



NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

JOINT ORDINARY MEETING OF AUDIT COMMITTEE AND BOARD AGENDA

Meeting to be held Thursday 28 February 2019 commencing at 5.00pm,
at NAWMA Administration Offices, 71 – 75 Woomera Avenue, Edinburgh Park

1. PRESENT

2. APOLOGIES

3. DISCLOSURE OF CONFLICTS

Conflicts of Interest

That all members of the Board declare that they have read and considered all papers circulated within this agenda and had no known conflict of interest or potential conflict of interest with respect to those matters. If a conflict becomes apparent during discussion, then the member will declare at that time.

Confidentiality Statement

That all members of the Board declare that they will keep all matters tabled for discussion at this meeting confidential until it is provided to the meeting in the first instance and subsequently when it is appropriate for matters to be released to the public generally.

4. CONFIRMATION OF MINUTES

Recommended: That the Minutes of the Ordinary Northern Adelaide Waste Management Authority Board Meeting held on Wednesday 19 September 2018 be received, confirmed and adopted.

Recommended: That the Minutes of the Northern Adelaide Waste Management Authority Audit Committee held on Monday 12 November 2018 be received and noted.

5. MATTERS ARISING FROM THE MINUTES

5.1 Resolutions Register (verbal only)

6. QUESTIONS WITHOUT NOTICE

7. NAWMA MANAGEMENT AND ADMINISTRATION REPORT

Reports for Decision

7.1 2018/2019 Budget Review One (1)

7.2 2018/2019 Budget Review Two (2)

7.3 2019/2020 Draft Budget

7.4 Financial Delegations

7.5 GISA Infrastructure Loans

7.6 Landfill Road Maintenance

7.7 NAWMA Committee Nominations

7.8 2019 Meeting Schedule

NAWMA

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Reports for Information

- 7.9 Operational Report – Collections, Processing & Disposal
- 7.10 Operational Report – Resource Recovery (**Confidential**)
- 7.11 Education Report – Audit Results and Education Plan 2019
- 7.12 WHS Steering Committee Minutes (latest)
- 7.13 2018/2019 Annual Business Plan Progress Report

8. OTHER BUSINESS

- 8.1 Council Correspondence (**Confidential**)
- 8.2 State Government Consultations

9. NEXT MEETINGS OF THE BOARD AND AUDIT COMMITTEE

The next meeting of the Board to be held Wednesday 24 April 2019 at 5.00pm at NAWMA Administration Offices, 71 – 75 Woomera Avenue, Edinburgh Park

The next meeting of the Audit Committee to be held Thursday 18 April 2019 at 8.00am at Brian Cunningham's Offices, Level 11, 147 Pirie Street, Adelaide



MINUTES OF THE BOARD OF NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
held on Wednesday 19 September 2018 at NAWMA Administration Offices, 71 – 75 Woomera
Avenue, Edinburgh Park

WELCOME

Meeting opened at 5.02pm

1. PRESENT

Mr Brian Cunningham	Independent Chairman
Mr Charles Mansueto	City of Salisbury
Cr David Balaza	City of Salisbury
Cr Julie Woodman	City of Salisbury
Mr Sam Green	City of Playford
Cr Shirley Halls	City of Playford
Mr Henry Inat	Town of Gawler
Cr Paul Koch	Town of Gawler

IN ATTENDANCE

Mr Adam Faulkner	Chief Executive Officer
Mr Danial Dunn	Resource Recovery Manager
Mr David Diprose	Processing & Disposal Manager
Mr Andreas Konrad	Finance & Corporate Performance Manager
Mr Eddie Christopoulos	Collections & Transfer Station Coordinator
Ms Amy Quintrell	Executive Assistant

2. APOLOGIES

Cr Marilyn Nicolson	Town of Gawler
Cr Ian Tooley	Town of Gawler

3. DISCLOSURE OF CONFLICTS

Declaration of the following;

Conflicts of Interest

That all members of the Board declare that they have read and considered all papers circulated within this agenda and had no known conflict of interest of potential conflict of interest with respect to those matters. If a conflict becomes apparent during discussion, then the member will declare at that time.

Chairman declared a perceived conflict in both Item 8.3 and 8.4 and left the meeting for the discussion.

Mr Inat declared a material conflict in Item 7.8 and left the meeting for the discussion.

Cr Koch declared a material conflict in Item 7.8 and left the meeting for the discussion.

Confidentiality Statement

That all members of the Board declare that they will keep all matters tabled for discussion at this meeting confidential until it is provided to the meeting in the first instance and subsequently when it is appropriate for matters to be released to the public generally.

4. CONFIRMATION OF THE MINUTES

Moved Mr Inat that the Minutes of the Ordinary Northern Adelaide Waste Management Authority Board Meeting held on Wednesday 27 June 2018 be received, confirmed and adopted

Seconded Mr Green

Carried

Moved Mr Inat that the Minutes of the Ordinary Northern Adelaide Waste Management Authority Audit Committee held on Monday 3 September 2018 be received and noted

Seconded Mr Green

Carried

RECORD OF CIRCULAR RESOLUTIONS

Moved Mr Inat that the Circular Resolutions of the Board dated Monday 9 July 2018 and as attached be received and noted

Seconded Mr Green

Carried

5. MATTERS ARISING FROM THE MINUTES

5.1 Resolutions Register – Infocouncil Proposal (verbal update)

CEO provided a verbal update on the negotiations progressing with the Infocouncil program and the implementation costs. Further updates will be provided to the Board at the next meeting.

6. QUESTIONS WITHOUT NOTICE

Nil.

7. NAWMA MANAGEMENT AND ADMINISTRATION REPORT

Reports for Decision

7.1 FY18 Draft Financial Statements (including Balance Date Audit Report)

Moved Cr Balaza that:

1. The Audited Model Financial Statements 2017-18 and HLB Mann Judd Audit Report be received and approved by the NAWMA Board,
2. The Board give approval for the Independent Chairman and CEO to sign the Audited Model Financial Statements, and the Management Response letter to HLB Mann Judd, and
3. The Board give approval for the Audited Model Financial Statements to be distributed to Member Councils

Seconded Cr Woodman

Carried

7.2 2017/2018 Draft Annual Report

Moved Cr Halls that the Report, with minor amendments, is received and noted and the draft 2017/2018 Annual Report is endorsed for publication and distribution

Seconded Cr Balaza

Carried

7.3 Draft NAWMA Strategy 2018-2025

1. Moved Mr Green that the Board endorse and adopt the NAWMA Strategy 2018-2025, and receive and note the Startup Communications Action Plan

Seconded Cr Balaza

Carried

2. Moved Cr Balaza that the Northern Adelaide Waste Management Authority Board recommend that pursuant to Section 90(2) and (3) of the Local Government Act 1999, the Northern Adelaide Waste Management Authority Board orders that the public, excluding the Northern Adelaide Waste Management Authority staff present,

be excluded from the meeting on the basis that the Northern Adelaide Waste Management Authority Board receive, discuss and consider:

(d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –

(i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party;

And

(ii) would, on balance, be contrary to public interest;

And the Northern Adelaide Waste Management Authority Board is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

Seconded Cr Halls

Carried

3. Moved Cr Balaza that the Board receive and note the confidential Technical appendix

Seconded Cr Woodman

Carried

4. Moved Cr Balaza that under Section 91(7) and (9) of the Local Government Act 1999 the Northern Adelaide Waste Management Authority Board orders that the report, attachment(s) and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed

Seconded Cr Woodman

Carried

5. Moved Cr Balaza that the Meeting move out of confidence

Seconded Mr Green

Carried

7.4 Audit Committee Nominations

Moved Cr Balaza that the Report is received and noted and deferred to the next meeting of the Board

Seconded Mr Green

Carried

7.5 Draft Privacy Policy

Moved Cr Balaza that the Draft Privacy Policy is endorsed by the Board and adopted for organisational implementation

Seconded Cr Woodman

Carried

7.6 CEO Performance Development and Review Committee Report

1. Moved Cr Woodman that the Northern Adelaide Waste Management Authority Board recommend that pursuant to Section 90(2) and (3) of the Local Government Act 1999, the Northern Adelaide Waste Management Authority Board orders that the public, excluding the Northern Adelaide Waste Management Authority staff present, be excluded from the meeting on the basis that the Northern Adelaide Waste Management Authority Board receive, discuss and consider:

(a) Information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead);

And the Northern Adelaide Waste Management Authority Board is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

Seconded Cr Balaza

Carried

Confidential Resolutions removed

2. Moved Cr Woodman that under Section 91(7) and (9) of the Local Government Act 1999 the Northern Adelaide Waste Management Authority Board orders that the report, attachment(s), resolution and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed

Seconded Cr Halls

Carried

3. Moved Cr Woodman that the Meeting move out of confidence

Seconded Cr Koch

Carried

7.7 Prudential Review

1. Moved Cr Balaza that the Northern Adelaide Waste Management Authority Board recommend that pursuant to Section 90(2) and (3) of the Local Government Act 1999, the Northern Adelaide Waste Management Authority Board orders that the public, excluding the Northern Adelaide Waste Management authority staff present, be excluded from the meeting on the basis that the Northern Adelaide Waste Management Authority Board receive, discuss and consider:

(d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –

(i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party;

And

(ii) would, on balance, be contrary to public interest;

And the Northern Adelaide Waste Management Authority Board is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

Seconded Cr Halls

Carried

Confidential Resolution removed

2. Moved Mr Inat that under Section 91(7) and (9) of the Local Government Act 1999 the Northern Adelaide Waste Management Authority Board orders that the report, attachment(s), resolution and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed

Seconded Mr Mansueto

Carried

3. Moved Cr Balaza that the Meeting move out of confidence

Seconded Cr Woodman

Carried

Mr Inat and Cr Koch left the meeting at 5.46pm

7.8 Landfill Road Maintenance

1. Moved Cr Balaza that the Board receives and notes the letter from City of Playford with regard to the maintenance of the landfill access road and thanks City of Playford for their offer to undertake further road repairs in the short term to the section of road between Main North and Bentley Roads and for maintenance work completed by Council in the past over the full road length

Seconded Mr Green

Carried

2. Moved Cr Balaza that the Report is received and noted and deferred to the next meeting of the Board pending road maintenance quotations and financial and liability implication reports

Seconded Mr Green

Carried

*Mr Inat and Cr Koch returned to the meeting at 5.59pm
Cr Balaza left the meeting at 5.59pm and did not return*

7.9 External IT Audit Report

Moved Cr Woodman that the Board support the development of an IT Strategy to be reviewed at future Board meetings

Seconded Cr Halls

Carried

Reports for Information

7.10 Operational Report – Collections and Transfer Stations

Moved Mr Inat that the Report is received and noted

Seconded Cr Koch

Carried

7.11 Operations Report – Recycling and Resource Recovery

1. Moved Cr Woodman that the Northern Adelaide Waste Management Authority Board recommend that pursuant to Section 90(2) and (3) of the Local Government Act 1999, the Northern Adelaide Waste Management Authority Board orders that the public, excluding the Northern Adelaide Waste Management authority staff present, be excluded from the meeting on the basis that the Northern Adelaide Waste Management Authority Board receive, discuss and consider:

(d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –

- (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party;

And

- (ii) would, on balance, be contrary to public interest;

And the Northern Adelaide Waste Management Authority Board is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

Seconded Mr Inat

Carried

2. Moved Mr Mansueto that the Report is received and noted

Seconded Cr Woodman

Carried

3. Moved Cr Halls that under Section 91(7) and (9) of the Local Government Act 1999 the Northern Adelaide Waste Management Authority Board orders that the report, attachment(s) and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed

Seconded Cr Woodman

Carried

4. Moved Mr Mansueto that the Meeting move out of confidence

Seconded Cr Koch

Carried

7.12 Operational Report – Waste Management, Processing and Disposal

Moved Mr Inat that the Report is received and noted and that the Balefill Management Consultative Committee (BMCC) Minutes from the meeting held 6 August 2018 and Amended Minutes from the meeting held 4 June 2018 be received and noted

Seconded Cr Halls

Carried

- 7.13 WHS Steering Committee Minutes (latest)**
Moved Mr Inat that the Report is received and noted
Seconded Mr Green **Carried**

8. OTHER BUSINESS

- 8.1 Financial Anomalies**
Moved Cr Woodman that the Report is received and noted
Seconded Mr Green **Carried**

- 8.2 Board Membership**
Moved Mr Inat that the scheduled November 2018 Board Meeting be postponed until such time as a quorum is available for the meeting when a new Board composition has been elected post Local Government Elections
Seconded Mr Green **Carried**

Chairman left the meeting at 6.19pm

In the absence of the Chair and Deputy Chair, Mr Inat assumed the role of proxy Chair for Items 8.3 and 8.4

8.3 SA Waste Authorities Memorandum of Understanding

1. Moved Mr Mansueto that the Northern Adelaide Waste Management Authority Board recommend that pursuant to Section 90(2) and (3) of the Local Government Act 1999, the Northern Adelaide Waste Management Authority Board orders that the public, excluding the Northern Adelaide Waste Management authority staff present, be excluded from the meeting on the basis that the Northern Adelaide Waste Management Authority Board receive, discuss and consider:

(d) commercial information of a confidential nature (not being a trade secret) the disclosure of which –

- (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party;

And

- (ii) would, on balance, be contrary to public interest;

And the Northern Adelaide Waste Management Authority Board is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

Seconded Mr Green **Carried**

Confidential Resolution removed

2. Moved Cr Woodman that under Section 91(7) and (9) of the Local Government Act 1999 the Northern Adelaide Waste Management Authority Board orders that the report, attachment(s), resolution and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed

Seconded Mr Mansueto **Carried**

3. Moved Cr Halls that the Meeting move out of confidence
Seconded Mr Green **Carried**

8.4 Local Government Perspective Thought Piece

1. Moved Cr Woodman that the Northern Adelaide Waste Management Authority Board recommend that pursuant to Section 90(2) and (3) of the Local Government Act 1999, the Northern Adelaide Waste Management Authority Board orders that

the public, excluding the Northern Adelaide Waste Management authority staff present, be excluded from the meeting on the basis that the Northern Adelaide Waste Management Authority Board receive, discuss and consider:

(e) commercial information of a confidential nature (not being a trade secret) the disclosure of which –

(iii) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party;

And

(iv) would, on balance, be contrary to public interest;

And the Northern Adelaide Waste Management Authority Board is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/consideration of the information confidential.

Seconded Mr Green

Carried

2. Moved Cr Koch that the Report is received and noted, and that NAWMA Chief Executive Officer provide regular updates to the Board

Seconded Mr Green

Carried

3. Moved Cr Woodman that under Section 91(7) and (9) of the Local Government Act 1999 the Northern Adelaide Waste Management Authority Board orders that the report, attachment(s) and discussion be kept confidential for a period not exceeding 12 months, after which time the order will be reviewed

Seconded Mr Mansueto

Carried

4. Moved Mr Mansueto that the Meeting move out of confidence

Seconded Cr Koch

Carried

Chairman returned to the meeting at 6.30pm

8.5 Suez overview and presentation

This Item has been deferred to a future meeting of the Board

8.6 Departure of Processing and Disposal Manager

Moved Mr Green that the Board thank Mr David Diprose for his many years of terrific service to NAWMA and wish him all the best for his future endeavours

Seconded Cr Koch

Carried

9. NEXT MEETING OF THE BOARD

The next meeting of the Board is to be confirmed

10. CLOSURE OF THE MEETING

The meeting closed at 6.34pm



**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE
OF NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY**

held on Monday 12 November 2018 at Brian Cunningham's Boardroom, 1101/147 Pirie Street,
Adelaide

WELCOME

Meeting opened at 8.30am

1. PRESENT

Mr Peter Brass	Independent Chairperson
Mr Mark McAllister	Committee Member
Mr Mark Labaz	Committee Member
Mr Brian Cunningham	Ex-Officio Member

IN ATTENDANCE

Mr Adam Faulkner	Chief Executive Officer
Mr Andreas Konrad	Finance and Corporate Performance Manager
Ms Amy Quintrell	Executive Assistant

2. APOLOGIES

Nil

3. DISCLOSURE OF CONFLICTS

Declaration of the following;

Conflicts of Interest

That all members of the Audit Committee declare that they have read and considered all papers circulated within this agenda and had no known conflict of interest of potential conflict of interest with respect to those matters. If a conflict becomes apparent during discussion, then the member will declare at that time.

Confidentiality Statement

That all members of the Audit Committee declare that they will keep all matters tabled for discussion at this meeting confidential until it is provided to the meeting in the first instance and subsequently when it is appropriate for matters to be released to the public generally.

4. CONFIRMATION OF THE MINUTES

Moved Mr McAllister that the Minutes of the Northern Adelaide Waste Management Authority Audit Committee Meeting held on Monday 3 September 2018 be received, confirmed and adopted

Seconded Mr Labaz

Carried

RECORD OF CIRCULAR RESOLUTION

Moved Mr McAllister that the Circular Resolution of the Northern Adelaide Waste Management Authority Audit Committee dated Friday 7 September 2018 be received and noted

Seconded Mr Labaz

Carried

5. BUSINESS ARISING

Nil

6. WORK PROGRAM

6.1 Work Program

Moved Mr Labaz that the Report is received and noted
Seconded Mr McAllister

Carried

7. GENERAL BUSINESS

7.1 18/19 Budget Review One (1)

Moved Mr McAllister that the Report is received and noted and the Committee endorses the 18/19 Budget Review One (1) to the Board for adoption
Seconded Mr Labaz

Carried

7.2 Draft Treasury Management Policy

Moved Mr McAllister that the Audit Committee input and commentary provided to the DRAFT Treasury Management Policy be used to further shape the Policy for consultation at the next meeting of the Committee
Seconded Mr Labaz

Carried

7.3 NAWMA 2018-2025 Strategy

Moved Mr Labaz that the Report is received and noted
Seconded Mr McAllister

Carried

7.4 Financial Delegations Update

Moved Mr Labaz that the Report is received and noted and the Financial Delegations as updated with recommended changes is endorsed to the Board for adoption
Seconded Mr McAllister

Carried

8. OTHER BUSINESS

8.1 Draft 2019 Meeting Schedule

Moved Mr McAllister that the Report is received and noted and the Committee endorses the proposed dates of the 2019 Audit Committee Meetings
Seconded Mr Labaz

Carried

8.2 FY17/18 Audit Committee Self-Assessment

Moved Mr Labaz that the Report is received and noted and the Terms of Reference review be completed at the first meeting of the full NAWMA Audit Committee in 2019
Seconded Mr McAllister

Carried

8.3 18/19 Annual Report

Moved Mr Labaz that the Report is received and noted
Seconded Mr McAllister

Carried

8.4 Green Industries SA (GISA) Infrastructure Grant Application(s)

The CEO provided a verbal update on the status of GISA Infrastructure Grant applications

Mr Cunningham left the meeting at 9.23am

8.5 Upcoming Tender Opportunities

The CEO provided a verbal update on two (2) upcoming tender opportunities

9. NEXT MEETING OF THE AUDIT COMMITTEE

The next meeting of the Audit Committee to be held on Thursday 28 February 2019 at 5.00pm at NAWMA Administration Offices, 71-75 Woomera Avenue, Edinburgh Park. This meeting is a joint meeting of the NAWMA Board and Audit Committee.

10.CLOSURE OF MEETING

The meeting closed at 9.27am



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Agenda Item 7.1

REPORT SUBJECT:	2018/2019 Budget Review One (1)
REPORT AUTHOR:	Finance and Corporate Performance Manager
MEETING DATE:	28 February 2019
INFORMATION TYPE:	Decision making Report (governance, finance)
ATTACHMENTS:	7.1.1 18/19 Budget Review One (1) Summary 7.1.2 18/19 Budget Review One (1) by Business Unit 7.1.3 18/19 Budget Review One (1) KPIs 7.1.4 18/19 YTD KPIs 7.1.5 18/19 Budget Review One (1) Statutory Financial Statements

Purpose of the Report

To provide the Board with a revised 2018/19 budget.

Background

NAWMA must reconsider its Budget between 30 September and 31 May (inclusive) in each Budget Year as required by the Local Government (Financial Management) Regulations 2011 and reinforced in the Authority Charter.

Report

The Financial Statements and KPI reports for the period are attached.

Overall income has increased from budget, mainly in the areas of:

- MRF – increase in revenue due to a temporary increase in tonnage throughput
- Corporate – grant funding revenue from the baler project
- Kerbside – increased MGB activity \$100k, in addition to Constituent Council Town of Gawler opting to commence a hard-waste service (revenue/cost neutral)

Please note, Organics activity (both income and expense) has been amalgamated into the Kerbside and Waste business units in actuals. This is an administrative treatment of the financials and not material.

Operating expenditure is forecast to increase in the areas of:

- MRF – additional expenditure due to uplift in tonnage throughput
- Kerbside – offset expenditure for MGB's and forward service for Town of Gawler (hard waste trial).

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In regards to Capital investment, one large item has been deferred into future budgets, being the \$1.15M Baler for the Waste Processing Facility. NAWMA Management have reviewed the repair and maintenance model for the baler, and after moving to an internalised maintenance team and model, the upkeep costs of the baler are now manageable and reasonable. This has extended the operating life of the baler, and deferred the replacement decision and associated capital expenditure.

Overall the Operating Budget Result for NAWMA has been revised up slightly from the previously adopted budget figure of \$10,881 surplus, to now show a surplus of \$56,691. A conservative approach has been used to reflect recent movements in the Recyclables finished goods market. NAWMA Management continue to work to ensure possible efficiencies are explored. Changes which have been put in place (such as headcount savings in the Landfill and Research Rd RRC) have been included in this Budget Review, others which are still in the planning stages will be included in future Budget Reviews.

Budget Review One was reviewed and endorsed by the NAWMA Audit Committee at the 12 November 2018 Audit Committee Meeting.

RECOMMENDATION

That the 2018/2019 Budget Review One (1) Financial Statements and Ratio Analysis be received and adopted.

BUDGET REVIEW 1 SUMMARY 2018/19

	Kerbside	Waste	Recycling	Organics	Transfer Stations	Corporate	Total
Income							
Kerbside Collections	\$8,012,623	\$0	\$0	\$0	\$0	\$0	\$8,012,623
Waste Processing & Disposal	\$0	\$5,366,624	\$736,667	\$0	\$0	\$0	\$6,103,290
Hardwaste	\$780,865	\$0	\$0	\$0	\$0	\$0	\$780,865
State Waste Levy	\$0	\$8,227,477	\$0	\$0	\$0	\$0	\$8,227,477
Corporate	\$0	\$0	\$0	\$0	\$0	\$2,298,000	\$2,298,000
Transfer Station Sales	\$0	\$0	\$0	\$0	\$3,207,422	\$0	\$3,207,422
Recycling Sales	\$0	\$0	\$3,885,033	\$0	\$0	\$0	\$3,885,033
MGB	\$420,082	\$0	\$0	\$0	\$0	\$0	\$420,082
Total Operating Income	\$9,213,570	\$13,594,101	\$4,621,700	\$0	\$3,207,422	\$2,298,000	\$32,934,793
Total Operating Expenses	\$9,097,859	\$12,706,965	\$4,598,492	\$0	\$2,954,175	\$2,076,286	\$31,433,777
Net Operating Profit/Loss	\$115,711	\$887,135	\$23,208	\$0	\$253,247	\$221,714	\$1,501,016
Depreciation	\$0	\$262,797	\$563,884	\$0	\$26,180	\$19,245	\$872,106
Amortisation	\$0	\$518,218	\$0	\$0	\$0	\$0	\$518,218
Landfill Expense Provision	\$0	\$54,000	\$0	\$0	\$0	\$0	\$54,000
Impairment Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Profit/(Loss)	\$115,711	\$52,121	-\$540,676	\$0	\$227,067	\$202,468	\$56,691

Individual Business Unit Budget Performance		
2018 - 2019 BR1		
Kerbside		
Operating Income		
Kerbside Collections		
Member Waste	\$8,012,623	
Member Recycling		
Member FOGO		
Total Kerbside Collection Income		\$8,012,623
Hardwaste		
Hardwaste Salisbury	\$445,093	
Hardwaste Playford	\$305,772	
Hardwaste Gawler	\$30,000	
Total Hardwaste Income		\$780,865
MGB's	\$420,082	
Total MGB Income		\$420,082
Total Operating Income		\$9,213,570
Operating Expenditure		
Kerbside Collections		
Member Waste	\$7,902,574	
Member Recycling		
Member FOGO		
Total Kerbside Collection Income		\$7,902,574
Hardwaste		
Hardwaste Salisbury	\$441,372	
Hardwaste Playford	\$302,965	
Hardwaste Gawler	\$30,000	
Total Hardwaste Income		\$774,337
MGB's	\$420,949	
MGB's Expense		\$420,949
Total Operating Expenditure		\$9,097,859
Gross Operating Profit / (Loss)		\$115,711
Depreciation		
Amortisation		
Rehabilitation Provisions		
Impairment Of Assets		
Net Operating Profit / (Loss)		\$115,711

Individual Business Unit Budget Performance

2018 - 2019 BR1

Waste

Operating Income

Waste Processing and Disposal

Member Waste	\$3,152,352
Member\Non Member Recycling	\$571,780
Commercial	\$1,642,492

Total Waste Processing Income	<u>\$5,366,624</u>
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Hardwaste Processing

Hardwaste Salisbury	
Hardwaste Playford	

Total Hardwaste Income	<u>-</u>
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State Waste Levy

Member Levy	\$5,555,557
Commercial	\$1,383,920
MRF Levy	\$1,288,000

Total State Waste Levy Income	<u>\$8,227,477</u>
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Total Operating Income	<u>\$13,594,101</u>
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Operating Expenditure

Hardwaste

Hardwaste Salisbury	
Hardwaste Playford	

Total Hardwaste Income	<u>-</u>
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State Waste Levy

Member Levy	\$5,555,557
Commercial	\$1,383,920
MRF Levy	\$1,288,000

Total State Waste Levy	<u>\$8,227,477</u>
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Production

Employee Costs	\$379,538
Administration & Promotion	\$74,739
Operating Costs	\$3,863,952
Work, Health & Safety	\$32,789
Fees, Charges & Taxes	
Finance Costs	\$128,470

Total Production Expenditure	<u>\$4,479,488</u>
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Total Operating Expenditure	<u>\$12,706,965</u>
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Gross Operating Profit / (Loss)	<u>\$887,135</u>
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Depreciation	\$262,797
Amortisation	\$518,218
Rehabilitation Provisions	\$54,000
Impairment Of Assets	-

Net Operating Profit / (Loss)	<u>\$52,121</u>
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Individual Business Unit Budget Performance

2018 - 2019 BR1

Recycling

Operating Income

Waste Processing and Disposal

Member Waste

Total Waste Processing Income

-

Recyclable Materials Sales

MRF Sales

\$3,885,033

Total Recyclable Materials Sales

\$3,885,033

Fees & Charges Income

MRF Sort Fees

\$736,667

Total Fees and Charges Income

\$736,667

Total Operating Income

\$4,621,700

Operating Expenditure

State Waste Levy

\$147,000

Total State Waste Levy

\$147,000

Production

Employee Costs

\$673,127

Operating Costs

\$3,480,401

Work, Health & Safety

\$24,860

Fees, Charges & Taxes

\$12,500

Finance Costs

\$260,604

Total Production Expenditure

\$4,451,492

Total Operating Expenditure

\$4,598,492

Gross Operating Profit / (Loss)

\$23,208

Depreciation

\$563,884

Amortisation

-

Rehabilitation Provisions

-

Impairment Of Assets

-

Net Operating Profit / (Loss)

(\$540,676)

Individual Business Unit Budget Performance

2018 - 2019 BR1

Organics

Included in Kerbside\Waste

Operating Income

 FOGO Processing and Disposal

 Member Waste

 Total FOGO Processing Income

_____ -

_____ -

Total Operating Income

_____ -

Operating Expenditure

 FOGO Processing and Disposal

 Total FOGO Processing Expenditure

_____ -

_____ -

Total Operating Expenditure

_____ -

Gross Operating Profit / (Loss)

_____ -

 Depreciation

-

 Amortisation

-

 Rehabilitation Provisions

-

 Impairment Of Assets

-

Net Operating Profit / (Loss)

_____ -

Individual Business Unit Budget Performance

2018 - 2019 BR1

Transfer Station

Operating Income

Transfer Station Gate Fees

Transfer Station Gate Fees \$3,207,422

Total Waste Processing Income \$3,207,422

Total Operating Income \$3,207,422

Operating Expenditure

Waste Disposal

\$172,356

Total Waste Disposal Expenditure \$172,356

Production

Employee Costs \$430,789

Operating Costs \$2,299,804

Work, Health & Safety \$20,413

Fees, Charges & Taxes \$21,813

Finance Costs \$9,000

Total Production Expenditure \$2,781,818

Total Operating Expenditure \$2,954,175

Gross Operating Profit / (Loss) \$253,247

Depreciation \$26,180

Amortisation -

Rehabilitation Provisions -

Impairment Of Assets -

Net Operating Profit / (Loss) \$227,067

Individual Business Unit Budget Performance

2018 - 2019 BR1

Corporate

Operating Income

Administration Income

Member Administration Fees	\$1,708,000
Grant Income	\$250,000
Interest on Deposits	
Promotions Income	\$100,000
Lease and Other Income	\$240,000

Total Administration Income	<u>\$2,298,000</u>
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Total Operating Income	<u>\$2,298,000</u>
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Operating Expenditure

Administration Expenditure

Hardwaste Administration	
Employee Costs	\$1,066,516
Administration & Promotions	\$967,771
Work, Health & Safety	\$3,500
Fees, Charges & Taxes	\$35,000
Finance Costs	\$3,499

Total Administration Expenditure	<u>\$2,076,286</u>
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Total Operating Expenditure	<u>\$2,076,286</u>
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Gross Operating Profit / (Loss)	<u>\$221,714</u>
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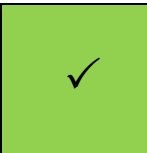


Depreciation	\$19,245
Amortisation	-
Rehabilitation Provisions	-
Impairment Of Assets	-

Net Operating Profit / (Loss)	<u>\$202,468</u>
--------------------------------------	-------------------------

Financial Ratio Analysis for the Period 1 July 2018 - 30 June 2019

Result	Description	Board accepted Range	Within
Net Financial Liabilities Ratio			
4%	Provides a measure of the Authority's ability to generate sufficient revenues from its operating activities to meet its financial obligations.	< 80%	✓
Net Landfill Liabilities Ratio			
146%	Provides a guide as to the level of cash reserves held to fund landfill liabilities at a point in time.	> 100%	✓
Interest Cover Ratio			
1.2%	Ratio used to determine how easily the Authority can pay interest on outstanding debt.	< 5%	✓
Quick Ratio			
1.12	Provides an indication of the ability of the Authority to pay back its short term liabilities. A higher ratio indicates a greater ability to meet short term debt.	> 1:1	✓
Landfill Compaction Rate			
0.85	Compare the planned versus actual compaction rate achieved to ensure rate of landfill airspace consumption is measured accurately. Tolerable variance of 2.5% applied to overall compaction rate. Rate applicable as from 30 June 2017 based on last aerial survey. Historic compaction since 2005 is 0.87m ³	0.83 - 0.87 tonnes / m ³	✓
Landfill Tonnage Rate			
85,960	Measure the actual tonnages versus projected tonnages quarterly. Tolerable variance of 5% applied to determine if within projected waste volumes.	79,800 - 88,200 tonnes (July 2017 - June 2018)	✓
Accrued Employee Entitlements			
13.7	Measure the average number of days entitlements held by staff on a quarterly basis. Suggested target is for no more than 20 days on average accrued at any point in time for Annual Leave.	< 20 Days	✓

Financial Ratio Analysis for the Period 1 July 2018 - 30 September 2018

Result	Description	Board accepted Range	Within
Net Financial Liabilities Ratio			
15%	Provides a measure of the Authority's ability to generate sufficient revenues from its operating activities to meet its financial obligations.	< 80%	
Net Landfill Liabilities Ratio			
155%	Provides a guide as to the level of cash reserves held to fund landfill liabilities at a point in time.	> 100%	
Interest Cover Ratio			
1.4%	Ratio used to determine how easily the Authority can pay interest on outstanding debt.	< 5%	
Quick Ratio			
1.35	Provides an indication of the ability of the Authority to pay back its short term liabilities. A higher ratio indicates a greater ability to meet short term debt.	> 1:1	
Landfill Compaction Rate			
0.85	Compare the planned versus actual compaction rate achieved to ensure rate of landfill airspace consumption is measured accurately. Tolerable variance of 2.5% applied to overall compaction rate. Rate applicable as from 30 June 2017 based on last aerial survey. Historic compaction since 2005 is 0.87m ³	0.83 - 0.87 tonnes / m ³	
Landfill Tonnage Rate			
21,980	Measure the actual tonnages versus projected tonnages quarterly. Tolerable variance of 5% applied to determine if within projected waste volumes.	19,950 - 22,050 tonnes (July 2017 - September 2017)	
Accrued Employee Entitlements			
13.7	Measure the average number of days entitlements held by staff on a quarterly basis. Suggested target is for no more than 20 days on average accrued at any point in time for Annual Leave.	< 20 Days	

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
(BUDGETED) UNIFORM PRESENTATION OF FINANCES FOR THE YEAR ENDED 30 JUNE 2019

2017/18 \$000 Actual		2018/19 \$000 ADOPTED BUDGET	2018/19 \$000 BR1
29,288	Operating Revenues	30,208	32,685
(29,537)	less Operating Expenses	(30,198)	(32,878)
(249)	Operating Surplus/(Deficit) before Capital Amounts	10	(193)
	less Net Outlays on Existing Assets		
-	Capital Expenditure on renewal and replacement of Existing Asset:	-	-
(1,345)	less Depreciation, Amortisation, Impairment and movement in Landfill Provisions	(1,649)	(1,444)
<u>0</u>	less Proceeds from Sales of Replaced Assets		
(1,345)		(1,649)	(1,444)
	less Net Outlays on New and Upgraded Assets		
6,075	Capital Expenditure on New and Upgraded Assets	1,896	746
(4,454)	less Amounts received specifically for New and Upgraded Assets	(1,600)	(450)
<u>0</u>	less Proceeds from Sales of Replaced Assets		
1,621		296	296
(525)	Net Lending / (Borrowing) for Financial Year	1,363	955

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
(BUDGETED) STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

2017/18 \$000 Actual		2018/19 \$000 ADOPTED BUDGET	2018/19 \$000 BR1
INCOME			
29,026	User Charges	29,998	32,445
108	Investment Income	20	0
77	Reimbursements	-	-
-	Reduction in Landfill	-	-
131	Other	190	240
29,342	TOTAL OPERATING REVENUE	30,208	32,685
EXPENSES			
2,191	Employee Costs	2,152	2,650
25,524	Materials, Contracts and Other Expenses	25,953	28,382
1,449	Depreciation, Amortisation and Impairment	1,649	1,444
373	Finance Costs	444	402
0	Other Expenses	-	-
29,537	TOTAL EXPENSES	30,198	32,878
(195)	OPERATING SURPLUS / (DEFICIT)	10	(193)
(1)	Net Gain / (Loss) on Disposal of Assets	-	-
115	Amounts received specifically for new/upgraded assets	-	250
(81)	NET SURPLUS / (DEFICIT)	10	57
-	Other Comprehensive Income	-	-
45	Changes in revaluation surplus - infrastructure, property, plant and equipment	-	-
(36)	TOTAL COMPREHENSIVE INCOME	10	57
(36)	NET SURPLUS / (DEFICIT)	10	57

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
(BUDGETED) STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

2017/18 \$000 Actual		2018/19 \$000 ADOPTED BUDGET	2018/19 \$000 BR1
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS			
28,933	Operating Receipts	30,188	32,685
108	Investment Receipts	20	0
PAYMENTS			
(28,338)	Operating Payments to Suppliers and Employees	(28,105)	(31,032)
(323)	Finance Costs	(444)	(402)
380	NET CASH RECEIVED IN OPERATING ACTIVITIES	1,659	1,251
CASH FLOWS FROM INVESTING ACTIVITIES			
RECEIPTS			
115	Amounts specifically for new or upgraded assets	0	250
5	Sale of Surplus Assets	0	-
PAYMENTS			
(6,075)	Expenditure on Renewal / Replacement Assets	0	
(1,018)	Expenditure on New / Upgraded Assets	(1,896)	(746)
(6,973)	NET CASH USED IN INVESTING ACTIVITIES	(1,896)	(496)
CASH FLOWS FROM FINANCING ACTIVITIES			
RECEIPTS			
4,454	Proceeds from Borrowings	1,600	450
PAYMENTS			
(1,082)	Repayment of Borrowings	(1,079)	(1,019)
3,372	NET CASH USED IN FINANCING ACTIVITIES	521	(569)
(3,221)	NET INCREASE (DECREASE) IN CASH HELD	284	186
4,282	CASH AT BEGINNING OF REPORTING PERIOD	3,432	1,061
1,061	CASH AT END OF REPORTING PERIOD	3,716	1,247

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
(BUDGETED) STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2018

2017/18 \$000 Actual		2018/19 \$000 ADOPTED BUDGET	2018/19 \$000 BR1
CURRENT ASSETS			
1,061	Cash and Cash Equivalents	3,716	1,247
49	MRF Inventory	-	49
2,689	Trade and Other Receivables	2,451	2,919
3,799	TOTAL CURRENT ASSETS	6,167	4,214
NON-CURRENT ASSETS			
Financial Assets			
15,567	Infrastructure, Property, Plant and Equipment	14,584	15,441
1,018	Other Non-Current Assets	0	1,072
16,585	TOTAL NON-CURRENT ASSETS	14,584	16,513
20,384	TOTAL ASSETS	20,751	20,727
CURRENT LIABILITIES			
2,271	Trade and Other Payables	1,814	2,365
1,079	Borrowings	1,079	1,192
263	Provisions	366	208
3,613	TOTAL CURRENT LIABILITIES	3,259	3,765
NON-CURRENT LIABILITIES			
Trade and Other Payables			
2,605	Provisions	2,286	2,589
7,415	Borrowings	8,406	7,566
-	Other Non-Current Liabilities	-	-
10,020	TOTAL NON-CURRENT LIABILITIES	10,692	10,155
13,633	TOTAL LIABILITIES	13,951	13,919
6,751	NET ASSETS	6,800	6,808
EQUITY			
6,091	Accumulated Surplus	6,185	6,148
660	Asset Revaluation Reserve	615	660
	Other Reserves		
6,751	TOTAL EQUITY	6,800	6,808

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

(BUDGETED) STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

2017/18 \$000 Actual		2018/19 \$000 ADOPTED BUDGET	2018/19 \$000 BR1
ACCUMULATED SURPLUS			
6,172	Balance at beginning of period	6,175	6,091
(81)	Net Surplus / (Deficit)	10	57
-	- Transfers from reserves	-	-
-	- Transfers to reserves	-	-
-	- Distribution to Councils	-	-
6,091	Balance at end of period	6,185	6,148
ASSET REVALUATION RESERVE			
615	Balance at beginning of period	615	660
	Gain on Revaluation of Infrastructure, Property, Plant and		
45	Equipment	-	-
-	- Transfers from reserve	-	-
660	Balance at end of period	615	660
6,751	TOTAL EQUITY	6,800	6,808

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
(BUDGETED) STATEMENT OF NON OPERATING EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2018

2017/18 \$000 Actual		2018/19 \$000 ADOPTED BUDGET	2018/19 \$000 BR1
	(81) OPERATING ACTIVITIES SURPLUS / (DEFICIT):	10	57
	OTHER INCOME (NON OPERATING):		
4,454	Loan Principal Drawdown	1,600	450
1,116	Depreciation	1,177	872
480	Amortisation	471	518
6,050	TOTAL OTHER INCOME	3,249	1,840
	OTHER EXPENDITURE (NON OPERATING):		
	<i>2017-18 Adopted Budget Capital Items</i>		
310	Woomera Ave Civil Works	-	
59	Office Fit out	-	
	Soundproofing of Viewing Windows		
	Internal office fit out		
	<i>Carryover Capital Items</i>		
663	MRF Plant	-	
4,200	Woomera Ave Property Acquisition	-	
18	Bale Cross-wrap Equipment	-	
	<i>New Capital Proposals</i>		
335	New Weighbridge - Bellchambers	-	
107	Bellchambers Road Upgrade	-	
13	Office Refurbishment/Furniture	20	20
99	Landfill Capping	25	25
48	MRF Sweeper	-	
11	MRF Critical Spares	-	
12	Education Centre	-	
37	Administration ICT Systems	75	75
160	Norske Baler	-	
0	Replacement Baler - Waste Processing	1,150	
0	Research Road Upgrade	450	450
0	Fire Safety MRF & Bellchambers	55	55
0	Landfill Capital Acquisitions	106	106
0	RRC & WPF Bin renewal	15	15
	<i>Loan Repayments</i>		
1,082	Loan Principal Repayments	1,079	1,019
7,157	TOTAL OTHER EXPENDITURE	2,975	1,765
	(1,107) NET SURPLUS / (DEFICIT) NON OPERATING	273	75
	(1,188) CONSOLIDATED BUDGET SURPLUS / (DEFICIT)	283	132



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And our Client Rural and Regional Councils

Agenda Item 7.2

REPORT SUBJECT:	2018/2019 Budget Review Two (2)
REPORT AUTHOR:	Finance and Corporate Performance Manager
MEETING DATE:	28 February 2019
INFORMATION TYPE:	Decision making Report (governance, finance)
ATTACHMENTS:	7.2.1 18/19 Budget Review Two (2) Summary 7.2.2 18/19 Budget Review Two (2) by Business Unit 7.2.3 18/19 Budget Review Two (2) KPIs 7.2.5 18/19 Budget Review Two (2) Statutory Financial Statements

Purpose of the Report

To provide the Board with a revised 2018/19 budget.

Background

NAWMA must reconsider its Budget between 30 September and 31 May (inclusive) in each Budget Year as required by the Local Government (Financial Management) Regulations 2011 and reinforced in the Authority Charter.

Report

The Financial Statements and KPI reports for the period are attached.

Overall income has increased from Budget Review 1, mainly in the area of:

- MRF – increase in revenue due to the additional temporary increase in tonnage continuing through to April/May 2019, due to a delay in the awarding of the formal tender.

Operating expenditure is forecast to increase in the areas of:

- MRF – additional expenditure due to uplift in tonnage throughput
- Waste – reduction in EPA levy due to the diversion of the additional MRF waste offtake from the uplift tonnes (not including Glass Fines) to Cleanaway, which is offset by paying a gate fee at Cleanaway. NAWMA Management have taken the step to divert the additional MRF waste away from our own landfill in order to protect the airspace at Uleybury. A competitive rate has been negotiated with Cleanaway for this interim period.

Capital spend has reduced due to the delay of the Research Road Transfer Station Upgrade Civil works being deferred in 2019/2020. However, the installation of Solar Panels on the MRF has been brought forward to before the end of the year, in order to halve electricity operational costs The solar operating agreement will reduce our peak demand by approximately 50%, saving approximately \$2,400 per month from the MRF operation.

NAWMA

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And our Client Rural and Regional Councils

Overall the Operating Budget Result for NAWMA has been revised up slightly from the previously adopted Budget Review 1 figure of \$56,691 surplus, to now show a surplus of \$89,746. A conservative approach continues to be used to reflect recent movements in the Recyclables finished goods market.

RECOMMENDATION

That the 2018/2019 Budget Review Two (2) Financial Statements and Ratio Analysis be received and adopted.

BUDGET REVIEW 2 SUMMARY 2018/19

	Kerbside	Waste	Recycling	Organics	Transfer Stations	Corporate	Total
Income							
Kerbside Collections	\$8,012,623	\$0	\$0	\$0	\$0	\$0	\$8,012,623
Waste Processing & Disposal	\$0	\$5,423,629	\$1,162,083	\$0	\$0	\$0	\$6,585,713
Hardwaste	\$780,865	\$0	\$0	\$0	\$0	\$0	\$780,865
State Waste Levy	\$0	\$7,857,349	\$0	\$0	\$0	\$0	\$7,857,349
Corporate	\$0	\$0	\$0	\$0	\$0	\$2,296,000	\$2,296,000
Transfer Station Sales	\$0	\$0	\$0	\$0	\$3,207,422	\$0	\$3,207,422
Recycling Sales	\$0	\$0	\$4,042,328	\$0	\$0	\$0	\$4,042,328
MGB	\$420,082	\$0	\$0	\$0	\$0	\$0	\$420,082
Total Operating Income	\$9,213,570	\$13,280,978	\$5,204,411	\$0	\$3,207,422	\$2,296,000	\$33,202,382
Total Operating Expenses	\$9,203,482	\$12,372,465	\$5,071,749	\$0	\$2,937,352	\$2,076,286	\$31,661,334
Net Operating Profit/Loss	\$10,088	\$908,513	\$132,663	\$0	\$270,070	\$219,714	\$1,541,047
Depreciation	\$0	\$262,797	\$563,884	\$0	\$26,180	\$19,245	\$872,106
Amortisation	\$0	\$525,195	\$0	\$0	\$0	\$0	\$525,195
Landfill Expense Provision	\$0	\$54,000	\$0	\$0	\$0	\$0	\$54,000
Impairment Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Profit/(Loss)	\$10,088	\$66,521	-\$431,221	\$0	\$243,890	\$200,468	\$89,746

Individual Business Unit Budget Performance	
2018 - 2019 BR2	
Kerbside	
Operating Income	
Kerbside Collections	
Member Waste	\$8,012,623
Member Recycling	
Member FOGO	
Total Kerbside Collection Income	<u>\$8,012,623</u>
Hardwaste	
Hardwaste Salisbury	\$445,093
Hardwaste Playford	\$305,772
Hardwaste Gawler	\$30,000
Total Hardwaste Income	<u>\$780,865</u>
MGB's	\$420,082
Total MGB Income	<u>\$420,082</u>
Total Operating Income	\$9,213,570
Operating Expenditure	
Kerbside Collections	
Member Waste	\$8,008,197
Member Recycling	
Member FOGO	
Total Kerbside Collection Income	<u>\$8,008,197</u>
Hardwaste	
Hardwaste Salisbury	\$441,372
Hardwaste Playford	\$302,965
Hardwaste Gawler	\$30,000
Total Hardwaste Income	<u>\$774,337</u>
MGB's	\$420,949
MGB's Expense	<u>\$420,949</u>
Total Operating Expenditure	\$9,203,482
Gross Operating Profit / (Loss)	\$10,088
Depreciation	
Amortisation	
Rehabilitation Provisions	
Impairment Of Assets	
Net Operating Profit / (Loss)	\$10,088

Individual Business Unit Budget Performance

2018 - 2019 BR2

Waste

Operating Income

Waste Processing and Disposal

Member Waste	\$3,152,352
Member\Non Member Recycling	\$628,786
Commercial	\$1,642,492

Total Waste Processing Income	<u>\$5,423,629</u>
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Hardwaste Processing

Hardwaste Salisbury	
Hardwaste Playford	

Total Hardwaste Income	<u>-</u>
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State Waste Levy

Member Levy	\$5,603,929
Commercial	\$1,419,548
MRF Levy	\$833,872

Total State Waste Levy Income	<u>\$7,857,349</u>
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Total Operating Income	<u>\$13,280,978</u>
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Operating Expenditure

Hardwaste

Hardwaste Salisbury	
Hardwaste Playford	

Total Hardwaste Income	<u>-</u>
------------------------	----------

State Waste Levy

Member Levy	\$5,603,929
Commercial	\$1,419,548
MRF Levy	\$833,872

Total State Waste Levy	<u>\$7,857,349</u>
------------------------	--------------------

Production

Employee Costs	\$312,338
Administration & Promotion	\$74,739
Operating Costs	\$3,966,780
Work, Health & Safety	\$32,789
Fees, Charges & Taxes	
Finance Costs	\$128,470

Total Production Expenditure	<u>\$4,515,116</u>
------------------------------	--------------------

Total Operating Expenditure	<u>\$12,372,465</u>
------------------------------------	----------------------------

Gross Operating Profit / (Loss)	<u>\$908,513</u>
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Depreciation	\$262,797
Amortisation	\$525,195
Rehabilitation Provisions	\$54,000
Impairment Of Assets	-

Net Operating Profit / (Loss)	<u>\$66,521</u>
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Individual Business Unit Budget Performance		
2018 - 2019 BR2		
Recycling		
Operating Income		
Waste Processing and Disposal		
Member Waste		
Total Waste Processing Income		-
Recyclable Materials Sales		
MRF Sales	\$4,042,328	
Total Recyclable Materials Sales		\$4,042,328
Fees & Charges Income		
MRF Sort Fees	\$1,162,083	
Total Fees and Charges Income		\$1,162,083
Total Operating Income		\$5,204,411
Operating Expenditure		
State Waste Levy		
State Waste Levy	\$189,000	
Total State Waste Levy		\$189,000
Production		
Employee Costs	\$673,127	
Operating Costs	\$3,909,141	
Work, Health & Safety	\$31,477	
Fees, Charges & Taxes	\$8,400	
Finance Costs	\$260,604	
Total Production Expenditure		\$4,882,749
Total Operating Expenditure		\$5,071,749
Gross Operating Profit / (Loss)		\$132,663
Depreciation	\$563,884	
Amortisation	-	
Rehabilitation Provisions	-	
Impairment Of Assets	-	
Net Operating Profit / (Loss)		(\$431,221)

Individual Business Unit Budget Performance

2018 - 2019 BR2

Organics

Included in Kerbside\Waste

Operating Income

FOGO Processing and Disposal

Member Waste

Total FOGO Processing Income

_____ -

_____ -

Total Operating Income

_____ -

Operating Expenditure

FOGO Processing and Disposal

Total FOGO Processing Expenditure

_____ -

_____ -

Total Operating Expenditure

_____ -

Gross Operating Profit / (Loss)

_____ -

Depreciation

-

Amortisation

-

Rehabilitation Provisions

-

Impairment Of Assets

-

_____ -

Net Operating Profit / (Loss)

_____ -

Individual Business Unit Budget Performance

2018 - 2019 BR2

Transfer Station

Operating Income

Transfer Station Gate Fees		
Transfer Station Gate Fees	\$3,207,422	
Total Waste Processing Income		<u>\$3,207,422</u>

Total Operating Income

\$3,207,422

Operating Expenditure

Waste Disposal	\$172,356	
Total Waste Disposal Expenditure		<u>\$172,356</u>

Production

Employee Costs	\$430,789	
Operating Costs	\$2,287,504	
Work, Health & Safety	\$20,413	
Fees, Charges & Taxes	\$21,813	
Finance Costs	\$4,478	
Total Production Expenditure		<u>\$2,764,996</u>

Total Operating Expenditure

\$2,937,352

Gross Operating Profit / (Loss)

\$270,070

Depreciation	\$26,180	
Amortisation	-	
Rehabilitation Provisions	-	
Impairment Of Assets	-	

Net Operating Profit / (Loss)

\$243,890

Individual Business Unit Budget Performance

2018 - 2019 BR2

Corporate

Operating Income

Administration Income

Member Administration Fees	\$1,708,000
Grant Income	\$250,000
Contribution - Salisbury WTF	-
Interest on Deposits	
Promotions Income	\$100,000
Lease and Other Income	\$238,000

Total Administration Income		\$2,296,000
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Total Operating Income

\$2,296,000

Operating Expenditure

Administration Expenditure

Hardwaste Administration	
Employee Costs	\$1,066,516
Administration & Promotions	\$967,771
Work, Health & Safety	\$3,500
Fees, Charges & Taxes	\$35,000
Finance Costs	\$3,499

Total Administration Expenditure		\$2,076,286
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Total Operating Expenditure

\$2,076,286

Gross Operating Profit / (Loss)

\$219,714

Depreciation	\$19,245
Amortisation	-
Rehabilitation Provisions	-
Impairment Of Assets	-

Net Operating Profit / (Loss)

\$200,468

Attachment 7.2.3

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

(BUDGETED) UNIFORM PRESENTATION OF FINANCES FOR THE YEAR ENDED 30 JUNE 2019

2017/18 \$000 Actual		2018/19 \$000 ADOPTED BUDGET	2018/19 \$000 BR1	2018/19 \$000 BR2
29,288	Operating Revenues	30,208	32,685	32,952
<u>(29,537)</u>	less Operating Expenses	<u>(30,198)</u>	<u>(32,878)</u>	<u>(33,113)</u>
(249)	Operating Surplus/(Deficit) before Capital Amounts	10	(193)	(160)
	<i>less Net Outlays on Existing Assets</i>			
-	Capital Expenditure on renewal and replacement of Existing Asset:	-	-	-
<u>(1,345)</u>	<i>less Depreciation, Amortisation, Impairment and movement in Landfill Provisions</i>	<u>1,649</u>	<u>1,444</u>	<u>1,451</u>
<u>0</u>	<i>less Proceeds from Sales of Replaced Assets</i>	<u>0</u>	<u>0</u>	<u>0</u>
(1,345)		1,649	1,444	1,451
	<i>less Net Outlays on New and Upgraded Assets</i>			
6,075	Capital Expenditure on New and Upgraded Assets	<u>(1,896)</u>	<u>(746)</u>	<u>(686)</u>
<u>(4,454)</u>	<i>less Amounts received specifically for New and Upgraded Assets</i>	<u>1,600</u>	<u>450</u>	<u>(99)</u>
<u>0</u>	<i>less Proceeds from Sales of Replaced Assets</i>	<u>0</u>	<u>0</u>	<u>0</u>
1,621		<u>(296)</u>	<u>(296)</u>	<u>(785)</u>
(525)	Net Lending / (Borrowing) for Financial Year	1,363	955	506

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
(BUDGETED) STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

2017/18 \$000 Actual		2018/19 \$000 ADOPTED BUDGET	2018/19 \$000 BR1	2018/19 \$000 BR2
INCOME				
29,026	User Charges	29,998	32,445	32,714
108	Investment Income	20	-	-
77	Reimbursements	-	-	-
-	Reduction in Landfill	-	-	-
131	Other	190	240	238
29,342	TOTAL OPERATING REVENUE	30,208	32,685	32,952
EXPENSES				
2,191	Employee Costs	2,152	2,650	2,583
25,524	Materials, Contracts and Other Expenses	25,953	28,382	28,682
1,449	Depreciation, Amortisation and Impairment	1,649	1,444	1,451
373	Finance Costs	444	402	397
0	Other Expenses	-	-	-
29,537	TOTAL EXPENSES	30,198	32,878	33,113
(195)	OPERATING SURPLUS / (DEFICIT)	10	(193)	(160)
(1)	Net Gain / (Loss) on Disposal of Assets	-	-	-
115	Amounts received specifically for new/upgraded assets	-	250	250
(81)	NET SURPLUS / (DEFICIT)	10	57	90
-	Other Comprehensive Income	-	-	-
45	Changes in revaluation surplus - infrastructure, property, plant and equipment	-	-	-
(36)	TOTAL COMPREHENSIVE INCOME	10	57	90
(36)	NET SURPLUS / (DEFICIT)	10	57	90

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
(BUDGETED) STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

2017/18 \$000 Actual		2018/19 \$000 ADOPTED BUDGET	2018/19 \$000 BR1	2018/19 \$000 BR2
CASH FLOWS FROM OPERATING ACTIVITIES				
RECEIPTS				
28,933	Operating Receipts	30,188	32,685	32,952
108	Investment Receipts	20	-	-
PAYMENTS				
(28,338)	Operating Payments to Suppliers and Employees	(28,105)	(31,032)	(31,344)
(323)	Finance Costs	(444)	(402)	(397)
380	NET CASH RECEIVED IN OPERATING ACTIVITIES	1,659	1,251	1,211
CASH FLOWS FROM INVESTING ACTIVITIES				
RECEIPTS				
115	Amounts specifically for new or upgraded assets	-	250	250
5	Sale of Surplus Assets	-	-	-
PAYMENTS				
(6,075)	Expenditure on Renewal / Replacement Assets	-	-	-
(1,018)	Expenditure on New / Upgraded Assets	(1,896)	(746)	(686)
(6,973)	NET CASH USED IN INVESTING ACTIVITIES	(1,896)	(496)	(436)
CASH FLOWS FROM FINANCING ACTIVITIES				
RECEIPTS				
4,454	Proceeds from Borrowings	1,600	450	99
PAYMENTS				
(1,082)	Repayment of Borrowings	(1,079)	(1,019)	(1,002)
3,372	NET CASH USED IN FINANCING ACTIVITIES	521	(569)	(903)
(3,221)	NET INCREASE (DECREASE) IN CASH HELD	284	186	(128)
4,282	CASH AT BEGINNING OF REPORTING PERIOD	3,432	1,061	1,061
1,061	CASH AT END OF REPORTING PERIOD	3,716	1,247	933

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
(BUDGETED) STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2019

2017/18 \$000 Actual		2018/19 \$000 ADOPTED BUDGET	2018/19 \$000 BR1	2018/19 \$000 BR2
CURRENT ASSETS				
1,061	Cash and Cash Equivalents	3,716	1,247	933
49	MRF Inventory	-	49	49
2,689	Trade and Other Receivables	2,451	2,744	2,689
3,799	TOTAL CURRENT ASSETS	6,167	4,040	3,671
NON-CURRENT ASSETS				
1,018	Financial Assets	-	1,072	1,018
15,567	Infrastructure, Property, Plant and Equipment	14,584	14,869	14,856
16,585	TOTAL NON-CURRENT ASSETS	14,584	15,941	15,874
20,384	TOTAL ASSETS	20,751	19,980	19,545
CURRENT LIABILITIES				
2,271	Trade and Other Payables	1,814	2,451	2,271
1,079	Borrowings	1,079	1,192	1,068
263	Provisions	366	208	183
3,613	TOTAL CURRENT LIABILITIES	3,259	3,851	3,522
NON-CURRENT LIABILITIES				
	Trade and Other Payables			
2,605	Provisions	2,286	2,589	2,659
7,415	Borrowings	8,406	6,733	6,523
-	Other Non-Current Liabilities	-	-	-
10,020	TOTAL NON-CURRENT LIABILITIES	10,692	9,322	9,182
13,633	TOTAL LIABILITIES	13,951	13,173	12,704
6,751	NET ASSETS	6,800	6,808	6,841
EQUITY				
6,091	Accumulated Surplus	6,185	6,148	6,181
660	Asset Revaluation Reserve	615	660	660
-	Other Reserves	-	-	-
6,751	TOTAL EQUITY	6,800	6,808	6,841

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

(BUDGETED) STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

2017/18 \$000 Actual		2018/19 \$000 ADOPTED BUDGET	2018/19 \$000 BR1	2018/19 \$000 BR2
ACCUMULATED SURPLUS				
6,172	Balance at beginning of period	6,175	6,091	6,091
(81)	Net Surplus / (Deficit)	10	57	90
-	Transfers from reserves	-	-	-
-	Transfers to reserves	-	-	-
-	Distribution to Councils	-	-	-
6,091	Balance at end of period	6,185	6,148	6,181
ASSET REVALUATION RESERVE				
615	Balance at beginning of period	615	660	660
45	Gain on Revaluation of Infrastructure, Property, Plant and Equipment	-	-	-
-	Transfers from reserve	-	-	-
660	Balance at end of period	615	660	660
6,751	TOTAL EQUITY	6,800	6,808	6,841

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
(BUDGETED) STATEMENT OF NON OPERATING EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2019

2017/18 \$000 Actual		2018/19 \$000 ADOPTED BUDGET	2018/19 \$000 BR1	2018/19 \$000 BR2
	(81) OPERATING ACTIVITIES SURPLUS / (DEFICIT):	10	57	90
	OTHER INCOME (NON OPERATING):			
4,454	Loan Principal Drawdown	1,600	450	99
1,116	Depreciation	1,177	872	872
480	Amortisation	471	518	525
6,050	TOTAL OTHER INCOME	3,249	1,840	1,496
	OTHER EXPENDITURE (NON OPERATING):			
	<i>2017-18 Adopted Budget Capital Items</i>			
310	Woomera Ave Civil Works	-	-	-
59	Office Fit out	-	-	25
	<i>Carryover Capital Items</i>			
663	MRF Plant	-	-	-
4,200	Woomera Ave Property Acquisition	-	-	-
18	Bale Cross-wrap Equipment	-	-	-
	<i>New Capital Proposals</i>			
	MRF Solar			
335	New Weighbridge - Bellchambers	-	-	99
107	Bellchambers Road Upgrade	-	-	-
13	Office Refurbishment/Furniture	20	20	5
99	Landfill Capping	25	25	80
48	MRF Sweeper	-	-	-
11	MRF Critical Spares	-	-	-
12	Education Centre	-	-	-
37	Administration ICT Systems	75	75	30
160	Norske Baler	-	-	322
0	Replacement Baler - Waste Processing	1,150	-	-
0	Research Road Upgrade	450	450	-
0	Fire Safety MRF & Bellchambers	55	55	-
0	Motor Vehicle (Landfill & Maintenance Vehicle)	-	-	45
0	Landfill Capital Acquisitions	106	106	-
0	RRC & WPF Bin renewal	15	15	-
	<i>Loan Repayments</i>			
1,082	Loan Principal Repayments	1,079	1,019	1,002
7,157	TOTAL OTHER EXPENDITURE	2,975	1,765	1,608
	(1,107) NET SURPLUS / (DEFICIT) NON OPERATING	273	75	(111)
	(1,188) CONSOLIDATED BUDGET SURPLUS / (DEFICIT)	283	132	(22)

Financial Ratio Analysis for the Period 1 July 2018 - 30 June 2019

Result	Description	Board accepted Range	Within
Net Financial Liabilities Ratio			
3%	Provides a measure of the Authority's ability to generate sufficient revenues from its operating activities to meet its financial obligations.	< 80%	✓
Net Landfill Liabilities Ratio			
146%	Provides a guide as to the level of cash reserves held to fund landfill liabilities at a point in time.	> 100%	✓
Interest Cover Ratio			
1.2%	Ratio used to determine how easily the Authority can pay interest on outstanding debt.	< 5%	✓
Quick Ratio			
1.04	Provides an indication of the ability of the Authority to pay back its short term liabilities. A higher ratio indicates a greater ability to meet short term debt.	> 1:1	✓
Landfill Compaction Rate			
0.85	Compare the planned versus actual compaction rate achieved to ensure rate of landfill airspace consumption is measured accurately. Tolerable variance of 2.5% applied to overall compaction rate. Rate applicable as from 30 June 2018 based on last aerial survey. Historic compaction since 2005 is 0.87m ³	0.83 - 0.87 tonnes / m ³	✓
Landfill Tonnage Rate			
81,664	Measure the actual tonnages versus projected tonnages quarterly. Tolerable variance of 5% applied to determine if within projected waste volumes.	79,800 - 88,200 tonnes (July 2017 - June 2018)	✓
Accrued Employee Entitlements			
13.8	Measure the average number of days entitlements held by staff on a quarterly basis. Suggested target is for no more than 20 days on average accrued at any point in time for Annual Leave.	< 20 Days	✓



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Agenda Item 7.3

REPORT SUBJECT:	2019/2020 Draft Budget
REPORT AUTHOR:	Finance and Corporate Performance Manager
MEETING DATE:	28 February 2019
INFORMATION TYPE:	Decision making Report (governance, finance)
ATTACHMENTS:	7.3.1 DRAFT 2019/2020 Business Unit Breakdown 7.3.2 DRAFT 2019/2020 Financial Statements 7.3.3 DRAFT 2019/2020 KPI's 7.3.4 DRAFT Summary 7.3.5 DRAFT Council Summary 7.3.6 DRAFT Council Cost Allocation 7.3.7 DRAFT Organisational Structure

Purpose of the Report

To provide the Board with a first draft 2019/2020 Budget for consideration.

Background

NAWMA must prepare a Draft Budget in accordance with the Charter and Local Government Act.

The Charter specifies;

BUDGETS

The Authority must prepare a budget for each financial year.

The budget must:

deal with each principal activity of the Authority on a separate basis;

be consistent with and account for activities and circumstances referred to in the Authority's business plan;

be submitted in draft form to each Constituent Council for approval before 31 March for the next financial year;

not be adopted by the Board until after 31 May but before 30 September; and

identify the amount of and the reasons for the financial contributions to be made by each Constituent Council to the Authority.

The Authority must provide a copy of its adopted budget to each Constituent Council within 5 business days after adoption by the Board.

The attached Draft Budget is provided for the Board's review and consideration, prior to being distributed to the Constituent Councils by 31 March, for their endorsement by 31 May.

NAWMA

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Report

The attached Draft 2019/2020 Budget has been developed with consideration to the current Business Plan, the waste management strategy, and a series of assumptions, namely;

- Household Waste and Recycling growth between 1% - 1.5%
- Opt-in Kerbside Green Waste bin growth between 2.6%-8.4% (higher take up rates particularly CoP)
- Low fee increase in the kerbside collection fees for Constituent Councils due to low CPI (input into contract rise and fall calculation)
- Increase in the State Government Solid Waste levy of another 3.0% (\$3/tonne to \$103/tonne)
- A combined State Waste Levy increased contribution across the Constituent Councils of **\$191,548**
- Freezing of Administration fees across the 3 Constituent Councils to 2018/2019 levels
- A modest operational result of \$32,534; equating to \$1.98M after taking into account \$1.5M grant funding from State Government and circa \$500k Research Road Transfer Station upgrade contribution from City of Salisbury.
- Capital for MRF improvements to reduce the Waste to Landfill percentage in the forms of a Sorting Robot, a Glass Plant and building extensions, supported by three (3) approved Green Industries SA grants of \$0.5M each. The full waste diversion and operational improvement benefits of these projects will be flow through the budget (in subsequent Budget Reviews) once they are installed and commissioned.
- Continued, but refocused investment in community education targeted at reducing contamination in the recycling bin, and diverting food waste from the re-lidded waste bin
- Capital for the upgrade of Research Road Transfer Station
- Increase in food organics garden organics processing charges due to a predicted continuation of increased participation in the opt-in service
- Increase in Hard Waste charges due to a high take up of 'at call' and 'voucher' based services for City of Salisbury and City of Playford
- Pass through of waste costs to Constituent Councils from a heavily contaminated recyclables stream

When the proposed Constituent Councils Draft 2019/2020 fees are compared with growth projections (which exclude CPI) from the previous two (2) financial years, the proposed draft fees are aligned with the projections (allowing for higher than expected take up in Hard Waste). Cost savings and operational efficiencies have contributed to the containment of expense increases, while the industry has been facing numerous challenges.

City of Salisbury Draft 2019/2020 Fee Allocations

The Draft 2019/2020 Budget proposes a 0.90% increase in NAWMA fees prior to the Hard Waste volume increase. Hard Waste Collections, Vouchers and tonnages have seen a significant increase through the current period, with this being used as an indication for the 2019/2020 year. After considering a significant modelled increase in hard waste costs, the total proposed fee increase for City of Salisbury is 3.19%.

City of Playford Draft 2019/2020 Fee Allocations

The Draft 2019/2020 Budget proposes a 3.18% fee increase prior to the Hard Waste volume increase. Hard Waste Collections, Vouchers and tonnages have seen a significant increase through the current period, with this being used as an indication for the 2019/2020 year. The total fee increase is represented by \$283,000 over the adopted 2018/2019 Budget, including a \$60,000 increase in Hard Waste, leaving a residual increase of \$223,000 (of which \$68k is due to the \$3/tonne Solid Waste Levy uplift) across a \$7.8M budget. Much of the cost driver for the remainder fee increase is expected uplift in food and garden organics (FOGO) service (and processing) \$114,000 (8.4% take up growth), and costs associated with Domestic Waste (Collections \$60,000 and Bin distribution, replacement and repairs \$25,000). Once the hard waste costs are factored in, NAWMA is proposing a 3.78% increase against the adopted 18/19 Budget.

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Town of Gawler Draft 2019/2020 Fee Allocations

The Draft 2019/2020 Budget proposes a 1.28% fee increase. Increases over the adopted 2018/2019 Budget is a 3.0% increase in the State Government Solid Waste Levy, a projected growth rate of 1.5%, and an anticipated uplift in the amount of food and garden organics collected through the opt-in FOGO household collection service (4.5%), partially offset by a reduction in Waste Disposal volumes.

NAWMA's Administration will continue to seek out methods to reduce costs of operations to lessen the impact on Constituent Councils. Any improvements from continued focussed effort on community education, and a return of the recycled paper commodity market will improve the budget position at the Budget Reviews throughout the financial year.

Future Landfill Works

Please note, while they have not been included in the 2019/2020 Budget, there are two (2) significant Landfill projects under review that may be brought forward into the 2019/2020 Budget year. Once the costing and timing for these are clarified (including a full cost benefit and preliminary airspace design), and if required in the 2019/2020 year, they will be included in future Budget Reviews. If not, they will be included in the 2020/2021 Budget.

KPI's

Please note, the KPI's are currently under review and changes in this report will be brought to future Audit Committee and Board meetings for approval.

The Board are referred to the attached Draft 2019/2020 Budget in the form of;

1. Draft 2019/2020 Budget Summary by Business Unit
2. Draft 2019/2020 Model Financial Statements
3. Draft 2019/2020 KPI's
4. Draft 2019/2020 Summary
5. Draft 2019/2020 Council Summary
6. Draft Breakdown of Cost Allocations to Individual Constituent Councils 2019/2020

Subject to endorsement from the Board, the Draft 2019/2020 Budget will be forwarded to Constituent Councils for review. NAWMA's Management Team will make presentations to each Constituent Council elected body on the Draft 2019/2020 Budget.

Once endorsed by the Board and Constituent Councils, the Final 2019/2020 Budget will become the baseline year in the Long-Term Financial Plan to be tabled at the next Board meeting.

An updated Organisational Structure chart has been developed in line with the Draft Budget to allow roles, responsibilities and resourcing to deliver the Budget works and programs.

RECOMMENDATION

That the DRAFT 2019/2020 NAWMA Budget be endorsed to Constituent Councils for their respective review and endorsement prior to 31 May 2019,

And;

The DRAFT Organisational Structure be adopted.

Individual Business Unit Budget Performance		
DRAFT 2019 - 2020 BUDGET		
Kerbside		
Operating Income		
Kerbside Collections		
Member Waste	\$4,066,030	
Member Recycling	\$2,116,569	
Member FOGO	\$1,636,104	
Total Kerbside Collection Income		\$7,818,704
Hardwaste		
Hardwaste Salisbury	\$137,737	
Hardwaste Playford	\$169,945	
Hardwaste Gawler	-	
Total Hardwaste Income		\$307,682
MGB's	\$406,065	
Total MGB Income		\$406,065
Total Operating Income		\$8,532,451
Operating Expenditure		
Kerbside Collections		
Member Waste	\$4,066,030	
Member Recycling	\$2,116,569	
Member FOGO	\$1,636,104	
Total Kerbside Collection Income		\$7,818,704
Hardwaste		
Hardwaste Salisbury	\$137,737	
Hardwaste Playford	\$169,945	
Hardwaste Gawler	-	
Total Hardwaste Income		\$307,682
MGB's	\$406,065	
MGB's Expense		\$406,065
Production		
Employee Costs	\$76,271	
Total Production Expenditure		\$76,271
Total Operating Expenditure		\$8,608,722
Gross Operating Profit / (Loss)		(\$76,271)
Depreciation		-
Amortisation		-
Rehabilitation Provisions		-
Impairment Of Assets		-
Net Operating Profit / (Loss)		(\$76,271)

Individual Business Unit Budget Performance

DRAFT 2019 - 2020 BUDGET

Waste

Operating Income

Waste Processing and Disposal

Member Waste	\$3,016,947
Member\Non Member Recycling	\$277,020
Commercial	\$2,008,921

Total Waste Processing Income	\$5,302,887
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Hardwaste Processing

Hardwaste Salisbury	\$118,414
Hardwaste Playford	\$146,104

Total Hardwaste Income	\$264,518
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State Waste Levy

Member Levy	\$5,754,546
Commercial	\$1,421,011
MRF Levy	\$821,940

Total State Waste Levy Income	\$7,997,497
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Other income

Building Lease income	\$187,330
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Total Waste Income	\$187,330
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Total Operating Income

\$13,752,232

Operating Expenditure

Waste Processing and Disposal

Commercial	\$313,338
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Total Waste Processing and Disposal expenditure	\$313,338
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Hardwaste

Hardwaste Salisbury	\$118,414
Hardwaste Playford	\$146,104

Total Hardwaste Expenditure	\$264,518
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State Waste Levy

Member Levy	\$5,754,546
Commercial	\$1,421,011
MRF Levy	\$821,940

Total State Waste Levy	\$7,997,497
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Production

Employee Costs	\$276,540
Administration & Promotion	\$29,000
Operating Costs	\$2,848,373
Work, Health & Safety	\$18,000
Fees, Charges & Taxes	\$287,573
Finance Costs	\$95,248

Total Production Expenditure	\$3,554,734
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Total Operating Expenditure

\$12,130,087

Gross Operating Profit / (Loss)

\$1,622,145

Depreciation	\$271,800
Amortisation	\$529,366
Rehabilitation Provisions	\$55,010

Net Operating Profit / (Loss)

\$765,968

Individual Business Unit Budget Performance

DRAFT 2019 - 2020 BUDGET

Recycling

Operating Income

Waste Processing and Disposal

Member Waste \$72,991

Total Waste Processing Income **\$72,991**

Recyclable Materials Sales

MRF Sales \$2,825,124

Total Recyclable Materials Sales **\$2,825,124**

Fees & Charges Income

MRF Sort Fees \$300,330

Non Member State Waste Levy \$194,670

Total Fees and Charges Income **\$495,000**

Total Operating Income

\$3,393,115

Operating Expenditure

State Waste Levy \$194,670

Total State Waste Levy **\$194,670**

Production

Employee Costs \$591,392

Administration & Promotion \$42,700

Operating Costs \$2,205,279

Work, Health & Safety \$21,280

Fees, Charges & Taxes \$20,500

Finance Costs \$324,493

Total Production Expenditure **\$3,205,644**

Total Operating Expenditure

\$3,400,314

Gross Operating Profit / (Loss)

(\$7,199)

Depreciation \$913,902

Amortisation -

Rehabilitation Provisions -

Impairment Of Assets -

Net Operating Profit / (Loss)

(\$921,101)

Individual Business Unit Budget Performance

DRAFT 2019 - 2020 BUDGET

Organics

Included in Kerbside\Waste

Operating Income

FOGO Processing and Disposal

Member Waste

\$920,358

Total FOGO Processing Income

\$920,358

Total Operating Income

\$920,358

Operating Expenditure

FOGO Processing and Disposal

\$920,358

Total FOGO Processing Expenditure

\$920,358

Total Operating Expenditure

\$920,358

Gross Operating Profit / (Loss)

-

Depreciation

-

Amortisation

-

Rehabilitation Provisions

-

Impairment Of Assets

-

Net Operating Profit / (Loss)

-

Individual Business Unit Budget Performance

DRAFT 2019 - 2020 BUDGET

Transfer Station

Operating Income

Transfer Station Gate Fees		
Transfer Station Gate Fees	\$3,565,127	
Total Waste Processing Income		\$3,565,127

Hardwaste Vouchers		
Hardwaste Salisbury	\$264,439	
Hardwaste Playford	\$197,337	
Hardwaste Gawler	-	
Total Hardwaste Income		\$461,776

Total Operating Income **\$4,026,902**

Operating Expenditure

Waste Disposal	\$155,046	
Total Waste Disposal Expenditure		\$155,046

Hardwaste		
Hardwaste Salisbury	\$28,481	
Hardwaste Playford	\$42,656	
Hardwaste Gawler	-	
Total Hardwaste Expenditure		\$71,137

Production		
Employee Costs	\$447,278	
Administration & Promotion	\$24,300	
Operating Costs	\$2,936,357	
Work, Health & Safety	\$10,000	
Fees, Charges & Taxes	\$7,800	
Finance Costs	-	
Total Production Expenditure		\$3,425,735

Total Operating Expenditure **\$3,651,918**

Gross Operating Profit / (Loss) **\$374,984**

Depreciation	\$76,483	
Amortisation	-	
Rehabilitation Provisions	-	
Impairment Of Assets	-	

Net Operating Profit / (Loss) **\$298,502**

Individual Business Unit Budget Performance

DRAFT 2019 - 2020 BUDGET

Corporate

Operating Income

Hardwaste Administration Income

Hardwaste Salisbury	\$26,282
Hardwaste Playford	\$25,020
Hardwaste Gawler	-

Total Hardwaste Income	\$51,302
------------------------	-----------------

Administration Income

Member Administration Fees	\$1,708,606
Grant Income	\$1,500,000
Research Rd contribution - CoS	\$450,000
Interest on Deposits	\$22,360
Promotions Income	\$119,262
Other Income	\$48,000

Total Administration Income	\$3,848,228
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Total Operating Income	\$3,899,531
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Operating Expenditure

Administration Expenditure

Hardwaste Administration	-
Employee Costs	\$1,095,003
Administration & Promotions	\$739,199
Work, Health & Safety	\$5,963
Fees, Charges & Taxes	\$27,400
Governance	\$79,500
Finance Costs	-

Total Administration Expenditure	\$1,947,065
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Total Operating Expenditure	\$1,947,065
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Gross Operating Profit / (Loss)	\$1,952,466
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Depreciation	\$37,021
Amortisation	-
Rehabilitation Provisions	-
Impairment Of Assets	-

Net Operating Profit / (Loss)	\$1,915,445
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NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
(BUDGETED) UNIFORM PRESENTATION OF FINANCES FOR THE YEAR ENDED 30 JUNE 2020

2017/18 \$000 Actual		2018/19 \$000 BR2	2019/20 \$000 DRAFT
29,288	Operating Revenues	32,952	32,575
<u>(29,537)</u>	less Operating Expenses	<u>(33,113)</u>	<u>(32,542)</u>
(249)	Operating Surplus/(Deficit) before Capital Amounts	(160)	33
	less Net Outlays on Existing Assets		
-	Capital Expenditure on renewal and replacement of Existing Asset:	-	-
(1,345)	less Depreciation, Amortisation, Impairment and movement in Landfill Provisions	1,451	1,299
<u>0</u>	less Proceeds from Sales of Replaced Assets	<u>1,451</u>	<u>-</u>
(1,345)		1,451	(1,299)
	less Net Outlays on New and Upgraded Assets		
6,075	Capital Expenditure on New and Upgraded Assets	(686)	(4,386)
(4,454)	less Amounts received specifically for New and Upgraded Assets	99	2,236
<u>0</u>	less Proceeds from Sales of Replaced Assets	<u>785</u>	<u>-</u>
1,621		(785)	(2,150)
(525)	Net Lending / (Borrowing) for Financial Year	506	(3,417)

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
(BUDGETED) STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

2017/18 \$000 Actual		2018/19 \$000 BR2	2019/20 \$000 DRAFT
INCOME			
29,026	User Charges	32,714	32,317
108	Investment Income	-	22
77	Reimbursements	-	48
-	Reduction in Landfill	-	-
131	Other	238	187
29,342	TOTAL OPERATING REVENUE	32,952	32,575
EXPENSES			
2,191	Employee Costs	2,583	2,484
25,524	Materials, Contracts and Other Expenses	28,682	28,339
1,449	Depreciation, Amortisation and Impairment	1,451	1,299
373	Finance Costs	397	420
0	Other Expenses	-	-
29,537	TOTAL EXPENSES	33,113	32,542
(195)	OPERATING SURPLUS / (DEFICIT)	(160)	33
(1)	Net Gain / (Loss) on Disposal of Assets	-	-
115	Amounts received specifically for new/upgraded assets	250	1,950
(81)	NET SURPLUS / (DEFICIT)	90	1,983
-	Other Comprehensive Income	-	-
45	Changes in revaluation surplus - infrastructure, property, plant and equipment	-	-
(36)	TOTAL COMPREHENSIVE INCOME	90	1,983
(36)	NET SURPLUS / (DEFICIT)	90	1,983

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
(BUDGETED) STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

2017/18 \$000 Actual		2018/19 \$000 BR2	2019/20 \$000 DRAFT
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS			
28,933	Operating Receipts	32,952	32,552
108	Investment Receipts	0	22
PAYMENTS			
(28,338)	Operating Payments to Suppliers and Employees	(31,344)	(30,823)
(323)	Finance Costs	(397)	(420)
380	NET CASH RECEIVED IN OPERATING ACTIVITIES	1,211	1,332
CASH FLOWS FROM INVESTING ACTIVITIES			
RECEIPTS			
115	Amounts specifically for new or upgraded assets	250	1,950
5	Sale of Surplus Assets	-	-
PAYMENTS			
(6,075)	Expenditure on Renewal / Replacement Assets	-	-
(1,018)	Expenditure on New / Upgraded Assets	(686)	(4,386)
(6,973)	NET CASH USED IN INVESTING ACTIVITIES	(436)	(2,436)
CASH FLOWS FROM FINANCING ACTIVITIES			
RECEIPTS			
4,454	Proceeds from Borrowings	99	2,236
PAYMENTS			
(1,082)	Repayment of Borrowings	(1,002)	(1,186)
3,372	NET CASH USED IN FINANCING ACTIVITIES	(903)	1,050
(3,221)	NET INCREASE (DECREASE) IN CASH HELD	(128)	(54)
4,282	CASH AT BEGINNING OF REPORTING PERIOD	1,061	933
1,061	CASH AT END OF REPORTING PERIOD	933	879

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
(BUDGETED) STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2020

2017/18 \$000 Actual		2018/19 \$000 BR2	2019/20 \$000 DRAFT
CURRENT ASSETS			
1,061	Cash and Cash Equivalents	933	879
49	MRF Inventory	49	49
2,689	Trade and Other Receivables	2,689	2,689
3,799	TOTAL CURRENT ASSETS	3,671	3,617
NON-CURRENT ASSETS			
1,018	Financial Assets	1,018	1,018
15,567	Infrastructure, Property, Plant and Equipment	14,856	17,942
0	Other Non-Current Assets	-	-
16,585	TOTAL NON-CURRENT ASSETS	15,874	18,960
20,384	TOTAL ASSETS	19,545	22,577
CURRENT LIABILITIES			
2,271	Trade and Other Payables	2,271	2,271
1,079	Borrowings	1,068	991
263	Provisions	183	183
3,613	TOTAL CURRENT LIABILITIES	3,522	3,445
NON-CURRENT LIABILITIES			
	Trade and Other Payables		
2,605	Provisions	2,659	2,659
7,415	Borrowings	6,523	7,650
-	Other Non-Current Liabilities	-	-
10,020	TOTAL NON-CURRENT LIABILITIES	9,182	10,309
13,633	TOTAL LIABILITIES	12,704	13,754
6,751	NET ASSETS	6,841	8,823
EQUITY			
6,091	Accumulated Surplus	6,181	8,163
660	Asset Revaluation Reserve	660	660
-	Other Reserves	-	-
6,751	TOTAL EQUITY	6,841	8,823

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY





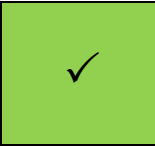


(BUDGETED) STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

2017/18 \$000 Actual		2018/19 \$000 BR2	2019/20 \$000 DRAFT
ACCUMULATED SURPLUS			
6,172	Balance at beginning of period	6,091	6,181
(81)	Net Surplus / (Deficit)	90	1,983
-	- Transfers from reserves	-	-
-	- Transfers to reserves	-	-
-	- Distribution to Councils	-	-
6,091	Balance at end of period	6,181	8,163
ASSET REVALUATION RESERVE			
615	Balance at beginning of period	660	660
45	Gain on Revaluation of Infrastructure, Property, Plant and Equipment	-	-
-	- Transfers from reserve	-	-
660	Balance at end of period	660	660
6,751	TOTAL EQUITY	6,841	8,823

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY
(BUDGETED) STATEMENT OF NON OPERATING EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2020

2017/18 \$000 Actual		2018/19 \$000 BR2	2019/20 \$000 DRAFT
	(81) OPERATING ACTIVITIES SURPLUS / (DEFICIT):	90	1,983
	OTHER INCOME (NON OPERATING):		
4,454	Loan Principal Drawdown	99	2,236
1,116	Depreciation	872	892
480	Amortisation	525	529
6,050	TOTAL OTHER INCOME	1,496	3,657
	OTHER EXPENDITURE (NON OPERATING):		
	<i>2017-18 Adopted Budget Capital Items</i>		
310	Woomera Ave Civil Works	-	-
59	Office Fit out	25	-
	Woomera Ave Upgrades	-	2,470
	<i>Carryover Capital Items</i>		
663	MRF Plant	-	1,266
4,200	Woomera Ave Property Acquisition	-	-
18	Bale Cross-wrap Equipment	-	-
	<i>New Capital Proposals</i>		
	MRF Solar	99	-
335	New Weighbridge - Bellchambers	-	-
107	Bellchambers Road Upgrade	-	-
13	Office Refurbishment/Furniture	5	50
99	Landfill Capping	80	-
48	MRF Sweeper	-	-
11	MRF Critical Spares	-	-
12	Education Centre	-	-
37	Administration ICT Systems	30	-
160	Norske Baler	322	-
0	Replacement Baler - Waste Processing	-	-
0	Research Road Upgrade	-	600
0	Motor Vehicle (Landfill & Maintenance Vehicles)	45	-
0	Landfill Capital Acquisitions	-	-
0	RRC & WPF Bin renewal	-	-
	<i>Loan Repayments</i>		
1,082	Loan Principal Repayments	1,002	1,186
7,157	TOTAL OTHER EXPENDITURE	1,608	5,572
	(1,107) NET SURPLUS / (DEFICIT) NON OPERATING	(111)	(1,915)
	(1,188) CONSOLIDATED BUDGET SURPLUS / (DEFICIT)	(22)	68

Financial Ratio Analysis for the Period 1 July 2019 - 30 June 2020

Result	Description	Board accepted Range	Within
Net Financial Liabilities Ratio			
3%	Provides a measure of the Authority's ability to generate sufficient revenues from its operating activities to meet its financial obligations.	< 80%	
Net Landfill Liabilities Ratio			
66%	Provides a guide as to the level of cash reserves held to fund landfill liabilities at a point in time.	> 100%	
Interest Cover Ratio			
1.3%	Ratio used to determine how easily the Authority can pay interest on outstanding debt.	< 5%	
Quick Ratio			
1.05	Provides an indication of the ability of the Authority to pay back its short term liabilities. A higher ratio indicates a greater ability to meet short term debt.	> 1:1	
Landfill Compaction Rate			
0.85	Compare the planned versus actual compaction rate achieved to ensure rate of landfill airspace consumption is measured accurately. Tolerable variance of 2.5% applied to overall compaction rate. Rate applicable as from 30 June 2018 based on last aerial survey. Historic compaction since 2005 is 0.87m ³	0.83 - 0.87 tonnes / m ³	
Landfill Tonnage Rate			
89,055	Measure the actual tonnages versus projected tonnages quarterly. Tolerable variance of 5% applied to determine if within projected waste volumes.	79,800 - 88,200 tonnes (July 2017 - June 2018)	
Accrued Employee Entitlements			
13.8	Measure the average number of days entitlements held by staff on a quarterly basis. Suggested target is for no more than 20 days on average accrued at any point in time for Annual Leave.	< 20 Days	

BUDGET SUMMARY 19/20

	Kerbside	Waste	Recycling	Organics	Transfer Stations	Corporate	Total
Income							
Kerbside Collections	\$7,818,704	\$0	\$0	\$0	\$0	\$0	\$7,818,704
Waste Processing & Disposal	\$0	\$5,302,887	\$373,321	\$920,358	\$0	\$0	\$6,596,567
Hardwaste	\$307,682	\$264,518	\$0	\$0	\$461,776	\$51,302	\$1,085,278
State Waste Levy	\$0	\$7,997,497	\$194,670	\$0	\$0	\$0	\$8,192,167
Corporate	\$0	\$187,330	\$0	\$0	\$0	\$3,848,228	\$4,035,558
Transfer Station Sales	\$0	\$0	\$0	\$0	\$3,565,127	\$0	\$3,565,127
Recycling Sales	\$0	\$0	\$2,825,124	\$0	\$0	\$0	\$2,825,124
MGB	\$406,065	\$0	\$0	\$0	\$0	\$0	\$406,065
Total Operating Income	\$8,532,451	\$13,752,232	\$3,393,115	\$920,358	\$4,026,902	\$3,899,531	\$34,524,589
Total Operating Expenses	\$8,608,722	\$12,130,087	\$3,400,314	\$920,358	\$3,651,918	\$1,947,065	\$30,658,465
Net Operating Profit/Loss	-\$76,271	\$1,622,145	-\$7,199	\$0	\$374,984	\$1,952,466	\$3,866,125
Depreciation	\$0	\$271,800	\$913,902	\$0	\$76,483	\$37,021	\$1,299,206
Amortisation	\$0	\$529,366	\$0	\$0	\$0	\$0	\$529,366
Landfill Expense Provision	\$0	\$55,010	\$0	\$0	\$0	\$0	\$55,010
Impairment Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Profit/(Loss)	-\$76,271	\$765,968	-\$921,101	\$0	\$298,502	\$1,915,445	\$1,982,543

Northern Adelaide Waste Management Authority
 Estimate of Income and Expenditure

1 July 2019 - 30 June 2020

~ N.B. Monthly charges are to be used as a guide only as monthly collections vary due to working days

	Salisbury		Playford		Gawler		Total	
	Year	Month	Year	Month	Year	Month	Year	Month
Admin Fees	\$930,507	\$77,542	\$603,650	\$50,304	\$174,449	\$14,537	\$1,708,606	\$142,384
Domestic Waste	\$2,321,734	\$193,478	\$1,575,127	\$131,261	\$475,234	\$39,603	\$4,372,095	\$364,341
Garden Organics	\$1,523,423	\$126,952	\$754,063	\$62,839	\$278,977	\$23,248	\$2,556,463	\$213,039
Household Hard Waste	\$546,872	\$45,573	\$538,406	\$44,867	-	-	\$1,085,278	\$90,440
Recycling	\$1,782,999	\$148,583	\$1,171,675	\$97,640	\$333,847	\$27,821	\$3,288,521	\$274,043
Waste Disposal	\$4,861,854	\$405,155	\$3,139,857	\$261,655	\$769,782	\$64,148	\$8,771,493	\$730,958
Total	\$11,967,390	\$997,282	\$7,782,777	\$648,565	\$2,032,289	\$169,357	\$21,782,455	\$1,815,205

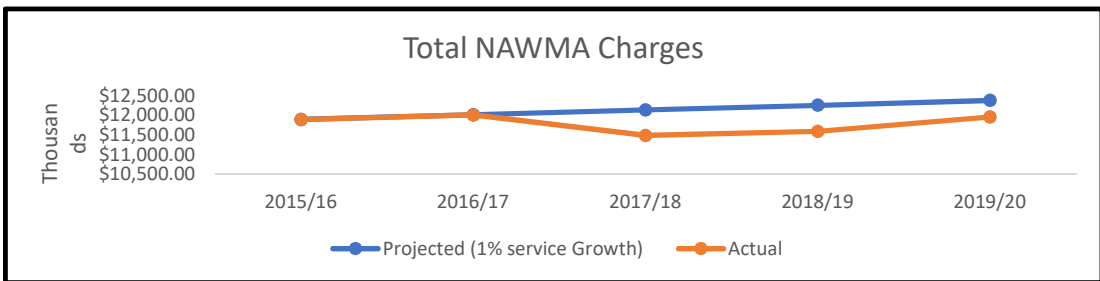
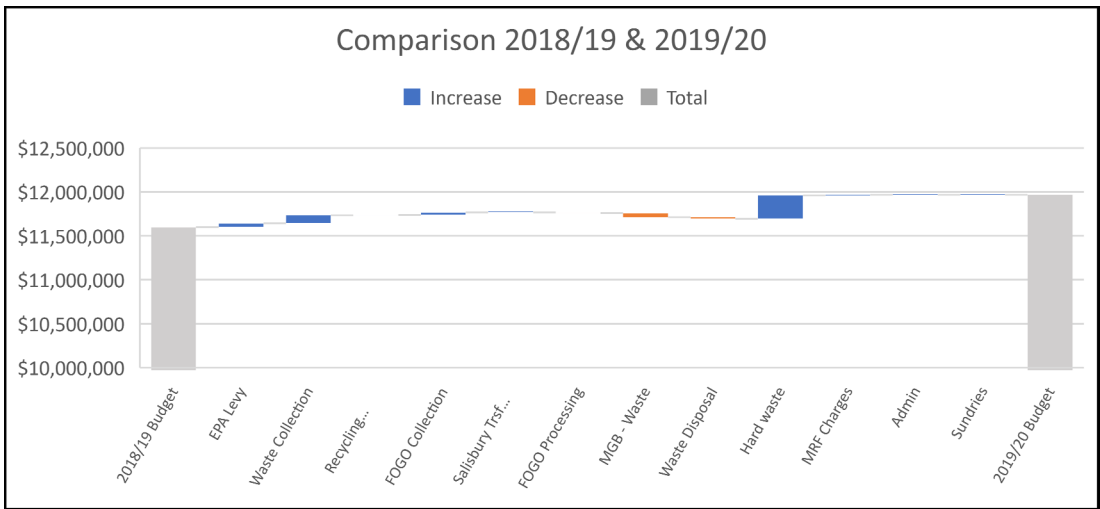
* Cost per service per annum					
Salisbury	\$187.28	Playford	\$179.06	Gawler	\$177.68
* Cost Per Service per Week					
Salisbury	\$3.60	Playford	\$3.44	Gawler	\$3.42

* Estimated total services and growth rate:					
1 July 2019		Annual Growth	30 June 2020		
Member Council			Member Council		
Salisbury =	60,378	1.00%	Salisbury =	60,982	
Playford =	39,860	1.50%	Playford =	40,458	
Gawler =	11,269	1.50%	Gawler =	11,438	
Total =	<u>111,507</u>		Total =	<u>112,878</u>	

Note:
 Hardwaste charges are excluded from the cost per service calculations

Breakdown of Cost Allocations to Individual Constituent Councils 2019/20
City of Salisbury

2018/19			2019/20	
Year	Month	Category	Year	Month
\$930,507	\$77,542	Admin Fees	\$930,507	\$77,542
\$2,277,046	\$183,429	Domestic Waste	\$2,321,734	\$193,478
\$1,502,217	\$125,185	Garden Organics	\$1,523,423	\$126,952
\$279,423	\$23,285	Household Hard Waste	\$546,872	\$45,573
\$1,788,896	\$149,075	Recycling	\$1,782,999	\$148,583
\$4,819,733	\$401,644	Waste Disposal	\$4,861,854	\$405,155
\$11,597,822	\$960,160	Total	\$11,967,390	\$997,282



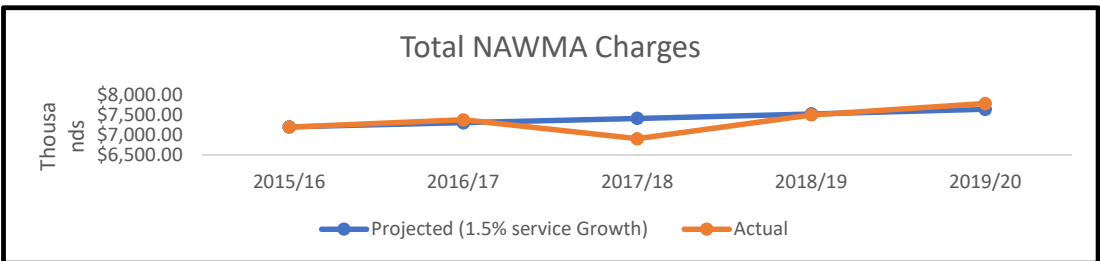
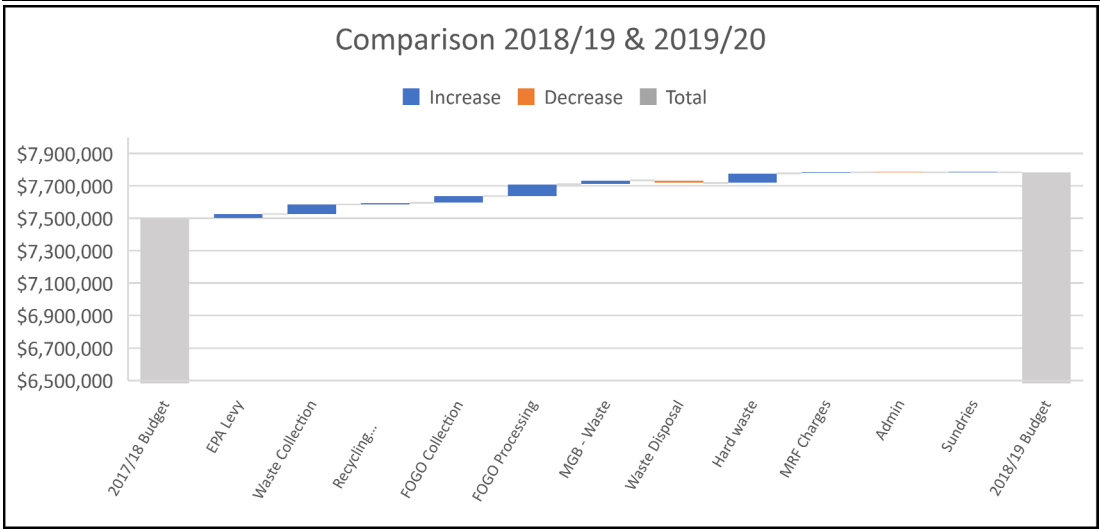
Salisbury Budget Summary

2018 - 2019 Budget	\$11,597,822	
2019 - 2020 Budget Forecast	\$11,967,390	3.19%
Excl Hard Waste		
2018 - 2019 Budget	\$11,318,399	
2019 - 2020 Budget Forecast	\$11,420,518	0.90%
Influencing Factors 2018 - 19 budget Forecast:		
Increase to State Waste Levy (\$100 to \$103) - 3%		\$105,939
Growth in new services -		1%
High participation in Hard Waste services - Collections		\$298,873
High participation in Hard Waste services - Vouchers		\$221,717
High Kerbside material contamination -		42%

Breakdown of Cost Allocations to Individual Constituent Councils 2019/20

City of Playford

2018/19			2019/20	
Year	Month	Category	Year	Month
\$603,650	\$50,304	Admin Fees	\$603,650	\$50,304
\$1,489,573	\$124,131	Domestic Waste	\$1,575,127	\$131,261
\$639,566	\$53,297	Garden Organics	\$754,063	\$62,839
\$478,302	\$39,859	Household Hard Waste	\$538,406	\$44,867
\$1,162,423	\$96,869	Recycling	\$1,171,675	\$97,640
\$3,126,002	\$260,500	Waste Disposal	\$3,139,857	\$261,655
\$7,499,518	\$624,960	Total	\$7,782,777	\$648,565



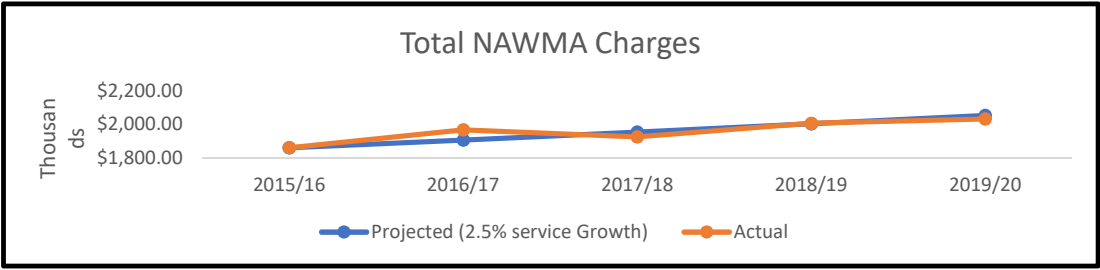
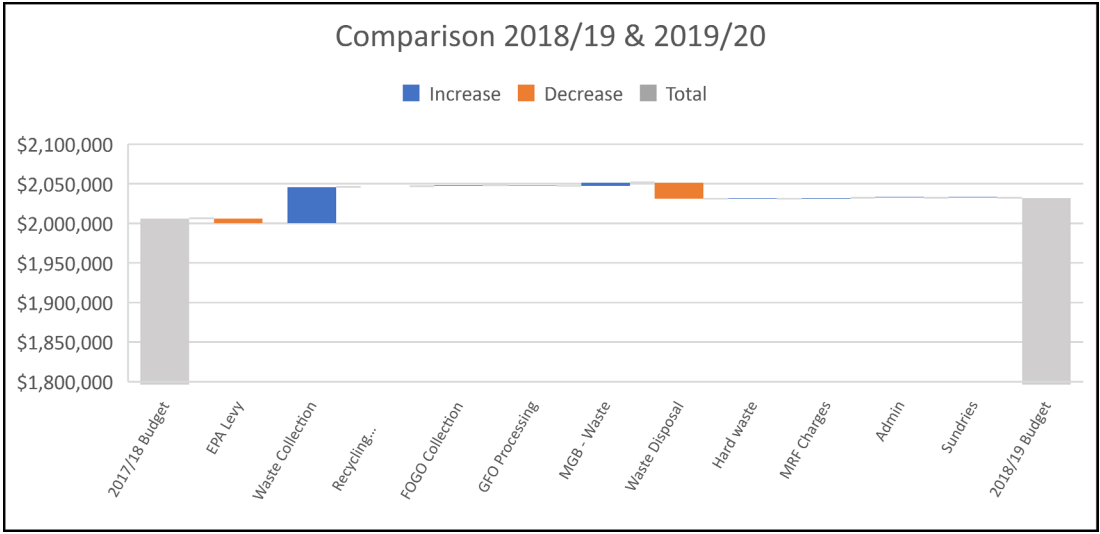
Playford Budget Summary

2018 - 2019 Budget	\$7,499,518	
2019 - 2020 Budget Forecast	\$7,782,777	3.78%
Excl Hard Waste		
2018 - 2019 Budget	\$7,021,215	
2019 - 2020 Budget Forecast	\$7,244,371	3.18%
Influencing Factors 2018 - 19 budget Forecast:		
Increase to State Waste Levy (\$100 to \$103) - 3%		\$68,455
Growth in new services -		1.5%
High participation in Hard Waste services - Collections		\$380,033
High participation in Hard Waste services - Vouchers		\$133,353
High Kerbside material contamination -		42%

Breakdown of Cost Allocations to Individual Constituent Councils 2019/20

Town of Gawler

2018/19			2019/20	
Year	Month	Category	Year	Month
\$174,449	\$14,537	Admin Fees	\$174,449	\$14,537
\$424,813	\$35,401	Domestic Waste	\$475,234	\$39,603
\$278,399	\$23,200	Garden Organics	\$278,977	\$23,248
		Household Hard Waste	\$0	\$0
\$332,034	\$27,670	Recycling	\$333,847	\$27,821
\$796,881	\$66,407	Waste Disposal	\$769,782	\$64,148
\$2,006,576	\$167,215	Total	\$2,032,289	\$169,357

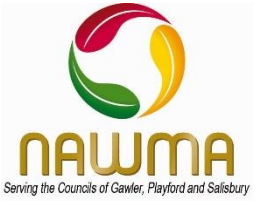


Gawler Budget Summary

2018 - 2019 Budget	\$2,006,576	
2019 - 2020 Budget Forecast	\$2,032,289	1.28%

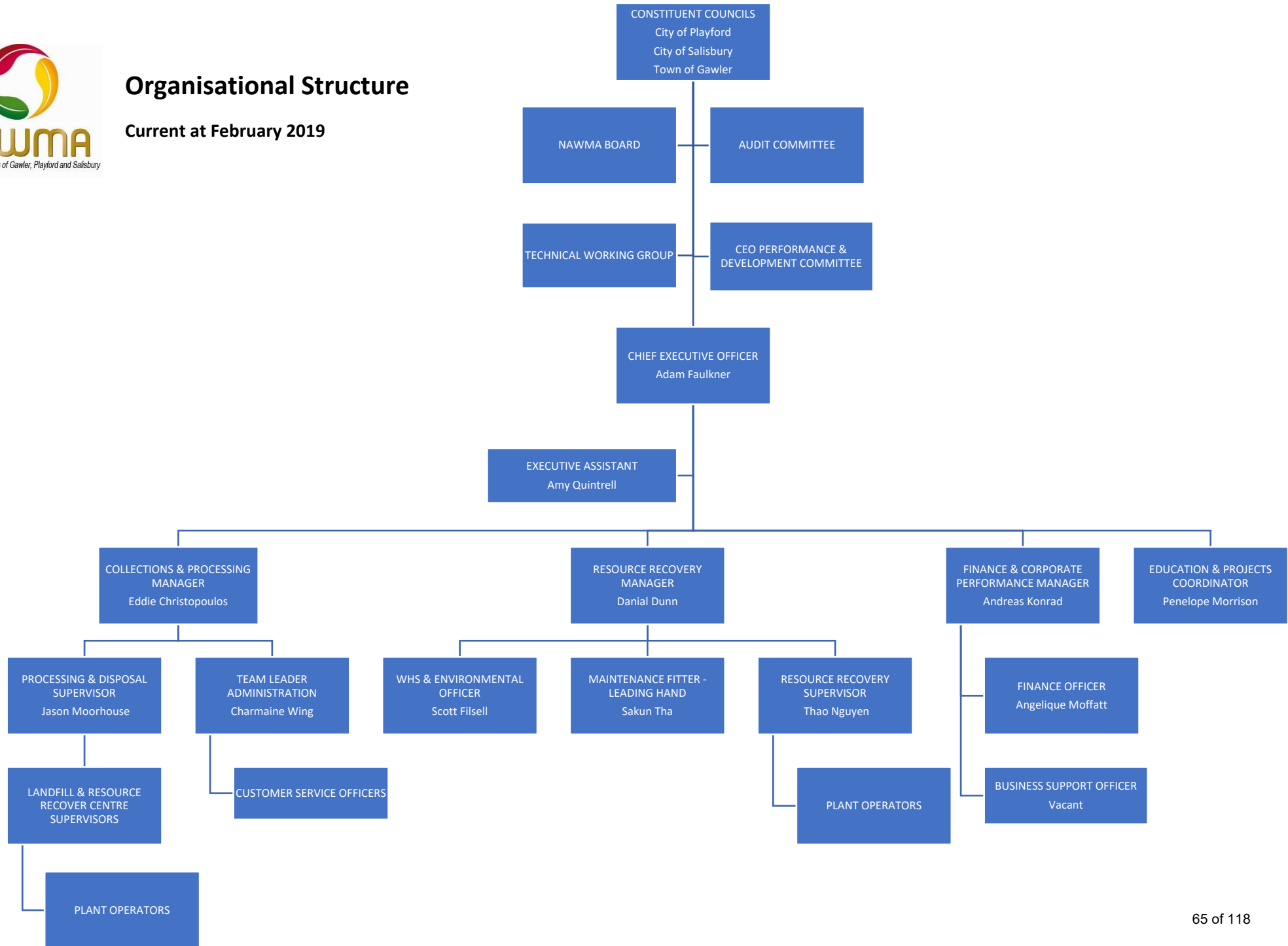
Influencing Factors 2018 - 19 budget Forecast:

Increase to State Waste Levy (\$100 to \$103) - 3%	\$17,153
Growth in new services -	1.5%
High Kerbside material contamination -	42%



Organisational Structure

Current at February 2019





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Agenda Item 7.4

REPORT SUBJECT:	Financial Delegations
REPORT AUTHOR:	Finance and Corporate Performance Manager
MEETING DATE:	28 February 2019
INFORMATION TYPE:	Decision making Report (governance, finance)
ATTACHMENTS:	7.4.1 Financial Delegations (amendment)

Purpose of the Report

To provide the Board with an update on a planned policy amendment.

Background

Reviewing and updating policy and procedure control in line with proposed Charter review.

Report

Considering operational requirements, NAWMA's current Financial Delegations policy requires amendment to support a more efficient and functional framework. The proposed Company Visa card amendment (highlighted on the appended policy) is summarised as follows:

- Chief Executive Officer limit increase to \$10,000
- Addition of an Administration related card held by the position of Executive Assistant with a limit of \$2,000

RECOMMENDATION

That the amendments to the Financial Delegations policy be adopted and the Chief Executive Officer credit card limit be increased to \$10,000 and an additional Administration credit card with a limit of \$2,000 be sought.

Northern Adelaide Waste Management Authority

SUB DELEGATIONS REGISTER

FINANCIAL DELEGATIONS (Within Approved Budgets/Business Plans)

AUTHORITY DESCRIPTION	POSITION	LIMIT
Company Visa Card	Chief Executive Officer	\$10000
	Collections & Processing Manager	\$5000
	Resource Recovery Manager	\$5000
	Finance & Corporate Performance Manager	\$5000
	Executive Assistant	\$2000
Authorisation to sign purchase orders and approve expenditure on behalf of The Authority in accordance with adopted budget provisions and the Purchasing Policy.	Chief Executive Officer	\$100,000 (note #1)
	Collections & Processing Manager	\$100,000
	Resource Recovery Manager	\$100,000
	Finance & Corporate Performance Manager	\$100,000
	WHS Supervisor	\$2,500
	Operations Supervisor	\$2,500
	Executive Assistant	\$2,500
	Marketing & Communications Officer	\$2,500
	Team Leader – Administration	\$2,500
Maintenance Fitter – Leading Hand	\$2,500	
Authorisation to sell or dispose of Assets other than Land	Chief Executive Officer	\$500,000
	Resource Recovery Manager	\$250,000
	Collections & Processing Manager	\$100,000
	Finance & Corporate Performance Manager	\$100,000
Authorisation to process and sign bank EFTs (note #2)	Chief Executive Officer	n/a
	Collections & Processing Manager	n/a
	Finance & Corporate Performance Manager	n/a
	Finance Officer	n/a
	Executive Assistant	n/a
	Accountant Support Officer	n/a
Signatory to The Authority's Cheques (note #2)	Chief Executive Officer	n/a
	Collections & Processing Manager	n/a
	Finance & Corporate Performance Manager	n/a
	Finance Officer	n/a
Petty Cash (see note #3)	Chief Executive Officer	\$200
	Collections & Processing Manager	\$100
	Finance & Corporate Performance Manager	\$100
	Executive Assistant	\$100
	Resource Recovery Manager	\$100
	Operations Supervisor	\$100
	WHS Supervisor	\$100
	Finance Officer	\$100
Marketing & Communications Officer	\$100	

Note #1 – for the CEO only, this limit is for expenditure which is NOT authorised in the Business Plan

Note #2 – these are process authorisations only and require a two person authorisation, therefore no financial limit is applied.

Note #3 - the petty cash float and reconciliation is managed by the Finance Officer.



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Agenda Item 7.5

REPORT SUBJECT:	GISA Infrastructure Loans
REPORT AUTHOR:	Finance and Corporate Performance Manager
MEETING DATE:	28 February 2019
INFORMATION TYPE:	Decision making Report (governance, finance)
ATTACHMENTS:	7.5.1 Copy of notification of successful GISA Grant applications 7.5.2 Copy of Grant Agreement details 7.5.3 Media article (Sunday Mail 17/02/19)

Purpose of the Report

To provide the Board with an update on the recent Green Industries South Australia Grant applications and request authorisation for subsequent borrowings.

Background

In November 2018, NAWMA made three (3) applications for Green Industries SA's second round of Recycling Infrastructure Grants for improvements to our existing Woomera Avenue Material Recovery Facility (MRF).

Project 1 – Autonomous Robotics

Summary	NAWMA is looking to invest \$1.27M into installing the latest robotic technology into its MRF operation located at Edinburgh. The brand of robotics is Max-Ai AQC (Autonomous Quality Control) utilising artificially intelligent robotic sorting. The technology 'Max' knows what to target in the same way a person does – through training, sight and thought. We propose to position one (1) robot on the “fibre + plastics and glass line” to target China SWORD impacted materials.
Funding (GISA)	\$500,000 secured
Funding (NAWMA)*	\$766,000
Return on Investment (years)	1.44
Tonnes diverted	4240
Jobs	1FTE

NAWMA

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Project 2 – MRF Expansion

Summary	NAWMA's MRF was designed in a pre-China SWORD environment to accommodate 30,000 – 40,000 tonnes per annum, and storage for what was a traditional set of recovered recyclable commodity materials. By increasing the physical size of the MRF building that houses the MRF infeed, processing equipment, and associated finished goods areas, NAWMA will be able to double our processing capacity, allowing for (future) processing of glass fines, and production and storage of more and higher quality recycling commodities to enter emerging markets. The Project would allow NAWMA to employ a further 22 FTE's, process an additional 30,000 tonnes of kerbside Recycling, and future proof the South Australian recycling market.
Funding (GISA)	\$500,000 secured
Funding (NAWMA)*	\$800,000
Return on Investment (years)	NA
Tonnes diverted	Greater ability to process additional 25,000 tonnes per annum
Jobs	22FTE

Project 3 – Glass Fines Recovery

Summary	NAWMA is looking to invest \$1.17M to retrofit a secondary reprocessing facility onto the existing MRF which will recover approximately 3,000 - 5,000 tonnes per annum of glass fines that are currently going to landfill. NAWMA intends to install a "mini MRF" in order to capture the glass fraction of the glass fines waste stream and reprocess the material into a sand replacement or glass cullet. This Project will not only divert a significant amount of waste from landfill but will also allow NAWMA and its Constituent Councils to pursue a sustainable procurement agenda by utilising the sand replacement in roads, footpaths, and pipe bedding.
Funding (GISA)	\$500,000 secured
Funding (NAWMA)*	\$670,000
Return on Investment (years)	3.18
Tonnes diverted	3,000 – 5,000
Jobs	2FTE

* Estimated NAWMA project contribution, minus contingencies, drawings and approvals

Report

NAWMA's CEO was advised in writing of the three (3) successful grant applications, to the value of \$1,500,000, on 7 January 2019. The combined projects have the potential to create 25 FTE jobs, allowing for processing of an additional 25,000 tonnes per annum, while diverting approximately 7,000 – 9,500 tonnes from landfill. Overall, the projects future proof the NAWMA MRF, and leverage out \$1.5M of the solid waste levy funds from State Government.

A summary of the projects and their estimated cost is seen below in Table 1:

Table 1: Estimated costs of MRF Projects

Project	Grant Funding	Borrowed Funding*	Total Project Cost*
Autonomous Robotics	\$500,000	\$766,000	\$1,266,000
MRF Expansion	\$500,000	\$800,000	\$1,300,000
Glass Fines Recovery	\$500,000	\$670,000	\$1,170,000
Total Costs	\$1,500,000	\$2,236,000	\$3,736,000

* Estimated NAWMA project contribution, minus contingencies, drawings and approvals

NAWMA

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And our Client Rural and Regional Councils

NAWMA's Senior Management are currently working with NAWMA's Audit Committee to establish a Treasury Management Policy for the subsidiary. Whilst the policy is still in draft form, the following is an extract from the draft:

"NAWMA will utilise the Local Government Finance Authority as its primary supplier when undertaking new borrowings or investing surplus cash. The Local Government Finance Authority provides significant support to the industry and applies bonus return payments to Councils and Subsidiaries from its profits".

The Local Government Finance Authority have been contacted to give prevailing rates on a borrow of \$2,236,000 and indicated the following applicable interest rates, seen below in Table 2:

Table 2: Indicative Interest Rates from LGFA

Interest Rate	Term
3.4%	5 years
3.6%	7 years
3.9%	10 years

The CEO and Chairman require a Board resolution to execute the borrowing (finance) agreement with the Local Government Finance Authority (LGFA).

RECOMMENDATION

That the Board authorise the Independent Chairman and Chief Executive Officer to execute the three (3) agreements between Green Industries South Australia and NAWMA for the project funding under the Common Seal to the value of \$1,500,000

and;

That the Independent Chairman and Chief Executive Officer be authorised to execute the Local Government Finance Authority borrowing (finance) agreement under the Common Seal for \$2,236,000 plus an additional amount up to 10% (of the total borrowing agreement) costs for contingencies, drawings and approvals.



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www.greenindustries.sa.gov.au

Mr Adam Faulkner
NAWMA
Box 10, Mail Delivery Centre
Edinburgh North SA 5113

Dear Mr Faulkner

Infrastructure Grant 2018-19 (round two)

Thank you for your applications requesting funding under the Green Industries SA Infrastructure Grants Program for 2018-19 (round two).

I am pleased to advise that the Green Industries SA Board has approved a grants totalling \$1,500,000 (GST exclusive) to the Northern Adelaide Waste Management Authority for the three projects submitted.

As set out in the program guidelines, all grant funding is subject to:

- Signing each funding agreement
- Providing evidence that all necessary environmental and planning approvals are in place and current for the duration of the project
- Meeting any conditions placed upon the grant funding
- Providing evidence (copy of invoice) of purchase of infrastructure and recycling equipment
- Providing a satisfactory performance report.

Please find enclosed two copies of the funding agreements for your signature. Please return all copies to me for counter-signing, after which I will return one copy of each for your records.

Congratulations on obtaining funding under this program and best wishes for the success of your projects. I look forward to receiving updates on progress and how they are helping to meet the targets in *South Australia's Waste Strategy 2015-2020*.

Should you wish to discuss your grant agreements or any related matter please contact Justin Lang, Manager Local Government and Infrastructure on telephone 8204 2634.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Vaughan Levitzke'.

Vaughan Levitzke PSM
Chief Executive
Green Industries SA

Date: 7 January 2019

FUNDING AGREEMENT

BETWEEN

GREEN INDUSTRIES SA

(GISA)

-AND-

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

(Grantee)

(ABN 33 781 472 643)

(AUTONOMOUS ROBOTICS)

SCHEDULE 1**AGREEMENT DETAILS****1. GRANTEE DESCRIPTION**

Northern Adelaide Waste Management Authority, A.B.N. 33 781 472 643 of 71-75 Woomera Avenue, Edinburgh Park in the state of South Australia (Grantee)

2. FUNDING

Subject to clause 4, GISA will pay to the Grantee the sum of five hundred thousand dollars (\$500,000) plus GST

3. MANNER OF PAYMENT

Subject to clause 4, GISA will pay the Funding to the Grantee in 3 instalments as follows:

Instalment 1 - The sum of **three hundred thousand dollars** (\$300,000) will be payable to the Grantee within thirty days of the execution of this Agreement by the last of the Parties and the receipt of a Valid Tax Invoice (**refer Item 7 – progress 1**)

Instalment 2 - The sum of **one hundred and ninety-five thousand dollars** (\$195,000) will be payable to the Grantee within thirty days of the acceptance by GISA of the progress report described below in Item 7 (**refer progress 2**) and the receipt of a Valid Tax Invoice.

Instalment 3 - The sum of **five thousand dollars** (\$5,000) will be payable to the Grantee within thirty days of the acceptance by GISA of the progress report described below in Item 7 and the receipt by GISA of a Valid Tax Invoice (**final payment**)

4. COMMENCEMENT DATE

21 January 2019

5. EXPIRY DATE

30 June 2021

6. INSURANCE

The Grantee must effect and maintain a Public Liability policy of insurance for an amount not less than **Ten Million Dollars** (\$10,000,000) in respect of any one event.

7. REPORTING REQUIREMENTS

The Grantee must provide reporting, (in a form to be advised by GISA), to the GISA Representative in the following manner to inform GISA on the progress being made on the Project and the expenditure of the Funds:

Report Type	Reporting Period	Due
Progress 1	Commencement Date to June 2019 Evidence of development approvals for facility (where required) Evidence of equipment order	Nominally due from 15 October 2018 but no later than 30 June 2019
Progress 2	Evidence of final commissioning of all plant and equipment and compliance with EPA licence (where required).	Nominally due from 1 August 2019, but no later than 30 June 2020
Final	Commencement Date to Expiry Date Reporting: 12 months after completion A template performance report required; A template Income and Expenditure summary is required	Nominally due from 1 August 2020, but no later than 30 June 2021

The Final Report will include, (but will not be limited to):

Performance report detailing diversion performance and an income and expenditure report as per appendix 3

8. **ASSET REGISTER PROVISION DATES**

Not applicable

9. **NOTICES**

GISA

Name: Justin Lang
Position: Manager, Local Government & Infrastructure
Address: GPO Box 1047, Adelaide SA 5001
Email: Justin.Lang@sa.gov.au
Ph: 8204 2634 or 0419 948 931

Grantee

Name: Adam Faulkner
Position: Chief Executive Officer
Address: Box 10, Mail Delivery Centre, Edinburgh North SA 5113
Email: a.faulkner@nawma.sa.gov.au
Ph: 1800 111 004 or 0409 255 421

FUNDING AGREEMENT

BETWEEN

GREEN INDUSTRIES SA

(GISA)

-AND-

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

(Grantee)

(ABN 33 781 472 643)

(GLASS FINES RECOVERY)

SCHEDULE 1**AGREEMENT DETAILS****1. GRANTEE DESCRIPTION**

Northern Adelaide Waste Management Authority, A.B.N. 33 781 472 643 of 71-75 Woomera Avenue, Edinburgh Park in the state of South Australia (Grantee)

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30 June 2021

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Performance report detailing diversion performance and an income and expenditure report as per appendix 3

8. **ASSET REGISTER PROVISION DATES**

Not applicable

9. **NOTICES**

GISA

Name: Justin Lang
Position: Manager, Local Government & Infrastructure
Address: GPO Box 1047, Adelaide SA 5001
Email: Justin.Lang@sa.gov.au
Ph: 8204 2634 or 0419 948 931

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Name: Adam Faulkner
Position: Chief Executive Officer
Address: Box 10, Mail Delivery Centre, Edinburgh North SA 5113
Email: a.faulkner@nawma.sa.gov.au
Ph: 1800 111 004 or 0409 255 421

FUNDING AGREEMENT

BETWEEN

GREEN INDUSTRIES SA

(GISA)

-AND-

NORTHERN ADELAIDE WASTE MANAGEMENT AUTHORITY

(Grantee)

(ABN 33 781 472 643)

(MRF EXPANSION)

SCHEDULE 1**AGREEMENT DETAILS****1. GRANTEE DESCRIPTION**

Northern Adelaide Waste Management Authority, A.B.N. 33 781 472 643 of 71-75 Woomera Avenue, Edinburgh Park in the state of South Australia (Grantee)

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8. **ASSET REGISTER PROVISION DATES**

Not applicable

9. **NOTICES**

GISA

Name: Justin Lang
Position: Manager, Local Government & Infrastructure
Address: GPO Box 1047, Adelaide SA 5001
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Ph: 8204 2634 or 0419 948 931

Grantee

Name: Adam Faulkner
Position: Chief Executive Officer
Address: Box 10, Mail Delivery Centre, Edinburgh North SA 5113
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Ph: 1800 111 004 or 0409 255 421

Media item

Full Text

Rise of the recycling robot

Sunday Mail Adelaide, Adelaide by Adam Langenberg
General News - Page 24 - 489 words - ID 1079754347 - Photo: No -
Type: News Item - Size: 263.00cm²

17 Feb 2019

A ROBOT that can detect paper and plastic bottles and a machine to vacuum and re-use broken glass are among nine recycling projects to receive State Government grants.

Totalling \$2.7 million, the second round of Greens Industries SA's infrastructure investment is a key plank of the Government's \$12.4 million China Sword response.

Boosting the local recycling industry became a key priority after China imposed a ban on the importation of certain waste products, affecting about 1.3 million tonnes of Australian material.

Environment Minister David Speirs said yesterday the latest round of funding would create more than 50 jobs across the waste-management, recycling and resourcerecovery sector.

The Northern Adelaide Waste Management Authority (NAWMA) netted three separate grants totalling \$1.5 million, including a facility upgrade, an investment in autonomous robotics, and a "glass fines" recovery system to recycle small pieces of glass.

NAWMA chief executive Adam Faulkner said the organisation had already moved to other interstate and overseas markets when the Chinese ban was imposed and had invested aggressively to capitalise on the opportunities it presented.

Mr Faulkner said he expected NAWMA would tip about \$4 million into the three projects itself, bringing the total value of the latest round of investment to \$5.5 million.

He was particularly excited about the glass fines recovery, although he said a robot able to sniff out paper and plastics was "pretty cool". NAWMA currently recovers most of the glass people put in their recyclable bins but normally misses chunks smaller than the size of an adult's palm.

"By the time the bin gets collected and dumped in our factory a lot of it breaks up into small pieces," Mr Faulkner said.

"A machine will pick up smaller bits of glass and return it back into glass bottles and the really small stuff into roads and footpaths instead of using virgin sand." He said existing technology would be used for the paper and plastic-detecting robot to combat a similar problem.

"To put it simply, we miss stuff," Mr Faulkner said.

"We take about 60,000 tonnes a year of recycling but we reckon we miss a couple of thousand tonnes a year." With recycling worth about \$100 a tonne, Mr Faulkner said the potential revenue boost was "not insignificant" but would also reduce the amount of waste going to landfill.

Other grants handed out include laser sorting for compost, a PVC separation and recycling plant and a new vehicle for the Salvation Army to stop unused goods

going to landfill.

Mr Speirs said the latest investment would help SA maintain its "world-leading diversion results", where 83.4 per cent of all waste is diverted from landfill.

"China's National Sword policy was a catalyst to increase the quality of our recycled materials and develop local markets as a priority," he said.

"This funding supports a range of projects in both the private sector and local government, and across metropolitan and regional South Australia to do just that."

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And our Client Rural and Regional Councils

Agenda Item 7.6

REPORT SUBJECT:	Landfill Road Maintenance
REPORT AUTHOR:	Chief Executive Officer
MEETING DATE:	28 February 2019
INFORMATION TYPE:	Decision making Report (operations, finance)
ATTACHMENTS:	7.6.1 Legal advice from Thomson Geer 7.6.2 Original correspondence from Town of Gawler

Purpose of the Report

To provide the Board with an update on the Town of Gawler's request that NAWMA take on the responsibility for maintaining Smith and Adams Road.

Background

At the Board Meeting of 19 September 2018, the Board resolved:

Moved Cr Balaza that the Report is received and noted and deferred to the next meeting of the Board pending road maintenance quotations and financial and liability implication reports
Seconded Mr Green *Carried*

For background;

1. The original construction of the Smith-Adams Road access road into the NAWMA landfill was a requirement of the development approval (original DA gazetted 21/1/1999) for the landfill which included the upgrading (new acceleration and deceleration lanes) at the intersection of Main North and Smith Roads.
2. It is a public road
3. Historically, even though it was viewed as a boundary road between City of Playford and Town of Gawler, City of Playford have wholly taken responsibility for maintaining the road
4. Recent investigations show that the road is wholly in Town of Gawler
5. As an act of goodwill, City of Playford did a final upgrade of the road from Main North Road to the gates of NAWMA
6. These works are now nearing final completion, and then City of Playford will relinquish responsibility for any further upgrades or maintenance of the road
7. Town of Gawler have written to NAWMA suggesting that the road is primarily there to service NAWMA's landfill operations, and hence NAWMA should be responsible for the upgrade and ongoing maintenance of the road
8. Town of Gawler then wish to enter into a formal legal agreement

NAWMA

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9. A complete upgrade of the road is estimated to cost \$454k (based on a pavement consultant's report)
10. A minor upgrade (pothole and blowout filling) is quoted at \$17k
11. Ongoing maintenance is estimated at \$15-\$18k per annum, but this may escalate as the road gets older and deteriorates

Report

NAWMA has received quotes and estimations for the minor upgrade and ongoing basic maintenance of the road. In addition, NAWMA has received legal advice regarding the liability transfer to NAWMA should we elect to take on responsibility for the road.

In terms of the legal advice, two options appear;

- A) Revoke the existing City of Playford Road Closure for the section of the road that immediately services NAWMA's landfill operation and take responsibility for the Roads by negotiating with the Town of Gawler in respect of a permanent road closure. NAWMA would then be **financially responsible** for the maintenance and repair and **potentially liable** for injury to a limited class of Roads users. It would however be able to prevent access to third party road users.
- B) Revoke the existing City of Playford Road Closure for the section of the road that immediately services NAWMA's landfill operation, and leave the road open. NAWMA would then inform Town of Gawler that the maintenance and upgrade is a matter for them. NAWMA would **not have financial responsibility** for maintenance and repair and its **liability to users of the Roads would be limited** as it would not be in occupation or control of the Roads. It would not however be able to prevent access to third party road users.

RECOMMENDATION

That NAWMA Chief Executive Officer write to City of Playford requesting that they revoke the Road Closure for part of Smith and Adams Road,

And;

That NAWMA Chief Executive Officer write to Town of Gawler and advise that the upkeep and maintenance of Smith and Adams Road is a matter for Council as it is a public road.

Level 7, 19 Gouger Street
Adelaide SA 5000 Australia

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DX 571 Adelaide

T +61 8 8236 1300
F +61 8 8232 1961

Our ref FMB:4200010

20 October 2018

a.faulkner@nawma.sa.gov.au

Adam Faulkner
Chief Executive Officer
NAWMA

Dear Adam

Smith and Adam Road Repairs

We refer to your request for advice on NAWMA's potential liability in respect of repairs required to Smith and Adam Roads, as marked in blue on the **enclosed** plan (**Roads**), being the access roads to NAWMA's Uleybury Landfill. We also **enclose** a copy of the Gazettal of 8 September 2005 in relation to the restricted access notice. We set out our advice below for your consideration.

1 Executive Summary

We have proceeded on the assumption that the City of Playford will revoke the Gazetted restriction of access. If that occurs:

- NAWMA will need to remove the infrastructure preventing access to the Roads after-hours.
- To reinstate the infrastructure to prevent uncontrolled access, NAWMA would need to obtain a permanent closure of the Roads. The *Local Government Act 1999 (SA)* only permits restriction of access to roads for a maximum period of 30 days per year.
- If the Roads are permanently closed, NAWMA would be commercially responsible for maintenance and repair costs and have a potential liability limited to invitees in respect of the condition of the Roads.
- NAWMA currently has a potential liability for injury, loss and damage suffered by road users (invitees) as an occupier if attributable to the condition of the Roads.

NAWMA's options are to either:

- (a) Take responsibility for the Roads by negotiating with the Town of Gawler in respect of a permanent road closure. NAWMA would then be financially responsible for the maintenance and repair and potentially liable for injury to a limited class of Roads users. It would however be able to prevent access to third party road users.
- (b) Leave access to the Roads open and inform the Town of Gawler that the maintenance and upgrade is a matter for them. NAWMA would not have financial responsibility for maintenance and repair and its liability to users of the Roads would be limited as it would

not be in occupation or control of the Roads. It would not however be able to prevent access to third party road users.

If NAWMA does nothing and the City of Playford do not revoke the Gazetted restriction of access, we would expect the Town of Gawler to press for a contribution to the costs of maintenance and repair to the Roads as NAWMA is the only party that benefits from the Roads.

2 Gazetted restriction of access to Smith and Adam Roads

The exclusion of all vehicles with the exception of NAWMA vehicles to the Roads was gazetted by the City of Playford pursuant to s359(1) of the now repealed *Local Government Act 1934 (SA)* in September 2005. It is now common ground that the Roads are in fact owned by the Town of Gawler (**ToG**). Section 234A of the *Local Government Act 1999 (SA)* (**LGA**) is in substantially similar terms to s359(1) of the 1934 Act, save that it permits the exclusion of vehicles for a maximum period of 30 days per year.

If City of Playford revoked the exclusion as it did not (and does not) have jurisdiction over the Roads, NAWMA would be required to allow public access to the Roads. Any new restriction obtained under s234A of the LGA would be limited to a period of 30 days per year which we understand would not be acceptable to (or practical for) NAWMA.

To otherwise maintain ongoing and permanent control over the Roads, NAWMA would need to use the provisions of the *Road (Opening and Closing) Act 1991 (SA)* (**Roads Act**). If the Roads are closed under the Roads Act, the closure would require ToG to make orders dealing with the ownership of the roads (section 17 of the Roads Act sets out what orders can be made). This would need to be negotiated with ToG. The Roads would cease to be a public roads for which ToG would be responsible. All repair and maintenance would typically fall to NAWMA. In this regard, our view is that the Roads would effectively be NAWMA's "driveway" which could assist in limiting any potential liability for injury, loss or damage to road users, considered further below.

3 Potential liability to road users

Under s42 of the *Civil Liability Act 1936 (SA)* (**CLA**) the ToG as a "road authority" (arising because the ToG has ownership of the Roads and is a public authority with responsibility for the care, control and management of the Roads to which public access is available) has the benefit of an exclusion of liability for a failure to repair, maintain or renew a public road. ToG could however be liable for negligent acts or omissions in respect of any works undertaken by it on the Roads. If the Roads are closed, the s42 exclusion would not apply - the Roads would not be a "road" for the purposes of that section as they would not provide public access.

NAWMA could be liable as an occupier to invitees of the Roads for injury, loss or damage attributable to a dangerous state or condition of the Roads under s20 of the CLA. In our view, NAWMA is an occupier of the land on which the Roads are located as it is in "control of the premises" when the access gates are locked and arguably in control at all times, given that access to the Roads is permanently restricted to NAWMA vehicles. NAWMA is not a "road authority" under s42 (as it is not a public authority in fact responsible for the care, control and management of the Roads) and therefore does not have the benefit of the s42 exclusion of liability.

An option to assist in limiting NAWMA's occupier's liability would be to provide ToG with a key to the access gates. This would allow NAWMA to assert that it does not have sole control over the Roads and does therefore not fall within the CLA definition of occupier. The potential for liability however remains.

NAWMA does not however have any liability to trespassers unless their presence was reasonably foreseeable and the danger was such that measures should have been taken to prevent them. "Trespasser" is not defined in the CLA however would in our view be taken to mean someone entering property without permission. The "Authorised Vehicles Only" signs at the entrance to the roads informs third parties that access is not permitted (even when the gates are

open) such that access by third parties is restricted. Whether this would be enough to satisfy the exclusion of liability for injury to trespassers is not certain, however, the signs and the locked gate establish that NAWMA has taken measures to prevent access, noting that the Roads remain public roads for other purposes.

4 Consideration and recommendation

At present any liability of NAWMA for injury, loss or damage attributable to the condition of the Roads is limited to non-trespassers (invitees) using the Roads, which we understand are primarily NAWMA employees and contractors to which NAWMA has contractual obligations in any event. ToG is currently responsible for the Roads however is not liable for a failure to conduct any repairs or maintenance.

In response to your specific queries as to liability:

- (a) If NAWMA does nothing, it could be liable to invitees for loss and damage attributable to the condition of the Roads as an occupier under s20 of the CLA. The ToG remain responsible for the repairs and maintenance however the ToG may refuse to do anything and is protected from liability under s42 of the CLA.
- (b) If NAWMA funded basic maintenance, the interim upgrade or the full upgrade with the works undertaken by the ToG and/or independent contractors, NAWMA would not be liable for negligent acts or omissions of the ToG or contractors carrying out those works. That is, if an injury is attributable to negligent repairs, it would not be NAWMA's liability. If an injury or loss is attributable to the existing state of the Roads or factors that could not be attributable to the ToG or its contractors, the potential for liability remains.

If NAWMA wishes to obtain a road closure, it could request City of Playford revoke the s359 restricted access notice and seek to have the Roads closed under the Roads Act. It would need to negotiate the terms of the closure with ToG. If closed, NAWMA would remain liable as an occupier. However, given the Roads would no longer be publicly accessible this liability would be further limited to invitees on its private property. If this is the preferred option, we would recommend obtaining a revised PAS report as to the condition of the Roads if intended for use solely by NAWMA. The change of use from a public road to a "driveway" would affect the level of required repairs.

If you wish to discuss the above options further or have any queries, please let us know.

Yours sincerely

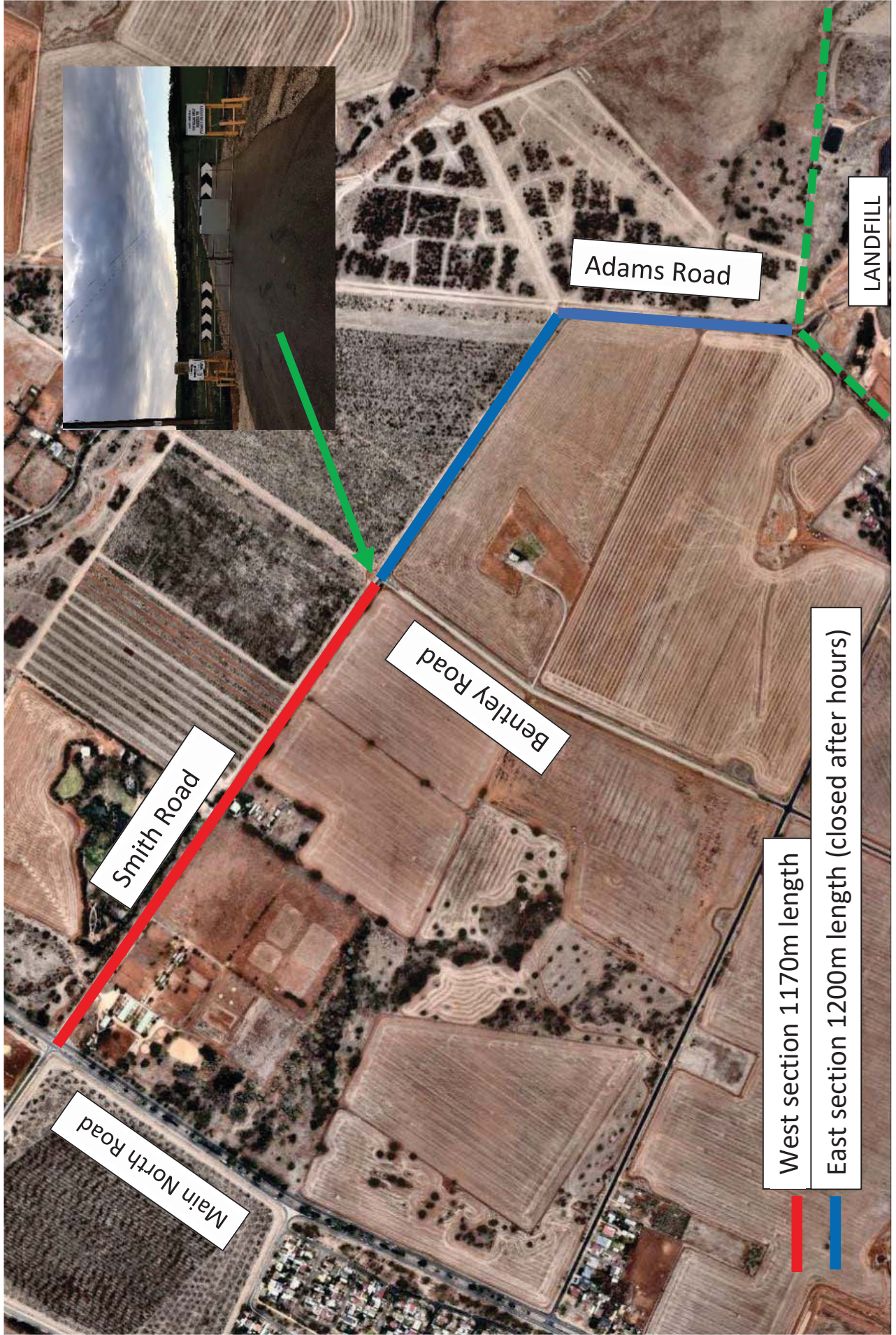


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encl



Smith and Adams Road – NAWMA Landfill access road

CITY OF PLAYFORD

Restriction of Access

NOTICE is hereby given that Council at its meeting held on 28 June 2005 recommended pursuant to section 359 (1) of the Local Government Act 1934, as amended, that access to the portion of Smith Road between Bentley Road and Adams Road and Adams Road between Smith Road, Blakeview and entrance to the landfill site be excluded to all vehicles except those vehicles associated with Northern Adelaide Waste Management Authority.

T. JACKSON, Chief Executive Officer

- Anzac Highway (former Sizzler Site), Camden Park.
- Local Commercial Zones (Hilton and Richmond).
- Marion Road and Talbot Avenue, North Plympton.
- Lydia Street, Plympton adjoining the Neighbourhood Centre Zone.
- Williams Avenue, Plympton adjoining the Neighbourhood Centre Zone.
- South-west corner of the intersection at Tapleys Bay Road and Henley Beach Road, Fulham.

CITY OF PORT AUGUSTA

Appointment of Authorised Officers

NOTICE is hereby given that at its meeting held on 22 August 2005, the City of Port Augusta appointed the following officers as an authorised officer pursuant to the Local Government Act 1999 within the following area:

Wayne Aaron Hart
Rieck John Shine
Cristy Seymour

Dated 31 August 2005.

J. G. STEPHENS, City Manager

The draft PAR, including the Statement of Investigations, will be available for public inspection during normal office hours at the Civic Centre, City of West Torrens, 165 Sir Donald Bradman Drive, Hilton from Thursday, 8 September 2005 to Tuesday, 8 November 2005. The draft PAR will also be available for inspection at the City of West Torrens Library, Brooker Terrace, Hilton and the Thebarton Branch Library, 166 South Road, Torrensville. The draft PAR can also be viewed on Council's website: www.wtcc.sa.gov.au. A copy of the draft PAR can be purchased from the Civic Centre for \$17.50.

Written submissions regarding the draft PAR will be accepted by the City of West Torrens until 5 p.m. on Tuesday, 8 November 2005. Written submissions should also clearly indicate whether you wish to speak at the public hearing on your submission. All submissions should be entitled 'General PAR—Submission' and be addressed to the Chief Executive Officer, City of West Torrens, 165 Sir Donald Bradman Drive, Hilton, S.A. 5033.

Copies of all submissions received will be available for inspection by interested persons at the City of West Torrens Civic Centre from Wednesday, 9 November 2005 until the date of the public hearing.

A public hearing will be held on Tuesday, 22 November 2005 at 7.30 p.m. at the City of West Torrens Civic Centre. The public hearing may not be held if no submissions are received or if no submission indicates an interest in speaking at the public hearing.

Dated 8 September 2005.

T. M. STARR, Chief Executive Officer

CITY OF WEST TORRENS

DEVELOPMENT ACT 1993

West Torrens (City) Development Plan—General Plan Amendment Report (PAR)—Draft for Public Consultation

NOTICE is hereby given that the City of West Torrens has prepared a draft Plan Amendment Report to amend the West Torrens (City) Development Plan as it affects a range of policies and sites throughout the City.

The draft General PAR seeks to undertake a number of amendments relating to (but not necessarily limited to) the following matters and sites:

Policy Amendments

- Rationalise Recreation policies.
- Rationalise Industry zones and policies.
- Update access and car parking standards.
- Update non-complying development lists.
- Update public notification categories.
- Update Aircraft Noise Affected Area map.
- Remove redundant demolition control policy.
- Update Complying Development Standards Table.
- Amend text associated with non-complying principle within the Commercial (Arterial Roads) Zone.
- Update window sill heights for second level rooms.
- Incorporate a 1 m building setback from rear lanes.
- Update policy relating to Complying Developments adjacent to the River Torrens.

Zone Boundary Amendments

Amending Development Plan Zone boundaries in the following localities:

- Bagot Avenue and Norma Street, Mile End.
- East, Shipster, Huntriss, Wainhouse, Northcote and Danby Streets, Torrensville.
- Maria Street, Thebarton.
- George Street, Thebarton.
- Rowells Road and Azalea Drive, Lockleys.
- Oscar and Lewis Streets, Lipsett Terrace and Airport Road, Brooklyn Park.
- Morphettville Jockey Club: Anzac Highway and Camden Park.

THE BAROSSA COUNCIL

ROADS (OPENING AND CLOSING) ACT 1991

Road Opening, Menge Road, Bethany

NOTICE is hereby given pursuant to section 10 of the said Act, that Council proposes to make a Road Process Order to open as new road portion of allotment 877 in Filed Plan 172328 (B. D. & H. J. Phillips) shown as '1' on Preliminary Plan No. 05/0037 forming a re-alignment of the Menge-Bethany Roads junction.

A copy of the plan and statement of persons affected are available for public inspection at Council's Office, Washington Street, Angaston, and the office of the Surveyor-General, 101 Grenfell Street, Adelaide, during normal office hours.

Any objections must be made in writing within 28 days from 8 September 2005, to the Council, P.O. Box 295, Angaston, S.A. 5353 and the Surveyor-General, G.P.O. Box 1354, Adelaide, S.A. 5001, setting out full details.

Where a submission is made, Council will give notification of a meeting to deal with the matter.

J. JONES, Chief Executive Officer

THE BERRI BARMERA COUNCIL

Appointment

NOTICE is hereby given that pursuant to section 102 (b) of the Local Government Act 1999, at a meeting of Council held on 23 August 2005, Christopher Ronald Howell was appointed Acting Chief Executive Officer for the period 3 October 2005 to 14 October 2005 inclusive, due to the taking of Annual Leave by the Chief Executive Officer.

S. RUFUS, Chief Executive Officer

Contact: Mr DeGilio
Ref: BD:bd
CC18/41375

Town of Gawler
43 High Street
Gawler East SA 5118
PO Box 130
Gawler SA 5118
Phone: (08) 8522 9211
Fax: (08) 8522 9212
council@gawler.sa.gov.au
gawler.sa.gov.au

17 July 2018

Adam Faulkner
Chief Executive Officer
NAWMA
Gate 3, Bellchambers Road
EDINBURGH NORTH SA 5113

Dear Adam

SMITH AND ADAMS ROAD REPAIRS

I write in relation to recent discussions between NAWMA, the City of Playford and the Town of Gawler relating to the ongoing management of a portion of Smith Road and Adams Road, which are boundary roads between the suburbs of Evanston South and Blakeview. These road reserves are completely within the Town of Gawler, bordering the City of Playford on the southern edge of their respective road reserves.

Smith Road (east of Bentley Road) and Adams Roads were unsealed road reserves in 2002 prior to being sealed by NAWMA as part of a development application relating to the NAWMA waste facility. At the time these roadworks occurred, there was no formal agreement prepared outlining the ongoing maintenance obligations for these roads. To this end, these segments of roadway have not been maintained by the Town of Gawler since that time. Where necessary, NAWMA have facilitated the maintenance repairs with the assistance of the City of Playford.

Due to the accelerating rate of deterioration of the condition of the Smith and Adams Roads road pavement, an assessment has been conducted by consultant's Pavement Asset Services Pty Ltd. This has provided some options for consideration as to the type of road treatments which can be undertaken to restore and extend the pavement life.

Options that are proposed for the ongoing maintenance of the road pavement include;

1. Long Term Option - deep asphalt patch and repair to all fatigued areas with double reseal.
2. Interim Option - shallower asphalt patch and repair with double reseal.
3. Holding Option - combination of patch and repair methods to maintain the road surface on an as needed basis in the future and monitor.

A copy of the pavement investigation report is enclosed.

At this location, a sealed surface treatment type provides a service level beyond what is needed for the Town of Gawler ratepayers. Its sole purpose is to provide only a serviceable roadway for NAWMA's heavy vehicle fleet movements to its waste facility. The Town of Gawler seeks to formalise responsibility for the current and future repairs that will be necessary to these roadway's with NAWMA. To this end, confirmation from NAWMA is sought on its preferred approach to undertake the current maintenance required for the road pavement. Noting this cost would be at the expense of NAWMA.

It is intended that a legal agreement will be prepared by the Town of Gawler to formalise the ongoing maintenance arrangements with NAWMA for the section of Smith and Adams Roads between the NAWMA facility and Bentley Road for clarity moving forward. We will await your response prior to preparing this agreement.

As discussed at our meeting on 21 June 2018, together with the City of Playford, it is possible that the road pavement treatment is coordinated for delivery in 2018/19 financial year by the contractors who will be undertaking roadworks on Smith Road between Bentley Road and Main North Road on behalf of the City of Playford. This would provide the greatest value for money approach.

We look forward to working together with NAWMA and the City of Playford to finalise this matter and provide clarity moving forward on respective responsibilities for these road pavements.

Should you wish to discuss this matter further, please contact Council's Team Leader Asset Planning, Mr Ben DeGilio on 8522 9223.

Yours faithfully



Sam Dilena
Manager, Infrastructure and Engineering Services

Direct line: (08) 8522 9251
Email: sam.dilena@gawler.sa.gov.au

Encl.



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Agenda Item 7.7

REPORT SUBJECT:	NAWMA Committee Nominations
REPORT AUTHOR:	Chief Executive Officer
MEETING DATE:	28 February 2019
INFORMATION TYPE:	Decision making Report (governance)
ATTACHMENTS:	Nil

Purpose of the Report

To provide the Board with an opportunity to decide upon the various Committee Nomination requirements.

Background

Due to the Local Government Elections in November 2018, NAWMA is experiencing a change in Board membership which has affected the various Committees established under NAWMA.

An update of the current Committee vacancies and the City of Playford Board Director nominations was provided to the Board in the agenda of the (cancelled) 31 January 2019 Board Induction Meeting.

Report

The NAWMA Committees that currently have vacancies and require nominations from the NAWMA Board are outlined below in Table 1.

Table 1: Committee Nomination requirements

Committee	Board Director vacancies
Audit Committee	Two (2) Board Directors
CEO Performance Committee	One (1) Board Director
Balefill Management Consultative Committee	One (1) Board Director (acts as Chair)
Board	One (1) Board Director (acts as Deputy Board Chair)
Technical Working Group	This is an informal NAWMA Committee

NAWMA Management ask that the Board determine the Directors for each of the abovementioned Committee vacancies and that an expiry of each position be two (2) years from the date of the Board resolution.

RECOMMENDATION

That the Board nominate Directors for the abovementioned Committee vacancies for a period of two (2) years from date of resolution.



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Agenda Item 7.8

REPORT SUBJECT:	2019 Board Meeting Schedule
REPORT AUTHOR:	Chief Executive Officer
MEETING DATE:	28 February 2019
INFORMATION TYPE:	Decision making Report (governance)
ATTACHMENTS:	Nil

Purpose of the Report

To provide the Board with an opportunity to review the 2019 meeting schedule

Background

In accordance with Clause 7.4.10 of the NAWMA Charter:

Meetings of the Board will be held at such time and such place as the Board decides subject only to the requirement that there will be at least one meeting in every two calendar months

Report

In preparation for 2019, NAWMA Administration have stepped out the statutory requirements for the calendar year. The meetings of the Board have been scheduled to take place one week after the NAWMA Audit Committee to ensure accurate information is shared.

In order to maintain consistency and convenience for the Board, Administration have scheduled all meetings for Thursday evenings to take place in our Woomera Avenue Boardroom. The April meeting has been scheduled for a Wednesday evening due to a Public Holiday.

Table 1: Proposed 2019 Board Meeting Schedule

Date + Time	Venue	Statutory Requirement
Thursday 28 February 2019* @ 5pm	NAWMA Boardroom	BR1, BR2 + Draft 19/20 Budget
Wednesday 24 April 2019 @ 5pm	NAWMA Boardroom	BR3 + Draft Annual Plan
Thursday 27 June 2019 @ 5pm	NAWMA Boardroom	Budget + Annual Plan Adoption
Thursday 19 September 2019 @ 5pm	NAWMA Boardroom	Audited Financials + Annual Report
Thursday 21 November 2019 @ 5pm	NAWMA Boardroom	BR1 (19/20)

*This meeting is a joint meeting of the NAWMA Board and Audit Committee

The Administration welcome any feedback on the above schedule from the Board. All dates, times and venues have been distributed via electronic diary appointments but are able to be changed if a quorum cannot be met.

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RECOMMENDATION

That the Report is received and noted, and the Board endorses the proposed dates of the 2019 Board Meetings.



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Agenda Item 7.9

REPORT SUBJECT:	Operational Report - Collections, Processing & Disposal
REPORT AUTHOR:	Collections and Processing Manager
MEETING DATE:	28 February 2019
INFORMATION TYPE:	Information only Report (operations)
ATTACHMENTS:	Nil

Purpose of the Report

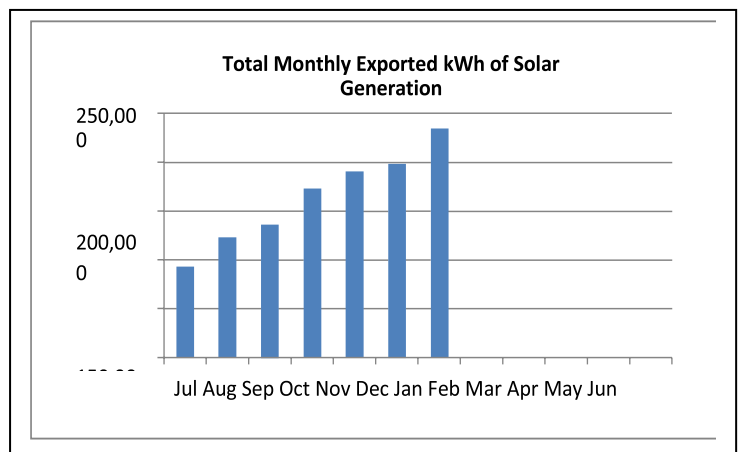
This Report presents items which occurred during the reporting period July 2018 to January 2019 in relation to NAWMA’s three facilities: (1) Uleybury Landfill, (2) Edinburgh North, which incorporates the Waste Processing Facility (WPF), Food Organics Garden Organics (FOGO) and Resource Recovery Centre (RRC) and (3) Pooraka Resource Recovery Centre (PRRC).

Reports

- 1) **Uleybury Landfill** continues to generate power at close to maximum levels from the Renewable Energy Facility (REF), using landfill gas and solar panels. The REF power is averaging approximately 1.21 MW 24 hours/7 days, with the excess landfill gas (to generation needs) flared. With the combined max output peaking around 1.29 MW during the day.

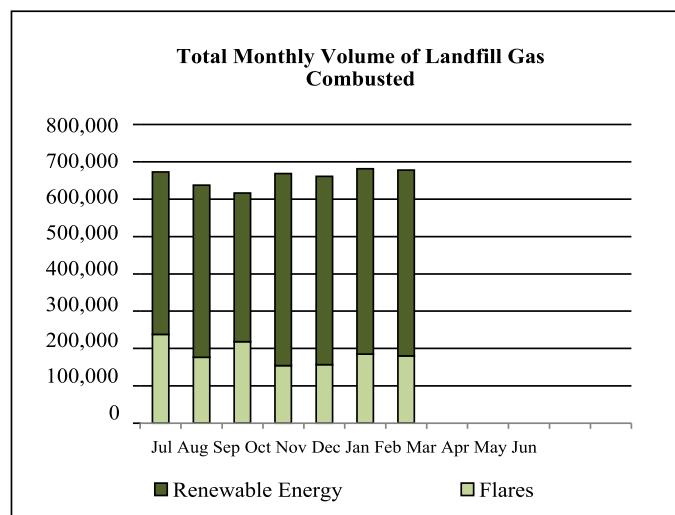
The chart to the right shows the monthly power generation from the Solar Panels peaked at 234.65 MWhrs in January, with the following graphs in green showing the gas consumed and flared. The total power generation (over the July 2018 to January 2019 period) was 5,060.5 MWhrs for the REF and 1,150.6 MWhrs for the solar panels – a total of 6,211.1 MWhrs.

NAWMA’s energy partner LMS/Joule Energy have recently applied through the State Government Renewable Micro Energy Grid Grant Funding rounds to install battery storage.



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Cumulative Monthly Landfill Gas Report			
2018-19 FY	Volume of Landfill Gas Flow		
Month	Flares	Renewable Energy Facility	Total
Jul	237,609	434,961	672,570
Aug	176,396	461,068	637,464
Sep	217,910	398,398	616,308
Oct	154,353	514,235	668,588
Nov	156,960	504,501	661,461
Dec	185,005	496,058	681,063
Jan	180,085	497,460	677,545
Feb			0
Mar			0
Apr			0
May			0
Jun			0

With the average household consumption in Australia approximately 10 MWhrs per year this is equivalent to powering 1100 homes for the period July 2018 - January 2019.

- 2) **Edinburgh North Waste Processing facility (WPF)** continues to operate smoothly with approximately 40,000 tonnes of waste processed and baled (July 18 – January 19) with another approximately 3,000 tonnes of compacted material transported for processing into the Alternative Waste Facility.
November 2018 has bought changes to the maintenance side of the WPF with a shift from the traditional contractor based maintenance program to an in-house team. This change from a contractor based model to the in-house model not only gives cost savings but also ties in with the job creation and training mantra NAWMA prides itself on. Major capital works from July 2018 to January 2019 included replacement of approximately 300 m3 of concrete floor from normal operational wear and tear. These works were carried out after hours and had minimal impact on the operations of the facility.
- 3) **Food Organics Garden Organics (FOGO)** shed accepts approximately 27,255 tonnes of Organic material per annum. The tonnes passing through the FOGO facility is the equivalent to approximately 1,500,000 residential bins per annum collected from kerbside with an available 5,000,000 property's per annum passed by NAWMA's contractor, Suez. The bins collected per annum as part of the FOGO collection has around 30% of the residents using this service. The organics material collected is bulk hauled to Peats Soils and Garden Supplies facility, where it is processed and turned into Peats products such as compost and mulch.
- 4) **Bellchambers Resource Recovery Centre (RRC):** This facility sees around 31,000 Customers per annum using this site, with the highest number of transactions being single axel 6 x 4 trailers and car boot loads or equivalent. The site also sees around 2,500 mattresses deposited by residents, 3,500 tonnes per annum of material to Alternative Waste to Energy Facility, 150 tonnes of cardboard and paper collected, 2000 tonnes of organics, 300 tonnes of steel and around 250 tonnes of E-waste collected and sent for recovery. This year will also see the RRC able to accept Hazard Waste Material as part of Green Industries SA Funding with the internal works scheduled to commence March 2019 and final completion including training scheduled for June 2019. This will be of major benefit to our local community with this facility able to have material deposited seven days a week.
- 5) **Pooraka Resource Recovery Centre (PRRC):** This facility is averaging around 45,000 customers per annum with the highest number of transactions being 6 x 4 level trailers of general and organics. This site also sees around 2,500 mattresses passing through this location, approximately 7,000 tonnes of material sent to the Alternative

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Waste to Energy, 180 tonnes of cardboard and paper collected, 10,000 tonnes of organics, 100 tonnes of steel and around 150 tonnes of e-waste sent for recovery. Recent changes to the site include recycling of alkaline batteries, globes and x-rays via CMA Recycling. A recent EPA License variation sees NAWMA now able to accept paint for recycling as part of the National Paint Back Scheme. The inclusion of these recycling services to this site means material once destined for landfill is recovered and recycled.

RECOMMENDATION

That the Report is received and noted.

Confidential Agenda Item 7.10 removed



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Agenda Item 7.11

REPORT SUBJECT:	Education Report – Audit Results and Education Plan 2019
REPORT AUTHOR:	Education and Projects Coordinator
MEETING DATE:	28 February 2019
INFORMATION TYPE:	Information only Report (education, operations)
ATTACHMENTS:	7.11.1 Photographs of miscellaneous contamination found in September 2018 kerbside audit

Purpose of the Report

To provide the Board with a summary of main findings from the September 2018 kerbside audit and to outline key recycling educational programs for 2019.

Background

A household bin audit was conducted by local consultant firm *Rawtec* to provide data on kerbside bin usage. The audit provided excellent baseline data about more than 50 waste categories and detailed a methodology so as to ensure the process can be replicated for comparative analyses in the future.

The audit highlighted that contamination in the yellow-lid recycling bin is a significant problem (see Attachment 7.11.1 for examples) and that service user behaviour patterns need to improve. A suite of targeted educational programs and resources are being developed to engage with the community and drive this behaviour change.

Report

In September 2018, *Rawtec* was contracted to conduct an audit of the usage of NAWMA's kerbside bin service. A sample of 900 households (300 in each of NAWMA's constituent councils) was used to obtain results for each council separately as well as combined to give an overall NAWMA average. Findings were also compared to other councils in SA and the State average.

Main findings from the audit

- Contamination in the yellow-lid household recycling bin is a significant problem. On average around 31% of material (by weight) in NAWMA household yellow-lid bins is contamination compared to a State average of 10-15%. The highest rate being almost 44% in households without green-lid organics bins from the City of Playford. Main contaminants include general waste, organics, recyclables in plastic bags, soft plastics, textiles and building waste.

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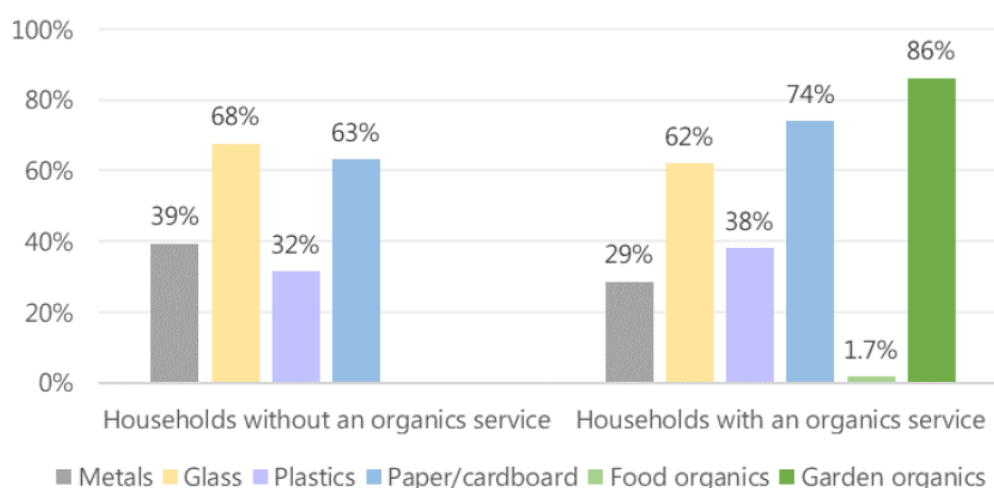
- **Food and Garden Organics**

On average, the green-lid Food & Garden Organics bins contain significantly less contamination than the household bins at around 8% and down to as low as 2% within the Town of Gawler. However, only around 1.7% of the content of the green bins was identified as food waste. This highlights the lack of knowledge around, or the aversion to, placing food waste in the green-lid bins and indicates that green-lid bins are used predominantly for garden waste only.

- **Material Separation Efficiency**

Material separation efficiency shows how well residents separate recyclable material into the correct bin. The graph shows that there is scope for improvement with separating all items in particular food waste, metals and plastics.

**Material separation efficiency (% weight)
NAWMA results**



- **Unrecovered resources**

Unrecovered resources are those items which could be recycled or composted if they were placed into the appropriate yellow or green-lid bin instead of being discarded into the general waste red-lid bin. On average, around 60% (% weight of materials audited) of the red-lid bin contents across NAWMA's three constituent councils cannot be recovered. Around 45-50% of this is organic material that could be composted. Interestingly, there is no great difference between households with and without green organics bins. This, and the data in the graph above, suggest that the bulk of the organic contamination in the red-lid bins is comprised of food waste.

Thirteen percent (% weight of materials audited) of the contents of the red-lid bin was material suitable for recycling via the NAWMA's Material Recovery Facility.

Education plan moving forward

A key focus for NAWMA must be activities to reduce contamination. Whilst this can be done in a variety of ways including expiation for non-compliance or not emptying/removing the recycling bin, there is also a strong case for educating members of the community about appropriate resource recovery processes.

Residents are exposed to many different forms of messaging about recycling (e.g. social media, television shows like the ABC's 'War on Waste', written material from councils, the state government, private companies and NGOs). Most people who have grown up in Australia are familiar with the broad concept of recycling. However, given that

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messaging about recycling can vary due to who is providing the service, what location the information refers to and what downstream markets are available at the time, information can be confusing and even contradictory. Generally, most people prefer to recycle items rather than send them to landfill so it is very important that the people who are making recycling decisions are well-informed.

It is therefore a priority that up-to-date, accurate and consistent messaging is distributed as widely as possible, using a variety of strategies throughout the NAWMA constituent councils.

A first step towards NAWMA achieving this was the development of a new and recognisable suite of brand elements that local people can identify and trust for reliable waste management information.

We will continue to provide up-to-date information about our services and operations via our new website (launched in September 2018). To complement this, information is distributed via each Constituent Council's Facebook pages on a regular basis.

Other updated written materials include our New Residents pack, posters sent to Community Centres and information in publications such as *The Bunyip* and *The Messenger*. We have also recently developed posters about our hard waste services in a variety of different languages and are liaising with Council staff about how best to disseminate these.

Face-to-face programs include *NAWMA Facilities Tours*, which occur throughout the year. To cater for those who cannot attend a tour during working hours, we are currently developing a virtual tour which will feature on our website. We also provide presentations tailored to groups upon request.

After a successful trial carried out collaboratively with Cornerstone Housing and KESAB at a multi-unit dwelling complex in Salisbury North last year, we are developing guidelines and educational resources to reach out to other similar complexes experiencing ongoing waste issues.

Further activities under development this year include professional development sessions for school teachers, a community-based peer education program, a Community Advocates/Champions program and hands-on waste reduction workshops.

RECOMMENDATION

That the Report is received and noted.

Miscellaneous contamination photographs



Image 1: Garden organics from Town of Gawler (house without organics bin)



Image 2: E-waste from City of Salisbury



Image 3: Packaged food from City of Playford



Image 4: Needles from City of Playford



Image 5: Paper/cardboard wrapped in plastic from Town of Gawler



Image 6: Textiles from City of Salisbury



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Agenda Item 7.12

REPORT SUBJECT:	WHS Steering Committee Minutes (latest)
REPORT AUTHOR:	Chief Executive Officer
MEETING DATE:	28 February 2019
INFORMATION TYPE:	Information only Report (operations)
ATTACHMENTS:	7.12.1 Minutes of 11 February 2019 WHS Steering Committee (latest)

Purpose of the Report

To provide the Board with an update of NAWMA's WHS Steering Committee.

Report

A meeting of NAWMA's WHS Steering Committee was held on Tuesday 11 February 2019. Appended (Attachment 7.12.1) are the minutes of this meeting for the information of the Board.

RECOMMENDATION

That the Report is received and noted.

WHS STEERING GROUP MEETING MINUTES

WHS KEY PILLARS

1. Training & Qualifications
2. Records & Documentation
3. Maintenance & Housekeeping
4. Emergency Procedure



Meeting Title:	NAWMA WHS Steering Group			Chaired by:	Scott Filsell			Meeting Date:	12/02/19			Meeting Number:	41		
Venue:	NAWMA Bellchambers Rd			Secretary:	Scott Filsell			Start:	10:00am			Finish:	10:30am		
ATTENDEES															
	Attend	Apology	Absent		Attend	Apology	Absent								
Adam Faulkner	X								AGENDA:	<ol style="list-style-type: none"> 1. Status of previous actions 2. New items <ul style="list-style-type: none"> • Black Text - ongoing • Red Text - New/Current items • Green Text – Completed Items 					
Eddie Christopoulos	X														
Danial Dunn	X														
Jason Moorhouse	X														
Michelle Muldowney	X														
Andreas Konrad	X														
Scott Filsell	X														
Distribution															
Electronic copies to all attendees and individuals that are absent. Plus minutes stored on "N" Drive and Notice boards.				Date Issued	13/02/2019			Next Meeting:	27/03/19 @ 10am			Venue	NAWMA Bellchambers Rd		
Agenda Item		Issue Details				Action Required				Action By	Date Raised	Due Date	Action Completed		
1.	Review any current Incidents or issues:						<ul style="list-style-type: none"> • Overloaded Ro/Ro Bins Research Rd RRC, Cleanaway to Investigate Outcome of actions. • MRF Fitter Injury, investigation to follow up on actions. Adam suggested to do a drug screen following incidents as per our D&A Policy. Noted. 				Adam Faulkner	9/1/18	12/2/19		
							<ul style="list-style-type: none"> • MRF Fitter Injury, investigation to follow up on actions. Adam suggested to do a drug screen following incidents as per our D&A Policy. Noted. 				Scott Filsell	21/1/19	12/2/19	12/2/19	
2.	Records & Documentation	SWP Development				Develop/Review NAWMA specific SWP documents <ul style="list-style-type: none"> • RRC/WPF – To be reviewed & updated as required • MRF – To be reviewed & updated as required • LANDFILL - To be reviewed & updated as required 				Jason Moorhouse Scott Filsell Thao Nguyen Eddie Christopoulos	11/10/17	Ongoing			
3.	Training & Qualifications	Fire warden Training required for staff				Need to form E.C.O & E.P.C for Edinburgh North <ul style="list-style-type: none"> • Outstanding Warden training required - Karen Lynch John Jarrett. Ok to book in for training and notify dates. Training for weekends on RRC sites. Jonathon Tuckey, Zac Langridge & Nelson Orneo book in also. Training booked. 				Scott Filsell Jason Moorhouse Eddie Christopoulos	25/6/18 21/1/19	Feb 19			
4.	Emergency Procedure	Emergency Evacuation notification				<ul style="list-style-type: none"> • Edinburgh Nth needs full Evacuation Drill to be planned once committees are formed. Assistance from LGAWCS in form of a TIP, applied for 10/8/18 • Tip approved to be started late Sept 2018 Due to be completed & Evacuation drill by 8th April Draft Plan formalized, training & drill to be held next session 25/2				Scott Filsell Jason Moorhouse	27/2/18	Apr 2019			
										Scott Filsell	25/9/18	Apr 2019			

WHS STEERING GROUP MEETING MINUTES

WHS KEY PILLARS

1. Training & Qualifications
2. Records & Documentation
3. Maintenance & Housekeeping
4. Emergency Procedure



Agenda Item		Issue Details	Action Required	Action By	Date Raised	Due Date	Action Completed
5.	Records & Documentation	Development of Contractor Management System - Skytrust Improve safety culture throughout the organisation	<ul style="list-style-type: none"> Safety conversations to be had and recorded on Sky trust once implemented, as above. Proceed with SKYTRUST implementation – Underway 	Scott Filsell	11/10/17	Ongoing	
6.	Records & Documentation	Sign in Register	<ul style="list-style-type: none"> Skytrust not user friendly. Have looked at other online options available, Investigate with Playford Council and copy their platform to suit NAWMA's needs. 	Scott Filsell	19/2/18	TBA	
7.	Maintenance & Housekeeping	Designated walkways Edinburgh Nth site	<ul style="list-style-type: none"> Now modifications have almost been completed on site, designated walkways now need to be planned for site. Further information is required from SUEZ on their requirements, Adam Faulkner & Eddie Christopolous meeting with SUEZ today 24/7/18 to seek progress on project. Underway - mid-February completion date 	Scott Filsell Eddie Christopolous Jason Moorhouse SUEZ	22/5/18	Feb 2019	
8.	Records & Documentation	Asbestos Procedure for review	<ul style="list-style-type: none"> Dummy cameras and signage to be fitted at RRC sites, Bellchambers Completed - Sakun/Brett's jobs list for this week the 12/2/19 	Scott Filsell Jason Moorhouse	18/6/18	11/2/19	
9.	Emergency Procedure	Confined space Emergency Plan	<ul style="list-style-type: none"> To be investigated with Confined Spaces expert recommended by LGAWCS. Met with C/Spaces expert, actions list has been put together based on his recommendations. Data to be logged using gas analyser for WPF pit for 3-4 weeks to determine next step with that pit. Data Received. Follow up with MSS Safety on Recommendations. 	Scott Filsell Jason Moorhouse	23/10/18	12/2/19	
10.	Records & Documentation	CoR (Chain of Responsibility) NHVL (National Heavy Vehicle Law)	<ul style="list-style-type: none"> Other existing & newer transport contractors Simsmetal, Veolia, Cube, Peats soils etc. need to have the same scrutiny applied to check on compliance of the NHVL and records of the actions and outcomes kept on file. Investigated reporting issues with National Weighing, working out software solutions for reporting and notification of overweight vehicles, specifically flagging on the system and E-mail notifications. Quote in \$2,640 – Approval to proceed with modifications by Adam Faulkner- Follow up with National Weighing Install s/ware Actions - capture Tare weights for all Heavy Vehicles using sites weighbridges to allow usage with new software. <p><u>Review of any NHVL breaches</u></p> <ul style="list-style-type: none"> Danial Dunn Raised concern with Dimensions of the new SUEZ Yorke Peninsula trucks – Eddie to follow up on dimensions of vehicles. 	Scott Filsell Danial Dunn Eddie Christopolous Jason Moorhouse Adam Faulkner	24/7/18	23/10/18	
				Jason Moorhouse Scott Filsell	27/11/18	12/2/19	
				Jason Moorhouse	27/11/18	12/2/19	
				Tracey O'Neil	22/1/19	19/3/19	
				Eddie Christopolous	12/2/19	19/3/19	

WHS STEERING GROUP MEETING MINUTES

WHS KEY PILLARS

1. Training & Qualifications
2. Records & Documentation
3. Maintenance & Housekeeping
4. Emergency Procedure



Agenda Item	Issue Details	Action Required	Action By	Date Raised	Due Date	Action Completed
		<ul style="list-style-type: none"> Adam Faulkner raised awareness from a media article relating to NHVL breaches & Heavy Vehicle incidents in NSW. To be circulated to WHSSSG Committee members. 	Adam Faulkner Scott Filsell	11/2/19	12/2/19	12/2/19
11. Emergency Procedure	Canberra MRF Prohibition Notices	<ul style="list-style-type: none"> Survey of all NAWMA sites identified some minor issues that required attention, Greens shed - Hose obstructed near S/W door needs to be cleared, MRF N/E exit door potential for obstruction. Bollards to be fitted - Completed 	Scott Filsell Jason Moorhouse	14/1/19	22/1/19	
12. Maintenance & Housekeeping	Landfill Operator issues	<p>The landfill operators have raised the following:</p> <ul style="list-style-type: none"> Landfill Excavator – Jerky & unstable, creating back issues, Hazard report has been filed. Komatsu operator trainer visited site – Awaiting his report on his findings after operating machine. To close the matter out. Communication of visitors to the site, asked if visitors could radio in notifying presence on site & when leaving site. Sign in register still in operation Leachate Pond Fencing below standard. Adam Faulkner approved fencing to be installed around ponds. Jason Moorhouse to organise contractor to complete fencing. Was agreed upon to close all current external fencing and install additional signage to increase awareness. 	Scott Filsell Jason Moorhouse Eddie Christopoulos	22/1/19	12/2/19	
13. Emergency Procedure	First Aid Kit upstairs at Woomera Ave site	Organise for an additional kit for upstairs, F/Aid Training to be completed for Charmaine Wing.	Scott Filsell	22/1/19	12/2/19	24/1/19
14. Maintenance & Housekeeping	Trucks entering and exiting sites are exceeding posted site speed limits.	Adam Faulkner has approved a temporary Speed Radar Sign to be used across each site for a week at a time to raise awareness of site speed limits and vehicle actual speeds.	Adam Faulkner Scott Filsell	11/2/19	18/3/19	
15.						
16.						
17.						
18.						



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Agenda Item 7.13

REPORT SUBJECT:	2018/2019 Annual Business Plan – progress report
REPORT AUTHOR:	Chief Executive Officer
MEETING DATE:	28 February 2019
INFORMATION TYPE:	Information report (governance, finance, operations)
ATTACHMENTS:	7.13.1 2018/2019 Annual Business Plan – Actions Matrix

Purpose of the Report

To provide the Board with an update on the implementation of the 2018/2019 Annual Business Plan.

Report

The adopted 2018/2019 Annual Business Plan is structured into five (5) broad objectives, being;

- 1.1. To provide a **governance framework** that allows a consultative approach to management of the Subsidiary by Constituent Councils, the Board and NAWMA Management Team
- 1.2. To actively seek **operational efficiencies** that improves NAWMA's competitive advantage in the arenas of recycling, food organics garden organics, waste management, kerbside collections and customer service
- 1.3. To incorporate **Workplace Health and Safety** into decision making processes
- 1.4. To **educate and promote** recycling, waste diversion, and contamination management of the community in collaboration with Constituent Councils, staff and the Board
- 1.5. To provide a high-quality low-cost service and infrastructure to Constituent Councils where **financial performance** is underpinned by timely and accurate monitoring and reporting.

NAWMA's Staff and Management Team have worked tirelessly through the first eight (8) months of the financial year to implement the majority of the priority actions in the Annual Business Plan.

The Board are referred to the attached Actions Matrix for a summary of implementation progress.

RECOMMENDATION

That the Report be received and noted.

2018/2019 Annual Plan

Activities	Reference	Comments
New Transformational Waste Management Strategy	3.1.1	Complete. New Strategy adopted in September 2018
Reference Committee	3.1.2	Complete. Ongoing. Bi-monthly Operational Reference Committee Meetings are being held
Chief Executive Officer Quarterly Roundtables	3.1.3	Complete. Ongoing. Quarterly Roundtables are being held
Microsoft NAV Rollout	3.1.4	Complete. NAWMA transitioned to Microsoft NAV in November 2018. Teething problems
Quarterly Reporting	3.1.5	Incomplete. This initiative has not progressed
Service Level Agreements	3.1.6	Complete. SLA's adopted by each Constituent Council
Customer Service Metrics	3.1.7	Ongoing. Brightmetrics has been installed and is continually monitored
Integration of Research Road Transfer Station	3.2.1	Complete. Research Road Transfer Station now under NAWMA operational control
Prudential Review of Bellchambers Road Edinburgh Nth	3.2.2	Complete. Board endorsed in September 2018 to defer the potential purchase of the depot
Operational and revenue model for Landfill Gas & Solar Farm Project	3.2.3	Complete. Both solar and methane renewable energy facilities operational and generating revenue
Establish a regional household paint and chemical drop off facility	3.2.4	Incomplete, ongoing. State Government Project Managing this. Currently at design stage
Ensure cell development, rehabilitation and necessary capital and planning	3.2.5	Ongoing. Cell wall installation commenced
Mandatory Food Organics Garden Organics (FOGO) Collection Analysis	3.2.6	Complete. Independent analysis and modelling has been completed
Recyclables Processing Marketing Analysis	3.2.7	Complete. NAWMA CEO led a sector wide analysis. Current opportunities/tenders in play
Transition to at-call hard waste collection service/voucher	3.2.8	Complete. CoS/CoP both transitioned to at-call + voucher. ToG initiated a trial service
Risk Management Software Platform (Skytrust)	3.3.1	Ongoing.
Monthly WH&S Meetings	3.3.2	Complete. Ongoing.
Plan with Programs	3.3.3	Complete. Ongoing
Waste and Recycling Composition Audit	3.4.1	Complete. Audit results to be provided to Feb 2019 Board Meeting
Recycling targeted education - contamination and yield	3.4.2	Ongoing
FOGO targeted education - contamination and yield	3.4.3	Ongoing
Improved public facing community information	3.4.4	Website upgrade complete. New brochures complete. New resident information packs, ongoing
Improved data capture from collection vehicles	3.4.5	Incomplete. In negotiation with Suez to improve data collection capabilities

Confidential Agenda Item 8.1 removed



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Agenda Item 8.2

REPORT SUBJECT:	State Government Consultation
REPORT AUTHOR:	Chief Executive Officer
MEETING DATE:	28 February 2019
INFORMATION TYPE:	Information only Report (governance)
ATTACHMENTS:	8.2.1 Submission – Container Deposit System 8.2.2 Submission – Single Use Plastics

Purpose of the Report

To provide the Board with a copy of recent submissions to two (2) State Government discussion papers.

Background

The State Government is currently consulting on two discussion papers;

A Scoping Paper to review SA's Container Deposit System

[https://s3-ap-southeast-](https://s3-ap-southeast-2.amazonaws.com/assets.yoursay.sa.gov.au/production/2019/01/10/05/11/37/d93e011b-02d1-46ae-8bfd-0c2a4a70b36d/EPA_CDS%20Review%20FINAL.pdf)

[2.amazonaws.com/assets.yoursay.sa.gov.au/production/2019/01/10/05/11/37/d93e011b-02d1-46ae-8bfd-0c2a4a70b36d/EPA_CDS%20Review%20FINAL.pdf](https://s3-ap-southeast-2.amazonaws.com/assets.yoursay.sa.gov.au/production/2019/01/10/05/11/37/d93e011b-02d1-46ae-8bfd-0c2a4a70b36d/EPA_CDS%20Review%20FINAL.pdf)

Turning the Tide on Single-use Plastic Products

[https://s3-ap-southeast-](https://s3-ap-southeast-2.amazonaws.com/assets.yoursay.sa.gov.au/production/2019/01/10/22/35/56/1f16343e-b8ee-43d9-8da4-95823dd2d778/GISA_SUPP%20paper_Discussion%20Paper_draft13.4.pdf)

[2.amazonaws.com/assets.yoursay.sa.gov.au/production/2019/01/10/22/35/56/1f16343e-b8ee-43d9-8da4-95823dd2d778/GISA_SUPP%20paper_Discussion%20Paper_draft13.4.pdf](https://s3-ap-southeast-2.amazonaws.com/assets.yoursay.sa.gov.au/production/2019/01/10/22/35/56/1f16343e-b8ee-43d9-8da4-95823dd2d778/GISA_SUPP%20paper_Discussion%20Paper_draft13.4.pdf)

Both discussion papers called for submissions by 22 February 2019

Report

A Scoping Paper to review SA's Container Deposit System:

Looks at possible expansion of the products covered by the scheme (ie wine bottles), the redemption amount (\$0.10), and the governance and operating models of the current scheme. NAWMA's Material Recovery Facility (MRF) would be impacted (beneficially) if the scheme was expanded to wine bottles in particular, as it would increase the value of the glass commodity, but also encourage people to keep wine bottles out of the kerbside stream (less glass improves paper quality).

While NAWMA has made a submission to the discussion paper, NAWMA's Chief Executive Officer has been appointed on the EPA's Container Deposit Scheme Reference Committee. It is this forum that will eventually define the outcomes of the review over the coming 12 months.

NAWMA

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Turning the Tide on Single-use Plastic Products

Looks to ban the sale of single use plastics (ie straws), which builds on the shopping bag ban. Single use plastics reduce the value of NAWMA's recovered recyclables and are (mostly) a contaminant in the kerbside yellow-bin stream that presents at NAWMA's MRF.

NAWMA has made a brief submission supporting the initiative.

RECOMMENDATION

That the Report is received and noted.



Tuesday 19 February 2019

Administration: 71 – 75 Woomera Ave, Edinburgh Parks SA 5111
T: 1800 111 004 W: www.nawma.sa.gov.au

Mr Tobias Hills
Manager Legislation & Policy
Environment Protection Agency
PO Box 2607
Adelaide SA 5001

RE: Improving South Australia’s Recycling Makes Cents – A scoping paper to review SA’s container deposit scheme

NAWMA is a local government waste management subsidiary operating in South Australia, and manages waste and resource recovery activities for the Town of Gawler, the Cities of Playford and Salisbury and other regional Councils. We work closely with Local Government, industry and residents in developing a sustainable and integrated, long-term approach to recycling and environmentally responsible waste disposal.

NAWMA, on behalf of its Constituent Councils, and Client Councils, operates a world's best practice materials recovery facility, public transfer station, and landfill, servicing approximately 220,000 residents in the Northern suburbs of South Australia. We operate local infrastructure of global significance.

Our submission has been prepared by NAWMA’s administration, and may not necessarily be the views of our Constituent Councils.

- Submission -

4. Containers included – should more types of containers be included in the CDS and are there containers currently receiving a 10-cent refund that should be removed from the scheme?

Yes, we believe that the scheme should be expanded to include all milk and juice bottles, and include wine bottles

5. Banning of containers – should the scheme ban the sale of beverage containers that present challenges for recycling?

Yes, the scheme should ban PVC wrapping/labelling, squeeze pouches, and liquid paperboard containers with aluminium lining



6. Governance arrangements – should the review consider how collection depots and supercollectors operate?

We would like to see a single supercollector so the MRF can take all eligible containers to a single point for further sorting.

13. Should the refund amount be revised?

Yes, we believe that the refund amount needs to be increased, and the handling fee revised (upwards) to encourage further investment in the bottle yards and collection points

16. How would you like to be part of the CDS review conversation in the future?

The MRF's need to be included in any further consultation. NAWMA's Chief Executive Officer is part of the EPA's Reference Committee, and we believe that this forum will provide opportunities for further consultation.

- Ends -

Yours sincerely



Adam Faulkner
CEO



Tuesday 19 February 2019

Mr Ian Harvey
Director Strategy and Policy
Green Industries SA
Level 4, 81-95 Waymouth Street
Adelaide SA 5001



Administration: 71 – 75 Woomera Ave, Edinburgh Parks SA 5111
T: 1800 111 004 W: www.nawma.sa.gov.au

RE: Single Use Plastics

NAWMA is a local government waste management subsidiary operating in South Australia, and manages waste and resource recovery activities for the Town of Gawler, the Cities of Playford and Salisbury and other regional Councils. We work closely with Local Government, industry and residents in developing a sustainable and integrated, long-term approach to recycling and environmentally responsible waste disposal.

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- Submission -

NAWMA strongly supports the banning of single use plastics outlined in the *Turning the Tide on Single-Use Plastic Products*. We believe that it will have benefits in terms of litter, quality of recyclables presented through the kerbside system, and promote the establishment of a secondary remanufacturing sector in South Australia.

NAWMA commends the Minister and Green Industries South Australia for this initiative.

- Ends -

Yours sincerely

Adam Faulkner
CEO

