, subsidies and contributions to further the Subsidiary's Objects;
 - (iv) arrangements or contracts with any other person or body; and

- (v) any other means not inconsistent with the Objects of the Subsidiary.
- (f) printing and publishing any newspapers, periodicals, books, leaflets, or other like writing;
- (g) appointing such committees as it deems necessary and to define the duties of such committees provided that the acts of any such committee shall be submitted before execution or discharge for the approval of the Subsidiary, and appointing persons to committees which may consist partly of persons who are not representatives of participants;
- (h) delegating any of the Subsidiary's powers and functions to persons or committees and altering or revoking such delegations;
- (i) co-opting to any duly appointed committee, any Board member, any officer of a participant, or any other appropriate person as deemed desirable for the efficient function of that committee;
- (j) acquiring, holding, dealing with and disposing of any real or personal property of the Subsidiary;
- (k) opening and operating bank accounts;
- (l) investing monies in any manner in which trust moneys may be invested in accordance with the provisions of section 6.14 of the Act and regulation 19C of the *Local Government (Financial Management) Regulations 1996 (WA)*, as those provisions are modified by regulation 22 of the Regional Subsidiaries Regulations;
- (m) subject to regulation 11 of the Regional Subsidiaries Regulations borrowing money in accordance with an approved Business Plan;
- (n) giving security for the discharge of liabilities of the Subsidiary;
- (o) imposing fees and charges in accordance with Part 6, Division 5, Subdivision 2 of the Act as modified by regulation 23 of the Regional Subsidiaries Regulations;
- (p) the development of a code of conduct to be observed by members of the Board, employees of the Subsidiary and members of any committee appointed by the Subsidiary;
- (q) establish a reserve fund or funds clearly identified for the upkeep and / or replacement of fixed assets or for meeting any deferred liability; and
- (r) doing all other things that are necessary or convenient for or incidental or conducive to the attainment of the Objects, and the exercise, performance or discharge of the powers, functions and duties of the Subsidiary.

4. DIRECTION BY PARTICIPANTS

4.1 Participants

All of the participants listed at Clause 1.3 are the members of the Subsidiary.

4.2 Non-Derogation and Direction by Participants

- (a) The establishment of the Subsidiary does not derogate from the power of any of the participants to act independently in relation to a matter within the jurisdiction of the Subsidiary.
- (b) Provided that all of the participants unanimously agree on the action to be taken, the participants may direct and control the Subsidiary. Non Compliance maybe dealt with under clause 8.3.
- (c) Any decision of the participants under clause 4.2(b) and/or direction given or control exercised by the participants must be given in writing to the CEO of the Subsidiary.
- (d) A project that is not a requirement of the RRC Waste Agreements or subscriptions to industry bodies shall not be commenced within 12 months of establishment of the Subsidiary unless unanimously agreed by the participants.

4.3 Provision of Information to Participants

- (a) The Subsidiary must, at the written request of a person authorised by the CEO of a participant, furnish to all participants at the same time the participant information or records in the possession or control of the Subsidiary as the participant may require in such manner and form as the participant may require.
- (b) If the Board of the Subsidiary considers that information or a record furnished under this clause contains matters that should be treated as confidential, the Board may advise the participants of that opinion giving the reason for the opinion and the participants must, subject to sub clause (c), act on that advice.
- (c) If the Subsidiary owes a duty of confidence in respect of a matter, the participants must ensure the observance of that duty in respect of the matter, but this sub clause does not prevent a disclosure as required in the proper performance of the functions or duties of the participants.

4.4 Role of Elected Members

Elected Members via their Participating Councils

- (a) Adopt and approve amendments to this Charter
- (b) Endorse the initial Business Plan;
- (c) Approve the payment of fees and reimbursements to Board members;
- (d) Provide direction under clause 4.2; and
- (e) Nominate their Board representative.

5. FUNDING BY PARTICIPANTS

5.1 Application of Clause

This clause applies if in any year:

- (a) A Budget Deficiency is disclosed in the annual budget of the Subsidiary;
- (b) A Deficit is disclosed in the annual financial report of the Subsidiary; ~~or~~
- (c) An Anticipated Exceptional Deficit is determined by the Subsidiary; ~~or~~
- (d) Contributions are required towards a project that is not a requirement of the RRC Waste Agreements or subscriptions to industry associations.

5.2 Contributions by Participants

(a) The participants must pay to the Subsidiary contributions towards a Budget Deficiency, a Deficit or an Anticipated Exceptional Deficit not related to projects covered under 5.2 (b) and (c) as the case may be, in accordance with the steps set out in Schedule 2.

(b) ~~Where the Subsidiary undertakes a project that A project agreement covering expectations and cost-sharing obligations shall be agreed where a project is not a requirement of the RRC Waste Agreements or subscriptions to industry associations~~ a contribution shall be paid based on the following formula:-

Cost of the project divided by the value of the benefit received by the participant equals contribution by participant.

~~The agreement shall indemnify a participant that has chosen not to participate ensuring there is no obligation to contribute to costs, a Budget Deficiency, a Deficit or an Anticipated Exceptional Deficit caused by that project.~~

(c) In order to undertake a project where a contribution will be required by participants in accordance with 5.2 (b) the subsidiary must submit a project plan detailing the obligations of participants to each participant and each participant that is to contribute must resolve to proceed with the project and make that contribution.

5.3 Time for Payment of Contributions

The contributions referred to in clause 5.2 must be paid by each participant to the Subsidiary within 42 days, or any earlier time agreed by the participants, after:

- a) In the case of contributions towards a Budget Deficiency – the date on which the annual budget is prepared and adopted by the Subsidiary;
- b) In the case of contributions towards a Deficit – the date on which the annual financial report is prepared and submitted for audit;
- c) In the case of contributions towards an Anticipated Exceptional Deficit – the date on which the Anticipated Exceptional Deficit is determined by the Subsidiary.

5.4 Late Payment of Contributions

If a participant fails to pay the contribution referred to in clause 5.2 on or before the due date for payment then, in addition to the contribution, the participant must pay to the Subsidiary interest on the contribution at the overdraft rate charged by the Subsidiary's bank on amounts of the same size as the unpaid contribution calculated from and including the due date to but excluding the actual date of payment.

5.5 Contributions to the Acquisition of Land

- (a) Where the Subsidiary determines that the participants are to make contributions towards the acquisition of land then the participants must make those contributions in equal proportions.
- (b) Contributions referred to in subclause 5.5(a) are capital contributions for the purpose of clause 6.2 (f) and 7.2.

5.6 Distribution of a Paid Surplus

- (a) The participants acknowledge that it is for the Subsidiary to determine if a Surplus or portion of a Surplus is to be paid to the participants and the manner and timing of any payment, having a regard to the prudent management of its cash flow and financial requirements and other relevant matters **(Paid Surplus)**.
- (b) The participants agree that any Paid Surplus is to be distributed between them in proportions calculated in accordance with Schedule 3.

6. NEW AND WITHDRAWAL OF PARTICIPANTS

6.1 New Participants

Subject to the provisions of the Act, including but not limited to Ministerial approval under regulation 7 of the Regional Subsidiaries Regulations, this Charter may be amended by a resolution of the participants to provide for the admission of a new participant or participants, with or without conditions of membership, with such conditions to be determined jointly by the Board and the member participants.

6.2 Withdrawal of a Participant

- (a) A participant may seek to withdraw from the Subsidiary but withdrawal shall be subject to and conditional upon the Subsidiary being able to successfully comply with the provisions of regulation 6 and 7 of the Regional Subsidiaries Regulations.

- (b) A participant which intends to withdraw from the Subsidiary shall give to the CEO of the Subsidiary and to the CEO's of all of the other participants written notice of such intention, specifying the date of intended withdrawal. Such notice shall be given a minimum of three months prior to the date of the intended withdrawal.
- (c) Upon receipt of a notice of intention to withdraw from the Subsidiary the remaining participants and the Subsidiary shall, subject to clause 6.2(d), use their best endeavours, acting reasonably to achieve compliance with regulations 6 and 7 of the Regional Subsidiaries Regulations to allow the withdrawal to proceed.
- (d) However, to the extent that the participants may have entered into contractual obligations and liabilities relying on the withdrawing participant's ongoing support, the participants may refuse the request of an individual participant to withdraw if, in the reasonable opinion of the remaining participants, they will incur an unreasonable financial burden by reason of the withdrawal.
- (e) The withdrawal of the participant does not extinguish the proportionate liability of that participant to make payment of its budgeted contribution for the financial year in which it gives notice and in respect of any other amounts outstanding.
- (f) The payment of any proportionate entitlement sought by the withdrawing participant shall only be made where the remaining participants and the Subsidiary agree with the withdrawing participant as to the amount and terms of payment.

7. WINDING UP

7.1 Form of Wind Up

The Subsidiary may be wound up by the Minister acting upon a unanimous resolution of the participants or by the Minister in accordance with the provisions of section 8.15 (2) of the Act as those provisions are modified by regulation 24 of the Regional Subsidiary's Regulations.

7.2 Division of Assets

- (a) Where the Subsidiary is to be wound up and there remains, after satisfaction of all its debts and liabilities, any property and assets of the Subsidiary, then the property and assets are to be realised and:
 - (i) firstly, to the extent that the proceeds, along with any surplus funds, are sufficient to do so, the participants are to be repaid their respective capital contributions as shown in the accounting records of the Subsidiary; and
 - (ii) secondly, the balance, if any, is to be divided among the participants in the proportions set out in Schedule 4.
- (b) For the avoidance of doubt, for the purposes of subclause (a) the capital contributions of the participants do not accrue interest.

7.3 Division of Liabilities

If the subsidiary is to be wound up and there remains any liability or debt in excess of the realised property and assets of the Subsidiary then the liability or debt is to be met by each of the participants in the proportions set out in Schedule 4.

8. BOARD OF MANAGEMENT

The Board shall have the responsibility to manage the business and other affairs of the Subsidiary ensuring that the Subsidiary acts in accordance with this Charter.

8.1 Functions of the Board

The functions of the Board shall be:

- (a) the formulation of strategic plans and strategies aimed at improving the activities of the Subsidiary;
- (b) to provide professional input and policy direction to the Subsidiary;
- (c) to monitor, oversee and evaluate the performance of the CEO of the Subsidiary;
- (d) ensuring that ethical behaviour and integrity is established and maintained by the Subsidiary and its Board Members in all activities undertaken by the Subsidiary;
- (e) subject to clause 8.6(j), ensuring that the activities of the Subsidiary are undertaken in an open and transparent manner;
- (f) the review and amendment of the Business Plan to be considered in consultation with the participants;
- (g) exercising the care, diligence and skill required by the Act and the Regional Subsidiaries Regulations and in any event such that a prudent person of business would exercise in managing the affairs of other persons; and
- (h) To manage the Subsidiary's responsibilities of the RRC Waste Agreements.

8.2 Membership of the Board

- (a) Subject to subclause (b), the Board shall consist of one (1) natural person appointed by each participant who must be an employee of the participant.
- (b) Each participant shall appoint their Board member from time to time, as required, for a period not exceeding four (4) years, and give notice in writing to the CEO of the Subsidiary, of the person who is or will be its Board member.
- (c) Notwithstanding subclause (a), a participant may appoint its Board member for a lesser period by nominating the period in the written appointment provided to the CEO of the Subsidiary. In such circumstances, any continuation of appointment following the expiry of the initial period nominated shall be in writing addressed to the CEO of the Subsidiary.
- (d) Each Constituent Council will also appoint a natural person and employee of the participant as deputy Board Member. The deputy Board Member is entitled to act in place of a Board Member appointed by the

same Participant if the Board Member is unable for any reason to be present at a Board meeting.

- (e) In the absence of the Board Member, a deputy Board Member will be deemed to be the Board Member and can exercise all rights, privileges and obligations of the Board Member during the absence of that Board Member.
- (f) A notice signed by the Chief Executive Officer of a Participant will be sufficient evidence of the appointment of a Board Member and deputy Board Member of the Board of Management.

8.3 Termination of Membership of the Board

The appointment of a Board member shall terminate upon any of the grounds set out below:

- (a) the participant which appointed him/her ceasing to be a participant;
- (b) the appointing Participant providing written notice of termination to the Board Member and the Board;
- (c) ceasing to be employed by the participant which appointed him/her;
- (d) the death of the Board member;
- (e) completion of a term of office without re appointment;
- (f) written resignation from the Board Member being served on the participant who appointed him / her;
- (g) personal bankruptcy or application for the benefit of a law for the relief of insolvent debtors;
- (h) the Board, by special resolution, resolves to terminate the appointment of that Board member for:
 - (i) any behaviour of the Board member which, in the opinion of the Board, amounts to impropriety;
 - (ii) serious neglect of duty in attending to his/her responsibilities as a Board member;
 - (iii) breach of fiduciary duties to the Subsidiary or the participant(s);
 - (iv) breach of the duty of confidentiality to the Subsidiary or the participant(s);
 - (v) any other behaviour which may discredit the Subsidiary or the participants.
- (i) Notwithstanding any other clause of this Charter, a Board member may be removed from office as a Board member by special resolution of the Board prior to the expiration of a term of appointment.
- (j) If any vacancy occurs in the membership of the Board it must be filled in the same manner as the original appointment under clause 8.2. The

person appointed to the Board to fill a vacancy will be appointed for the balance of the term of the original appointment and at the expiry of that term, subject to satisfying the requirements of this Charter, shall be eligible for re-appointment.

8.4 Chairperson of the Board

- (a) The Chairperson of the Board shall be appointed by the Board from amongst its members and shall hold office for a term agreed by the Board, unless he/she resigns or is removed from office pursuant to a resolution of the Board or until he/she is no longer eligible to act as a Board member.
- (b) There shall also be a Deputy Chairperson of the Board appointed by the Board from amongst its members who shall hold office for a term agreed by the Board unless he/she resigns or is removed from office pursuant to a resolution of the Board or until he/she is no longer eligible to act as a Board member.
- (c) The Chairperson and Deputy Chairperson shall be eligible for re-appointment upon their term of office expiring.
- (d) If the Chairperson either resigns or is no longer eligible to act as a Board member prior to the expiry of his/her term as Chairperson, the Deputy Chairperson shall act in that office. In the event of the Deputy Chairperson refusing or being unable to act, the Board shall elect from amongst their own number a new Chairperson who shall hold office until the conclusion of the original term.

8.5 Powers of the Chairperson and the deputy Chairperson

- (a) The Chairperson shall preside at all meetings of the Board.
- (b) In the event that the Chairperson is absent from a meeting, the Deputy Chairperson shall preside at that meeting, and in the event that both the Chairperson and Deputy Chairperson are absent from the meeting, the Board shall appoint a member from amongst them who shall preside at that meeting or until the Chairperson or Deputy Chairperson is present.
- (c) If any circumstance arises on which this Charter is silent, incapable of taking effect or being implemented according to its strict provisions, the Chairperson may decide the action to be taken to ensure achievement of the objects of the Subsidiary and its effective administration.
- (d) The Chairperson shall report any such decision at the next ordinary meeting

8.6 Meetings of the Board

- (a) The Board may determine procedures in addition to but not inconsistent with those specified in this Charter to apply at or in relation to its meetings.
- (b) The Board shall meet:

- (i) for ordinary meetings at such times and places as may be fixed by the Board from time to time provided that there will be not less than three ordinary meetings each financial year; and
- (ii) for special meetings if demanded in writing by the Chairperson, the CEO of the Subsidiary or by the Board members appointed by any three (3) participants.
- (c) An ordinary meeting of the Board will constitute an ordinary meeting of the Subsidiary. The Board shall administer the business of an ordinary meeting.
- (d) For the purposes of this sub-clause, the contemporary linking together by telephone, audio-visual or other instantaneous means ("telecommunications meeting") of a number of the Board members, provided that at least a quorum is present, is deemed to constitute a meeting of the Board. Each of the Board members taking part in a telecommunications meeting must at all times during the telecommunications meeting be able to hear and be heard by each of the other Board members present. At the commencement of the meeting each Board member must announce his/her presence to all other Board members taking part in the meeting. A Board member must not leave a telecommunications meeting by disconnecting his/her telephone, audio-visual or other communication equipment, unless that Board member has previously notified the Chairperson of the meeting.
- (e) A resolution may be passed without a meeting being held if all the Board Members entitled to vote on the resolution sign a document containing a statement that they are in favour of the motion/recommendation set out in the document.
- (f) Except as otherwise provided in this Charter, notice of ordinary meetings will be forwarded by the CEO of the Subsidiary to the Board members and the CEOs of the participants at least 7 days prior to the date of the meeting, either by post to the participant's address or by post to any other location, or via any other means of giving notice (eg. facsimile or email) as nominated by the Board member and the CEO of a participant in writing addressed to the CEO of the Subsidiary.
- (g) Notice of meetings will be sent by the CEO of the Subsidiary to the Board members and the CEOs of the participants at least seven (7) days prior to the date of the meeting in the manner provided for at clause 8.6(e). Notice of a meeting for the purpose of making a recommendation to wind up the Subsidiary shall be sent to the Board members and the CEOs of the participants at least eight (8) weeks before the date of the meeting in the manner provided for at clause 8.6(f).
- (h) A majority of the Board members present at a meeting of the Board may adjourn the meeting from time to time and from place to place.
- (i) Subject to clause 8.6(k), meetings of the Board will be conducted in a place open to the public where deemed appropriate by the Chairman or CEO of the Subsidiary.
- (j) All Board members must keep confidential all documents and any information provided to them on a confidential basis for their consideration prior to a meeting of the Board.

- (k) The Board may order that the public be excluded from attendance at any meeting in order to enable the Board to consider in confidence any information or matter listed in section 5.23(2) of the Act (after taking into account any relevant consideration under that subsection).
- The exercise of this power does not exclude Board members and any other person permitted by the Board to remain in the room.
- (l) Where an order is made under clause 8.6(k), a note must be made in the minutes of the making of the order and of the grounds on which it was made.
- (m) Where the Board has considered any information or a matter in confidence under Clause 8.6(k) it may subsequently resolve to keep minutes and/or any other documents considered during that part of the meeting confidential.
- (n) The CEO of the Subsidiary must cause minutes to be kept of the proceedings at every meeting of the Board and ensure that the minutes are presented to the next ordinary meeting of the Board for confirmation and adoption.
- (o) Where the CEO of the Subsidiary is excluded from attendance at a meeting of the Board pursuant to clause 8.6(k), the person presiding at the meeting shall cause the minutes to be kept.
- (p) The Board may invite any person to attend at a meeting of the Board to act in an advisory capacity.
- (q) Meeting agendas and minutes shall be made available on a website accessible to the public.

8.7 Quorum

The quorum for any meeting of the Board is a majority of the number of Board members in office, being a number ascertained by dividing the total number of Board members for the time being in office by two (2), ignoring any fraction, and adding one (1). No business will be transacted at a meeting of the Board unless a quorum is present.

8.8 Voting

- (a) Unless stipulated otherwise in this Charter, questions arising for decision at meetings of the Board will be decided by a simple majority of eligible votes on the basis of one (1) vote per Board member present at the meeting. The Chairperson shall not, in the event of equality of votes, have a second or casting vote. In the event of equality of votes the matter will lapse.
- (b) Subject to a conflict of interest, each Board member validly present at a meeting must vote on a question arising for a decision at the meeting. Failure by any Board member to vote will be deemed to be a negative vote in relation to the question for decision.

8.9 Standing Orders or Rules

- (a) Subject to this Charter, the Board may pass, alter or rescind standing orders, policies or rules for the due management and regulation of meetings of the Subsidiary.
- (b) Standing orders, policies or rules made pursuant to this clause 8.9 shall be entered in a record which will be kept for the information of the Board members and may be printed and/or circulated at the discretion of the Board.
- (c) The standing orders, policies and rules in existence shall remain in operation for a period of one (1) year, at which time they shall be reviewed by the Board and confirmed, varied or discontinued by resolution of the Board.

8.10 Common Seal

- (a) Pursuant to section 3.69(3) of the Act the Subsidiary shall have a common seal upon which its corporate name shall appear in legible characters.
- (b) The common seal shall not be used without the express authorisation of a resolution of the Board and every use of the common seal shall be recorded in the minute book of the Subsidiary.
- (c) The affixing of the common seal shall be witnessed by the Chairperson or the Deputy Chairperson and the CEO of the Subsidiary or such other person as the Board may appoint for the purpose.
- (d) The common seal shall be kept in the custody of the CEO of the Subsidiary or such other person as the Board may from time to time decide.

8.11 Committees

- (a) The Board may establish a committee of Board members for the purposes of:
 - i. enquiring into and reporting to the Board on any matter within the Subsidiary's functions and powers and as detailed in the terms of reference given by the Board to the committee;
 - ii. exercising, performing or discharging delegated powers, functions or duties.
- (b) A member of a committee established under clause 8.11(a) of this Charter holds office at the pleasure of the Board.
- (c) The Board may otherwise establish advisory committees consisting of or including persons who are not Board members for enquiring into and reporting to the Board on any matter within the Subsidiary's functions and powers and as detailed in the terms of reference.
- (d) The Chairperson of the Board is an ex-officio member of any committee or advisory committee established by the Board.

8.12 Fees and Allowances

Fees, annual allowances or reimbursements, if any, for expenses payable to Board Members shall be subject the approval of the majority of Participants.

9. EMPLOYEES OF THE SUBSIDIARY

- 9.1 The Board must appoint a CEO of the Subsidiary to manage the business of the Subsidiary on terms agreed between the CEO and the Board. The CEO of the Subsidiary ~~may~~ must be a natural person. ~~or a body corporate approved by the Board.~~
- 9.2 The CEO of the Subsidiary shall cause records to be kept of the business and financial affairs of the Subsidiary in accordance with this Charter, in addition to other duties provided for by this Charter and those specified in the terms and conditions of appointment.
- 9.3 In the absence of the CEO of the Subsidiary for any period exceeding six weeks a suitable person to act in the position of CEO of the Subsidiary must be appointed by the Board.
- 9.4 The Board shall delegate responsibility for the day to day management of the Subsidiary to the CEO of the Subsidiary, who will ensure that sound business and human resource management practices are applied in the efficient and effective management of the operations of the Subsidiary.
- 9.5 The functions of the CEO of the Subsidiary shall be specified in the terms and conditions of appointment and shall include but are not limited to:
- (a) appointing, managing, suspending and dismissing employees of the Subsidiary;
 - (b) determining the conditions of employment of employees of the Subsidiary within the budgetary constraints set by the Board;
 - (c) attending at all meetings of the Board unless excluded by resolution of the Board;
 - (d) ensuring that the decisions of the Board are implemented in a timely and efficient manner;
 - (e) providing information to assist the Board to assess the Subsidiary's performance against its Strategic and Business Plans;
 - (f) providing advice and reports to the Board on the exercise and performance of its powers and functions under the Act, the Regional Subsidiaries Regulations and this Charter;
 - (g) ensuring that the Subsidiary is at all times complying with the Act, the Regional Subsidiaries Regulations and this Charter;
 - (h) ensuring that the Subsidiary's annual report prepared in accordance with section 5.53 of the Act as modified by regulation 18 of the Regional Subsidiaries Regulations is distributed to the participants in time to be incorporated in their annual reports;

- (i) co-ordinating and initiating proposals for consideration of the Board including but not limited to continuing improvement of the operations of the Subsidiary;
- (j) ensuring that the assets and resources of the Subsidiary are properly managed and maintained;
- (k) exercising, performing or discharging other powers, functions or duties conferred on the CEO of the Subsidiary by or under the Act or any other legislation, and performing other functions lawfully directed by the Board; and
- (l) inviting any person to attend at a meeting to act in an advisory capacity.

9.6 The CEO of the Subsidiary shall provide a report on his/her activities to the Board at every ordinary meeting.

9.7 The Board in association with the CEO shall agree key performance indicators and undertake a review of the performance of the CEO at least once in relation to each year of the person's employment.

10. MANAGEMENT OF THE SUBSIDIARY

10.1 Financial Management

- (a) The Subsidiary shall keep proper books of account, which must be available for inspection by any Board member or representative authorised by the CEO of any participant at any reasonable time on request.
- (b) The Subsidiary must establish and maintain a bank account at a bank and with such bank facilities to be determined by the Board.
- (c) The Subsidiary shall appoint, the CEO of the Subsidiary, the Chairperson and Deputy Chairperson as authorised operators of the bank accounts. A minimum of two authorised operators must be required to deal with the bank account at any one time.
- (d) All cheques must be signed by two of the persons appointed under or listed at clause 10.1(c).
- (e) Any payments made by electronic funds transfer must be made in accordance with procedures for the authorisation of, and payment of accounts which have received the prior approval of the Board.
- (f) The Board must establish and maintain a purchasing policy in relation to contracts for other persons to supply goods and services.

10.2 Reporting

- a) The CEO of the Subsidiary shall ensure that the CEO and the Board member of each participant receive, within 14 days of a Board meeting,

a copy of the minutes from that Board meeting for distribution to the elected members of the participants.

- b) The CEO of the Subsidiary must act prudently in the handling of all financial transactions for the Subsidiary and must provide quarterly financial and corporate reports to the Board and, if requested, the Participants.
- c) The Board must submit their annual report, annual budget and auditor's report to the participants upon completion of those reports.

10.3 Business Plan

The Board shall:

- a) compare the Business Plan against performance targets at least twice every financial year;
- b) review the contents of the Business Plan annually; and
- c) undertake reasonable consultation with the participants prior to adopting or amending the Business Plan.

10.4 Annual Report

The Subsidiary shall prepare an annual report for each financial year in accordance with the provisions of section 5.53 of the Act as those provisions are modified by regulation 18 of the Regional Subsidiaries Regulations.

10.5 Annual Budget

The Subsidiary shall prepare an annual budget in accordance with the provisions of section 6.2 of the Act as those provisions are modified by regulation 18 of the Regional Subsidiaries Regulations.

10.6 Audit

The Board shall determine that the audit functions required under section 3.70A of the Act be undertaken by:-

- (a) a committee, which may include Finance Manager or Governance representatives from the participants or independent parties; and/or
- (b) an external audit arrangement where the size and scale of the operations warrants.

10.7 Code of Conduct

In establishing a code of conduct for the subsidiary as required by clause 3(p) the Board shall take into consideration the guidelines and legislation relevant to Local Government and the participants' code of conduct policies.

General principles to guide the behaviour include that a person in his or her capacity as a Board or Committee member, or employee:-

- (a) act with reasonable care and diligence; and
- (b) act with honesty and integrity; and

- (c) act lawfully; and
- (d) avoid damage to the reputation of the subsidiary; and
- (e) be open and accountable to the public and participants; and
- (f) base decisions on relevant and factually correct information; and
- (g) treat others with respect and fairness; and
- (h) not be impaired by mind affecting substances.

11. DISPUTE RESOLUTION

11.1 Negotiation

- (a) The procedure in Clause 11 must be applied to any dispute that arises between the Subsidiary and a participant or participants concerning the affairs of the Subsidiary, or between participants concerning the affairs of the Subsidiary, including a dispute as to the meaning or effect of this Charter.
- (b) In the event of a dispute between the parties (**Dispute**) one party may deliver a written notice to the other party that identifies the Dispute (**Notice of Dispute**).
- (c) The party that delivers the Notice of Dispute should also provide enough information about the Dispute for the other party or parties to reasonably understand the:
 - (i) alleged facts on which the claim is based;
 - (ii) legal basis on which the claim is made; and
 - (iii) relief that is claimed.
- (d) Within 10 Business Days of a Notice of Dispute being delivered, the receiving party or parties must deliver a written response to the other party or parties stating:
 - (i) its position in relation to the Dispute; and
 - (ii) the basis for its position.
- (e) Within ten Business Days of receipt of the response referred to in clause 11.1 (c), the parties agree to attempt in good faith to resolve through negotiation any Dispute arising under or in relation to this Charter.

11.2 Mediation

- (a) If the parties fail to resolve the Dispute within the 10 Business Days under clause 11.1(d), any of the parties may refer the Dispute to mediation by notice in writing to the other party or parties.
- (b) Within 10 Business Days of a party referring the Dispute to mediation, the parties will attempt in good faith to agree the appointment of a mediator for the purposes of mediation.

- (c) In the event the parties are unable to agree the appointment of a mediator then the Chairperson of the Resolution Institute in Western Australia shall appoint a mediator for the purposes of mediation.
- (d) Once a Mediator has been appointed then the parties must within 10 Business Days of the mediator being appointed agree a mutually convenient date, time and place for the mediation to take place.

11.3 Terms of Mediation

The mediation must be conducted on the following terms:

- (a) the reference to the mediator is made in accordance with, and subject to, the Resolution Institute Mediation Rules;
- (b) the mediator will assist the parties to explore the options for and, if possible, achieve expeditious resolution of the dispute by agreement;
- (c) the mediator will not make decisions for a party or impose a solution on the parties;
- (d) the mediator will not obtain from any independent person advice or an opinion as to any aspect of the Dispute unless:
 - (i) the mediator is requested in writing by all parties to do so;
 - (ii) all parties have agreed upon the identity of the independent person to give such advice or opinion; and
 - (iii) all parties have agreed on who will be responsible to pay for the costs or fees in relation to the advice provided by the independent person;
- (e) all parties will co-operate in good faith with the mediator and each other during the mediation;
- (f) each party will use its reasonable endeavours to comply with reasonable requests made by the mediator to promote the efficient and expeditious resolution of the Dispute;
- (g) the mediation, including all preliminary steps, shall be conducted in such manner as the mediator considers appropriate having regard to the nature and circumstances of the Dispute, the agreed goal of an efficient and expeditious resolution to the Dispute and, to the extent that the mediator may deem appropriate, to the view of each party as to the conduct of the mediation;
- (h) the proceedings, discussions and all documents created during the course of the mediation and all things said or disclosed during the course of the mediation shall be privileged and shall be for the purposes of any future matters or actions between the parties be without prejudice save to the extent that the parties shall reach an enforceable agreement;
- (i) if, after consultation with the parties, the mediator forms the view that the mediator will be unable to assist the parties to achieve resolution of a Dispute, the mediator may immediately terminate its engagement as mediator by giving written notice to the parties of that termination, upon which, the mediator's role shall cease;
- (j) the mediation shall be terminated immediately upon the earlier of:

- (i) execution of a settlement agreement in respect of the Dispute; and
 - (ii) withdrawal of the Dispute;
- (k) the costs of the mediation shall be paid equally by each participant.

11.4 Arbitration

- (a) If the Dispute has not been resolved by mediation under clause 11.2 and 11.3, then the Dispute may be submitted by any party to the arbitration of a single arbitrator in accordance with, and subject to, Resolution Institute Arbitration Rules. Unless the parties agree on the appointment of an arbitrator, any party may request a nomination from the Chair of the time being of the Resolution Institute Western Australia Division.
- (b) The arbitrator's award shall be final and binding on the parties.
- (c) The costs of the submission, reference or award are in the discretion of the arbitrator.
- (d) Nothing in this Charter shall prevent a party from obtaining any urgent injunctive, declaratory or other interlocutory relief from a court which may be required in respect of a Dispute under clause 11 or any matter under this Charter.

SCHEDULE 1**RRC WASTE AGREEMENTS**

Doc	Description	Date
1	Participant's Agreement between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale and City of Canning	Dated 15 October 2015
2	Agreement for Processing of Waste for Resource Recovery between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE Project Co Pty Ltd	Dated 4 November 2015
3	Deed of Variation to Waste Supply Agreement between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE Project Co Pty Ltd	Dated 7 June 2017
4	Supplemental Deed between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, City of Canning and Kwinana WTE Project Co Pty Ltd	Dated 16 July 2018
5	Exercise of Rights letter by the RRC	Dated 23 April 2018
6	Exercise of Rights Letter by the RRC	Dated 21 September 2018
7	Exercise of Rights Letter by the RRC	Dated 15 October 2018
8	Financier Direct Deed between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning, Kwinana WTE Project Co Pty Ltd and BTA Institutional Services Australia Limited	Dated 16 October 2018
9	Participants Agreement Deed of Variation between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning, Kwinana WTE Project Co Pty Ltd	Dated 14 September 2018

SCHEDULE 2

CALCULATION OF CONTRIBUTIONS

2.1 Contributions towards a Budget Deficiency

Each participant must pay a contribution towards the Budget Deficiency calculated as follows:

$$\text{participant's contribution} = \text{BD} \times \frac{\text{TP}}{\text{TTP}}$$

Where:

- (a) BD is the Budget Deficiency;
- (b) TP is the number of tonnes of the participant's Waste in the previous year;
- (c) TTP is the number of tonnes of all of the participants' Waste in the previous year;
- (d) "previous year" means the financial year preceding the financial year in which the Budget Deficiency is to occur; and
- (e) "participants Waste" means the wastes to be delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery referred to in item 2 of Schedule 1 and the Participants Agreement referred to in item 1 of Schedule 1.

2.2 Contributions towards a Deficit

Each participant must pay a contribution towards the Deficit calculated as follows:

$$\text{participant's contribution} = \text{D} \times \frac{\text{TP}}{\text{TTP}}$$

Where:

- (a) D is the Deficit;
- (b) TP is the number of tonnes of the participant's Waste in the relevant year;
- (c) TTP is the number of tonnes of all of the participants' Waste in the relevant year;
- (d) "relevant year" means the financial year in which the Deficit occurs; and
- (e) "participants Waste" means the wastes to be delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery referred to in item 2 of Schedule 1 and the Participants Agreement referred to in item 1 of Schedule 1.

2.3 Contributions towards an Anticipated Exceptional Deficit

Each Participant must pay a contribution towards the Anticipated Exceptional Deficit as follows:

$$\text{participant's contribution} = \text{AED} \times \frac{\text{PT}}{\text{PTT}}$$

Where:

- (a) AED is the Anticipated Exceptional Deficit;
- (b) PT is the number of tonnes of the participant's Waste in the previous year;
- (c) PTT is the number of tonnes of all of the participants' Waste in the previous year;
- (d) "previous year" means the financial year preceding the financial year in which the Anticipated Exceptional Deficit is determined; and
- (e) "participants Waste" means the wastes to be delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery referred to in item 2 of Schedule 1 and the Participants Agreement referred to in item 1 of Schedule 1.

SCHEDULE 3
CALCULATION OF PROPORTIONS IN WHICH PARTICIPANTS ARE TO
RECEIVE A PAID SURPLUS

3.1 Calculation of proportions

Each participant is to receive a proportion of the Paid Surplus calculated as follows:

$$\text{participant's proportion} = \text{PS} \times \frac{\text{TP}}{\text{TTP}}$$

Where:

- (a) PS is the Paid Surplus;
- (b) TP is the number of tonnes of the participant's Waste in the relevant year;
- (c) TTP is the number of tonnes of all of the participants' Waste in the relevant year;
- (d) "relevant year" means the financial year in which the Surplus occurs; and
- (e) "participants Waste" means the wastes actually delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery.

SCHEDULE 4**PROPORTIONS OF PARTICIPANTS FOR THE PURPOSE OF WINDING UP**

- 4.1** For the purpose of clauses 7.2(a)(ii) and 7.3, the proportion of each participant is the proportion that the number of tonnes of the participant's Waste for the previous five (5) financial years (including RRC member tonnes as defined in the Establishment agreement if required) bear to the number of tonnes of all of the participants' Waste for the same period.

"participants Waste" means the wastes actually delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery.

EXECUTED by the Parties

THE COMMON SEAL of the **CITY OF ARMADALE** was affixed pursuant to a resolution of the Council in the presence of:)
)
)
)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **CITY OF GOSNELLS** was affixed pursuant to a resolution of the Council in the presence of:)
)
)
)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **CITY OF SOUTH PERTH** was affixed pursuant to a resolution of the Council in the presence of:)
)
)
)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **CITY OF MANDURAH** was affixed pursuant to a resolution of the Council in the presence of:)
)
)
)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **SHIRE OF MURRAY** was affixed pursuant to a resolution of the Council in the presence of:)
)
)
)

Shire President

Chief Executive Officer

THE COMMON SEAL of the **SHIRE OF SERPENTINE-JARRAHDALE** was affixed pursuant to a resolution of the Council in the presence of:)
)
)
)

Shire President

Chief Executive Officer

Approved by the Minister for Local Government

_____ Date

CHARTER OF THE RIVERS REGIONAL SUBSIDIARY

A Regional Subsidiary

incorporated pursuant to section 3.69 of the Local Government Act 1995 (WA)



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RIVERS REGIONAL SUBSIDIARY

CHARTER

Local Government Act 1995 (WA)

1. ESTABLISHMENT & OBJECTS

1.1 Local Government Act 1995

- (a) This Charter governs the operation of the Subsidiary and both this Charter and the Subsidiary are subject to the requirements of Part 3, Division 4 of the Act and the Regional Subsidiaries Regulations.
- (b) Pursuant to section 3.69(3) of the Act, the Subsidiary is a body corporate and has a common seal. Its Board has responsibility for the management of the business and other affairs of the Subsidiary.

1.2 Definitions

In this Charter:

“Act” means the *Local Government Act 1995 (WA)*;

“Anticipated Exceptional Deficit” means the amount, if any, of a Deficit which, during a financial year the Subsidiary determines will, or is likely to, occur in that year by reason of:

- (a) an expense for which no expenditure estimate is included in the Subsidiary’s annual budget for that year; or
- (b) an expense for which an expenditure estimate is included in the Subsidiary’s annual budget for that year but the expense is exceptional having regard to that estimate; or
- (c) a shortfall in income for which an income estimate is included in the annual budget for that year but the shortfall is exceptional having regard to that estimate.

“Board” means the Board of Management established under Clause 8;

“Board member” means a person who has been appointed to the Board by a participant in accordance with clause 8.2(a);

“Budget Deficiency” has the same meaning as the expression is given in Part 6 of the Act;

“Business Plan” means the business plan prepared by the participants pursuant to regulation 4 of the Regional Subsidiaries Regulations;

“Chairperson” means the person elected as Chairperson of the Board pursuant to Clause 8.4(a) and includes a person authorised by this Charter to act in place of the Chairperson;

“CEO” means the chief executive officer of the Subsidiary or a participant as specified in this Charter;

“district” means district as that term is defined in the Act;

“Deficit”, for a financial year, means the amount, if any:

- (a) by which the expenses of the Subsidiary exceeds the revenues and other income of the Subsidiary; and
- (b) which is shown as such in the annual financial report, for that year, prepared by the Subsidiary in accordance with the provisions of section 5.53 of the Act as those provisions are modified by regulation 18 of the Regional Subsidiaries Regulations;

“local government” means a local government constituted under the *Local Government Act 1995 (WA)*;

“elected member” means a Mayor, President or Councillor of a Council;

“financial year” means a year beginning on 1 July in each year and ending on 30 June of the following year;

“meeting” includes both ordinary and special meetings of the Board;

“Minister” means the Minister for the time being responsible for the administration of the *Local Government Act 1995 (WA)*;

“Objects” means the objects of the Subsidiary as set out in clause 1.4;

“participant” means a local government that is a member of the Subsidiary named in clause 1.3;

“parties” as described in clause 11 means a participant or participants or the Subsidiary and party means any one or more of them according to context;

“Region” means the total area of the districts of the participants;

“Regional Subsidiaries Regulations” means the *Local Government (Regional Subsidiaries) Regulations 2017 (WA)*

“RRC” means the Rivers Regional Council;

“RRC Waste Agreements” means the agreements and documents itemised in Schedule 1;

“special resolution” means a resolution passed by a two thirds majority of all Board members present at a meeting and entitled to vote on the issue;

“Subsidiary” means the Rivers Regional Subsidiary; and

“Surplus”, for a financial year, means the amount if any:

- (a) by which the revenues and other income of the Subsidiary exceeds the expenses of the Subsidiary; and
- (b) which is shown as such in the annual financial report, for that year, prepared by the Subsidiary in accordance with the provisions of section 5.53 of the Act as those provisions are modified by regulation 18 of the Regional Subsidiaries Regulations.

1.3 Establishment

The Subsidiary is a regional subsidiary established pursuant to section 3.69 of the Act by the following local governments:

- (a) The City of Gosnells;
- (b) The City of Armadale;
- (c) The City of South Perth;
- (d) The City of Mandurah;
- (e) The Shire of Serpentine-Jarrahdale; and
- (f) The Shire of Murray.

1.4 Objects

The Subsidiary is established to:

- (a) replace the RRC and act as principal under the terms of the:
 - (i) Agreement for Receipt and Processing of Waste for Resource Recovery dated 4 November 2015 referred to in item 2 of Schedule 1; and
 - (ii) Participant's Agreement for the Receipt and Processing Waste for Resource Recovery dated 15 October 2015 referred to in item 1 of Schedule 1.
 - (iii) Financier Direct Deed dated 16 October 2018 and referred to in item 6 of Schedule 1; and
 - (iv) Supplemental Deed dated 16 July 2018 and referred to in item 4 of Schedule 1.
- (b) assist in the coordination of resource sharing between the participants, to reduce costs and increase operational efficiencies associated with waste management;
- (c) associate, collaborate and work in conjunction with other local government bodies for the advancement of matters of common interest relating to waste management;
- (d) undertake coordination, advocacy, education and representation roles for the participants at a regional level and, in particular, coordinate waste recovery, reuse and disposal education programs;
- (e) develop cooperation between the participants so as to improve waste management and recycling programs and practices within the Region;
- (f) assist participants to minimise the volume of waste collected in the districts of the participants which is required to be disposed of by landfill;
- (g) develop, encourage, promote, foster and maintain consultation and cooperation with the Western Australian Local Government Association

(WALGA), other levels of government, private enterprise and the community with regard to matters relating to waste management;

- (h) strengthen the representation and status of local government waste management matters when dealing with other levels of government, private enterprise and the community;
- (i) develop further waste management cooperation between the participants for the benefit of the communities of the Region;
- (j) develop and manage waste management policies which guide the conduct of programs and projects in the Region with the objective of securing the best outcomes for the communities of the Region; and
- (k) undertake waste management projects that benefit the Region and its communities.

1.5 Review of Charter

- a) This Charter will be reviewed by the participants acting in concurrence at least once in every four (4) years.
- b) Where the participants determine that the Charter ought to be amended, either at the time of review or any other time, then the participants shall thereafter comply with the provisions of regulation 6 and 7 of the Regional Subsidiaries Regulations to enable any proposed amendment to be made.

2. THE RIVERS REGIONAL COUNCIL

2.1 Establishment

The RRC is a regional local government established under section 3.61 of the Act.

2.2 Novation of Rights and Obligations

Upon the establishment of the Subsidiary it is the intention of both the RRC and the Participants that:

- (a) the RRC shall novate all of its rights, title, interest and obligations in the RRC Waste Agreements (Novation) to the Subsidiary subject to the consents where required of the parties to the RRC Waste Agreements; and
- (b) the Subsidiary shall take the Novation.

2.3 Transfer of Assets as Deemed Contributions

It is also the intention of the both the RRC and the Participants that:

- (a) the RRC shall transfer all of its assets to the Subsidiary (**Transfer**) and the Subsidiary shall deem these assets to be contributions from the participants.
- (b) the deemed contributions shall be apportioned by the Subsidiary to each participant by multiplying the total asset value received from the RRC

by each participant's waste volume in tonnes for the previous five (5) financial years as a percentage of the participant's total waste for the same period.

2.4 Order of Precedence

To the extent that any of the provisions of this Charter, as set out below, are also dealt with in any of the RRC Waste Agreements then, for the purposes only of the RRC Waste Agreements, the provisions of the RRC Waste Agreement/s shall take precedence over the provisions of this Charter to the extent of any inconsistency.

- (a) Clause 4 - Non Derogation and Direction of Participants;
- (b) Clause 5 - Funding by the Participants; and
- (c) Clause 11 – Dispute Resolution

2.5 Wind Up of RRC

It is the intention of the RRC to wind itself up after completion of the Novation and Transfer referred to in clauses 2.2 and 2.3.

3. POWERS FUNCTIONS AND DUTIES

The powers, functions and duties of the Subsidiary are to be exercised in the performance of the Subsidiary's Objects. The Subsidiary shall have those powers and functions provided under the Act, the Regional Subsidiaries Regulations and this Charter which include:

- (a) cooperating or contracting with any other association or organisation, whether within or outside of the area of the participants, which shares similar objects to those of the Subsidiary;
- (b) entering into contracts or arrangements with any Government agency or authority that are incidental or conducive to the attainment of the Objects and the exercise of the powers of the Subsidiary;
- (c) entering into contracts with any person or body including a participant for the acquisition or supply of goods and services or for any other reason that is consistent with the Subsidiary's Objects;
- (d) Subject to clause 9, appointing, employing, remunerating, removing or suspending officers, managers, employees and agents;
- (e) raising revenue by:
 - (i) charging the participants fees incurred by the Subsidiary in undertaking and carrying out its Objects;
 - (ii) arrangements with sponsor organisations;
 - (iii) making submissions for and accepting grants, subsidies and contributions to further the Subsidiary's Objects;
 - (iv) arrangements or contracts with any other person or body; and

- (v) any other means not inconsistent with the Objects of the Subsidiary.
- (f) printing and publishing any newspapers, periodicals, books, leaflets, or other like writing;
- (g) appointing such committees as it deems necessary and to define the duties of such committees provided that the acts of any such committee shall be submitted before execution or discharge for the approval of the Subsidiary, and appointing persons to committees which may consist partly of persons who are not representatives of participants;
- (h) delegating any of the Subsidiary's powers and functions to persons or committees and altering or revoking such delegations;
- (i) co-opting to any duly appointed committee, any Board member, any officer of a participant, or any other appropriate person as deemed desirable for the efficient function of that committee;
- (j) acquiring, holding, dealing with and disposing of any real or personal property of the Subsidiary;
- (k) opening and operating bank accounts;
- (l) investing monies in any manner in which trust moneys may be invested in accordance with the provisions of section 6.14 of the Act and regulation 19C of the *Local Government (Financial Management) Regulations 1996 (WA)*, as those provisions are modified by regulation 22 of the Regional Subsidiaries Regulations;
- (m) subject to regulation 11 of the Regional Subsidiaries Regulations borrowing money in accordance with an approved Business Plan;
- (n) giving security for the discharge of liabilities of the Subsidiary;
- (o) imposing fees and charges in accordance with Part 6, Division 5, Subdivision 2 of the Act as modified by regulation 23 of the Regional Subsidiaries Regulations;
- (p) the development of a code of conduct to be observed by members of the Board, employees of the Subsidiary and members of any committee appointed by the Subsidiary;
- (q) establish a reserve fund or funds clearly identified for the upkeep and / or replacement of fixed assets or for meeting any deferred liability; and
- (r) doing all other things that are necessary or convenient for or incidental or conducive to the attainment of the Objects, and the exercise, performance or discharge of the powers, functions and duties of the Subsidiary.

4. DIRECTION BY PARTICIPANTS

4.1 Participants

All of the participants listed at Clause 1.3 are the members of the Subsidiary.

4.2 Non-Derogation and Direction by Participants

- (a) The establishment of the Subsidiary does not derogate from the power of any of the participants to act independently in relation to a matter within the jurisdiction of the Subsidiary.
- (b) Provided that all of the participants unanimously agree on the action to be taken, the participants may direct and control the Subsidiary. Non Compliance maybe dealt with under clause 8.3.
- (c) Any decision of the participants under clause 4.2(b) and/or direction given or control exercised by the participants must be given in writing to the CEO of the Subsidiary.
- (d) A project that is not a requirement of the RRC Waste Agreements or subscriptions to industry bodies shall not be commenced within 12 months of establishment of the Subsidiary unless unanimously agreed by the participants.

4.3 Provision of Information to Participants

- (a) The Subsidiary must, at the written request of a person authorised by the CEO of a participant, furnish to all participants at the same time the participant information or records in the possession or control of the Subsidiary as the participant may require in such manner and form as the participant may require.
- (b) If the Board of the Subsidiary considers that information or a record furnished under this clause contains matters that should be treated as confidential, the Board may advise the participants of that opinion giving the reason for the opinion and the participants must, subject to sub clause (c), act on that advice.
- (c) If the Subsidiary owes a duty of confidence in respect of a matter, the participants must ensure the observance of that duty in respect of the matter, but this sub clause does not prevent a disclosure as required in the proper performance of the functions or duties of the participants.

4.4 Role of Elected Members

Elected Members via their Participating Councils

- (a) Adopt and approve amendments to this Charter
- (b) Endorse the initial Business Plan;
- (c) Approve the payment of fees and reimbursements to Board members;
- (d) Provide direction under clause 4.2; and
- (e) Nominate their Board representative.

5. FUNDING BY PARTICIPANTS

5.1 Application of Clause

This clause applies if in any year:

- (a) A Budget Deficiency is disclosed in the annual budget of the Subsidiary;
- (b) A Deficit is disclosed in the annual financial report of the Subsidiary;
- (c) An Anticipated Exceptional Deficit is determined by the Subsidiary; **or**
- (d) Contributions are required towards a project that is not a requirement of the RRC Waste Agreements or subscriptions to industry associations.

5.2 Contributions by Participants

- (a) The participants must pay to the Subsidiary contributions towards a Budget Deficiency, a Deficit or an Anticipated Exceptional Deficit not related to projects covered under 5.2 (b) and (c) as the case may be, in accordance with the steps set out in Schedule 2.

- (b) Where the Subsidiary undertakes a project that is not a requirement of the RRC Waste Agreements or subscriptions to industry associations a contribution shall be paid based on the following formula:-

Cost of the project divided by the value of the benefit received by the participant equals contribution by participant.

- (c) In order to undertake a project where a contribution will be required by participants in accordance with 5.2 (b) the subsidiary must submit a project plan detailing the obligations of participants to each participant and each participant that is to contribute must resolve to proceed with the project and make that contribution.

5.3 Time for Payment of Contributions

The contributions referred to in clause 5.2 must be paid by each participant to the Subsidiary within 42 days, or any earlier time agreed by the participants, after:

- a) In the case of contributions towards a Budget Deficiency – the date on which the annual budget is prepared and adopted by the Subsidiary;
- b) In the case of contributions towards a Deficit – the date on which the annual financial report is prepared and submitted for audit;
- c) In the case of contributions towards an Anticipated Exceptional Deficit – the date on which the Anticipated Exceptional Deficit is determined by the Subsidiary.

5.4 Late Payment of Contributions

If a participant fails to pay the contribution referred to in clause 5.2 on or before the due date for payment then, in addition to the contribution, the participant must pay to the Subsidiary interest on the contribution at the overdraft rate charged by

the Subsidiary's bank on amounts of the same size as the unpaid contribution calculated from and including the due date to but excluding the actual date of payment.

5.5 Contributions to the Acquisition of Land

- (a) Where the Subsidiary determines that the participants are to make contributions towards the acquisition of land then the participants must make those contributions in equal proportions.
- (b) Contributions referred to in subclause 5.5(a) are capital contributions for the purpose of clause 6.2 (f) and 7.2.

5.6 Distribution of a Paid Surplus

- (a) The participants acknowledge that it is for the Subsidiary to determine if a Surplus or portion of a Surplus is to be paid to the participants and the manner and timing of any payment, having a regard to the prudent management of its cash flow and financial requirements and other relevant matters **(Paid Surplus)**.
- (b) The participants agree that any Paid Surplus is to be distributed between them in proportions calculated in accordance with Schedule 3.

6. NEW AND WITHDRAWAL OF PARTICIPANTS

6.1 New Participants

Subject to the provisions of the Act, including but not limited to Ministerial approval under regulation 7 of the Regional Subsidiaries Regulations, this Charter may be amended by a resolution of the participants to provide for the admission of a new participant or participants, with or without conditions of membership, with such conditions to be determined jointly by the Board and the member participants.

6.2 Withdrawal of a Participant

- (a) A participant may seek to withdraw from the Subsidiary but withdrawal shall be subject to and conditional upon the Subsidiary being able to successfully comply with the provisions of regulation 6 and 7 of the Regional Subsidiaries Regulations.
- (b) A participant which intends to withdraw from the Subsidiary shall give to the CEO of the Subsidiary and to the CEO's of all of the other participants written notice of such intention, specifying the date of intended withdrawal. Such notice shall be given a minimum of three months prior to the date of the intended withdrawal.
- (c) Upon receipt of a notice of intention to withdraw from the Subsidiary the remaining participants and the Subsidiary shall, subject to clause 6.2(d), use their best endeavours, acting reasonably to achieve compliance with regulations 6 and 7 of the Regional Subsidiaries Regulations to allow the withdrawal to proceed.
- (d) However, to the extent that the participants may have entered into contractual obligations and liabilities relying on the withdrawing participant's ongoing support, the participants may refuse the request of an individual participant to withdraw if, in the reasonable opinion of the remaining participants, they will incur an unreasonable financial burden by reason of the withdrawal.

- (e) The withdrawal of the participant does not extinguish the proportionate liability of that participant to make payment of its budgeted contribution for the financial year in which it gives notice and in respect of any other amounts outstanding.
- (f) The payment of any proportionate entitlement sought by the withdrawing participant shall only be made where the remaining participants and the Subsidiary agree with the withdrawing participant as to the amount and terms of payment.

7. WINDING UP

7.1 Form of Wind Up

The Subsidiary may be wound up by the Minister acting upon a unanimous resolution of the participants or by the Minister in accordance with the provisions of section 8.15 (2) of the Act as those provisions are modified by regulation 24 of the Regional Subsidiary's Regulations.

7.2 Division of Assets

- (a) Where the Subsidiary is to be wound up and there remains, after satisfaction of all its debts and liabilities, any property and assets of the Subsidiary, then the property and assets are to be realised and:
 - (i) firstly, to the extent that the proceeds, along with any surplus funds, are sufficient to do so, the participants are to be repaid their respective capital contributions as shown in the accounting records of the Subsidiary; and
 - (ii) secondly, the balance, if any, is to be divided among the participants in the proportions set out in Schedule 4.
- (b) For the avoidance of doubt, for the purposes of subclause (a) the capital contributions of the participants do not accrue interest.

7.3 Division of Liabilities

If the subsidiary is to be wound up and there remains any liability or debt in excess of the realised property and assets of the Subsidiary then the liability or debt is to be met by each of the participants in the proportions set out in Schedule 4.

8. BOARD OF MANAGEMENT

The Board shall have the responsibility to manage the business and other affairs of the Subsidiary ensuring that the Subsidiary acts in accordance with this Charter.

8.1 Functions of the Board

The functions of the Board shall be:

- (a) the formulation of strategic plans and strategies aimed at improving the activities of the Subsidiary;
- (b) to provide professional input and policy direction to the Subsidiary;

- (c) to monitor, oversee and evaluate the performance of the CEO of the Subsidiary;
- (d) ensuring that ethical behaviour and integrity is established and maintained by the Subsidiary and its Board Members in all activities undertaken by the Subsidiary;
- (e) subject to clause 8.6(j), ensuring that the activities of the Subsidiary are undertaken in an open and transparent manner;
- (f) the review and amendment of the Business Plan to be considered in consultation with the participants;
- (g) exercising the care, diligence and skill required by the Act and the Regional Subsidiaries Regulations and in any event such that a prudent person of business would exercise in managing the affairs of other persons; and
- (h) To manage the Subsidiary's responsibilities of the RRC Waste Agreements.

8.2 Membership of the Board

- (a) Subject to subclause (b), the Board shall consist of one (1) natural person appointed by each participant who must be an employee of the participant.
- (b) Each participant shall appoint their Board member from time to time, as required, for a period not exceeding four (4) years, and give notice in writing to the CEO of the Subsidiary, of the person who is or will be its Board member.
- (c) Notwithstanding subclause (a), a participant may appoint its Board member for a lesser period by nominating the period in the written appointment provided to the CEO of the Subsidiary. In such circumstances, any continuation of appointment following the expiry of the initial period nominated shall be in writing addressed to the CEO of the Subsidiary.
- (d) Each Constituent Council will also appoint a natural person and employee of the participant as deputy Board Member. The deputy Board Member is entitled to act in place of a Board Member appointed by the same Participant if the Board Member is unable for any reason to be present at a Board meeting.
- (e) In the absence of the Board Member, a deputy Board Member will be deemed to be the Board Member and can exercise all rights, privileges and obligations of the Board Member during the absence of that Board Member.
- (f) A notice signed by the Chief Executive Officer of a Participant will be sufficient evidence of the appointment of a Board Member and deputy Board Member of the Board of Management.

8.3 Termination of Membership of the Board

The appointment of a Board member shall terminate upon any of the grounds set out below:

- (a) the participant which appointed him/her ceasing to be a participant;
- (b) the appointing Participant providing written notice of termination to the Board Member and the Board;
- (c) ceasing to be employed by the participant which appointed him/her;
- (d) the death of the Board member;
- (e) completion of a term of office without re appointment;
- (f) written resignation from the Board Member being served on the participant who appointed him / her;
- (g) personal bankruptcy or application for the benefit of a law for the relief of insolvent debtors;
- (h) the Board, by special resolution, resolves to terminate the appointment of that Board member for:
 - (i) any behaviour of the Board member which, in the opinion of the Board, amounts to impropriety;
 - (ii) serious neglect of duty in attending to his/her responsibilities as a Board member;
 - (iii) breach of fiduciary duties to the Subsidiary or the participant(s);
 - (iv) breach of the duty of confidentiality to the Subsidiary or the participant(s);
 - (v) any other behaviour which may discredit the Subsidiary or the participants.
- (i) Notwithstanding any other clause of this Charter, a Board member may be removed from office as a Board member by special resolution of the Board prior to the expiration of a term of appointment.
- (j) If any vacancy occurs in the membership of the Board it must be filled in the same manner as the original appointment under clause 8.2. The person appointed to the Board to fill a vacancy will be appointed for the balance of the term of the original appointment and at the expiry of that term, subject to satisfying the requirements of this Charter, shall be eligible for re-appointment.

8.4 Chairperson of the Board

- (a) The Chairperson of the Board shall be appointed by the Board from amongst its members and shall hold office for a term agreed by the Board, unless he/she resigns or is removed from office pursuant to a resolution of the Board or until he/she is no longer eligible to act as a Board member.

- (b) There shall also be a Deputy Chairperson of the Board appointed by the Board from amongst its members who shall hold office for a term agreed by the Board unless he/she resigns or is removed from office pursuant to a resolution of the Board or until he/she is no longer eligible to act as a Board member.
- (c) The Chairperson and Deputy Chairperson shall be eligible for re-appointment upon their term of office expiring.
- (d) If the Chairperson either resigns or is no longer eligible to act as a Board member prior to the expiry of his/her term as Chairperson, the Deputy Chairperson shall act in that office. In the event of the Deputy Chairperson refusing or being unable to act, the Board shall elect from amongst their own number a new Chairperson who shall hold office until the conclusion of the original term.

8.5 Powers of the Chairperson and the deputy Chairperson

- (a) The Chairperson shall preside at all meetings of the Board.
- (b) In the event that the Chairperson is absent from a meeting, the Deputy Chairperson shall preside at that meeting, and in the event that both the Chairperson and Deputy Chairperson are absent from the meeting, the Board shall appoint a member from amongst them who shall preside at that meeting or until the Chairperson or Deputy Chairperson is present.
- (c) If any circumstance arises on which this Charter is silent, incapable of taking effect or being implemented according to its strict provisions, the Chairperson may decide the action to be taken to ensure achievement of the objects of the Subsidiary and its effective administration.
- (d) The Chairperson shall report any such decision at the next ordinary meeting

8.6 Meetings of the Board

- (a) The Board may determine procedures in addition to but not inconsistent with those specified in this Charter to apply at or in relation to its meetings.
- (b) The Board shall meet:
 - (i) for ordinary meetings at such times and places as may be fixed by the Board from time to time provided that there will be not less than three ordinary meetings each financial year; and
 - (ii) for special meetings if demanded in writing by the Chairperson, the CEO of the Subsidiary or by the Board members appointed by any three (3) participants.
- (c) An ordinary meeting of the Board will constitute an ordinary meeting of the Subsidiary. The Board shall administer the business of an ordinary meeting.
- (d) For the purposes of this sub-clause, the contemporary linking together by telephone, audio-visual or other instantaneous means ("telecommunications meeting") of a number of the Board members, provided that at least a quorum is present, is deemed to constitute a

meeting of the Board. Each of the Board members taking part in a telecommunications meeting must at all times during the telecommunications meeting be able to hear and be heard by each of the other Board members present. At the commencement of the meeting each Board member must announce his/her presence to all other Board members taking part in the meeting. A Board member must not leave a telecommunications meeting by disconnecting his/her telephone, audio-visual or other communication equipment, unless that Board member has previously notified the Chairperson of the meeting.

- (e) A resolution may be passed without a meeting being held if all the Board Members entitled to vote on the resolution sign a document containing a statement that they are in favour of the motion/recommendation set out in the document.
- (f) Except as otherwise provided in this Charter, notice of ordinary meetings will be forwarded by the CEO of the Subsidiary to the Board members and the CEOs of the participants at least 7 days prior to the date of the meeting, either by post to the participant's address or by post to any other location, or via any other means of giving notice (eg. facsimile or email) as nominated by the Board member and the CEO of a participant in writing addressed to the CEO of the Subsidiary.
- (g) Notice of meetings will be sent by the CEO of the Subsidiary to the Board members and the CEOs of the participants at least seven (7) days prior to the date of the meeting in the manner provided for at clause 8.6(e). Notice of a meeting for the purpose of making a recommendation to wind up the Subsidiary shall be sent to the Board members and the CEOs of the participants at least eight (8) weeks before the date of the meeting in the manner provided for at clause 8.6(f).
- (h) A majority of the Board members present at a meeting of the Board may adjourn the meeting from time to time and from place to place.
- (i) Subject to clause 8.6(k), meetings of the Board will be conducted in a place open to the public where deemed appropriate by the Chairman or CEO of the Subsidiary.
- (j) All Board members must keep confidential all documents and any information provided to them on a confidential basis for their consideration prior to a meeting of the Board.
- (k) The Board may order that the public be excluded from attendance at any meeting in order to enable the Board to consider in confidence any information or matter listed in section 5.23(2) of the Act (after taking into account any relevant consideration under that subsection).

The exercise of this power does not exclude Board members and any other person permitted by the Board to remain in the room.
- (l) Where an order is made under clause 8.6(k), a note must be made in the minutes of the making of the order and of the grounds on which it was made.
- (m) Where the Board has considered any information or a matter in confidence under Clause 8.6(k) it may subsequently resolve to keep

minutes and/or any other documents considered during that part of the meeting confidential.

- (n) The CEO of the Subsidiary must cause minutes to be kept of the proceedings at every meeting of the Board and ensure that the minutes are presented to the next ordinary meeting of the Board for confirmation and adoption.
- (o) Where the CEO of the Subsidiary is excluded from attendance at a meeting of the Board pursuant to clause 8.6(k), the person presiding at the meeting shall cause the minutes to be kept.
- (p) The Board may invite any person to attend at a meeting of the Board to act in an advisory capacity.
- (q) Meeting agendas and minutes shall be made available on a website accessible to the public.

8.7 Quorum

The quorum for any meeting of the Board is a majority of the number of Board members in office, being a number ascertained by dividing the total number of Board members for the time being in office by two (2), ignoring any fraction, and adding one (1). No business will be transacted at a meeting of the Board unless a quorum is present.

8.8 Voting

- (a) Unless stipulated otherwise in this Charter, questions arising for decision at meetings of the Board will be decided by a simple majority of eligible votes on the basis of one (1) vote per Board member present at the meeting. The Chairperson shall not, in the event of equality of votes, have a second or casting vote. In the event of equality of votes the matter will lapse.
- (b) Subject to a conflict of interest, each Board member validly present at a meeting must vote on a question arising for a decision at the meeting. Failure by any Board member to vote will be deemed to be a negative vote in relation to the question for decision.

8.9 Standing Orders or Rules

- (a) Subject to this Charter, the Board may pass, alter or rescind standing orders, policies or rules for the due management and regulation of meetings of the Subsidiary.
- (b) Standing orders, policies or rules made pursuant to this clause 8.9 shall be entered in a record which will be kept for the information of the Board members and may be printed and/or circulated at the discretion of the Board.
- (c) The standing orders, policies and rules in existence shall remain in operation for a period of one (1) year, at which time they shall be reviewed by the Board and confirmed, varied or discontinued by resolution of the Board.

8.10 Common Seal

- (a) Pursuant to section 3.69(3) of the Act the Subsidiary shall have a common seal upon which its corporate name shall appear in legible characters.
- (b) The common seal shall not be used without the express authorisation of a resolution of the Board and every use of the common seal shall be recorded in the minute book of the Subsidiary.
- (c) The affixing of the common seal shall be witnessed by the Chairperson or the Deputy Chairperson and the CEO of the Subsidiary or such other person as the Board may appoint for the purpose.
- (d) The common seal shall be kept in the custody of the CEO of the Subsidiary or such other person as the Board may from time to time decide.

8.11 Committees

- (a) The Board may establish a committee of Board members for the purposes of:
 - i. enquiring into and reporting to the Board on any matter within the Subsidiary's functions and powers and as detailed in the terms of reference given by the Board to the committee;
 - ii. exercising, performing or discharging delegated powers, functions or duties.
- (b) A member of a committee established under clause 8.11(a) of this Charter holds office at the pleasure of the Board.
- (c) The Board may otherwise establish advisory committees consisting of or including persons who are not Board members for enquiring into and reporting to the Board on any matter within the Subsidiary's functions and powers and as detailed in the terms of reference.
- (d) The Chairperson of the Board is an ex-officio member of any committee or advisory committee established by the Board.

8.12 Fees and Allowances

Fees, annual allowances or reimbursements, if any, for expenses payable to Board Members shall be subject the approval of the majority of Participants.

9. EMPLOYEES OF THE SUBSIDIARY

- 9.1 The Board must appoint a CEO of the Subsidiary to manage the business of the Subsidiary on terms agreed between the CEO and the Board. The CEO of the Subsidiary must be a natural person.
- 9.2 The CEO of the Subsidiary shall cause records to be kept of the business and financial affairs of the Subsidiary in accordance with this Charter, in addition to other duties provided for by this Charter and those specified in the terms and conditions of appointment.

- 9.3 In the absence of the CEO of the Subsidiary for any period exceeding six weeks a suitable person to act in the position of CEO of the Subsidiary must be appointed by the Board.
- 9.4 The Board shall delegate responsibility for the day to day management of the Subsidiary to the CEO of the Subsidiary, who will ensure that sound business and human resource management practices are applied in the efficient and effective management of the operations of the Subsidiary.
- 9.5 The functions of the CEO of the Subsidiary shall be specified in the terms and conditions of appointment and shall include but are not limited to:
- (a) appointing, managing, suspending and dismissing employees of the Subsidiary;
 - (b) determining the conditions of employment of employees of the Subsidiary within the budgetary constraints set by the Board;
 - (c) attending at all meetings of the Board unless excluded by resolution of the Board;
 - (d) ensuring that the decisions of the Board are implemented in a timely and efficient manner;
 - (e) providing information to assist the Board to assess the Subsidiary's performance against its Strategic and Business Plans;
 - (f) providing advice and reports to the Board on the exercise and performance of its powers and functions under the Act, the Regional Subsidiaries Regulations and this Charter;
 - (g) ensuring that the Subsidiary is at all times complying with the Act, the Regional Subsidiaries Regulations and this Charter;
 - (h) ensuring that the Subsidiary's annual report prepared in accordance with section 5.53 of the Act as modified by regulation 18 of the Regional Subsidiaries Regulations is distributed to the participants in time to be incorporated in their annual reports;
 - (i) co-ordinating and initiating proposals for consideration of the Board including but not limited to continuing improvement of the operations of the Subsidiary;
 - (j) ensuring that the assets and resources of the Subsidiary are properly managed and maintained;
 - (k) exercising, performing or discharging other powers, functions or duties conferred on the CEO of the Subsidiary by or under the Act or any other legislation, and performing other functions lawfully directed by the Board; and
 - (l) inviting any person to attend at a meeting to act in an advisory capacity.

- 9.6 The CEO of the Subsidiary shall provide a report on his/her activities to the Board at every ordinary meeting.
- 9.7 The Board in association with the CEO shall agree key performance indicators and undertake a review of the performance of the CEO at least once in relation to each year of the person's employment.

10. MANAGEMENT OF THE SUBSIDIARY

10.1 Financial Management

- (a) The Subsidiary shall keep proper books of account, which must be available for inspection by any Board member or representative authorised by the CEO of any participant at any reasonable time on request.
- (b) The Subsidiary must establish and maintain a bank account at a bank and with such bank facilities to be determined by the Board.
- (c) The Subsidiary shall appoint, the CEO of the Subsidiary, the Chairperson and Deputy Chairperson as authorised operators of the bank accounts. A minimum of two authorised operators must be required to deal with the bank account at any one time.
- (d) All cheques must be signed by two of the persons appointed under or listed at clause 10.1(c).
- (e) Any payments made by electronic funds transfer must be made in accordance with procedures for the authorisation of, and payment of accounts which have received the prior approval of the Board.
- (f) The Board must establish and maintain a purchasing policy in relation to contracts for other persons to supply goods and services.

10.2 Reporting

- a) The CEO of the Subsidiary shall ensure that the CEO and the Board member of each participant receive, within 14 days of a Board meeting, a copy of the minutes from that Board meeting for distribution to the elected members of the participants.
- b) The CEO of the Subsidiary must act prudently in the handling of all financial transactions for the Subsidiary and must provide quarterly financial and corporate reports to the Board and, if requested, the Participants.
- c) The Board must submit their annual report, annual budget and auditor's report to the participants upon completion of those reports.

10.3 Business Plan

The Board shall:

- a) compare the Business Plan against performance targets at least twice every financial year;
- b) review the contents of the Business Plan annually; and
- c) undertake reasonable consultation with the participants prior to adopting or amending the Business Plan.

10.4 Annual Report

The Subsidiary shall prepare an annual report for each financial year in accordance with the provisions of section 5.53 of the Act as those provisions are modified by regulation 18 of the Regional Subsidiaries Regulations.

10.5 Annual Budget

The Subsidiary shall prepare an annual budget in accordance with the provisions of section 6.2 of the Act as those provisions are modified by regulation 18 of the Regional Subsidiaries Regulations.

10.6 Audit

The Board shall determine that the audit functions required under section 3.70A of the Act be undertaken by:-

- (a) a committee, which may include Finance Manager or Governance representatives from the participants or independent parties; and/or
- (b) an external audit arrangement where the size and scale of the operations warrants.

10.7 Code of Conduct

In establishing a code of conduct for the subsidiary as required by clause 3(p) the Board shall take into consideration the guidelines and legislation relevant to Local Government and the participants' code of conduct policies.

General principles to guide the behaviour include that a person in his or her capacity as a Board or Committee member, or employee:-

- (a) act with reasonable care and diligence; and
- (b) act with honesty and integrity; and
- (c) act lawfully; and
- (d) avoid damage to the reputation of the subsidiary; and
- (e) be open and accountable to the public and participants; and
- (f) base decisions on relevant and factually correct information; and
- (g) treat others with respect and fairness; and
- (h) not be impaired by mind affecting substances.

11. DISPUTE RESOLUTION

11.1 Negotiation

- (a) The procedure in Clause 11 must be applied to any dispute that arises between the Subsidiary and a participant or participants concerning the affairs of the Subsidiary, or between participants concerning the affairs of the Subsidiary, including a dispute as to the meaning or effect of this Charter.
- (b) In the event of a dispute between the parties (**Dispute**) one party may deliver a written notice to the other party that identifies the Dispute (**Notice of Dispute**).
- (c) The party that delivers the Notice of Dispute should also provide enough information about the Dispute for the other party or parties to reasonably understand the:
 - (i) alleged facts on which the claim is based;
 - (ii) legal basis on which the claim is made; and
 - (iii) relief that is claimed.
- (d) Within 10 Business Days of a Notice of Dispute being delivered, the receiving party or parties must deliver a written response to the other party or parties stating:
 - (i) its position in relation to the Dispute; and
 - (ii) the basis for its position.
- (e) Within ten Business Days of receipt of the response referred to in clause 11.1 (c), the parties agree to attempt in good faith to resolve through negotiation any Dispute arising under or in relation to this Charter.

11.2 Mediation

- (a) If the parties fail to resolve the Dispute within the 10 Business Days under clause 11.1(d), any of the parties may refer the Dispute to mediation by notice in writing to the other party or parties.
- (b) Within 10 Business Days of a party referring the Dispute to mediation, the parties will attempt in good faith to agree the appointment of a mediator for the purposes of mediation.
- (c) In the event the parties are unable to agree the appointment of a mediator then the Chairperson of the Resolution Institute in Western Australia shall appoint a mediator for the purposes of mediation.
- (d) Once a Mediator has been appointed then the parties must within 10 Business Days of the mediator being appointed agree a mutually convenient date, time and place for the mediation to take place.

11.3 Terms of Mediation

The mediation must be conducted on the following terms:

- (a) the reference to the mediator is made in accordance with, and subject to, the Resolution Institute Mediation Rules;

- (b) the mediator will assist the parties to explore the options for and, if possible, achieve expeditious resolution of the dispute by agreement;
- (c) the mediator will not make decisions for a party or impose a solution on the parties;
- (d) the mediator will not obtain from any independent person advice or an opinion as to any aspect of the Dispute unless:
 - (i) the mediator is requested in writing by all parties to do so;
 - (ii) all parties have agreed upon the identity of the independent person to give such advice or opinion; and
 - (iii) all parties have agreed on who will be responsible to pay for the costs or fees in relation to the advice provided by the independent person;
- (e) all parties will co-operate in good faith with the mediator and each other during the mediation;
- (f) each party will use its reasonable endeavours to comply with reasonable requests made by the mediator to promote the efficient and expeditious resolution of the Dispute;
- (g) the mediation, including all preliminary steps, shall be conducted in such manner as the mediator considers appropriate having regard to the nature and circumstances of the Dispute, the agreed goal of an efficient and expeditious resolution to the Dispute and, to the extent that the mediator may deem appropriate, to the view of each party as to the conduct of the mediation;
- (h) the proceedings, discussions and all documents created during the course of the mediation and all things said or disclosed during the course of the mediation shall be privileged and shall be for the purposes of any future matters or actions between the parties be without prejudice save to the extent that the parties shall reach an enforceable agreement;
- (i) if, after consultation with the parties, the mediator forms the view that the mediator will be unable to assist the parties to achieve resolution of a Dispute, the mediator may immediately terminate its engagement as mediator by giving written notice to the parties of that termination, upon which, the mediator's role shall cease;
- (j) the mediation shall be terminated immediately upon the earlier of:
 - (i) execution of a settlement agreement in respect of the Dispute; and
 - (ii) withdrawal of the Dispute;
- (k) the costs of the mediation shall be paid equally by each participant.

11.4 Arbitration

- (a) If the Dispute has not been resolved by mediation under clause 11.2 and 11.3, then the Dispute may be submitted by any party to the arbitration of a single arbitrator in accordance with, and subject to, Resolution Institute Arbitration Rules. Unless the parties agree on the appointment of an arbitrator, any party may request a nomination from the Chair of the time being of the Resolution Institute Western Australia Division.

- (b) The arbitrator's award shall be final and binding on the parties.
- (c) The costs of the submission, reference or award are in the discretion of the arbitrator.
- (d) Nothing in this Charter shall prevent a party from obtaining any urgent injunctive, declaratory or other interlocutory relief from a court which may be required in respect of a Dispute under clause 11 or any matter under this Charter.

SCHEDULE 1**RRC WASTE AGREEMENTS**

Doc	Description	Date
1	Participant's Agreement between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale and City of Canning	Dated 15 October 2015
2	Agreement for Processing of Waste for Resource Recovery between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE Project Co Pty Ltd	Dated 4 November 2015
3	Deed of Variation to Waste Supply Agreement between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE Project Co Pty Ltd	Dated 7 June 2017
4	Supplemental Deed between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, City of Canning and Kwinana WTE Project Co Pty Ltd	Dated 16 July 2018
5	Exercise of Rights letter by the RRC	Dated 23 April 2018
6	Exercise of Rights Letter by the RRC	Dated 21 September 2018
7	Exercise of Rights Letter by the RRC	Dated 15 October 2018
8	Financier Direct Deed between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning, Kwinana WTE Project Co Pty Ltd and BTA Institutional Services Australia Limited	Dated 16 October 2018
9	Participants Agreement Deed of Variation between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning, Kwinana WTE Project Co Pty Ltd	Dated 14 September 2018

SCHEDULE 2

CALCULATION OF CONTRIBUTIONS

2.1 Contributions towards a Budget Deficiency

Each participant must pay a contribution towards the Budget Deficiency calculated as follows:

$$\text{participant's contribution} = \text{BD} \times \frac{\text{TP}}{\text{TTP}}$$

Where:

- (a) BD is the Budget Deficiency;
- (b) TP is the number of tonnes of the participant's Waste in the previous year;
- (c) TTP is the number of tonnes of all of the participants' Waste in the previous year;
- (d) "previous year" means the financial year preceding the financial year in which the Budget Deficiency is to occur; and
- (e) "participants Waste" means the wastes to be delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery referred to in item 2 of Schedule 1 and the Participants Agreement referred to in item 1 of Schedule 1.

2.2 Contributions towards a Deficit

Each participant must pay a contribution towards the Deficit calculated as follows:

$$\text{participant's contribution} = \text{D} \times \frac{\text{TP}}{\text{TTP}}$$

Where:

- (a) D is the Deficit;
- (b) TP is the number of tonnes of the participant's Waste in the relevant year;
- (c) TTP is the number of tonnes of all of the participants' Waste in the relevant year;
- (d) "relevant year" means the financial year in which the Deficit occurs; and
- (e) "participants Waste" means the wastes to be delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery referred to in item 2 of Schedule 1 and the Participants Agreement referred to in item 1 of Schedule 1.

2.3 Contributions towards an Anticipated Exceptional Deficit

Each Participant must pay a contribution towards the Anticipated Exceptional Deficit as follows:

$$\text{participant's contribution} = \text{AED} \times \frac{\text{PT}}{\text{PTT}}$$

Where:

- (a) AED is the Anticipated Exceptional Deficit;
- (b) PT is the number of tonnes of the participant's Waste in the previous year;
- (c) PTT is the number of tonnes of all of the participants' Waste in the previous year;
- (d) "previous year" means the financial year preceding the financial year in which the Anticipated Exceptional Deficit is determined; and
- (e) "participants Waste" means the wastes to be delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery referred to in item 2 of Schedule 1 and the Participants Agreement referred to in item 1 of Schedule 1.

SCHEDULE 3
CALCULATION OF PROPORTIONS IN WHICH PARTICIPANTS ARE TO
RECEIVE A PAID SURPLUS

3.1 Calculation of proportions

Each participant is to receive a proportion of the Paid Surplus calculated as follows:

$$\text{participant's proportion} = \text{PS} \times \frac{\text{TP}}{\text{TTP}}$$

Where:

- (a) PS is the Paid Surplus;
- (b) TP is the number of tonnes of the participant's Waste in the relevant year;
- (c) TTP is the number of tonnes of all of the participants' Waste in the relevant year;
- (d) "relevant year" means the financial year in which the Surplus occurs; and
- (e) "participants Waste" means the wastes actually delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery.

SCHEDULE 4**PROPORTIONS OF PARTICIPANTS FOR THE PURPOSE OF WINDING UP**

- 4.1** For the purpose of clauses 7.2(a)(ii) and 7.3, the proportion of each participant is the proportion that the number of tonnes of the participant's Waste for the previous five (5) financial years (including RRC member tonnes as defined in the Establishment agreement if required) bear to the number of tonnes of all of the participants' Waste for the same period.

"participants Waste" means the wastes actually delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery.

EXECUTED by the Parties

THE COMMON SEAL of the **CITY OF ARMADALE** was affixed pursuant to a resolution of the Council in the presence of:)
)
)
)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **CITY OF GOSNELLS** was affixed pursuant to a resolution of the Council in the presence of:)
)
)
)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **CITY OF SOUTH PERTH** was affixed pursuant to a resolution of the Council in the presence of:)
)
)
)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **CITY OF MANDURAH** was affixed pursuant to a resolution of the Council in the presence of:)
)
)
)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **SHIRE OF MURRAY** was affixed pursuant to a resolution of the Council in the presence of:)
)
)
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Shire President

Chief Executive Officer

THE COMMON SEAL of the **SHIRE OF SERPENTINE-JARRAHDALE** was affixed pursuant to a resolution of the Council in the presence of:)
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Shire President

Chief Executive Officer

Approved by the Minister for Local Government

_____ Date

Rivers Regional Subsidiary

Business Plan 2020 - 2025

1/15/2020
Rivers Regional Council
John McNally
Chief Executive officer

Business Plan Rivers Regional Subsidiary

1. Introduction

Over the last 8 years the Rivers Regional Council has been working towards achieving a Zero Waste outcome. Tenders for Alternative Waste Treatment options were called in 2013 and contracts for a Waste to Energy Facility were executed in November 2015. Financial Close was achieved in October 2018 with the Plan for the plant to be commissioned in mid 2021. Now that the major task has been achieved the participants in the agreements are seeking to establish an efficient and effective organisation to manage the responsibilities under the agreements over the next 20 to 30 years.

The Rivers Regional Subsidiary (RRS) will replace the Rivers Regional Council as Principal under the terms of the 2015 Receipt and Processing of Waste for Resource Recovery Agreement, Participants Agreement for the Receipt and Processing of Waste for Resource Recovery and Supplemental Deed - Energy Supply & Delay Costs (Waste Supply Agreements).

Rivers Regional Council comprises the City of South Perth, City of Armadale, City of Gosnells, Shire of Murray, Shire of Serpentine Jarrahdale and the City of Mandurah. The City of Canning is also a participant in the Resource Recovery Agreements and has declined the invitation to join the RRS.

2. Rivers Regional Subsidiary

The Rivers Regional Subsidiary is being formed to:-

- Replace the Rivers Regional Council and act as Principal under the terms of the 2015 Receipt and Processing of Waste for Resource Recovery Agreement ,Participants Agreement for the Receipt and Processing of Waste for Resource Recovery and Supplemental Deed - Energy Supply & Delay Costs (Waste Supply Agreements);
- Assist in the coordination of resource sharing between the participants, to reduce costs and increase operational efficiencies;
- Associate, collaborate and work in conjunction with other local government bodies for the advancement of matters of common interest;
- Undertake coordination, advocacy, education and representation roles for the participants at a regional level and, in particular, coordinate waste recovery, reuse and disposal education programs;
- develop cooperation between the participants so as to improve waste management and recycling programs and practices within the Region;
- assist participants to minimise the volume of waste collected in the districts of the participants which is required to be disposed of by landfill;
- develop, encourage, promote, foster and maintain consultation and cooperation with the Western Australian Local Government Association (WALGA), other levels of government, private enterprise and the community with regard to matters relating to waste management;
- strengthen the representation and status of local government when dealing with other levels of government, private enterprise and the community;

- develop further cooperation between the participants for the benefit of the communities of the Region;
- develop and manage policies which guide the conduct of programs and projects in the Region with the objective of securing the best outcomes for the communities of the Region; and
- undertake projects that benefit the Region and its communities.

3. Local Government Act Regulations

The Local Government Act (Regional Subsidiaries) Regulations 2017 requires that this Plan includes an overall assessment of the formation of the regional subsidiary and is to include details of:-

- a) Its expected effect on the provision of facilities and services by the participants

The participating Councils have already entered into contracts for the provision of waste to the Waste to Energy Plant (WtE) which is anticipated to divert up to 97.5% of the waste stream from Landfill. Councils will retain their current collection arrangements. The sharing of transfer station facilities is also possible but this will be the subject of separate agreements directly between Councils. As a result of the Waste to Energy contract arrangements landfill sites currently provided by Councils (only the City of Armadale has an operating landfill) will be phased out.

- b) Its expected effect on other persons providing facilities and services in the participants' districts;

The coordination of education programs may result in increased expenditure in local communities otherwise there is no impact on other persons or facilities.

- c) Its expected financial effect on the participants;

Savings of up to \$200,000 (based on the 2018/19 Budget) could be possible based on the transition from a Regional Council to a Regional Subsidiary (RRS). A Regional Subsidiary Budget of approximately \$250,000 per annum. Arrangements for calculation and collection are detailed in the current Waste Supply Agreements.

- d) Its expected effect on matters referred to in each participant's current plan prepared under section 5.56;

City of South Perth

Assist in achieving Outcome 4.3a - Promote and implement sustainable water, waste, land and energy management practices.

City of Armadale

Assist in achieving Outcome 2.4 Best Practice Waste Management - 2.4.1 Apply effective waste collection methodologies 2.4.2 Maximise recycling opportunities 2.4.3 Improve waste

disposal practices 2.4.4 Apply efficient waste administration. Target: Diminishing percentage of collected waste deposited in landfill (towards zero).

City of Gosnells

Assist in achieving Goal 3.4 Manage waste generated in the City of Gosnells in an environmentally responsible and sustainable manner. Outcome - The environmental impact of waste is minimised and waste is disposed of in a sustainable and cost effective manner.

Shire of Serpentine Jarrahdale

Assist in achieving Outcome 2.2 A sustainable natural environment, 2.2.2 Seek to minimise resource usage and continue to maximise reuse opportunities 2.2.3 Continue to minimise the volume and impact of waste generated within the district.

Shire of Murray

Assist in achieving Outcome 5 A healthy and sustainable natural environment - 5.4 Waste is responsibly managed to minimise environmental impacts.

City of Mandurah

Assist in achieving:-

- *Strategy 1.3 - Encourage and enable our community to take ownership of our natural assets, and to adopt behaviours that assist in achieving our environmental targets and 1.3.2 Reduce per capita waste generation and waste-to-landfill.*
- *Strategy 1.4 - Become a leader in proactive and innovative environmental management and 1.4.2 Develop and implement waste-to-energy solutions for residential and industrial waste.*
- *Strategy 1.5. Factor climate change predictions into land-use planning, building design and future council decisions and 1.5.2 Demonstrate leadership in meeting the challenges of climate change at regional, state and national level*

- e) the service that is proposed to be provided, or the activity that is proposed to be carried on, by the regional subsidiary;
- *replace the Rivers Regional Council (RRC) and act as principal under the terms of the:*
 - *Agreement for Receipt and Processing of Waste for Resource Recovery dated 4 November 2015;*
 - *Participant's agreement for the Receipt and Processing Waste for Resource Recovery dated 15 October 2015.*
 - *Financier Direct Deed dated 16 October 2018; and*
 - *Supplemental Deed dated 16 July 2018.*

- *assist in the coordination of resource sharing between the participants, to reduce costs and increase operational efficiencies;*
- *associate, collaborate and work in conjunction with other local government bodies for the advancement of matters of common interest;*
- *undertake coordination, advocacy, education and representation roles for the participants at a regional level and, in particular, coordinate waste recovery, reuse and disposal education programs;*
- *develop cooperation between the participants so as to improve waste management and recycling programs and practices within the Region;*
- *assist participants to minimise the volume of waste collected in the districts of the participants which is required to be disposed of by landfill;*
- *develop, encourage, promote, foster and maintain consultation and cooperation with the Western Australian Local Government Association (WALGA), other levels of government, private enterprise and the community with regard to matters relating to waste management;*
- *strengthen the representation and status of local government when dealing with other levels of government, private enterprise and the community;*
- *develop further cooperation between the participants for the benefit of the communities of the Region;*
- *develop and manage policies which guide the conduct of programs and projects in the Region with the objective of securing the best outcomes for the communities of the Region; and*
- *undertake projects that benefit the Region and its communities.*

- f) why the regional subsidiary is proposed to be formed to provide that service or carry on that activity.

The participating Councils have entered into agreements to supply waste to the Waste to Energy Plant for a period of 20 to 30 years. The Rivers Regional Council (RRC) has the role of principal under those contracts and a Regional Subsidiary arrangement is considered more efficient to manage these responsibilities on a shared services arrangements.

4. Outline of Activities

- a) Establish governance, administration and accounting arrangements.
- b) Prepare the annual Waste Delivery Plan in accordance with the provisions of the agreements.
- c) Calculate and recover waste charges under the agreements.
- d) Manage contract responsibilities and act as Principal.
- e) Co-ordinate Waste Recovery, Reuse and Disposal Education programs required under the agreements.
- f) Co-ordinate the energy supply arrangements.
- g) Advocate on behalf of member Councils.

5. Budget

Account Description	Full Year Reg Sub				
	Year 1	Year 2	Year 3	Year 4	Year 5
	\$	\$	\$	\$	\$
ADMINISTRATION					
Operating Revenue					
Other Income	0				
Total Operating Revenue	0				
Operating Expenditure					
Salaries & Wages	(100,000)	(100,000)	(102,000)	(103,000)	(104,000)
Superannuation	(15,000)	(15,000)	(15,300)	(15,450)	(15,600)
Leave Accruals	(3,000)	(3,000)	(3,060)	(3,090)	(3,120)
Insurance - Workers Compensation	(2,500)	(2,500)	(2,600)	(2,700)	(2,800)
Training & Conferences	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Accounting & Administration Services	(30,000)	(30,000)	(31,000)	(31,500)	(32,000)
Bank Fees	(500)	(500)	(500)	(500)	(500)
Advertising	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Information Technology	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)
Insurance - Other	(7,100)	(7,100)	(7,100)	(7,100)	(7,100)
Legal Services	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)
Other Office Expenses	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Publications	(500)	(500)	(500)	(500)	(500)
Furniture & Equipment	(500)	(500)	(500)	(500)	(500)
Health and Safety	(500)	(500)	(500)	(500)	(500)
Accommodation	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Consultants - Contingency	(25,400)	(25,400)	(25,400)	(25,400)	(25,400)
Total Operating Expenditure	(203,000)	(203,000)	(206,460)	(208,240)	(210,020)
Net Administration Costs to be allocated	(203,000)	(203,000)	(206,460)	(208,240)	(210,020)
Allocation of Administration Expenditure					
Community Amenities	203,000	203,000	206,460	208,240	210,020
Total Allocations	203,000	203,000	206,460	208,240	210,020
Total After Allocaton of Net Costs	0	0	0	0	0
COMMUNITY AMENITIES					
Operating Revenue					
Waste Recovery Charges Member Councils	250,000	228,000	231,460	233,240	235,020
Total Operating Revenue	250,000	228,000	231,460	233,240	235,020
Operating Expenditure					
Waste Recovery Expenses - Avertas					
Legal Services	(42,000)	(20,000)	(20,000)	(20,000)	(20,000)
Project Management	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Administration Allocation	(203,000)	(203,000)	(206,460)	(208,240)	(210,020)
Total Operating Expenditure	(250,000)	(228,000)	(231,460)	(233,240)	(235,020)
Total	0	0	0	0	0
Recovery	1.00%	0.89%	0.94%	0.91%	0.85%