

MINDARIE REGIONAL COUNCIL - TAMALA PARK FACILITY

CURRENT MODEL

Funding Model

Cost Recovery Model (Operations)

Share of Surplus - attributable to casual tonnage

EQUITY HOLDERS

Initial Capital Invested

Lease

Tamala Park Facility

Rental

STAGE 1

Initial capital including Plant & Equipment

Reinvest for Stage 2

FACILITY USERS - COMMERCIAL

Fee - Rate Per Tonne

STAGE 1

Capital cost component &

Casual capital component

Equals

Capital Cost Recovery

STAGE 2

Capital reserve \$5/tonne &

Casual reserve component \$5/tonne

Operating cost component &

Casual fees (excluding capital components)

Minus

Actual Operating Costs

Equals

Surplus/Deficit on Cost Recovery

Casual Users

Non-Member Commercial

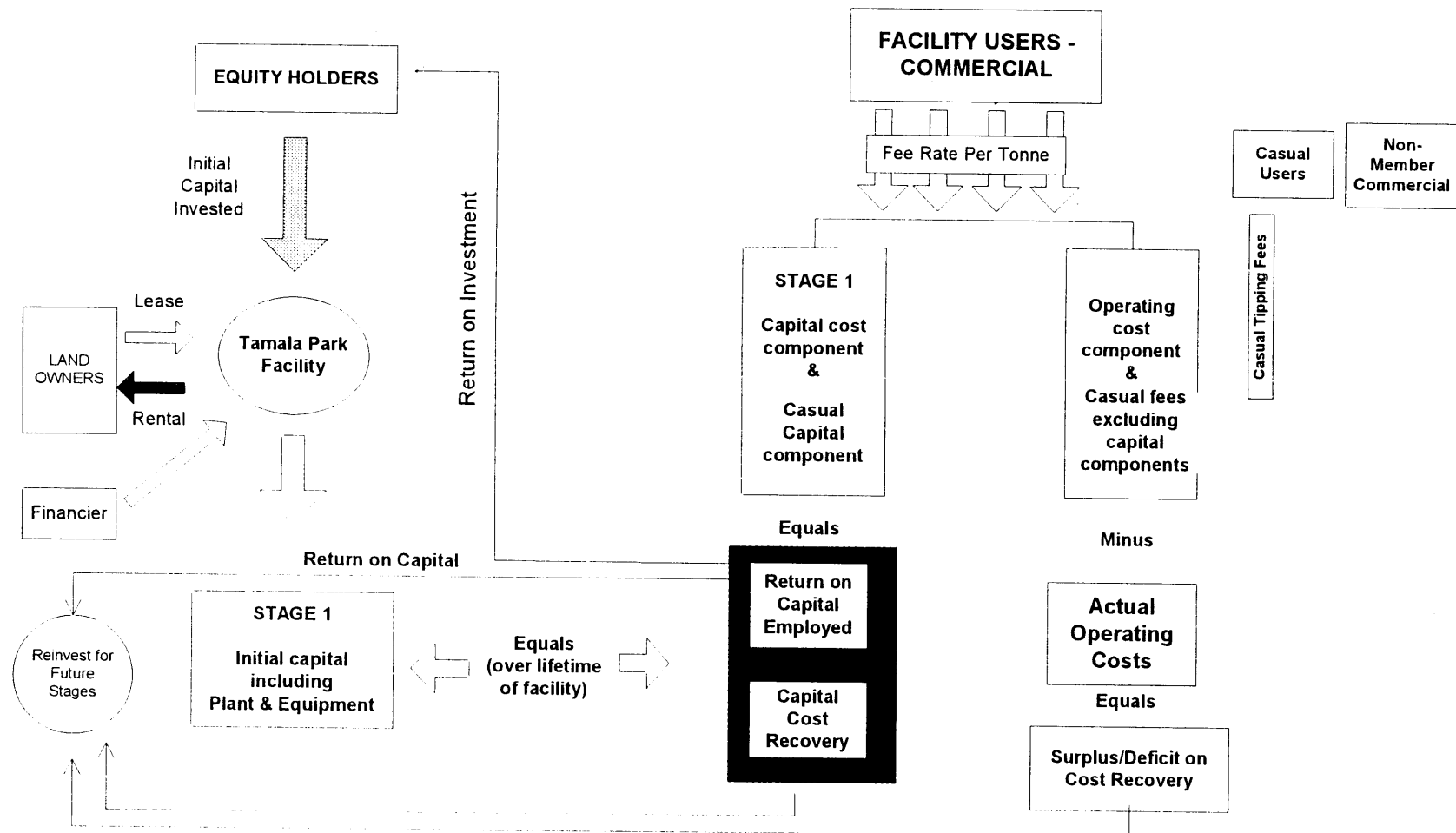
Casual Tipping Fees

Variance (rebate) - based on tonnage

APPENDIX 9

ATTACHMENT 1

MINDARIE REGIONAL COUNCIL – TAMALA PARK FACILITY PROPOSED MODEL



Mindarie Regional Council

Distribution calculation example

Assume:	Equity %	Tipping %
Council A	30%	60%
Council B	70%	40%
Retention of surplus	0%	

	Cost = Fees	Cost > Fees	Cost < Fees
Council A fees	60	60	60
Council B fees	40	40	40
Member Fees	100	100	100
Other fees	500	500	500
Member Cost	-100	-120	-80
Other cost	-400	-400	-400
Accounting Surplus	100	80	120
Fee adjustment		20	-20
Equity distribution *	100	100	100
Council A			
Equity distribution	30	30	30
Retention by MRC	0	0	0
Fee adjustment	0	-12	12
Net distribution	30	18	42
Council B			
Equity distribution	70	70	70
Retention by MRC	0	0	0
Fee adjustment	0	-8	8
Net distribution	70	62	78
Total distribution	100	80	120

* equals other fees less other costs, because members fees = members costs

		Cost = Fees	Cost > Fees	Cost < Fees
Operational surplus before member tipping fee adjustment	X	100	80	120
Adjustment to member council tipping charge, according to tonnes tipped, where tipping fees differ from actual cost	X/(X)	0	20	-20
Operational surplus - distributed according to equity ownership percentages	X	100	100	100
Less: retention for capital requirements as requested by Mindarie but at member councils' option	(X)	0	0	0
Adjustment to member council tipping charge according to tonnes tipped, where tipping fees differ from actual cost	X/(X)	0	-20	20
Amount distributed/(reimbursed) X/(X)	X/(X)	100	80	120

Made up of:			
Council A	30	18	42
Council B	70	62	78
	100	80	120