

## 4.2 CLAYTON SOUTH REGIONAL LANDFILL USER GROUP BUDGET 2022/23 (SH, ENV17)

Responsible Director: Deb Cailes

### **RECOMMENDATION**

*That Council, as a member of the Clayton South Regional User Group, note the Clayton South Regional Landfill User Groups Management Committee's recommended Management, Rehabilitation and Monitoring works Budget for 2022/23 year and the future projected cash flow.*

### **PURPOSE**

This report provides the Clayton South Regional Landfill Managing Committee, comprising of a member from each of the owner Councils, the recommended Budget for the 2022/23 year for the Management of the sites' rehabilitation and monitoring program.

### **KEY CONSIDERATIONS/ISSUES**

The Clayton South Regional Landfill is jointly owned by five municipal Councils who are bound by a legal agreement with a charter having been approved by each member Council. Members Councils are Boroondara, Whitehorse, Stonnington, Glen Eira and Monash. Each member of the Supervising Committee is formally appointed by the Council represented with powers related to the approval of expenditure and to execute contracts on behalf of Council.

The Clayton South Regional Landfill ceased taking Municipal Waste in late 2015. The site is now being rehabilitated in accordance with the EPA Best Practice Guidelines and the requirements of the Planning Permit.

It is expected that major cap rehabilitation works will be completed by June 2022, some delays have been experienced mainly due to Covid-19. Ongoing site management and maintenance will be required, however it is expected that annual costs will reduce now that remediation is near completion.

### **FINANCIAL IMPLICATIONS**

The Management of the site, rehabilitation and monitoring costs up until recently have mainly been sort from reserves obtained from the charges from the waste deposited at the site over the years of operation. Reserves were depleted by early in the 2021/22 year and Councils were called upon to contribute directly to these costs from 2021/22 going forward. This has been flagged in earlier budgets and included in Monash's long term financial plan. Monash's contribution in 2021/22 was \$349,757.

Expected net deficit for the 2022/23 is \$1,914,250 (for all owning Councils). This will be supplemented by cash reserves of \$635,679 and Council contributions of \$1,578,571 leaving an expected closing cash balance at 30 June 2023 of \$300,000.

There is direct financial implications for the 2022/23 year and future years as described. Monash owns a 16.8% share of the landfill and it is estimated that it will be required to contribute \$265,199, \$198,889 and \$203,066 in the 22/23, 23/24 and 24/25 years respectively. These estimates have been included in budget considerations.

Details on the 2022/23 budget is attached in Appendix A

***CONCLUSION/RECOMMENDATION***

That the Budget as prepared by the Clayton South Regional Landfill User Group Management Committee and the future projected cash flow be noted.

**Appendix A**

## 2022/23 Clayton South Budget Details

Cash Income -	- \$20,000
Which includes –	
Royalty Dividend Sergasco	-\$20,000
Expenditure -	\$1,334,250
Which includes -	
Environmental Monitoring	\$170,000
Site Maintenance	\$84,000
JV Secretariat & support	\$48,000
Audit & Accounting Fees	\$26,000
Bank Fees & Charges	\$250
External Consultancy	\$40,000
Legal Fees – General	\$10,000
Management Fee	\$192,000
Gas and leachate collection	\$380,000
Water Treatment (Sewer)	\$384,000
Miscellaneous Expenses	\$0
Leachate Pond Lining Upgrade	\$0
Capital Expenditure -	\$600,000
Which Includes -	
Stormwater pond construction	\$600,000
Total Expenditure and Capital Works	\$1,934,250
Net Deficit for the 2020/2021 year is -	-\$1,914,250
Opening Cash Balance	\$635,679
Total Council Contributions	\$1,578,571
Projected Closing Cash	\$300,000