TOWN of EAST FREMANTLE

Strategic Resource Plan

2025/26 - 2034/35

1.0 Key Information – 2025-26

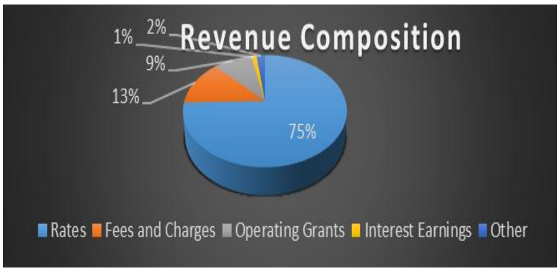
ASSUMPTIONS	STATISTICS	FINANCIAL INFORMATION
3% Inflation Rate	9 Elected Members	$10.044m Rates Revenue
Stable Population	49.11 FTE Employees	$1.8m Fees and Charges
Stable Levels of Service	6,200 Electors	$13.5m Operating Revenue
Stable Operations	3,321 Dwellings	$14.78m Operating Expenditure
Balanced Annual Budget	17.3km Distance from Perth	$1.07m Net Funding from Operations
4.95% Rates	3.2km^2 Area	$1.39m Cash Backed Reserves
3.5% Employee Costs (Wage Price Index)	8222 Population	$4.42m Long Term Borrowings

2.0 Long Term Financial Planning Overview

2.1 Forecast Revenue

Rates are expected to generate $10.044m in 2025-26 increasing to $13.67m in 2034-35 and comprise 75% of operating revenue in year 1. The Town is reliant on receiving $9.9m over the next 10 years in untied operating grants, subsidies and contributions to maintain the current level of operations and services. Non operating grants are expected to be received for major road projects, but no specific purpose grants have been identifed for other community assets.

2.2 Revenue Composition Year 1 to 10

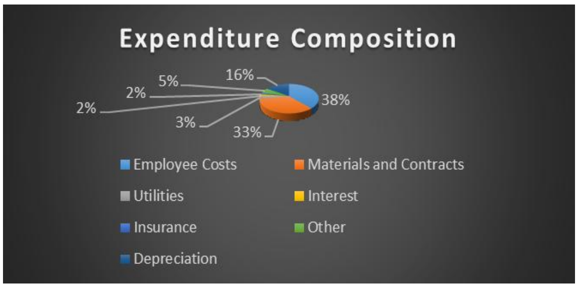


2.3 Forecast Expenditure

Expenditure is forecast to increase in line with inflation with the exception of depreciation expense which is impacted by the addition of assets.

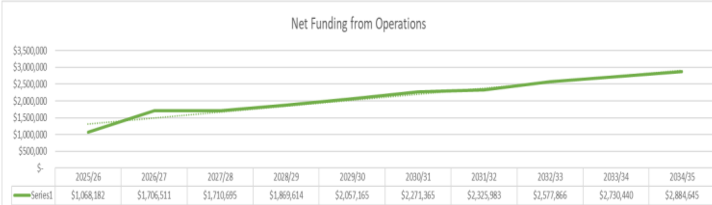
Employee costs represent 38% of the Town's Operating Expenditure. This is consistent with the industry average. Local governments are a service organisation, and thus there is a direct correlation between the level of service and employee costs.

2.4 Expenditure Composition Year 1 to 10



2.5 Forecast Net Funding from Operations

The chart below reflects the steady increase in net funding from operations over the next 10 years, increasing from $1.07m to $2.85m. This provides more funding for investment in community assets and to undertake financing activities.

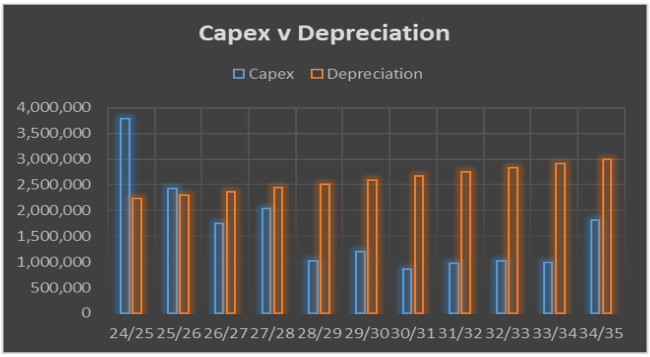


2.6 Forecast Depreciation Expense

Depreciation expense is assumed to grow at 3%pa as assets are revalued and renewed. Depreciation of assets over the 10 years is $25.35m.

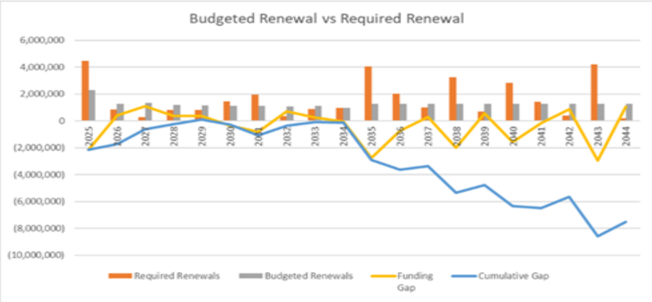
Ideally, the average asset renewal should be in line with depreciation expense over the long term, to ensure the value of assets is maintained. On average, the Town is planning to renew its infrastructure assets at a lower level than they are depreciating over the term of the Plan.

2.7 Forecast Asset Funding Levels



Further improvements in asset management data and the estimation of depreciation expense along with the future renewal of long-lived assets may result in a closer alignment between asset renewals and depreciation expense. To this end, the Town has developed a Predictive Asset Renewal Model to better forecast required asset renewals and provide for adequate funding in the long-term financial plan.

The model does highlight that a significant funding gap starts to appear between years 10-20 based on current asset funding levels, with a cumulative funding gap of $5.35m by 2038.



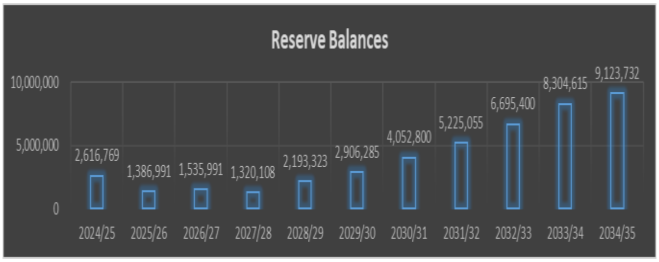
The Town has established a Strategic Asset Management Reserve and required renewal funding is being transferred to this Reserve, particularly between years five to ten when the Town's net funding from operations improves to the desired level. The forecast balance of this Reserve in 2035 is $6.03m, demonstrating that the Town is able to cover the asset funding gap should the rates pricing pathway remain in place, all other things remaining equal.

2.8 Maintenance Expense

The current maintenance expenditure allocated in the annual operating budget is expected to continue at current levels, with inflationary increases occurring each year.

2.9 Forecast Borrowings and Cash Reserves

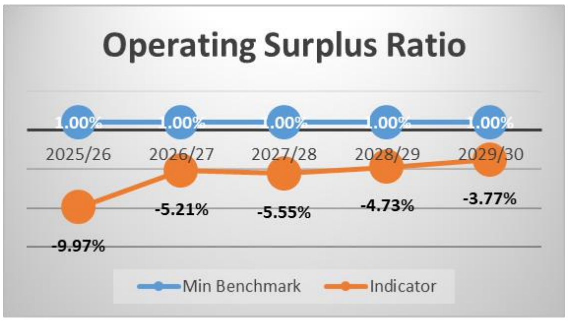
In general, the finances of the Town are expected to <u>improve</u> over the long term. Reserves will be utilised to save for major forecast asset renewals (with a forecast balance of $9.12 in 2034-35) resulting in a signifcant increase in reserve levels as shown in the chart below.



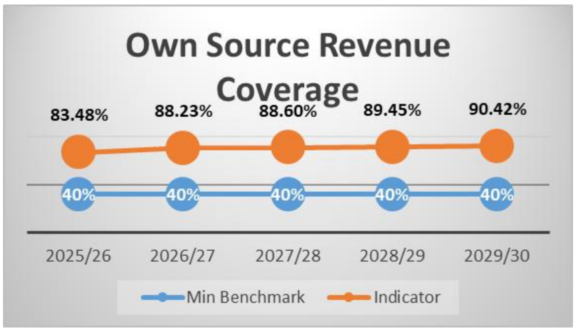
Borrowings of $4.8m was requried to part fund the East Fremantle Oval Redevelopment Project to be paid down over the remaining term of the Plan. Total debt servicing costs (including the State Government Guarantee Fee) over the 10 year plan is $4.03m.

2.10 Forecast Ratios

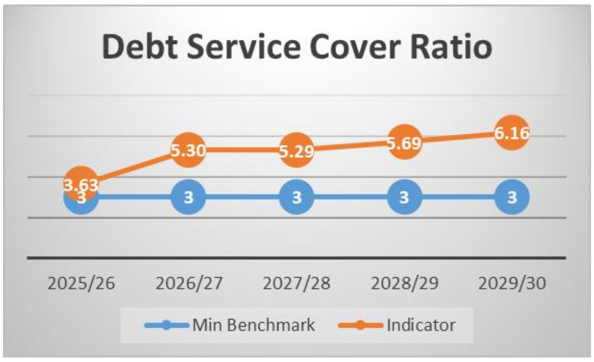
Monitoring the Town's financial rigidity and financial position along with its asset management performance is undertaken by preparing and monitoring various statutory ratios. A 5 year period has been used to assess short-medium term trends.



The ratio above highlights how the cumulative impact of the rates increases are intended to address the Operating Surplus Ratio.



The above ratio is above the target indicating the Town is not reliant on grants and contributions.



The ratio above reflects the capacity of the Town to take up borrowings for the upgrade of East Fremantle oval.

An explanation of all ratios is provided further in this document.

Scenario Modelling

3.1 Scenario Modelling – Rates

Scenarios were developed to test the financial impact of reduced levels of operating funding or increases in opex.

The base scenario is the current Long Term Financial Plan with a rate increase of 4.95% in 2025-26 and 3.5% per annum thereafter. This provides a balanced position over the 10-year Plan.

Scenario 1 – Discontinuation of Neighbourhood Link Services from 2026-27

As the operating grant is currently funding a portion of corporate overheads allocated to this service, the discontinuation of the service will result in a cumulative funding gap of ($464,108) by 2034-35.

A rate increase of 5% in 26-27 and approximately a 3% annual increase thereafter will be required to balance the LTFP, all other things remaining equal.

Scenario 2 – Annual Operating Subsidy of $300,000 for East Fremantle Community Park

The current LTFP assumes an operating subsidy of ($367,891) in 25-26 and approx. a subsidy of ($160,000) per year thereafter.

Should an annual subsidy of $300,000 be required from 2026-27, an annual rate increase of 4.75% will be required, followed by an annual increase of 3.23% thereafter to balance the LTFP, all other things remaining equal.

Scenario 3 – Discontinuation of Neighbourhood Link Services from 2026-27 & Annual Operating Subsidy of $300,000 for East Fremantle Community Park from 2026-27

Under the current rating strategy of a 3.5% rate increase annually, a cumulative funding deficit of ($1,649,077) will arise under this scenario.

A rate increase of 6.4% will be required in 2026-27 and an annual increase of 2.69% is required thereafter to balance the LTFP, all other things remaining equal.

Financial Year	Base Scenario Closing Position	Scenario 1 Closing Position	Scenario 2 Closing Position	Scenario 3 Closing Position
2025-26	0	0	0	0
2026-27	0	-182,084	-141,979	-324,063
2027-28	0	-277,456	-281,576	-559,032
2028-29	0	-356,407	-418,711	-775,118
2029-30	0	-418,423	-553,302	-971,725
2030-31	0	-462,974	-685,260	-1,148,234
2031-32	0	-489,509	-814,501	-1,304,010
2032-33	0	-497,461	-940,928	-1,438,389
2033-34	0	-489,632	-1,064,451	-1,554,083
2034-35	0	-464,108	-1,184,969	-1,649,077
Cumulative Rate Revenue	117,682,907			

Assumptions, Risks, Uncertainties and Sensitivity

Revenue – Assumptions, Risks, Uncertainties and Sensitivity

Disclosure/Assumption	Assessed Financial Risk	Impact of High Financial Risk Assumptions	Level of Uncertainty	Financial Impact and Sensitivity for Assumption with High Level of Uncertainty/Risk
Town Growth in Population: The number of residents in the Town is expected to grow.	Low	Not assessed as high financial risk. The Town has budgeted for a nominal $20kpa in interim rates. Any increase in total gross rental values arising from new properties and high-density development will have a favourable impact on the Plan.	Medium	Not assessed as high level of uncertainty.
Rates Level Increase: Annual rates have been based on an increase in the total rate yield of 4.95% in 2025-26 and 3.5%pa thereafter.	High	Renewal of assets (including reserve financing) and particularly the funding of the East Fremantle Oval redevelopment project is dependent on these rates increases being imposed for the term of this Plan.	Medium	There is a medium level of uncertainty, as the rates increase is reassessed each year.
Operating Grants and Contributions: Only as of right operating grants such as financial assistance grants are assumed over the life of the Plan. Any specific purpose grants will be applied for as they are identified and included in the Annual Budget.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Non-operating Grants and Contributions: Remain in line with funding requirements identified for various capital works.	High	Changes in these levels would impact directly on the amount spent on capital projects and ultimately impact on service levels.	High	No non-operating grants other than RRG and R2R road funding budgeted due to uncertainties.
Fees and Charges: As per rate level increase. Payment for waste services is incorporated into the general rate and is not included in fees and charges revenue. The State Government has foreshadowed legislation that will require a waste fee be included on the Rates Notice.	Medium	Indicative waste fees are modelled on the last page of the financial statements, based on the full cost recovery of direct and indirect costs.	Low	In the event of waste fees being separated from general rates, the revenue composition will change from 75% rates/13% fees and charges to 64% rates/24% fees and charges.
Interest Earnings: Interest earning of an average rate of 2.5% per annum of closing reserve balance.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Other Revenue: Increases in line with inflation.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
Profit on Asset Disposal: Profit on asset disposal results from a	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.

misallocation of depreciation over the life of the asset. As the level of depreciation is considered appropriate no profit on asset disposals has been included.				

Expenditure – Assumptions, Risks, Uncertainties and Sensitivity

Disclosure/Assumption	Assessed Financial Risk	Impact of High Financial Risk Assumptions	Level of Uncertainty	Financial Impact and Sensitivity for Assumption with High Level of Uncertainty/Risk
Employee Costs: The Wage Price Index is applied. 3.5% forecast in 2025-26 and a long-range forecast of 3.0%	Medium	Any additional staff will be assessed on an annual basis as part of the Corporate Business Planning cycle and the plan will be adjusted accordingly.	Low	Not assessed as high level of uncertainty.
Materials and Contracts: Increased annually by forecast inflation.	Medium	Not assessed as high financial risk.	High	± $2.35m to the value of materials and contracts over the life of the plan between a 2.0% annual CPI and 3.0% annual CPI
Depreciation: Depreciation has been calculated using an average rate for each asset class based on the weighted average estimated remaining useful life of assets in the class.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
Insurance: 6% increase in 2025-26 and 4% pa thereafter.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Other Expenditure: Base year increased in line with inflation.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Loss on Asset Disposal: A loss on asset disposal results from a misallocation of depreciation over the life of the asset. As the level of depreciation is considered appropriate in the Plan no loss on asset disposals has been included in the Plan.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.

Liabilities – Assumptions, Risks, Uncertainties and Sensitivity

Disclosure/Assumption	Assessed Financial Risk	Impact of High Financial Risk Assumptions	Level of Uncertainty	Financial Impact and Sensitivity for Assumption with High Level of Uncertainty/Risk
Borrowings: New borrowings of $4.8m have been included in 2023/24. No further borrowings	Medium	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.

contemplated over the life of the Plan.				
Employee Entitlements: It has been assumed the Town will be in a position to meet its obligations in relation to employee entitlements.	Medium	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.

Equity Risks, Uncertainties and Sensitivity

Disclosure/Assumption	Assessed Financial Risk	Impact of High Financial Risk Assumptions	Level of Uncertainty	Financial Impact and Sensitivity for Assumption with High Level of Uncertainty/Risk
Cash Backed Reserves: It has been assumed the Town will invest cash reserves in term deposits with banking institutions and these funds will be available for use during the term of the Plan.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Revaluation Surplus: Increasing in line with inflation-based revaluation.	Low	The revaluation of assets to their fair value may result in changes in asset ratio analysis and depreciation leading to a change in the net result. The revaluations of assets will have no impact on Cashflows.	High	Not assessed as high level of uncertainty.

Other – Assumptions, Risks, Uncertainties and Sensitivity

Disclosure/Assumption	Assessed Financial Risk	Impact of High Financial Risk Assumptions	Level of Uncertainty	Financial Impact and Sensitivity for Assumption with High Level of Uncertainty/Risk
Ownership of Strategic Assets: The Town has not planned for the ownership of any strategic assets to be transferred to another party over the term of the Plan.	High	Any significant changes to the ownership of strategic assets would require an amendment to this Plan and, depending on the circumstance, be subject to community consultation.	Low	Not assessed as high level of uncertainty.
Inflators: Forecast inflation at 3.0% per annum.	Medium	Not assessed as high financial risk.	High	
Commercial Activities: The Town is undertaking a major trading undertaking in the East Fremantle Community Park via the operation of a Health Club and Café/Function business. The facility will be managed by Belgravia Leisure under a management agreement and	High	A ($367,891) operational subsidy has been budgeted for 25-26 and an annual subsidy of circa ($160,000) thereafter. A sinking fund contribution of $184,000 pa is also funded from general revenue	High	As assessed in the Scenario Modelling on page 5. Unfavourable operating performance will necessitate an adjustment to the rates pricing pathway.

lease. The facility is operational by May 2024.		commencing from the 2026-27 FY.		
General Economic Forecasts for State: The economic forecast for the State is closely linked to the success of the mining industry. Demands for minerals is forecast to remain stable in the short term with a corresponding stability of the state economy.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
General Economic Forecasts for Region: Historically, the metropolitan region's economy is heavily dependent on the economy of the State as whole, and this remains the assumption for the term of this Plan.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.

Ratio Targets

A series of performance indicators, in the form of financial ratios set out in the table below, have been used to assess the financial performance of the Town.

To maintain comparability across the industry, these ratios and their respective target ranges, have been derived from the Department's Long-Term Financial Planning guidelines.

The Department's Advisory Standard also provides target levels for each of the ratios.

NB. The Department is working with the sector to review the financial ratios reported by local governments that underpin the FHI score.

Ratio	Calculation	Indication	Minimum target
Current Ratio	current assets minus restricted assets current liabilities minus liabilities associated with restricted assets minus current liabilities associated with long term borrowings	A measure of the Town's immediate liquidity and the capacity to meet short term financial obligations from unrestricted current assets.	1.
Operating Surplus Ratio	operating revenue minus operating expense own source operating revenue	A measure of the extent to which own source revenues raised cover operational expenses.	1%
Own Source Revenue Coverage Ratio	own source operating revenue operating expense	A measure of the extent of the Town's ability to cover costs using only discretionary revenue.	40%
Debt Service Coverage Ratio	Annual operating surplus before interest and depreciation principal and interest	A measure of the extent of the Town's capacity to generate sufficient cash to cover debt payments.	3
Asset Sustainability Ratio	capital renewal and replacement expenditure. depreciation expense	A measure of the extent to which assets managed by the Town are being replaced as they reach the end of their useful lives.	90%

Critical Service Review Schedule

Activity	Review Date
Develop a framework i.e. Waste Pricing Policy and model assessing the impact of separating waste charges from general rates for residential properties. Separating the waste charge will impact the minimum rate benchmark and may impact the level of pensioner rebate.	**Completed.** A separate waste charge will not be imposed on the rates notice until it is legislated by State Government.
Review the performance of the Town's Commonwealth Home Support Program at 30 June 2025. Block funding continues until 30 June 2027; however, it is recommended that the Town decide on future service delivery before 30 June 2026.	30 June 2026
Review the trading result of the East Fremantle Community Park at 30 June 2026 and reset the forecasts accordingly.	30 June 2026
Complete a review of major asset renewals and replacements and identify opportunities for non-operating grant funding.	30 June 2026

TOWN of
EAST FREMANTLE

Financial Statements

Town of East Fremantle

Forecast Statement of Financial Activity 2025/26 - 2034/35

	Forecast 24/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Surplus 1 July	**843,305**	**-588,579**	**0**	**-0**	**0**	**-0**	**-0**	**-0**	**-0**	**0**	**-0**
Revenue											
Rates	**9,541,836**	10,044,192	10,381,048	10,743,685	11,119,014	11,507,480	11,909,541	12,325,675	12,756,374	13,202,147	13,663,522
Fees and Charges	**1,679,354**	1,808,373	1,847,115	1,906,571	1,964,894	2,027,353	2,089,371	2,148,864	2,223,890	2,293,191	2,360,108
Operating Grants	**917,623**	1,211,468	1,030,129	959,340	959,340	959,340	959,340	959,340	959,340	959,340	959,340
Interest Earnings	**403,906**	220,569	172,094	169,946	195,151	216,483	248,791	281,886	322,581	366,903	391,633
Other	**392,000**	268,480	276,879	285,557	292,524	299,789	309,362	319,254	327,475	338,037	348,952
	12,934,718	**13,553,082**	**13,707,266**	**14,065,099**	**14,530,923**	**15,010,445**	**15,516,405**	**16,035,018**	**16,589,660**	**17,159,618**	**17,723,555**
Expenditure											
Employee Costs	**-5,483,737**	-5,687,040	-5,858,601	-6,035,347	-6,217,434	-6,405,026	-6,598,287	-6,797,391	-7,002,515	-7,213,840	-7,431,555
Materials and Contracts	**-5,302,071**	-4,914,916	-4,248,502	-4,404,487	-4,492,219	-4,558,694	-4,618,210	-4,843,090	-4,899,606	-5,063,605	-5,212,401
Utilities	**-504,213**	-452,443	-466,017	-479,997	-494,397	-509,229	-524,506	-540,241	-556,448	-573,142	-590,336
Interest	**-302,405**	-300,133	-291,325	-282,090	-272,479	-262,239	-251,583	-240,411	-228,756	-216,395	-203,500
Insurance	**-299,636**	-317,614	-330,319	-343,562	-357,338	-371,666	-386,570	-402,072	-418,196	-434,968	-452,413
Other	**-776,530**	-812,754	-805,992	-808,921	-827,441	-846,426	-865,885	-885,830	-906,274	-927,228	-948,706
Depreciation	**-2,231,542**	-2,298,486	-2,367,440	-2,438,463	-2,511,617	-2,586,966	-2,664,575	-2,744,512	-2,826,847	-2,911,653	-2,999,002
	-14,900,134	**-14,783,386**	**-14,368,195**	**-14,792,867**	**-15,172,926**	**-15,540,246**	**-15,909,615**	**-16,453,548**	**-16,838,642**	**-17,340,831**	**-17,837,914**
Depreciation	**2,231,542**	2,298,486	2,367,440	2,438,463	2,511,617	2,586,966	2,664,575	2,744,512	2,826,847	2,911,653	2,999,002
Net Funding from Operational Activities (exc De	**266,127**	**1,068,182**	**1,706,511**	**1,710,695**	**1,869,614**	**2,057,165**	**2,271,365**	**2,325,983**	**2,577,866**	**2,730,440**	**2,884,645**

**** This is the critical number as it identies how much own source funding is available to service capital expenditure, debt repayments and reserve transfers**

	Forecast 24/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Capital Expenditure											
Buildings	-1,470,909	-1,077,925	-80,800	-80,000	-76,000	-80,000	-90,500	-83,000	-78,500	-86,000	-595,930
Plant and Equipment	-331,853	-254,768	-514,380	-178,760	-10,000	-351,900	0	-186,760	-128,170	-216,900	-300,000
Furniture and Equipment	-61,000	-10,000	-10,000	-965,000	-10,000	-10,000	-10,000	-10,000	-10,000	-10,000	-17,951
Roads	-483,733	-360,000	-370,000	-234,000	-397,800	-198,000	-175,000	-160,000	-230,000	-144,900	-407,460
Drainage	-20,000	-77,148	-117,148	-67,148	-57,148	-57,148	-57,148	-52,148	-42,148	-42,148	-27,148
Parks and Ovals	-304,000	-406,000	-345,000	-300,000	-270,000	-300,000	-300,000	-300,000	-300,000	-300,000	-291,461
Carparks	-10,000	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000	-43,310
Footpaths	-330,480	-224,580	-297,000	-185,000	-180,000	-180,000	-205,000	-160,000	-205,000	-165,000	-125,892
Non-Operating Grants - RRG/R2R (Roads)	483,733	360,000	370,000	156,000	265,200	0	0	0	153,333	96,600	0
Non-Operating Grants - Other	796,564	498,213	0	0	0	0	0	0	0	0	0
Net Capital Program	**-1,731,678**	**-1,572,208**	**-1,384,328**	**-1,873,908**	**-755,748**	**-1,197,048**	**-857,648**	**-971,908**	**-860,485**	**-888,348**	**-1,809,152**
Proceeds from new Loan Borrowings	0	0	0	0	0	0	0	0	0	0	0
Loan Repayments	**-150,564**	-157,911	-165,617	-173,698	-182,174	-191,064	-200,387	-210,165	-220,421	-231,177	-242,458
Net Borrowings	-150,564	-157,911	-165,617	-173,698	-182,174	-191,064	-200,387	-210,165	-220,421	-231,177	-242,458
Net Reserve Transfers From/(to)	**93,280**	1,229,778	-149,000	215,883	-873,215	-712,962	-1,146,515	-1,172,255	-1,470,345	-1,609,215	-819,117
Proceeds from Sale of Assets	**143,000**	75,000	49,000	180,000	3,000	108,000	0	98,000	46,000	74,000	65,000
Lease Payments	**-52,049**	-54,261	-56,568	-58,972	-61,478	-64,091	-66,815	-69,654	-72,615	-75,701	-78,918
Surplus 30 June	**-588,579**	**0**	**-0**	**0**	**-0**	**-0**	**-0**	**-0**	**0**	**-0**	**-0**

Note 7: Rating Information 7/5/25						
RATE TYPE	Rate in	Number of Properties	Rateable Value	Rate Revenue	Interim Rates	Total Revenue
Differential General Rate	$		$	$	$	$
Residential GRV	0.075417	2,968	105,561,080	7,961,100	33,517	7,994,617
Commercial GRV	0.127835	119	12,346,985	1,578,377	-	1,578,377
Sub-Totals		**3,087**	**117,908,065**	**9,539,477**	**33,517**	**9,572,994**
	Minimum					
Minimum Payment	**$**					
Residential GRV	1,360.00	336	4,977,190	456,960	-	456,960
Commercial GRV	2,034.00	7	79,940	14,238	-	14,238
Sub-Totals		**343**	**5,057,130**	**471,198**	**-**	**471,198**
		3,430	**122,965,195**	**10,010,675**	**33,517**	**10,044,192**
Amount from General Rates						**10,044,192**
Less Concessions						**0**
Totals				**10,010,675**		**10,044,192**

Town of East Fremantle - Capital Works Schedule - 2025/26 -2034/35

Asset Class	25/26 Budget	26/27 Budget	27/28 Budget	28/29 Budget	29/30 Budget	30/31 Budget	31/32 Budget	32/33 Budget	33/34 Budget	34/25 Budget
Total Plant & Equipment	**254,768**	**514,380**	**178,760**	**10,000**	**351,900**	**0**	**186,760**	**128,170**	**216,900**	**300,000**
Total Furniture & Equipment	**10,000**	**10,000**	**965,000**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**17,951**
Total Buildings	**1,077,925**	**80,800**	**80,000**	**76,000**	**80,000**	**90,500**	**83,000**	**78,500**	**86,000**	**595,930**
Total Infrastructure - Roads	**360,000**	**370,000**	**234,000**	**397,800**	**198,000**	**175,000**	**160,000**	**230,000**	**144,900**	**407,460**
Total Infrastructure - Drainage	**77,148**	**117,148**	**67,148**	**57,148**	**57,148**	**57,148**	**52,148**	**42,148**	**42,148**	**27,148**
Total Infrastructure - Parks & Ovals	**406,000**	**345,000**	**300,000**	**270,000**	**300,000**	**300,000**	**300,000**	**300,000**	**300,000**	**291,461**
Total Infrastructure - Car Parks	**20,000**	**20,000**	**20,000**	**20,000**	**20,000**	**20,000**	**20,000**	**20,000**	**20,000**	**43,310**
Total Infrastructure - Footpaths	**224,580**	**297,000**	**185,000**	**180,000**	**180,000**	**205,000**	**160,000**	**205,000**	**165,000**	**125,892**
Total Capex	**2,430,421**	**1,754,328**	**2,029,908**	**1,020,948**	**1,197,048**	**857,648**	**971,908**	**1,013,818**	**984,948**	**1,809,152**
Capex	**$2,430,421**	**$1,754,328**	**$2,029,908**	**$1,020,948**	**$1,197,048**	**$857,648**	**$971,908**	**$1,013,818**	**$984,948**	**$1,809,152**
Asset Renewal Model - Recommended Funding	**$1,640,046**	**$1,640,046**	**$1,640,046**	**$1,640,046**	**$1,640,046**	**$1,640,046**	**$1,640,046**	**$1,640,046**	**$1,640,046**	**$1,640,046**
Shortfall to be transferred to Asset Reserve	**$790,375**	**$114,282**	**$389,862**	**-$619,098**	**-$442,998**	**-$782,398**	**-$668,138**	**-$626,228**	**-$655,098**	**$0**
Asset Sustainability Ratio	**Target - Min 50% (Ratios assume 100% of capex is renewal expenditure)**									
Plant and Equipment	99%	193%	65%	4%	121%	0%	61%	40%	66%	89%
Furniture and Equipment	12%	11%	1051%	11%	10%	10%	10%	9%	9%	16%
Buildings	87%	6%	6%	6%	6%	6%	6%	5%	5%	37%
Roads	105%	104%	64%	106%	51%	44%	39%	54%	33%	91%
Drainage	127%	187%	104%	86%	84%	81%	72%	56%	55%	34%
Parks and Ovals	317%	262%	221%	193%	208%	202%	196%	191%	185%	175%
Car Parks	65%	63%	62%	60%	58%	56%	55%	53%	52%	109%
Footpaths	230%	295%	178%	168%	163%	181%	137%	170%	133%	99%
Overall	**106%**	**74%**	**83%**	**41%**	**46%**	**32%**	**35%**	**36%**	**34%**	**60%**
Depreciation - P+E	258,174	265,919	273,897	282,114	290,577	299,295	308,274	317,522	327,047	336,859
Depreciation - F+E	86,536	89,132	91,806	94,561	97,397	100,319	103,329	106,429	109,622	112,910
Depreciation - Buildings	1,240,223	1,277,430	1,315,753	1,355,225	1,395,882	1,437,759	1,480,891	1,525,318	1,571,078	1,618,210
Depreciation - Roads	344,022	354,343	364,973	375,922	387,200	398,816	410,780	423,104	435,797	448,871
Depreciation - Drainage	60,805	62,629	64,508	66,443	68,436	70,489	72,604	74,782	77,026	79,336
Depreciation - Parks and Ovals	127,959	131,798	135,752	139,825	144,019	148,340	152,790	157,374	162,095	166,958
Depreciation - Carparks	30,581	31,498	32,443	33,417	34,419	35,452	36,515	37,611	38,739	39,901
Depreciation - Footpaths	97,821	100,756	103,778	106,892	110,098	113,401	116,803	120,307	123,917	127,634
Depreciation - Bus Shelters	9,069	9,341	9,621	9,909	10,207	10,513	10,828	11,153	11,488	11,832
Depreciation - ROU	43,295	44,594	45,932	47,310	48,729	50,191	51,696	53,247	54,845	56,490
Depreciation - Total	**2,298,486**	**2,367,440**	**2,438,463**	**2,511,617**	**2,586,966**	**2,664,575**	**2,744,512**	**2,826,847**	**2,911,653**	**2,999,002**

Town of East Fremantle - Capital Works Schedule - 2025/26			Funding					
Asset Class	**Description**	**25/26 Budget**	**Reserves**	**Description of Reserve**	**Grants**	**Funding Program**	**Proceeds from Sale of Assets**	**Municipal**
Plant & Equipment	Ford Ranger Super CC XL TDCI Dieself Space Cab	33,006					15,000	18,006
Plant & Equipment	Toyota Hilux Dual Cab Ute	33,006					10,000	23,006
Plant & Equipment	Ford Ranger Double CC XL Dual Cab Ute TDC1	37,700					15,000	22,700
Plant & Equipment	Ford Ranger Single Cab Auto Diesel 4x2	33,006					10,000	23,006
Plant & Equipment	Isuzu Truck	98,050					21,000	77,050
Plant & Equipment	Variable Message Board (disposal only - do not replace)	0					4,000	-4,000
Plant & Equipment	Upgrade of power to EV Charger - Dovenby House	20,000					0	20,000
	Total Plant & Equipment	**254,768**	**0**		**0**		**75,000**	**179,768**
Furniture & Equipment	General Allocation (Photcopier Corporate Services)	10,000						10,000
	Total Furniture & Equipment	**10,000**	**0**		**0**		**0**	**10,000**
Buildings	Solar and Battery Installation East Fremantle Community Park. Solar installation Town Hall, Depot and Dovenby House	796,425	364,499	Sustainability Reserve	398,213	Community Energy Fund		33,713
Buildings	East Fremantle Community Park - Miscellaneous Works	200,000	200,000	EFCP Redevelopment Reserve $110k				0
				Strategic Asset Management Reserve $90k				
Buildings	Tricolore Windows Ballistrades	20,000						20,000
Buildings	Buildings - General	61,500						61,500
	Total Buildings	**1,077,925**	**564,499**		**398,213**		**0**	**115,213**
Infrastructure - Roads	Riverside Road (Swan Yacht club to Wayman reserve)	360,000			360,000	$240,000 Regional Road Group $120,000 - Roads to Recovery		0
	Total Infrastructure - Roads	**360,000**	**0**		**360,000**		**0**	**0**
Infrastructure - Drainage	Drainage - Various River Outlet Reduction and GPTS	27,148						27,148
Infrastructure - Drainage	Preston Point Road - Pipe from PPR to river above carpark - Pipe upgrade running down bank to river - Investigation and options	10,000						10,000
Infrastructure - Drainage	Camp Waller - Drainage upgrade from accessway	20,000						20,000
Infrastructure - Drainage	Boat Ramp - Upgrade existing pits and clean out sumps with weeds	20,000						20,000
	Total Infrastructure - Drainage	**77,148**	**0**	**0**	**0**	**0**	**0**	**77,148**
Infrastructure - Parks & Ovals	General Allocation	75,000						75,000
Infrastructure - Parks & Ovals	Drink Fountains	10,000						10,000
Infrastructure - Parks & Ovals	Bore pump test - Glasson Park	10,000						10,000
Infrastructure - Parks & Ovals	Flood-lighting Upgrade Wauhop Park	100,000			100,000	Ausice fundiing from Soccer Club		0
Infrastructure - Parks & Ovals	Ulrich Playground Replacement	120,000						120,000
Infrastructure - Parks & Ovals	Public Art Installation - East Fremantle Community Park	91,000	91,000	Public Arts Reserve				0
	Total Infrastructure - Parks & Ovals	**406,000**	**91,000**		**100,000**		**0**	**215,000**
Infrastructure - Car Parks	Carparks - General Allocation	20,000						20,000
	Total Infrastructure - Car Parks	**20,000**	**0**	**0**	**0**	**0**	**0**	**20,000**
Infrastructure - Footpaths	Riverside Road (North side), adjacent to Wayman Reserve (do at same time as road upgrade)	45,000						45,000
Infrastructure - Footpaths	Preston Point Road - Between Pier St & Woodhouse St	70,000						70,000
Infrastructure - Footpaths	Preston Point Road (West side) - Between Bolton Street and Pier Street	109,580						109,580
	Total Infrastructure - Footpaths	**224,580**	**0**		**0**		**0**	**224,580**
	Total Capex	**2,430,421**	**655,499**	**0**	**858,213**	**0**	**75,000**	**841,709**

Town of East Fremantle - Reserve Transfers - 2024/25 - 2033/34

	2024/25				2025/26			2026/27			2027/28			2028/29		
Name	Opening Balance	Budget Transfers In (+)	Budget Transfers Out (-)	Budget Closing Balance	Budget Transfers In (+)	Budget Transfers Out (-)	Budget Closing Balance	Budget Transfers In (+)	Budget Transfers Out (-)	Budget Closing Balance	Budget Transfers In (+)	Budget Transfers Out (-)	Budget Closing Balance	Budget Transfers In (+)	Budget Transfers Out (-)	Budget Closing Balance
	$	$	$	$												
Strategic Asset Management Reserve	0	166,275	-72,000	94,275	0	-90,000	4,275	0		4,275	0		4,275	619,098		623,373
Arts and Sculpture Reserve	195,664			195,664		-91,000	104,664	45,000	-45,000	104,664	0	-45,000	59,664	45,000	-45,000	59,664
Waste Reserve	35,000		-35,000	0			0			0			0			0
Committed Works Reserve	0			0			0			0			0			0
Streetscape Reserve	75,000		-75,000	0			0			0			0			0
Drainage Reserve	133,293		-133,293	0	0		0	0		0			0			0
East Fremantle Oval Redevelopment Reserve	250,529		-140,529	110,000	0	-110,000	0	184,000		184,000	184,000		368,000	184,000		552,000
Preston Point Facilities Reserve	0			0	0		0	0		0	0		0	0		0
Foreshore Master Plan Reserve	196,344		0	196,344		-196,344	0	0		0	0		0	0		0
Sustainability and Environmental Reserve	438,553	137,197	0	575,750	98,749	-364,499	310,000	0	-310,000	0	70,117		70,117	70,117		140,234
Town Planning Reserve	150,000			150,000		-150,000	0			0			0			0
Business Improvement Reserve	150,000			150,000	0		150,000	275,000		425,000	530,000	-955,000	0			0
Civic Building Reserve	5,305		-5,305	-0	0	0	-0	0	0	-0	0	0	-0	0	0	-0
Payment in Lieu of Parking Reserve	137,010	64,375		201,385			201,385			201,385			201,385			201,385
Plympton Parking Reserve	616,667			616,667			616,667			616,667			616,667			616,667
Strategic Waste Reserve	326,684			326,684		-326,684	0			0			0			0
Payment in Lieu of Public Open Space Reserve	0			0			0			0			0			0
	2,710,049	**367,847**	**-461,127**	**2,616,769**	**98,749**	**-1,328,527**	**1,386,991**	**504,000**	**-355,000**	**1,535,991**	**784,117**	**-1,000,000**	**1,320,108**	**918,215**	**-45,000**	**2,193,323**

	2029/30				2030/31			2031/32			2032/33			2033/34			2034/35		
Name	Opening Balance	Budget Transfers In (+)	Budget Transfers Out (-)	Budget Closing Balance	Budget Transfers In (+)	Budget Transfers Out (-)	Budget Closing Balance	Budget Transfers In (+)	Budget Transfers Out (-)	Budget Closing Balance	Budget Transfers In (+)	Budget Transfers Out (-)	Budget Closing Balance	Budget Transfers In (+)	Budget Transfers Out (-)	Budget Closing Balance	Budget Transfers In (+)	Budget Transfers Out (-)	Budget Closing Balance
	$	$	$	$															
Strategic Asset Management Reserve	623,373	458,845		1,082,218	892,398		1,974,616	918,138		2,892,754	1,216,228		4,108,982	1,355,098		5,464,080	0	565,000	6,029,080
Arts and Sculpture Reserve	59,664	45,000	-45,000	59,664	45,000	-45,000	59,664	45,000	-45,000	59,664	45,000	-45,000	59,664	45,000	-45,000	59,664	45,000	-45,000	59,664
Waste Reserve	0			0			0			0			0			0			0
Streetscape Reserve	0			0			0			0			0			0			0
Drainage Reserve	0			0			0			0			0			0			0
East Fremantle Oval Redevelopment Reserve	552,000	184,000		736,000	184,000		920,000	184,000		1,104,000	184,000		1,288,000	184,000		1,472,000	184,000		1,656,000
Preston Point Facilities Reserve	0	0		0	0		0	0		0	0		0	0		0	0		0
Foreshore Master Plan Reserve	0	0		0	0		0	0		0	0		0	0		0	0		0
Sustainability and Environmental Reserve	140,234	70,117		210,351	70,117		280,468	70,117		350,585	70,117		420,702	70,117		490,819	70,117		560,936
Town Planning Reserve	0			0			0			0			0			0			0
Business Improvement Reserve	0			0			0			0			0			0			0
Civic Building Reserve	-0	0	0	-0	0	0	-0	0	0	-0	0	0	-0	0	0	-0	0	0	-0
Payment in Lieu of Parking Reserve	201,385			201,385			201,385			201,385			201,385			201,385			201,385
Plympton Parking Reserve	616,667			616,667			616,667			616,667			616,667			616,667			616,667
	2,193,323	**757,962**	**-45,000**	**2,906,285**	**1,191,515**	**-45,000**	**4,052,800**	**1,217,255**	**-45,000**	**5,225,055**	**1,515,345**	**-45,000**	**6,695,400**	**1,654,215**	**-45,000**	**8,304,615**	**299,117**	**520,000**	**9,123,732**

Town of East Fremantle - Grant Schedule - 2025/26

		Grant Provider	Purpose of Grant	Type	2025/26 Operating	Capital
					$	$
General Purpose Funding						
	Grants Commission - General	WALGGC	Untied - General Purpose	Operating	191,670	
	Grants Commission - Roads	WALGGC	Unitied - Road	Operating	85,665	
Education and Welfare						
	Home and Community Care Program	State/Commonwealth Dep. Health	Commonwealth Home Support Programme	Operating - Tied	707,894	
Community Amenities						
	Bus Shelter - Maintenance Assistance Scheme	Public Transport Authority	Bus Shelter Maintenance	Operating	4,100	
Recreation and Culture						
	Fremantle Womens Soccer Club Refurb	State Government	Election Commitment - Flood Lighting Upgrade Wauhop Park	Non-operating		100,000
	George Street Festival			Operating - Tied		
	Riverwall Works	DBCA	Norm McKenzie Riverwall and Plaza Works	Operating - Tied	181,339	
	Water Wise Initiatives	Water Corp	Water Wise Initiatives	Operating		
	Urban Canopy Grant Program	WALGA/Water Corp	Implementation of urban canopy program	Operating		
	Community Energy Fund	Fed. Dept. of Industry, Science and Resources	Solar and Battery Installation	Non-operating		398,213
Transport						
	Regional Road Group - Cap	Main Roads	Road Renewal - Riverside Road	Non-operating		240,000
	Roads to Recovery - Cap	C'Wealth	Road Renewal - Riverside Road	Non-operating		120,000
	Direct Grant	Main Roads	Direct Grant	Operating	28,000	
	Federal Government Stimulus Payment	Department of Infrastructure	Local Roads and Community Infrastructure Program	Non-operating		
	Street Lighting Subsidy	Main Roads	Street Lighting Subsidy	Operating	4,800	
	Stirling Bridge Verge Maintenance Agreement	Main Roads	Stirling Highway Verge Maint. Agreement	Operating	8,000	
TOTALS					1,211,468	858,213
SUMMARY						
	Operating	Operating Grants, Subsidies and Contributions			322,235	0
	Operating - Tied	Tied - Operating Grants, Subsidies and Contributions			889,233	0
	Non-operating	Non-operating Grants, Subsidies and Contributions			0	858,213
TOTALS					1,211,468	858,213

Town of East Fremantle - Borrowings - 2023/24 - 2034/35

Borrower:			
Interest Rate:	4.82%	0	
	2.41%		
*** These rates do not include the government guarantee fee.**			
Date of Advance:	1 November 2023		
Term (yrs)	20	Years	
Amount of Advance:	$4,800,000.00		
Schedule Basis:	40		
Payments per year	2		

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Principal	72,634	150,564	157,911	165,617	173,698	182,174	191,064	200,387	210,165	220,421	231,177	242,458
Interest	115,718	226,141	218,794	211,089	203,007	194,531	185,641	176,318	166,540	156,284	145,528	134,248
Guarantee Fee	5,615	33,264	32,125	31,022	29,869	28,734	27,384	26,051	24,658	23,257	21,653	20,038
Total Borrowing Cost	193,968	409,969	408,830	407,727	406,574	405,439	404,089	402,756	401,363	399,962	398,358	396,744
Annual P+I	**188,353**	**376,705**	**376,705**	**376,705**	**376,705**	**376,705**	**376,705**	**376,705**	**376,705**	**376,705**	**376,705**	**376,705**
LG Debt	4,727,366	4,576,802	4,418,891	4,253,274	4,079,576	3,897,402	3,706,338	3,505,951	3,295,786	3,075,365	2,844,188	2,601,730

Total interest	$2,734,105.23
Total capital	$4,800,000.00
Total combined	$7,534,105.23

	Date	Interest	Capital	Total
1	1/05/2024	$115,718.40	$72,634.23	$188,352.63
2	1/11/2024	$113,967.33	$74,385.30	$188,352.63
3	1/05/2025	$112,174.05	$76,178.58	$188,352.63
4	1/11/2025	$110,337.54	$78,015.09	$188,352.63
5	1/05/2026	$108,456.75	$79,895.88	$188,352.63
6	1/11/2026	$106,530.62	$81,822.01	$188,352.63
7	1/05/2027	$104,558.06	$83,794.57	$188,352.63
8	1/11/2027	$102,537.94	$85,814.69	$188,352.63
9	1/05/2028	$100,469.12	$87,883.51	$188,352.63
10	1/11/2028	$98,350.42	$90,002.21	$188,352.63
11	1/05/2029	$96,180.65	$92,171.98	$188,352.63
12	1/11/2029	$93,958.57	$94,394.06	$188,352.63
13	1/05/2030	$91,682.91	$96,669.72	$188,352.63
14	1/11/2030	$89,352.40	$99,000.23	$188,352.63
15	1/05/2031	$86,965.70	$101,386.93	$188,352.63
16	1/11/2031	$84,521.47	$103,831.16	$188,352.63
17	1/05/2032	$82,018.31	$106,334.33	$188,352.63
18	1/11/2032	$79,454.80	$108,897.83	$188,352.63
19	1/05/2033	$76,829.49	$111,523.14	$188,352.63
20	1/11/2033	$74,140.89	$114,211.74	$188,352.63
21	1/05/2034	$71,387.47	$116,965.16	$188,352.63
22	1/11/2034	$68,567.68	$119,784.96	$188,352.63
23	1/05/2035	$65,679.90	$122,672.73	$188,352.63

Proceeds from Sale of Assets													
Plate	Plant No	Asset No	Description	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
1HZL799	P4098	PEMV278	2023 MG ZS EV MCE Excite			12,000				12,000			
1IDR864	P5027	PEMV279	MAZDA2 S 6AUTO SEDAN G15 PURE - REGO 1IDR864 (CSHP POOLED VEHICLE)			15,000				15,000			
1IDR863	P5026	PEMV280	MAZDA2 S 6AUTO SEDAN G15 PURE - REGO 1IDR863 (CSHP POOLED VEHICLE)			15,000				15,000			
1IFJ756	P5028	PEMV281	FORD RANGER 2024 SUPER CAB CHASSIS XL - DIESEL - REGO 1IFJ756 (RANGER VEHICLE)			25,000				25,000			
1GQJ-387	P5009	PEMV271	Ford Ranger Super CC XL TDCI Dieself Space Cab (Rangers)	15,000				15,000				15,000	
1GCQ-228	P4088	PEMV257	2016 Toyota Tarago Van			15,000							
1GBT-981	P4085	PEMV255	Toyota Camry Altise			10,000							
1IEM002	P5025	PEMV282	FORD RANGER 2024 DOUBLE CAB PICKUP XL - DIESEL - REGO 1IEM002			28,000				28,000			
1DTJ-953	P4063	PEMV236	Toyota Hilux Dual Cab Ute	10,000				10,000				10,000	
1GQD-688	P5008	PEMV270	Ford Ranger Double CC XL Dual Cab Ute TDC1	15,000				15,000				15,000	
1GDV-315	P4091	PEMV262	Ford Ranger Single Cab Auto Diesel 4x2	10,000				10,000				10,000	
1HLR-056	P5021	PEMV276	Mitsubishi Triton GL x 2.4L Single Cab		18,000			18,000				18,000	
1GKM 815	P5002	PEMV267	Isuzu NPR 75/190LWB Cab Chassis MKR190	21,000									30,000
1IMN465	NEW	PEMV283	Isuzu NPR 45/55-155 Tipper								30,000		
1HMC-350	P5020	PEMV275	Isuze Crew cab truck parks					30,000					
1GYB-393	P5016	PE283	Kobota Baroness GM2800B-30		5,000								5,000
1GQL-999	P5010	PE278	Mustang R165 Skidsteer		20,000								20,000
1ILA738	P5029	PE288	KUBOTA F3690-AU MOWER (1ILA738)					5,000					5,000
1ILA993	P5030	PE289	KUBOTA ZD1221R-2-60R-AU MOWER					5,000					5,000
1IMR429	P5031	PE290	HITACHI ZX17U-5 AS - EXCAVATOR								16,000		
1TZJ061	P5024	PE308	HEAVY DUTY 8 X 5 TANDEM BOX TRAILER - 1TZJ061							3,000			
TVN180	P5017	PE286	Tandem axle flat top trailer - Water Tank Trailer				3,000						
1TMP-382	P4064	PE267	HD Tipping Trailer		3,000							3,000	
1TTA-425	P4048	PEMV227	Dean Trailer for Toro Tractor		3,000							3,000	
1TUQ-820	P5014	PE285	Variable Message Board	4,000									
1GCQ-227	P4089	PEMV258	Toyota Hiace Commuter Bus 2.7L A/T SLWB 14 seater			20,000							
1HHZ552	P5018	PEMV274	MITSUBISHI FUSO ROSA 25 SEAT LWB STANDARD 4.9l 6 SPEED AUTOMATIC BUS			40,000							
			PROCEEDS FROM SALE OF ASSETS	**75,000**	**49,000**	**180,000**	**3,000**	**108,000**	**0**	**98,000**	**46,000**	**74,000**	**65,000**
			Acquisitions	234,768	204,380	178,760	10,000	351,900	0	186,760	128,170	216,900	300,000
			Net Change Over (Muni Funding)	**159,768**	**155,380**	**-1,240**	**7,000**	**243,900**	**0**	**88,760**	**82,170**	**142,900**	**235,000**

Waste Expense Analysis

Year		Total Waste Expenses		Total Opex (Exc Non-Cash Items)	Waste Expenses as a % of Operating Expenses (exc non-cash)	Indicative Waste Charge Residential (95% Recovery) 3206	Indicative Waste Charge Commercial (5% Recovery) 133
2025/26	$	1,435,117	$	12,484,900	11.49%	$425	$540
2026/27	$	1,478,011	$	12,000,755	12.32%	$438	$556
2027/28	$	1,522,192	$	12,354,404	12.32%	$451	$572
2028/29	$	1,567,700	$	12,661,309	12.38%	$465	$589
2029/30	$	1,614,574	$	12,953,280	12.46%	$478	$607
2030/31	$	1,662,855	$	13,245,040	12.55%	$493	$625
2031/32	$	1,712,586	$	13,709,036	12.49%	$507	$644
2032/33	$	1,763,810	$	14,011,794	12.59%	$523	$663
2033/34	$	1,816,571	$	14,429,178	12.59%	$538	$683
2034/35	$	1,871,068	$	14,838,912	12.61%	$554	$703