



TOWN *of*
EAST FREMANTLE



ANNUAL BUDGET
2017-2018

Adopted 18 July 2017



2017/18 BUDGET OVERVIEW

The Town of East Fremantle is required to prepare an Annual Budget in accordance with the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*.

Council has endeavoured to achieve a balanced and responsible budget which will benefit the East Fremantle community without creating an undue financial burden for ratepayers or the next generation. In setting this year's budget, Council has also been mindful of the current economic climate and believes it has set its rate increases accordingly. This year's increase of 2.0% recognises this.

We are confident that we can deliver on the community's expectations, the priorities in our Strategic Community Plan and continue to ensure the long term viability of the Town.

The elected members have worked collaboratively to prioritise the next year's activities, and are looking forward to the key projects earmarked for this financial year which include:

- Refurbishment of the Town Hall (Council Chambers & Administration centre)
- Master Planning for the East Fremantle Oval Precinct – Joint funded with DSR .
- Traffic Management & Parking Audit
- Cycle, Trail & Footpath Master Plan
- Further implementation of East Fremantle Foreshore Master Plan – joint funded with PDAW
 - Headlands erosion control project
 - Interpretation node project.
- Major power upgrade – John Tonkin Park
- Over \$4.4 million dollars will be spent on infrastructure improvement projects and capital programs.

Notwithstanding this year's increase, East Fremantle residential rates are still considered to be low in comparison to other metropolitan local governments.

For 2017/18 the total budget expenditure is \$16,465,575 as shown below:

Operating Expenditure	\$	12,013,727
Capital Expenditure	\$	4,451,848
Total	\$	16,465,575



Operating Budget

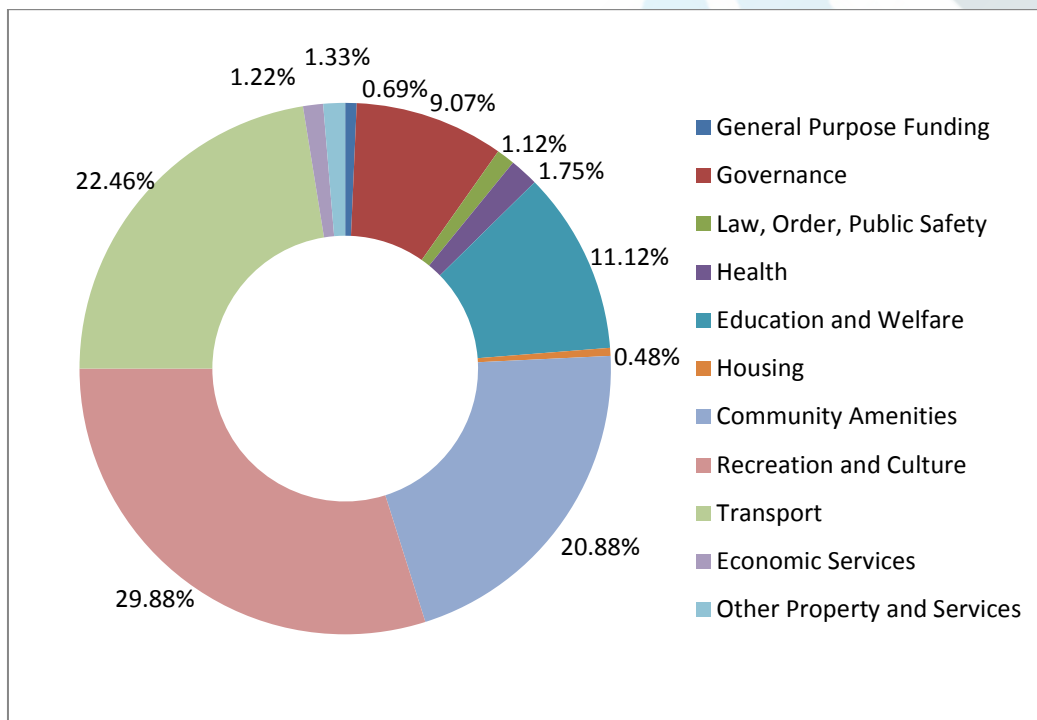
The operating budget is used for providing community services and maintaining infrastructure as well as supporting Council's governance and administration.

Services include waste management and recycling services, road maintenance, footpaths, cycleways, car parks, traffic management, bus shelters, foreshore management, drainage, street lighting, verge maintenance, street cleaning, street trees and tree watering, graffiti removal, neighbourhood watch, parks and gardens maintenance, playgrounds, barbecues, shared book and toy library services with the City of Fremantle, boat launching ramp, mooring pens, sporting and recreational facilities, home and community care services, support for sporting clubs and community organisations and events such as the East Fremantle Festival (George Street).

In keeping with the Town's top five ranking of metro Councils for waste management performance, Council has budgeted to continue providing weekly recycling collections, three green waste collections and one general verge waste collection (including e-waste and mattresses) during 2017/18.

In addition to waste services, we also provide a free tip pass, which can be used at Henderson Waste Recovery Park for landfill and hazardous waste, the Regional Resource Recovery Centre at Canning Vale for green waste. As part of our commitment to improving environmental sustainability the Town diverts approximately 70% of waste from landfill significantly reducing greenhouse gas emissions.

Operating Expenditure by program (% of total expenditure)

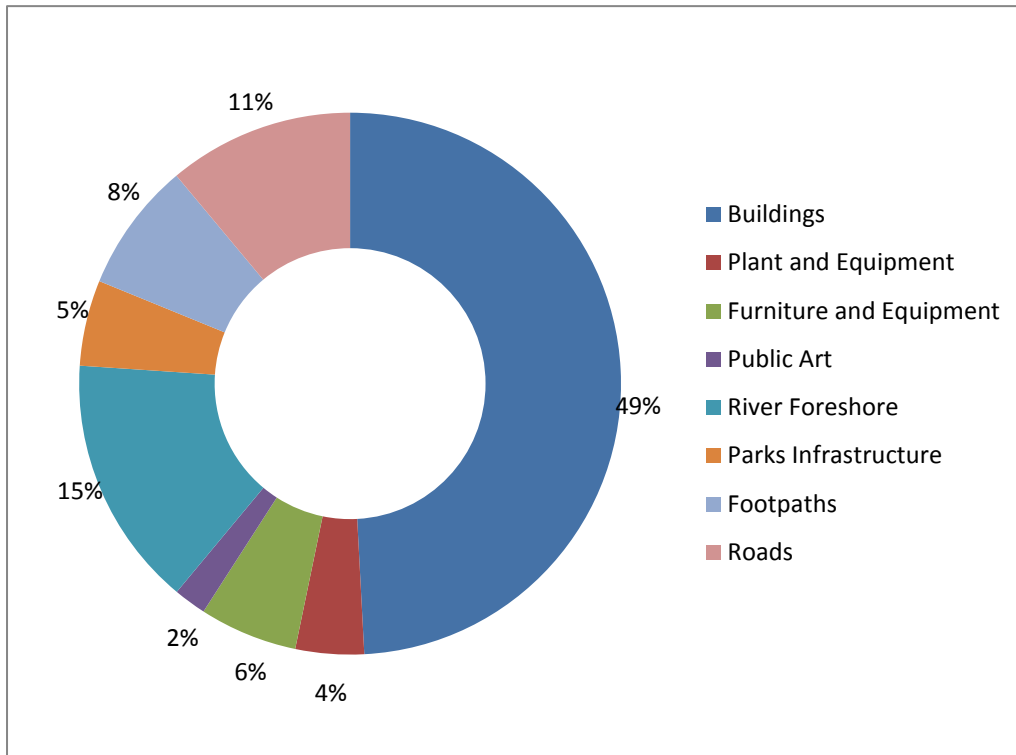




Capital Budget

The Town has budgeted for an extensive capital works program for the 2017/18 financial year to improve community facilities.

Capital Expenditure by Asset class (% of total expenditure)



MAYOR AND COUNCILLORS



TOWN of
EAST FREMANTLE

The following Elected Members represent the town's residents and ratepayers. Home addresses and contact details are provided to assist you if you wish to contact your elected member for information or help with a Council matter.

<p>Mayor Jim O'Neill <i>Mayor 2013-17</i></p>	<p>72 Allen Street East Fremantle WA 6158 0413 211 873 mayor.oneill@eastfremantle.wa.gov.au</p>	
<p>Councillor Michael McPhail (Deputy Mayor) <i>Councillor 2013-17 Preston Point Ward</i></p>	<p>11 Angwin Street East Fremantle WA 6158 0404 979 273 cr.mcphail@eastfremantle.wa.gov.au</p>	
<p>Councillor Lukas Nicholson <i>Councillor 2015-19 Preston Point Ward</i></p>	<p>167A Stevens Street White Gum Valley WA 6162 0424 787 279 cr.nicholson@eastfremantle.wa.gov.au</p>	
<p>Councillor Andrew McPhail <i>Councillor 2013 -17 Richmond Ward</i></p>	<p>11 Angwin Street East Fremantle WA 6158 0412 936 772 cr.ajmcp@mail@eastfremantle.wa.gov.au</p>	
<p>Councillor Dean Nardi <i>Councillor 2015-19 Richmond Ward</i></p>	<p>120 Marmion Street East Fremantle WA 6158 (08) 9339 5632 cr.nardi@eastfremantle.wa.gov.au</p>	
<p>Councillor Jenny Harrington <i>Councillor 2013-17 Plympton Ward</i></p>	<p>31 Allen Street East Fremantle WA 6158 (08) 9339 5041 cr.harrington@eastfremantle.wa.gov.au</p>	
<p>Councillor Cliff Collinson <i>Councillor 2015-19 Plympton Ward</i></p>	<p>48 King Street East Fremantle WA 6158 (08) 9339 6452 cr.collinson@eastfremantle.wa.gov.au</p>	
<p>Councillor Tony Watkins <i>Councillor 2013-17 Woodside Ward</i></p>	<p>63 Irwin Street East Fremantle WA 6158 0427 980 907 cr.watkins@eastfremantle.wa.gov.au</p>	
<p>Councillor Andrew White <i>Councillor 2015-19 Woodside Ward</i></p>	<p>6 Polo Way East Fremantle WA 6158 0418 131 179 cr.white@eastfremantle.wa.gov.au</p>	

TOWN OF EAST FREMANTLE
BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

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TOWN OF EAST FREMANTLE
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Revenue				
Rates	8	7,545,075	7,370,900	7,374,000
Operating grants, subsidies and contributions	15	1,066,056	1,476,719	972,100
Fees and charges	14	1,340,990	1,339,351	1,394,300
Service charges	11	0	0	0
Interest earnings	2(a)	204,883	235,921	166,400
Other revenue	2(a)	101,500	92,607	82,600
		<u>10,258,504</u>	<u>10,515,498</u>	<u>9,989,400</u>
Expenses				
Employee costs		(3,797,107)	(3,368,400)	(3,140,400)
Materials and contracts		(4,841,117)	(3,751,098)	(4,520,100)
Utility charges		(275,150)	(254,918)	(383,400)
Depreciation on non-current assets	2(a)	(2,438,301)	(2,392,162)	(2,522,800)
Interest expenses	2(a)	0	0	0
Insurance expenses		(183,782)	(170,131)	(241,000)
Other expenditure		(478,270)	(459,779)	(124,900)
		<u>(12,013,727)</u>	<u>(10,396,488)</u>	<u>(10,932,600)</u>
		(1,755,223)	119,010	(943,200)
Non-operating grants, subsidies and contributions	15	68,685	80,000	60,000
Profit on asset disposals	6	12,900	44,057	0
Loss on asset disposals	6	0	(1,439)	0
Net result		(1,673,638)	241,628	(883,200)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		<u>(1,673,638)</u>	<u>241,628</u>	<u>(883,200)</u>

This statement is to be read in conjunction with the accompanying notes.

**TOWN OF EAST FREMANTLE
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2018**

	NOTE	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Revenue (refer notes 1,2,8,10 to 15)				
Governance		13,200	46,751	26,200
General purpose funding		7,929,114	8,010,490	7,728,600
Law, order, public safety		30,560	29,214	29,600
Health		12,340	12,545	12,400
Education and welfare		904,040	938,649	899,100
Housing		88,800	86,034	87,000
Community amenities		193,600	314,831	331,000
Recreation and culture		436,965	404,571	430,600
Transport		424,785	410,220	276,800
Economic services		194,800	210,644	136,800
Other property and services		30,300	51,549	31,300
		<u>10,258,504</u>	<u>10,515,498</u>	<u>9,989,400</u>
Expenses excluding finance costs (refer notes 1, 2 & 16)				
Governance		(1,090,031)	(1,076,727)	(996,900)
General purpose funding		(83,324)	(102,220)	(111,700)
Law, order, public safety		(134,097)	(90,955)	(106,600)
Health		(209,881)	(175,103)	(187,600)
Education and welfare		(1,336,370)	(1,126,997)	(1,205,400)
Housing		(58,228)	(31,259)	(35,500)
Community amenities		(2,508,795)	(2,341,633)	(2,708,000)
Recreation and culture		(3,589,657)	(2,423,332)	(2,468,000)
Transport		(2,697,702)	(2,742,595)	(2,899,300)
Economic services		(146,403)	(155,170)	(110,000)
Other property and services		(159,239)	(130,497)	(103,600)
		<u>(12,013,727)</u>	<u>(10,396,488)</u>	<u>(10,932,600)</u>
		(1,755,223)	119,010	(943,200)
Non-operating grants, subsidies and contributions:	15	68,685	80,000	60,000
Profit on disposal of assets	6	12,900	44,057	0
(Loss) on disposal of assets	6	0	(1,439)	0
		<u>81,585</u>	<u>122,618</u>	<u>60,000</u>
Net result		(1,673,638)	241,628	(883,200)
Total comprehensive income		<u>(1,673,638)</u>	<u>241,628</u>	<u>(883,200)</u>

This statement is to be read in conjunction with the accompanying notes.

**TOWN OF EAST FREMANTLE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018**

	NOTE	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		7,720,075	7,306,947	7,374,000
Operating grants, subsidies and contributions		1,152,181	1,495,464	972,100
Fees and charges		1,340,990	1,339,351	1,279,600
Service charges		0	0	0
Interest earnings		204,883	235,921	166,400
Goods and services tax		27,698	0	297,000
Other revenue		101,500	92,607	82,600
		<u>10,547,327</u>	<u>10,470,290</u>	<u>10,171,700</u>
Payments				
Employee costs		(3,797,107)	(3,358,473)	(3,140,400)
Materials and contracts		(4,815,269)	(4,077,160)	(4,515,500)
Utility charges		(275,150)	(254,918)	(383,400)
Interest expenses		0	0	0
Insurance expenses		(183,782)	(170,131)	(241,000)
Goods and services tax		0	0	(297,000)
Other expenditure		(478,270)	(459,779)	(124,900)
		<u>(9,549,578)</u>	<u>(8,320,461)</u>	<u>(8,702,200)</u>
Net cash provided by (used in) operating activities	3(b)	<u>997,749</u>	<u>2,149,829</u>	<u>1,469,500</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for land and buildings	5	(2,188,707)	(276,270)	0
Payments for purchase of property, plant & equipment	5	(603,653)	(551,159)	(2,135,000)
Payments for construction of infrastructure	5	(1,659,488)	(1,319,337)	(1,971,100)
Non-operating grants, subsidies and contributions used for the development of assets		68,685	80,000	60,000
Proceeds from sale of plant & equipment	6	54,181	179,702	111,000
Net cash provided by (used in) investing activities		<u>(4,328,982)</u>	<u>(1,887,064)</u>	<u>(3,935,100)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from new borrowings	7	500,000	0	500,000
Net cash provided by (used in) financing activities		<u>500,000</u>	<u>0</u>	<u>500,000</u>
Net increase (decrease) in cash held		(2,831,233)	262,765	(1,965,600)
Cash at beginning of year		4,840,751	4,577,986	4,293,900
Cash and cash equivalents at the end of the year	3(a)	<u><u>2,009,518</u></u>	<u><u>4,840,751</u></u>	<u><u>2,328,300</u></u>

This statement is to be read in conjunction with the accompanying notes.

**TOWN OF EAST FREMANTLE
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

	NOTE	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Net current assets at start of financial year - surplus/(deficit)	4	1,364,725	504,264	202,900
		1,364,725	504,264	202,900
Revenue from operating activities (excluding rates)				
Governance		13,200	54,459	26,200
General purpose funding		384,039	639,590	354,600
Law, order, public safety		30,560	29,214	29,600
Health		12,340	16,599	12,400
Education and welfare		904,040	942,812	899,100
Housing		88,800	86,034	87,000
Community amenities		193,600	314,831	331,000
Recreation and culture		442,865	419,411	430,600
Transport		431,785	423,512	276,800
Economic services		194,800	210,644	136,800
Other property and services		30,300	51,549	31,300
		2,726,329	3,188,655	2,615,400
Expenditure from operating activities				
Governance		(1,090,031)	(1,076,727)	(996,900)
General purpose funding		(83,324)	(102,220)	(111,700)
Law, order, public safety		(134,097)	(90,955)	(106,600)
Health		(209,881)	(175,103)	(187,600)
Education and welfare		(1,336,370)	(1,126,997)	(1,205,400)
Housing		(58,228)	(31,259)	(35,500)
Community amenities		(2,508,795)	(2,342,586)	(2,708,000)
Recreation and culture		(3,589,657)	(2,423,332)	(2,468,000)
Transport		(2,697,702)	(2,743,081)	(2,899,300)
Economic services		(146,403)	(155,170)	(110,000)
Other property and services		(159,240)	(130,497)	(103,600)
		(12,013,728)	(10,397,927)	(10,932,600)
Operating activities excluded from budget				
(Profit) on asset disposals	6	(12,900)	(44,057)	0
Loss on disposal of assets	6	0	1,439	0
Depreciation on assets	2(a)	2,438,301	2,392,162	2,522,800
Movement in cash-backed employee benefit reserve	9	0	35,998	0
Amount attributable to operating activities		(5,497,273)	(4,319,466)	(5,591,500)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	15	68,685	80,000	60,000
Purchase Land and Buildings	5	(2,188,707)	(276,270)	(1,610,000)
Purchase of Furniture and Equipment	5	(260,500)	(1,319,337)	(1,971,100)
Purchase of Infrastructure Assets - Parks		(343,153)	(399,982)	(348,000)
Purchase of Property, Plant and Equipment		(1,659,488)	(151,177)	(177,000)
Purchase of Infrastructure Assets	5	(1,659,488)	(151,177)	(177,000)
Proceeds from disposal of assets	6	54,181	179,702	111,000
Amount attributable to investing activities		(4,328,982)	(1,887,064)	(3,935,100)
FINANCING ACTIVITIES				
Repayment of borrowings	7	0	0	0
Proceeds from new borrowings	7	500,000	0	500,000
Proceeds from self supporting loans		0	0	0
Transfers to cash backed reserves (restricted assets)	9	(259,082)	(1,830,326)	(1,782,500)
Transfers from cash backed reserves (restricted assets)	9	2,040,262	2,030,681	3,435,100
Amount attributable to financing activities		2,281,180	200,355	2,152,600
Budgeted deficiency before general rates		(7,545,075)	(6,006,175)	(7,374,000)
Estimated amount to be raised from general rates	8	7,545,075	7,370,900	7,374,000
Net current assets at end of financial year - surplus/(deficit)	4	0	1,364,725	0

This statement is to be read in conjunction with the accompanying notes.

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The budget has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1995* and accompanying regulations. Material accounting policies which have been adopted in the preparation of this budget are presented below and have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the budget has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

Critical accounting estimates

The preparation of a budget in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The local government reporting Entity

All funds through which the Town of East Fremantle controls resources to carry on its functions have been included in the financial statements forming part of this budget.

In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 17 to the budget.

(b) 2016/17 actual balances

Balances shown in this budget as 2016/17 Actual are as forecast at the time of budget preparation and are subject to final adjustments.

(c) Rounding off figures

All figures shown in this budget, other than a rate in the dollar, are rounded to the nearest dollar.

(d) Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current budget year.

(e) Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in the budget relate to the original budget estimate for the relevant item of disclosure.

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Forecast fair value adjustments

All fair value adjustments relating to remeasurement of financial assets at fair value through profit or loss (if any) and changes on revaluation of non-current assets are impacted upon by external forces and not able to be reliably estimated at the time of budget adoption.

Fair value adjustments relating to the re-measurement of financial assets at fair value through profit or loss will be assessed at the time they occur with compensating budget amendments made as necessary.

It is anticipated, in all instances, any changes upon revaluation of non-current assets will relate to non-cash transactions and as such, have no impact on this budget document.

(g) Rates, grants, donations and other contributions

Rates, grants, donations and other contributions are recognised as revenues when the Town of East Fremantle obtains control over the assets comprising the contributions.

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

(h) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

(i) Superannuation

The Town of East Fremantle contributes to a number of superannuation funds on behalf of employees.

All funds to which the Town of East Fremantle contributes are defined contribution plans.

(j) Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities in Note 4 - Net Current Assets.

(k) Trade and other receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Inventories

General

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land held for resale

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

Land held for sale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

(m) Fixed assets

Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Mandatory requirement to revalue non-current assets

Effective from 1 July 2012, the *Local Government (Financial Management) Regulations* were amended and the measurement of non-current assets at Fair Value became mandatory.

During the year ended 30 June 2013, the Town of East Fremantle commenced the process of adopting fair value in accordance with the Regulations.

Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at fair value in accordance with the requirements.

Thereafter, each asset class must be revalued in accordance with the regulatory framework established and the Town of East Fremantle revalues its asset classes in accordance with this mandatory timetable.

Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

Initial recognition and measurement between mandatory revaluation dates

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework detailed above.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Town of East Fremantle includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation of the next anniversary date in accordance with the mandatory measurement framework detailed above.

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Fixed assets (continued)

Revaluation

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Land under roads

In Western Australia, all land under roads is Crown land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in *Australian Accounting Standard AASB 1051 Land Under Roads* and the fact *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, *Local Government (Financial Management) Regulation 16(a)(i)* prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, *Local Government (Financial Management) Regulation 4(2)* provides, in the event of such an inconsistency, the *Local Government (Financial Management) Regulations* prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Town



**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Fixed assets (continued)

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

Major depreciation periods used for each class of depreciable asset are:

Buildings	40 - 50 year (2.5% - 2.0%)
IT Equipment	4 years (25%)
Furniture and Equipment	10 years (10%)
Plant and Equipment - HACCC Buses	12 years (8.5%)
Plant and Equipment - Heavy Fleet	11 years (9%)
Plant and Equipment - Light Fleet	5 years (20%)
Plant and Equipment - Other	5 years (20%)
Infrastructure	Various

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss in the period which they arise.



**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Fair value of assets and liabilities

When performing a revaluation, the Town of East Fremantle uses a mix of both independent and management valuations using the following as a guide:

Fair value is the price that the Town of East Fremantle would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Town of East Fremantle selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Town of East Fremantle are consistent with one or more of the following valuation approaches:

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Fair value of assets and liabilities (continued)

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Town of East Fremantle gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability and considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The mandatory measurement framework imposed by the *Local Government (Financial Management) Regulations* requires, as a minimum, all assets to be revalued at least every 3 years. Relevant disclosures, in accordance with the requirements of Australian Accounting Standards have been made in the budget as necessary.

(o) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Town of East Fremantle becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Town of East Fremantle commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments and any reduction for impairment; and
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method.

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Financial instruments (continued)

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Financial assets at fair value through profit and loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short term profit taking. Assets in this category are classified as current assets. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Town of East Fremantle management has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Held-to-maturity investments are included in current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other available for sale financial assets are classified as non-current.

(v) Financial liabilities

Non-derivative financial liabilities (excl. financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in the profit or loss.

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Financial instruments (continued)

Impairment

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

Derecognition

Financial assets are derecognised where the contractual rights for receipt of cash flows expire or the asset is transferred to another party, whereby the Town of East Fremantle no longer has any significant continual involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(p) Impairment of assets

In accordance with Australian Accounting Standards the Town of East Fremantle assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. AASB 116) whereby any impairment loss of a revaluation decrease in accordance with that other standard.

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Impairment of assets (continued)

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of adopting this budget, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2018.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on this budget document.

(q) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Town prior to the end of the financial year that are unpaid and arise when the Town of East Fremantle becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

(r) Employee benefits

Short-term employee benefits

Provision is made for the Town of East Fremantle's obligations for short-term employee benefits. Short term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Town of East Fremantle's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Town of East Fremantle's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations or service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Town of East Fremantle's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Town of East Fremantle does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Borrowing costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

(t) Provisions

Provisions are recognised when the Town of East Fremantle has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(u) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Town of East Fremantle, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

(v) Investment in associates

An associate is an entity over which the Town of East Fremantle has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Town of East Fremantle's share of net assets of the associate. In addition, the Town of East Fremantle's share of the profit or loss of the associate is included in the

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Town of East Fremantle's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Investment in associates (continued)

Profits and losses resulting from transactions between the Town of East Fremantle and the associate are eliminated to the extent of the Town of East Fremantle's interest in the associate.

When the Town of East Fremantle's share of losses in an associate equals or exceeds its interest in the associate, the Town of East Fremantle discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Town of East Fremantle will resume recognising its share of these profits once its share of the profits equals the share of the losses not recognised.

(x) Interests in joint arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method. Refer to note 1(o) for a description of the equity method of accounting.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Town of East Fremantle's interests, in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 20.

(y) Current and non-current classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Town of East Fremantle's operational cycle. In the case of liabilities where the Town of East Fremantle does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for sale where it is held as non-current based on the Town of East Fremantle's intentions to

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

2. REVENUES AND EXPENSES	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
(a) Revenue and expenses			
Net result			
The net result includes:			
Charging as an expense:			
Auditors remuneration			
Audit services	18,000	17,070	1,000
Other services	0	0	3,500
Depreciation by program			
Governance	98,500	97,294	101,500
Health	900	826	900
Education and welfare	84,750	77,915	66,500
Housing	6,100	6,011	6,600
Community amenities	2,040	1,790	2,000
Recreation and culture	1,032,000	1,031,628	1,120,900
Transport	1,059,490	1,049,359	1,097,700
Other property and services	154,521	127,339	126,700
	<u>2,438,301</u>	<u>2,392,162</u>	<u>2,522,800</u>
Depreciation by asset class			
Land and buildings	321,246	287,052	291,800
Furniture and equipment	38,700	36,889	46,700
Plant and equipment	178,200	178,689	155,100
Infrastructure	1,900,155	1,889,532	2,075,600
	<u>2,438,301</u>	<u>2,392,162</u>	<u>2,569,200</u>
Interest earnings			
Investments			
- Reserve funds	64,083	86,618	57,000
- Other funds	72,000	72,815	72,000
Other interest revenue (<i>refer note 12</i>)	68,800	76,488	37,400
	<u>204,883</u>	<u>235,921</u>	<u>166,400</u>
Other revenue			
Reimbursements and recoveries	93,000	90,020	82,600
Other	8,500	2,587	0
	<u>101,500</u>	<u>92,607</u>	<u>82,600</u>

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

2. REVENUES AND EXPENSES (Continued)

(b) Statement of objective

In order to discharge its responsibilities to the community, Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the Town's Community Vision, and for each of its broad activities/programs.

GOVERNANCE

Objective:

To provide a decision making process for the efficient allocation of scarce resources.

Activities:

Includes the activities of members of Council and the administrative support available assisting elected members and ratepayers on matters which do not concern specific council services but are strategic in nature.

GENERAL PURPOSE FUNDING

Objective:

To collect revenue to allow for the allocation to services.

Activities:

Rating, General Purpose Government Grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

Objective:

To provide services to ensure bushfire prevention, animal control and community safety.

Activities:

Supervision and enforcement of various local laws and acts relating to fire prevention, animal control and other aspects of public safety including emergency services.

HEALTH

Objective:

To provide an operational framework for environmental and community health.

Activities:

Inspection of food outlets and their control, food quality testing, pest control, noise control, waste disposal compliance and child health services.

EDUCATION AND WELFARE

Objective:

To provide assistance to senior citizens welfare and home and community care.

Activities:

Provision and maintenance of home and community care programs including meals on wheels, in home care, home maintenance, senior outings, respite and school holiday programs.

HOUSING

Objective:

To assist with housing for staff and the community.

Activities:

Provision and maintenance of residential rental properties.

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

2. REVENUES AND EXPENSES (Continued)

(b) Statement of objective (Continued)

COMMUNITY AMENITIES

Objective:

To provide community amenities and other infrastructure as required by the community.

Activities:

Rubbish collection, recycling and disposal, joint maintenance of SMRC waste management facility, administration of Town Planning Schemes, heritage protection and townscapes, maintenance of urban stormwater drainage and protection of the environment.

RECREATION AND CULTURE

Objective:

To plan, establish and efficiently manage sport and recreation infrastructure and resources which will help the social well being and health and community.

Activities:

The provision and maintenance of various community infrastructure including public halls, recreation grounds, sports pavillions, playgrounds, parks, gardens, beaches and the joint operation of the City of Fremantle Library.

TRANSPORT

Objective:

To provide safe, effective and efficient transport infrastructure to the community.

Activities:

Construction and maintenance of streets, roads, footpaths, depots, cycleways, street trees, parking facilities, traffic control, cleaning and lighting of streets.

ECONOMIC SERVICES

Objective:

To help promote the Town and improve its economic wellbeing.

Activities:

The regulation and provision of tourism, area promotion activities and building control.

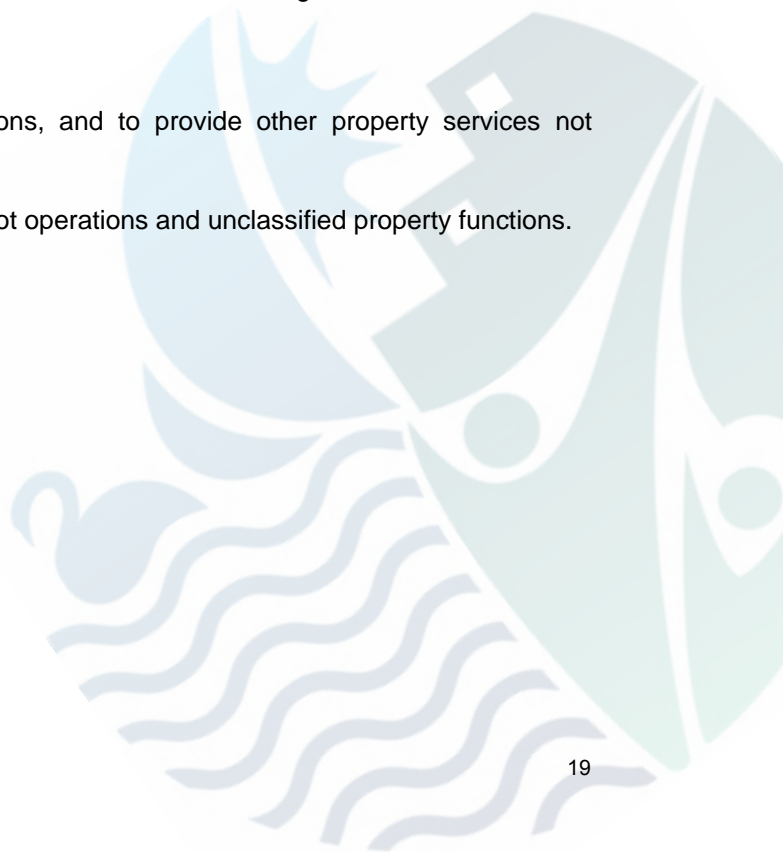
OTHER PROPERTY & SERVICES

Objective:

To monitor and control plant and depot operations, and to provide other property services not included elsewhere.

Activities:

Private works operation, plant operating costs, depot operations and unclassified property functions.



**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

3. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Estimated cash at the end of the reporting period is as follows:

	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Cash - unrestricted	538,968	1,589,021	604,300
Cash - restricted	1,470,550	3,251,730	1,724,000
	<u>2,009,518</u>	<u>4,840,751</u>	<u>2,328,300</u>

The following restrictions have been imposed by regulation or other externally imposed requirements:

Plant Replacement Reserve	258,792	252,480	169,300
Staff Leave Reserve	407,102	397,173	387,000
Office Equipment Reserve	0	147,992	19,900
Unspent Grants & Restricted Cash Reserve	0	181,708	98,200
HACC Reserve	216,737	211,451	205,700
Legal Funds Reserve	142,283	138,813	135,000
Civic Buildings Reserve	0	1,228,809	93,600
Strategic Plan & Infrastructure Reserve	253,887	550,134	523,000
Arts & Sculpture Reserve	191,749	143,170	92,300
	<u>1,470,550</u>	<u>3,251,730</u>	<u>1,724,000</u>

Reconciliation of net cash provided by operating activities to net result

Net result	(1,673,638)	241,628	(883,200)
Depreciation	2,438,301	2,392,162	2,522,800
(Profit)/loss on sale of asset	(12,900)	(42,618)	0
Loss on revaluation of non current assets	0	0	0
(Increase)/decrease in receivables	288,823	(45,208)	(114,700)
Increase/(decrease) in payables	25,848	(326,062)	4,600
Increase/(decrease) in employee provisions	0	9,927	0
Grants/contributions for the development of assets	(68,685)	(80,000)	(60,000)
(b) Net cash from operating activities	<u>997,749</u>	<u>2,149,829</u>	<u>1,469,500</u>

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

3. NOTES TO THE STATEMENT OF CASH FLOWS (Continued)

	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Undrawn borrowing facilities credit standby arrangements			
Bank overdraft limit	100,000	100,000	100,000
Bank overdraft at balance date	0	0	0
Credit card limit	5,000	5,000	5,000
Credit card balance at balance date	0	5,000	0
Total amount of credit unused	<u>105,000</u>	<u>110,000</u>	<u>105,000</u>
Loan facilities			
Loan facilities in use at balance date	<u>0</u>	<u>0</u>	<u>500,000</u>
Unused loan facilities at balance date	<u>0</u>	<u>0</u>	<u>0</u>

	Note	2017/18 Budget \$	2016/17 Actual \$
4. NET CURRENT ASSETS			

Composition of estimated net current assets

Current assets

Cash - unrestricted	3(a)	538,968	1,589,021
Cash - restricted reserves	3(a)	1,470,550	3,251,730
Receivables		(60,098)	228,725
Inventories		0	0
		<u>1,949,420</u>	<u>5,069,476</u>

Less: current liabilities

Trade and other payables		(104,846)	(78,997)
Provisions		(771,197)	(771,197)
		<u>(876,043)</u>	<u>(850,194)</u>

Unadjusted net current assets

1,073,377 **4,219,282**

Differences between the net current assets at the end of each financial year in the rate setting statement and net current assets detailed above arise from amounts which have been excluded when calculating the budget deficiency in accordance with *Local Government (Financial Management) Regulation 32* as movements for these items have been funded within the budget estimates. These differences are disclosed as adjustments below.

Adjustments

Less: Cash - restricted reserves	3(a)	(1,470,550)	(3,251,730)
Add Back: Staff Leave Reserve		397,173	397,173

Adjusted net current assets - surplus/(deficit) 0 1,364,725

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

5. ACQUISITION OF ASSETS

The following assets are budgeted to be acquired during the year.

Asset class	Reporting program											2017/18 Budget total \$	2016/17 Actual total \$
	Governance \$	General purpose funding \$	Law, order, public safety \$	Health \$	Education and welfare \$	Housing \$	Community amenities \$	Recreation and culture \$	Transport \$	Economic services \$	Other property and services \$		
<i>Property, Plant and Equipment</i>													
Land and buildings	2,094,462	0	0	0	0	0	0	94,245	0	0	0	2,188,707	276,270
Furniture and equipment	260,500	0	0	0	0	0	0	0	0	0	0	260,500	151,177
Plant and equipment	0	0	0	0	0	0	0	86,303	256,850	0	0	343,153	399,982
	2,354,962	0	0	0	0	0	0	180,548	256,850	0	0	2,792,360	827,429
<i>Infrastructure</i>													
Infrastructure	0	0	0	0	0	0	0	889,515	769,972	0	0	1,659,488	1,319,337
	0	0	0	0	0	0	0	889,515	769,972	0	0	1,659,488	1,319,337
<i>Land Held for Resale</i>													
Land held for resale	0	0	0	0	0	0	0	0	0	0	0	0	0
Total acquisitions	2,354,962	0	0	0	0	0	0	1,070,064	1,026,822	0	0	4,451,848	2,146,766

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

6. DISPOSALS OF ASSETS

The following assets are budgeted to be disposed of during the year.

<u>By Program</u>	Net book value \$	Sale proceeds \$	2017/18 Budget Profit Loss \$ \$		2016/17 Actual Profit Loss \$ \$		2016/17 Budget Profit Loss \$ \$	
Governance	0	0	0	0	7,708	0	0	0
Health	0	0	0	0	4,054	0	0	0
Education and welfare	0	0	0	0	4,163	0	0	0
Community amenities	0	0	0	0	0	(953)	0	0
Recreation and culture	25,554	31,454	5,900	0	14,840	0	0	0
Transport	15,727	22,727	7,000	0	13,292	(486)	0	0
	41,281	54,181	12,900	0	44,057	(1,439)	0	0

<u>By Class</u>	Net book value \$	Sale proceeds \$	2017/18 Budget Profit Loss \$ \$		2016/17 Actual Profit Loss \$ \$		2016/17 Budget Profit Loss \$ \$	
Plant and equipment	41,281	54,181	12,900	0	44,057	(1,439)	0	0
	41,281	54,181	12,900	0	44,057	(1,439)	0	0

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

7. INFORMATION ON BORROWINGS

(a) Borrowing repayments

The Town of East Fremantle does not have any long term borrowings as at 2016/17.

7. INFORMATION ON BORROWINGS (Continued)

(b) New borrowings - 2017/18

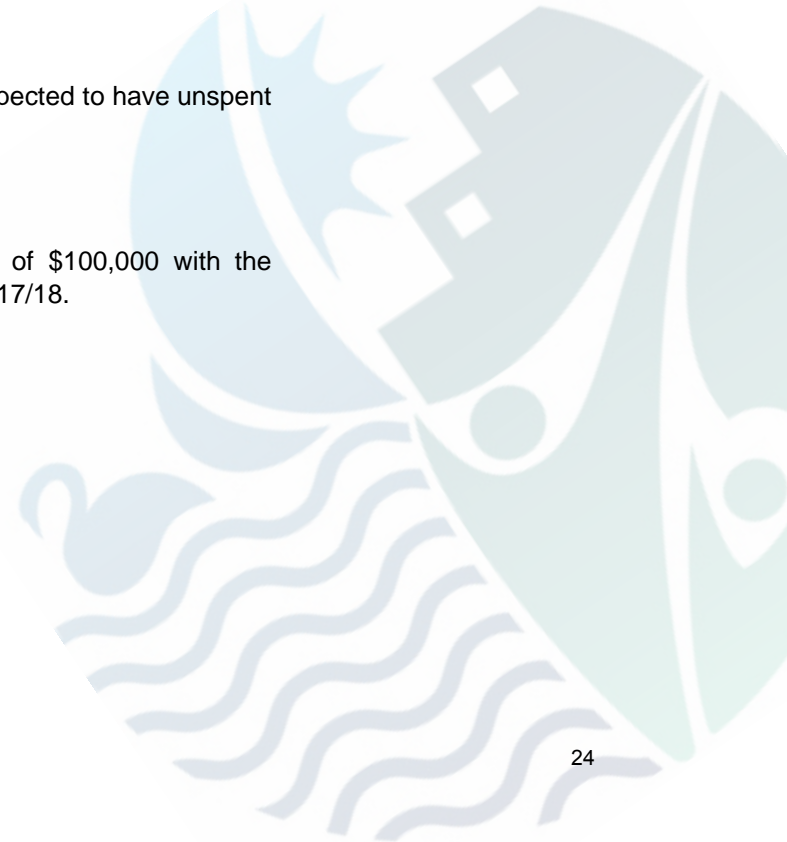
Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate %	Amount borrowed budget \$	Total interest & charges \$	Amount used budget \$	Balance unspent \$
Swan Yacht Club SSL	WATC	Fixed	10	TBA	500,000	TBA	500,000	0
					500,000	0	500,000	0

(c) Unspent borrowings

The Town has no borrowing and therefore are no unspent borrowing funds as at 30th June 2017 nor is it expected to have unspent borrowing funds as at 30th June 2018.

(d) Overdraft

The Town has not utilised an overdraft facility during the financial year although an overdraft facility of \$100,000 with the Commonwealth Bank does exist. It is not anticipated that this facility will be required to be utilised during 2017/18.



AASB 101.10(e)
AASB 101.51
AASB 101.112

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

LGA S6.2(4)(b)
FM Reg 23(a)

8. RATING INFORMATION

RATE TYPE	Rate in \$	Number of properties	Rateable value \$	2017/18 Budgeted rate revenue \$	2017/18 Budgeted interim rates \$	2017/18 Budgeted back rates \$	2017/18 Budgeted total revenue \$	2016/17 Actual \$
Differential general rate or general rate								
Residential (GRV)	0.066640	2,982	89,672,384	5,975,768	15,000	0	5,990,768	5,833,380
Commercial (GRV)	0.101204	122	12,398,348	1,254,762	0	0	1,254,762	1,216,050
Sub-Totals		3,104	102,070,732	7,230,530	15,000	0	7,245,530	7,049,430
Minimum payment								
	Minimum \$							
Residential (GRV)	1055	269	3,599,314	283,795	0	0	283,795	306,020
Commercial (GRV)	1575	10	135,755	15,750	0	0	15,750	15,450
Sub-Totals		279	3,735,069	299,545	0	0	299,545	321,470
		3,383	105,805,801	7,530,075	15,000	0	7,545,075	7,370,900
Discounts/concessions (Refer note 13)							0	0
Total amount raised from general rates							7,545,075	7,370,900
Specified area rates (Refer note 10)							0	0
Total rates							7,545,075	7,370,900

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

8(a). RATING INFORMATION

All land except exempt land in the Town of East Fremantle is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Town of East Fremantle.

The general rates detailed above for the 2017/18 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of the Local Government services/facilities.

Objectives and reasons for differential rating

To provide equity in the rating of properties across the Town the following rate categories have been determined for the implementation of differential rating.

Differential General Rate & Minimum Payments

Description	Characteristics	Objects	Reasons
Residential Improved and Not Improved	This differential rate category imposes a general rate on land valued on a gross rental value basis, which is zoned, held or used for residential purposes and having improvements erected on it.	The object of this proposed rate is to apply a base differential general rate to land zoned and used for residential purposes and to act as the Town's benchmark differential rate by which all other GRV rated properties are assessed.	The reason for this rate is to ensure that all ratepayers make a reasonable or minimum contribution towards the ongoing maintenance and provision of works, services and facilities throughout the Town. The proposed rate in the dollar of GRV value for this category is 0.066640 with a minimum rates amount of \$1,055. This will apply to 3,251 or 96% of the Town's rateable properties, and this rate in the dollar is all-inclusive incorporating standard waste service charges.
Commercial Improved and Not Improved	This differential rate category imposes a rate on land valued on a gross rental value basis, which is zoned, held or used for commercial purposes and having improvements erected on it.	The object of this differential rate category is to apply a rate to Commercial properties in order to raise additional revenue to offset the costs associated with increased maintenance of infrastructure and higher levels of services associated with higher activity properties in this category.	The reason for this rate is to ensure additional funding for parking infrastructure, road construction, maintenance of and refurbishment including road drainage systems, urban style guides and parking compliance. The proposed rate in the dollar of GRV value for this category is 0.101204 with a minimum rates amount of \$1,575. This will apply to 132 or 4% of the Town's rateable properties.

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

9. CASH BACKED RESERVES

	2017/18 Budget Opening balance	2017/18 Budget Transfer to	2017/18 Budget Transfer (from)	2017/18 Budget Closing balance	2016/17 Actual Opening balance	2016/17 Actual Transfer to (inc. Interest)	2016/17 Actual Transfer (from)	2016/17 Actual Closing balance	2016/17 Budget Opening balance	2016/17 Budget Transfer to	2016/17 Budget Transfer (from)	2016/17 Budget Closing balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Plant Replacement Reserve	252,480	6,312	0	258,792	254,369	147,111	(149,000)	252,480	178,300	140,000	(149,000)	169,300
Staff Leave Reserve	397,173	9,929	0	407,102	361,176	35,997	0	397,173	361,100	25,900	0	387,000
Office Equipment Reserve	147,992	1,850	(149,842)	0	143,967	4,025	0	147,992	143,900	53,000	(177,000)	19,900
Unspent Grants & Restricted Cash Reserve	181,708	4,543	(186,251)	0	353,781	14,208	(186,281)	181,708	353,700	0	(255,500)	98,200
HACC Reserve	211,451	5,286	0	216,737	205,700	5,751	0	211,451	205,700	0	0	205,700
Legal Funds Reserve	138,813	3,470	0	142,283	135,038	3,775	0	138,813	135,000	0	0	135,000
Civic Buildings Reserve	1,228,809	15,360	(1,244,169)	0	899,657	329,152	0	1,228,809	899,600	304,000	(1,110,000)	93,600
Strategic Plan & Infrastructure Reserve	550,134	163,753	(460,000)	253,887	1,003,383	1,242,151	(1,695,400)	550,134	1,004,300	1,214,100	(1,695,400)	523,000
Arts & Sculpture Reserve	143,170	48,579	0	191,749	95,014	48,156	0	143,170	95,000	45,500	(48,200)	92,300
	<u>3,251,730</u>	<u>259,082</u>	<u>(2,040,262)</u>	<u>1,470,550</u>	<u>3,452,085</u>	<u>1,830,326</u>	<u>(2,030,681)</u>	<u>3,251,730</u>	<u>3,376,600</u>	<u>1,782,500</u>	<u>(3,435,100)</u>	<u>1,724,000</u>

All of the above reserve accounts are to be supported by money held in financial institutions.

9. CASH BACKED RESERVES (Continued)

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Reserve name	Purpose of the reserve
Plant Replacement Reserve	The purchase and replacement of major plant.
Staff Leave Reserve	The purpose to provide coverage in relation to accumulated leave obligations.
Office Equipment Reserve	The purpose of IT infrastructure and other office equipment.
Unspent Grants & Restricted Cash Reserve	The retention of unspent specific purpose grants and moneys.
HACC Reserve	The retention of unspent HACC program funds and HACC Asset Replacement.
Legal Funds Reserve	The purpose of funding legal requirements.
Civic Buildings Reserve	The purpose of maintaining civic buildings.
Strategic Plan & Infrastructure Reserve	The purpose of maintaining infrastructure and the provision of strategic plans.
Arts & Sculpture Reserve	The provision of art and sculpture.

The cash backed reserves are not expected to be used within a set period and will transferred too and/or utilised as required.



**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

10. SPECIFIED AREA RATE

No specified area rate has been levied for the 2017/18 financial year.

11. SERVICE CHARGES

No service charges have been imposed for the 2017/18 financial year.

12. INTEREST CHARGES AND INSTALMENTS - RATES AND SERVICE CHARGES

The following instalment options are available to ratepayers for the payment of rates and service charges.

Instalment options	Date due	Instalment plan admin charge \$	Instalment plan interest rate %	Unpaid rates interest rates %
Option one				
One instalment due	22-AUG-17	0	0.00%	11.00%
Option two				
Two instalments due	22-AUG-17 / 30-JAN-18	16.50	5.50%	11.00%
Option three				
Four instalments due	22-AUG-17 / 28-NOV-17 / 30-JAN-18 / 4-APR-18	16.50	5.50%	11.00%
			2017/18 Budget revenue \$	2016/17 Actual \$
Instalment plan admin charge revenue			40,800	38,940
Instalment plan interest earned			40,800	39,502
Unpaid rates interest earned			28,000	36,986
			<u>109,600</u>	<u>115,428</u>

13. PAYMENT DISCOUNTS, WAIVERS AND CONCESSIONS

Council has not granted any discounts, incentives, concessions or write-offs during the 2017/18 financial year.



**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

	2017/18 Budget \$	2016/17 Actual \$
14. FEES & CHARGES REVENUE		
Governance	2,200	2,357
General purpose funding	59,300	58,342
Law, order, public safety	30,560	29,214
Health	12,340	12,545
Education and welfare	83,040	91,825
Housing	88,800	86,034
Community amenities	193,600	164,831
Recreation and culture	325,750	281,868
Transport	327,000	381,340
Economic services	194,300	209,816
Other property and services	24,100	21,179
	<u>1,340,990</u>	<u>1,339,351</u>

15. GRANT REVENUE

Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income:

By Program:

Operating grants, subsidies and contributions

Governance	0	0
General purpose funding	119,856	345,184
Law, order, public safety	0	0
Health	0	0
Education and welfare	815,900	842,378
Housing	0	0
Community amenities	0	150,000
Recreation and culture	101,200	110,277
Transport	29,100	28,880
Economic services	0	0
Other property and services	0	0
	<u>1,066,056</u>	<u>1,476,719</u>

Non-operating grants, subsidies and contributions

Governance	0	0
General purpose funding	0	0
Law, order, public safety	0	0
Health	0	0
Education and welfare	0	0
Housing	0	0
Community amenities	0	0
Recreation and culture	0	80,000
Transport	68,685	0
Economic services	0	0
Other property and services	0	0
	<u>68,685</u>	<u>80,000</u>

**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

	2017/18 Budget \$	2016/17 Actual \$
16. ELECTED MEMBERS REMUNERATION		
The following fees, expenses and allowances were paid to council members and the Mayor.		
Meeting fees	149,040	149,000
Mayor/President's allowance	15,600	15,600
Deputy Mayor/President's allowance	3,900	3,900
Travelling expenses	0	0
Telecommunications allowance	27,000	25,910
	<u>195,540</u>	<u>194,410</u>

17. TRUST FUNDS

Funds held at balance date over which the local government has no control and which are not included in the financial statements are as follows:

Detail	Balance 1-Jul-17 \$	Estimated amounts received \$	Estimated amounts paid (\$)	Estimated balance 30-Jun-18 \$
Development Bonds and Deposits	231,967	90,976	(89,475)	233,468
Developer Cash in Lieu	435,491	21,706	0	457,197
Mooring Pen Deposits	59,310	7,680	(11,150)	55,840
Other Bonds and Deposits	16,501	573	(285)	16,789
Unclaimed Monies	30,106	0	0	30,106
	<u>773,375</u>	<u>120,935</u>	<u>(100,910)</u>	<u>793,400</u>



**TOWN OF EAST FREMANTLE
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

18. MAJOR LAND TRANSACTIONS

It is not anticipated any major land transactions will occur in 2017/18.

19. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

It is not anticipated any trading undertakings or major trading undertakings will occur in 2017/18.

20. INTERESTS IN JOINT ARRANGEMENTS

(a) SOUTHERN METROPOLITAN REGIONAL COUNCIL (SMRC)

SMRC General Funds

The Council is a member of SMRC which was established in accordance with the Local Government Act 1995 and consists of five local governments namely cities of Cockburn, Fremantle, Melville, Kwinana and the Town of East Fremantle.

The Town of East Fremantle's interest in the shared equity of the Joint Venture is estimated at 2.71%.

SMRC Regional Resource Recovery Centre (RRRC)

The Cities of Cockburn, Fremantle, Melville and the Town of East Fremantle established the RRRC venture through the SMRC as a major trading undertaking. The RRRC joint venture's principal activity is the development of a waste processing plant and green waste facility in Canning Vale, Western Australia.

The Town of East Fremantle's share in net assets of the South West Group is estimated at 3.1%.

(b) SOUTH WEST GROUP

The Town of East Fremantle is a member participant in a project for the South West Management Groups with the Cities of Melville, Cockburn, Fremantle, Rockingham and the Town of Kwinana.

The Town of East Fremantle's share in the net assets of the South West Group is estimated at 7.37%.



Supplementary Information

- Capital Schedule by Asset Class**
- Schedule of Fees & Charges**

**TOWN OF EAST FREMANTLE
SCHEDULE OF CAPITAL ITEMS**

Description	2017/18 Budget	% of Capital Budget	% of Rates Raised	Details	Muni	Grant /Proceeds/Other	Reserve
Land & Buildings							
Buildings - Town Hall Remedial Works	2,094,462	47.0%	27.8%	2016-17 Carry Forward - Full Internal Redesign and Refurbishment of Town Hall. \$1.543m Transfer from Reserve.	\$550,539	\$0	\$1,543,923
Repair Verandah at Sumpton Green Childcare	9,245	0.2%	0.1%	Repair of deteriorated footings that are creating structural issues with the verandah.	\$9,245	\$0	\$0
East Fremantle Bowling Club - Solar Panels	15,000	0.3%	0.2%	Supply and installation of solar panels to EFBC.	\$15,000	\$0	\$0
Glyde-In Community Learning Centre	25,000	0.6%	0.3%	Co-Contribution (50%) towards Replacement Art Shed. Conditional on Glyde receiving LotteryWest funding.	\$25,000	\$0	\$0
Buildings - EF Junior Football Clubroom - CapEx	45,000	1.0%	0.6%	2016-17 Carry Forward - Main Clubroom Extension, Kitchen Upgrade, Balcony Extension. Total Project \$160,000; Council contribution \$45k.	\$45,000	\$0	\$0
Land & Buildings Total	2,188,707	53.3%	31.5%		644,784	-	1,543,923
Plant & Equipment							
Replacement Ride on Mower TORO Z7000	36,000	0.8%	0.5%	Per Replacement Program	\$30,000	\$6,000	\$0
Purchase of new 1.8T Mini Excavator with trailer	36,950	0.8%	0.5%	Purchase 1.8T Mini Excavator - To eliminate bobcat and mini-excavator hire (approximately \$100k annually)	\$36,950	\$0	\$0
Replacement of 2008 Mitsubishi Canter with 2017 Isuzu NPR 75-190	70,000	1.6%	0.9%	Per Replacement Program	\$47,273	\$22,727	\$0
Replacement of Dual Cab Utility-Operations Supervisor	38,900	0.9%	0.5%	Per Replacement Program	\$13,446	\$25,454	\$0
Plant & Equipment Total	181,850	4.1%	2.4%		127,669	54,181	-
Furniture & Equipment							
Town Hall - AV Equipment	45,000	1.0%	0.6%	Town Hall Refurbishment Project - Chamber, Meeting Rooms, Reception	\$45,000	\$0	\$0
Town Hall - Furniture	170,000	3.8%	2.3%	Town Hall Refurbishment Project - New Office & Chamber Furniture	\$20,198	\$0	\$149,802
Surebind System (Binder)	4,500	0.1%	0.1%	To be used for the preparation of the Town's Formal Documents.	\$4,500	\$0	\$0
Digital Camera x 2	5,000	0.1%	0.1%	Administration & Ranger Services	\$5,000	\$0	\$0

Description	2017/18 Budget	% of Capital Budget	% of Rates Raised	Details	Muni	Grant /Proceeds/Other	Reserve
Work Station Computer Replacements	16,000	0.4%	0.2%	Per Annual Replacement Program	\$16,000	\$0	\$0
Admin - Records Compactus Unit CapEx	20,000	0.4%	0.3%	Town Hall Upgrade - Lockable Records Compactus Unit	\$20,000	\$0	\$0
Furniture & Equipment Total	260,500	5.9%	3.5%		110,698	-	149,802

Infrastructure Assets							
New Town Entry Statements	86,673	1.7%	1.0%	New Town Entry Statements and other signs associated with rebranding.	\$86,673	\$0	\$0
Public Art Infrastructure Sub-Total	86,673	1.7%	1.0%		86,673	-	-
Inf - Jetty Treatment and Major Maintenance Program - Infrastructure CapEx	21,576	0.4%	0.3%	Mooring Pen Jetty major maintenance including forward maintenance program	\$21,576	\$0	\$0
John Tonkin Power Upgrade	161,819	3.4%	2.0%	Upgrade existing mains power board and associated works.	\$161,819	\$0	\$0
John Tonkin Interpretation Node Project (Carpark). CapEx	10,788	0.2%	0.1%	2016-17 Carry Forward - works to commence mid-June.	\$10,788	\$0	\$0
Inf - Swimming Areas - Foreshore Erosion Control - CapEx	474,067	9.9%	5.8%	2016-17 Carry Forward - Stage 1 Foreshore Management Plan.	\$287,816	\$0	\$186,251
Swan River Foreshore Infrastructure Sub-Total	668,249	13.9%	8.2%		481,999	-	186,251
Henry Jeffrey Cricket Nets	34,669	0.7%	0.4%	East Fremantle Junior Cricket Club - One-third Contribution towards the cost of new Cricket Nets. Council Resolution 100317.	\$34,669	\$0	\$0
East Fremantle Croquet Courts Upgrade	16,182	0.3%	0.2%	Remediation works of Croquet surfaces.	\$16,182	\$0	\$0
Pedestrian Bridges at Merv Cowan	6,934	0.1%	0.1%	Replacement of 2 timber pedestrian bridges.	\$6,934	\$0	\$0
East Fremantle Oval Irrigation Upgrade - Ring Main	43,152	0.9%	0.5%	Replacement of East Fremantle Oval Irrigation Ring Main	\$43,152	\$0	\$0
East Fremantle Oval Irrigation Upgrade - Bore Pump	43,152	0.9%	0.5%	Replacement of East Fremantle Oval Precinct Bore Pump incl. Headworks	\$43,152	\$0	\$0
East Fremantle Tennis Club - Court Resurfacing	49,624	1.0%	0.6%	2016-17 Carry Forward - EFTC Court Resurfacing.	\$49,624	\$0	\$0
Inf - Bicentennial Falls Retaining Walls - CapEx	11,435	0.2%	0.1%	2016-17 Carry Forward - Reinstate / replace retaining walls.	\$11,435	\$0	\$0

Description	2017/18 Budget	% of Capital Budget	% of Rates Raised	Details	Muni	Grant /Proceeds/Other	Reserve
Inf - I.G Hancock Reserve Stage 2 - CapEx	5,348	0.1%	0.1%	2016-17 Carry Forward - Seal carpark and landscape northern end.	\$5,348	\$0	\$0
Inf - Drainage - Realignment of Drainage - Merv Cowan Park - CapEx	17,335	0.3%	0.2%	2016-17 Carry Forward - Realignment of Drainage at Merv Cowan Park.	\$17,335	\$0	\$0
Parks Infrastructure Sub-Total	227,831	4.7%	2.8%		\$227,831	\$0	\$0
Allen Street - Marmion to Fletcher - Eastern Side (322m)	37,558	0.7%	0.4%	Per Footpath Program (Asset Management Plan) - Cond. 4	\$37,558	\$0	\$0
Canning Hwy - Town Centre to Old Post Office	79,739	1.5%	0.9%	In order to provide continuity of the footpath within the Town Centre along Canning Hwy.	\$10,739	\$69,000	\$0
Fortescue St - Marmion to Fletcher - Western Side	46,226	0.9%	0.5%	Per Footpath Program (Asset Management Plan) - Cond. 4	\$46,226	\$0	\$0
Marmion St - Hubble to Sewell - Northern Side	13,290	0.3%	0.2%	Per Footpath Program (Asset Management Plan) - Cond. 4	\$13,290	\$0	\$0
Oakover St - Millenden to Canning - Western Side	4,623	0.1%	0.1%	Per Footpath Program (Asset Management Plan) - Cond. 5	\$4,623	\$0	\$0
Penhurst St - Pier to View - Eastern Side	13,290	0.3%	0.2%	Per Footpath Program (Asset Management Plan) - Cond. 4	\$13,290	\$0	\$0
Petra St (Slabs) - Fraser to View - Western Side	34,669	0.7%	0.4%	Per Footpath Program (Asset Management Plan) - Cond. 4	\$18,669	\$16,000	\$0
Saint Peters St - Sewell to King - Southern Side	28,891	0.6%	0.3%	Per Footpath Program (Asset Management Plan) - Cond. 4	\$28,891	\$0	\$0
Walter St - Canning to Fraser - Western Side	46,226	0.9%	0.5%	Per Footpath Program (Asset Management Plan) - Cond. 4	\$6,226	\$40,000	\$0
Windsor St - Canning to Fraser - Eastern Side	40,447	0.8%	0.5%	Per Footpath Program (Asset Management Plan) - Cond. 4	\$5,447	\$35,000	\$0
Footpath Infrastructure Sub-Total	344,959	6.7%	4.0%		184,959	160,000	-
Inf - Roads - Parking Machines - Parks CapEx	75,000	1.7%	1.0%	Parking machines - Implementation of paid parking (user pays) for river foreshore area.	\$75,000	\$0	\$0
Aldgate Place - rehabilitation	9,245	0.2%	0.1%	Refer to Road Program (Asset Management Plan)	\$9,245	\$0	\$0
Andrew Road - resurface	29,794	0.6%	0.3%	Refer to Road Program (Asset Management Plan)	\$29,794	\$0	\$0

Description	2017/18 Budget	% of Capital Budget	% of Rates Raised	Details	Muni	Grant /Proceeds/Other	Reserve
Clayton Street - resurface	24,268	0.5%	0.3%	Refer to Road Program (Asset Management Plan)	\$24,268	\$0	\$0
Town Depot Car Park - resurface	12,195	0.2%	0.1%	Refer to Road Program (Asset Management Plan)	\$12,195	\$0	\$0
Easton Street - resurface	12,143	0.2%	0.1%	Refer to Road Program (Asset Management Plan)	\$12,143	\$0	\$0
Fletcher Street - resurface	62,405	1.2%	0.7%	Refer to Road Program (Asset Management Plan)	\$62,405	\$0	\$0
George Street - resurface	19,461	0.4%	0.2%	Refer to Road Program (Asset Management Plan)	\$19,461	\$0	\$0
King Street - resurface	60,093	1.2%	0.7%	Refer to Road Program (Asset Management Plan)	\$8,093	\$52,000	\$0
Moss Street - resurface	14,303	0.3%	0.2%	Refer to Road Program (Asset Management Plan)	\$14,303	\$0	\$0
Munro Street- resurface	19,617	0.4%	0.2%	Refer to Road Program (Asset Management Plan)	\$2,932	\$16,685	\$0
Riverside Road Car Park 7 - resurface	19,344	0.4%	0.2%	Refer to Road Program (Asset Management Plan)	\$19,344	\$0	\$0
Silas Street - resurface	17,335	0.3%	0.2%	Refer to Road Program (Asset Management Plan)	\$17,335	\$0	\$0
View Terrace - resurface	17,335	0.3%	0.2%	Refer to Road Program (Asset Management Plan)	\$17,335	\$0	\$0
Wolsely Road - resurface	17,335	0.3%	0.2%	Refer to Road Program (Asset Management Plan)	\$17,335	\$0	\$0
Woodhouse Road - rehabilitation	83,206	1.6%	1.0%	Refer to Road Program (Asset Management Plan)	\$83,206	\$0	\$0
Road Infrastructure Sub-Total	493,080	9.8%	5.8%		\$424,394	\$68,685	\$0
Infrastructure Assets Total	\$1,820,791	68.7%	21.7%				
Total All Capital Works	4,451,848	100.0%	59.1%		2,289,007	282,866	1,879,976

**SCHEDULE OF FEES AND CHARGES
2017-2018**

Description of Fee or Charge	Legislation	Details	Statutory	2017/18 Fees		
				GST (excl) \$	GST \$	GST (incl) \$
GENERAL PURPOSE FUNDING RATES						
Instalment Fee - per instalment	LGA 1995		S	16.50	Exempt	16.50
Rate Enquiry Fee	LGA 1995	Per Written Enquiry	S	55.00	Exempt	55.00
Orders & Requisitions	LGA 1995	Per Application	S	69.50	Exempt	69.50
Combined Enquiry	LGA 1995	Per Application	S	112.00	Exempt	112.00
Ownership enquiry		Per property		14.09	1.41	15.50
Rates - Special Arrangements to Pay	LGA 1995	Per Application	S	49.00	Exempt	49.00
GOVERNANCE						
General Administration						
Sale of Electoral Rolls	LGA 1995	Per Copy		69.50	Exempt	69.50
Sale of Street listings		Per Copy		193.64	19.36	213.00
Photocopying						
- General Public - A4 Sheets (Colour)	LGA 1995	Per Copy		0.86	0.09	0.95
- General Public - A4 Sheets (Black & White)		Per Copy		0.45	0.05	0.50
- General Public - A3 Sheets (Colour)	LGA 1995	Per Copy		1.73	0.17	1.90
- General Public - A3 Sheets (Black & White)		Per Copy		0.86	0.09	0.95
- Community & Organisations - A4 Sheets (Colour and B & W)	LGA 1995	Per Copy		Per Above	Yes	50% discount
- Community & Organisations - A3 Sheets (Colour and B & W)	LGA 1995	Per Copy		Per Above	Yes	50% discount
Freedom Of Information						
-Application	FOI Act 1992	Per Application	S	30.00	Exempt	30.00
-FOI photocopying	FOI Act 1992	Per Copy	S	0.20	Exempt	0.20
-Staff Time (search & discovery of documents)	FOI Act 1992	Per Hour	S	30.00	Exempt	30.00
Sale of History Book	LGA 1995					
Small but Strong		Each		26.82	2.68	29.50
This is East Fremantle		Each		10.91	1.09	12.00
Trust Account Management Fee	LGA 1995					
Administration charge for holding funds in Trust		Each and every Deposit		6.09	0.61	6.70
- Lessor of the monthly Fee or the interest earned.						
LAW, ORDER & PUBLIC SAFETY						
Dog Impounding fees - Poundage	Dog Act 1976	Full recovery	S	Cost + 15%	Exempt	Cost + 15%
Dog Impounding fees - Sustenance	Dog Act 1976	Full recovery	S	At Cost	Exempt	At Cost
Release of impounded dog				Cost + 15%		Cost + 15%
Failure to remove dog excreta	Dog Local Law 2.3(2)		S	100.00	Exempt	100.00
Dog Registration Fees						
Unsterilised - 1 year	Dog Act 1976		S	50.00	Exempt	50.00
Unsterilised - 3 year	Dog Act 1976		S	120.00	Exempt	120.00
Unsterilised - Lifetime Registration	Dog Act 1976		S	250.00	Exempt	250.00
Sterilised - 1 year	Dog Act 1976		S	20.00	Exempt	20.00
Sterilised - 3 year	Dog Act 1976		S	42.50	Exempt	42.50
Sterilised - Lifetime Registration	Dog Act 1976		S	100.00	Exempt	100.00
* Dog owned by pensioner - 50% of fee otherwise payable						
** Effective 31 May each year - 50% of normal fee on 1 year licence						
Application to keep a third dog				136.36	13.64	150.00
Dogs kept in an approved kennel establishment licensed under Sect 27, where not otherwise registered			S	200.00	Exempt	200.00
Euthanasia for a dog		Full recovery +15%		Cost + 15%		Cost + 15%
Cat Fees						
Registration - 1 Year	Cat Act 2011		S	20.00	Exempt	20.00
Registration - 3 Years	Cat Act 2011		S	42.50	Exempt	42.50
Registration - Lifetime	Cat Act 2011		S	100.00	Exempt	100.00
* Cat owned by pensioner - 50% of fee otherwise payable						
** Effective 31 May each year - 50% of normal fee on 1 year licence						

**SCHEDULE OF FEES AND CHARGES
2017-2018**

Description of Fee or Charge	Legislation	Details	Statutory	2017/18 Fees		
				GST (excl) \$	GST \$	GST (incl) \$
Recycling Service - Additional per MGB Recycling Service - Additional per MGB - 240 lt cart Bulk - 660 litre cart Bulk - 5 cubic metres Compactor unit Bulk - per cubic metre Sale / Replacement of 240 Litre MGB's		Per MGB per Annum	S	250.00	Exempt	250.00
		Per 240 ltr cart/collect	S	8.50	Exempt	8.50
		Actual Cost + 25%	Cost	Cost +15%		Cost +15%
		Actual Cost + 25%	Cost	Cost +15%		Cost +15%
		Actual Cost + 25%	Cost	Cost +15%		Cost +15%
		Actual Cost + 25%		Cost +15%		Cost +15%
Other Sanitation				Cost +15%		Cost +15%
Sale of 150 Litre Compost Bins Sale of Worm Cafe Sale of Worm Farm Wheelie Bins	LGA 1995	Subsidised		Cost +15%		Cost +15%
		Subsidised		Cost +15%		Cost +15%
		Subsidised		Cost +15%		Cost +15%
		Subsidised		Cost +15%		Cost +15%
Community Amenities						
Room Hire (Casual) - Community Groups Room Hire (Sumpton Green) - Private eg Children's Parties Room Bond (Casual) - Private & Community Groups	LGA 1995	Per Hour		62.27	6.23	68.50
	LGA 1995	Per Hour		37.27	3.73	41.00
	LGA 1995			276.36	27.64	304.00
Application for Non-Compliance Noise Event Registration of new Lodging Houses Renewal of registration of existing Lodging Houses Permits Outdoor Eating Area Fee Annual Outdoor Area Eating permit fee (p/sqm)	Envir. Prot. Act 1986	Per Application	S	1,000.00	Exempt	1,000.00
	Health Act 1911	Per Application		267.27	26.73	294.00
	Health Act 1911	Per Application		295.45	29.55	325.00
	LGA 1995	Application		220.00	22.00	242.00
	LGA 1995	Licence Fee / sq.metre		18.18	1.82	20.00
Town Planning Administration fees						
Application Fees - Dev. value between (a) Less than \$50,000 (b) More than \$50,000 but not more than \$500,000 (c) More than \$500,000 but not more than \$2,500,000 (d) More than \$2,500,000 but not more than \$5,000,000 (e) More than \$5,000,000 but not more than \$21,500,000 (f) More than \$21,500,000	P & D Act 2005		S	147.00	Exempt	147.00
		0.32% of estimated cost of Development	S	Variable	Exempt	Variable
		\$1,700.00 + 0.257% for each \$1 in excess of \$500,000	S	Variable	Exempt	Variable
		\$7,161.00 + 0.206% for each \$1 in excess of \$2,500,000	S	Variable	Exempt	Variable
		\$12,633.00 + 0.123% for each \$1 in excess of \$5,000,000	S	Variable	Exempt	Variable
		\$34,196	S	34,196.00	Exempt	34,196.00
Penalty if development commenced or carried out prior to Approval	P & D Act 2005	Twice the fee payable for the determination of the Application	S	Twice Fee	Exempt	Twice Fee
Extension of Planning Approval prior to expiry	P & D Act 2005	50% of Applicable Fee (Min \$147)	S			Variable
Refund of planning application fee Prior to assessment Following assessment	P & D Act 2005	50% of fee	S			Variable
		Nil				

**SCHEDULE OF FEES AND CHARGES
2017-2018**

Description of Fee or Charge	Legislation	Details	Statutory	2017/18 Fees		
				GST (excl) \$	GST \$	GST (incl) \$
General Planning and Development Fees						
Advertising/Public Comment:	P & D Act 2005					
Newspaper Notice		Actual cost (inc GST) + Administration Fee	Cost	Cost +15%	Yes	Cost + 15%
Sign & Notice to Neighbours		Minimum		120.00	12.00	132.00
		Maximum		200.00	20.00	220.00
Notices to Neighbours only		Minimum		22.73	2.27	25.00
		Maximum		180.00	18.00	198.00
Installation of Sign by Council				100.00	10.00	110.00
Community Design Advisory Committee Referral fee				22.73	2.27	25.00
Subdivision/Strata Approval (Form 1A)	P & D Act 2005					
(a) Amalgamation - multiple lots into single lot			S	2153.00	Exempt	2,153.00
(b) 2 or more lots (up to and including 100 lots)		\$2985 + \$68 Per Lot	S	Variable	Exempt	Variable
(c) 101 or more lots		\$9798 + \$24 Per Lot	S	Variable	Exempt	Variable
Subdivision/Strata Endorsement (Form 1C)	P & D Act 2005					
(a) Amalgamation - multiple lots into single lot			S	500.00	Exempt	500.00
(b) 2 or more lots (up to and including 100 lots)		\$558 + \$7 Per Lot	S	Variable	Exempt	Variable
(c) 101 or more lots		\$1258 + \$4.40 Per Lot	S	Variable	Exempt	Variable
Amended Application	P & D Act 2005					
Minor		(Min. \$139)	S	Variable	Exempt	Variable
Major		Min. \$139)	S	Variable	Exempt	Variable
Infrastructure Bond - Single Frontage	P & D Act 2005	Refundable	s	1,500.00	Exempt	1,500.00
Infrastructure Bond - Corner Lot	P & D Act 2005	Refundable	s	2,500.00	Exempt	2,500.00
Soil Stabilisation Bond	P & D Act 2005	Refundable	s	1,000.00	Exempt	1,000.00
Signage Application						
Application for Planning Approval	P & D Act 2005	Per application	S	147.00	Exempt	147.00
Miscellaneous Planning Fees	P & D Act 2005					
Application for change of street number				104.55	10.45	115.00
Heritage assessment		Actual cost (inc GST)				
Property Settlement Questionnaire / Written Planning Advice/Zoning Certificate			S	73.00	Exempt	73.00
T P Scheme No. 3 Text and Map				62.73	6.27	69.00
T P Scheme No. 3 Map Only				15.91	1.59	17.50
Archival Search Fee - Plans- (Photocopying in excess of \$15 to be charged at cost)				90.91	9.09	100.00
Crossover Variation Application fee	P & D Act 2005		S	286.00	Exempt	286.00
Cash-in-lieu of Parking Space - Valuation		Actual cost (inc GST)				
Scheme Amendments (Including advertising and gazetta)	P & D Act 2005					
Basic		Minimum		1363.64	136.36	1,500.00
Standard		Actual cost (inc GST)		2727.27	272.73	3,000.00
Complex		Minimum				On Application
Town Planning Scheme Amendment/Rezoning and Structure Plan Application						Full cost recovery
Cost of work to Complex Scheme Amendment calculated at the following hourly rates on top of the appropriate fee:						On Application
Executive Manager		Hourly rate				88.00
Manager/ Senior Planner		Hourly rate				66.00
Planning Officer		Hourly rate				36.86
Other Staff eg EHO		Hourly rate				36.86
Administration		Hourly rate				30.20

**SCHEDULE OF FEES AND CHARGES
2017-2018**

Description of Fee or Charge	Legislation	Details	Statutory	2017/18 Fees		
				GST (excl) \$	GST \$	GST (incl) \$
Other Miscellaneous	P & D Act 2005					
Application for change of Use			S	295.00	Exempt	295.00
Penalty if commenced prior to Approval (in addition to the application fee)			S	590.00	Exempt	590.00
Home Occupation	P & D Act 2005					
Application (includes Public Comment Fee)			S	222.00	Exempt	222.00
Penalty if commenced prior to Approval (in addition to the application fee)			S	444.00	Exempt	444.00
Application for Annual Renewal			S	73.00	Exempt	73.00
Application Penalty for Annual Renewal if approval has expired			S	146.00	Exempt	146.00
Section 40 Certificate			S	94.00	Exempt	94.00
RECREATION & CULTURE						
Swimming Areas/beaches						
Mooring pen fees						
- 8 Metre Pens (deposit of \$1,920)	LGA 1995	Per annum		3570.91	357.09	3,928.00
- 10 Metre Pens (deposit of \$2,400)	LGA 1995	Per annum		4460.00	446.00	4,906.00
- 12 Metre Pens (deposit of \$2,880)	LGA 1995	Per annum		5354.55	535.45	5,890.00
- Casual Fees	LGA 1995	Per week		145.45	14.55	160.00
Replacement pens keys				68.18	6.82	75.00
Other Recreation & Culture						
General Reserve Hire Fees						
- Full Day Fee				430.91	43.09	474.00
- Per Half Day Fee (AM or PM)				218.18	21.82	240.00
- Per hour Fee				39.09	3.91	43.00
- Changeroom Bond (refundable)				251.82	25.18	277.00
- Liquor Permit Fee				63.64	6.36	70.00
- Key Deposit (refundable)		Per key		63.64	6.36	70.00
Personal Trainers						
- Application fee				53.64	5.36	59.00
- Annual licence fee				1056.36	105.64	1,162.00
Photo Sessions/ Wedding Ceremonies/ Functions						
Merv Cowan Reserve		Per event		157.27	15.73	173.00
John Tonkin Reserve		Per event		157.27	15.73	173.00
Locke Park		Per event		157.27	15.73	173.00
Henry Jeffrey Oval Junior Football Teams	LGA 1995					
- Per Player Fee - Juniors		Per player (for season)		15.27	1.53	16.80
- Training two (2) nights/week		Per season		534.55	53.45	588.00
East Fremantle Junior Cricket Teams	LGA 1995					
- Per Player Fee - Juniors		Per player (for season)		15.27	1.53	16.80
- Training two (2) nights/week		Per season		534.55	53.45	588.00
East Fremantle Seniors Cricket Teams	LGA 1995					
- Per Player Fee - Seniors		Per player (for season)		57.27	5.73	63.00
East Fremantle Lacrosse	LGA 1995					
- Per Player Fee - Juniors		Per player (for season)		15.27	1.53	16.80
- Per Player Fee - Seniors		Per player (for season)		57.27	5.73	63.00
East Fremantle Soccer	LGA 1995					
- Training Fees		Per season		667.27	66.73	734.00
- Per Player Fee - Juniors		Per player (for season)		15.27	1.53	16.80
- Per Player Fee - Seniors		Per player (for season)		57.27	5.73	63.00

**SCHEDULE OF FEES AND CHARGES
2017-2018**

Description of Fee or Charge	Legislation	Details	Statutory	2017/18 Fees		
				GST (excl) \$	GST \$	GST (incl) \$
Other Culture						
East Fremantle Festival						
Unpowered Stall	LGA 1995			82.73	8.27	91.00
Powered Stall	LGA 1995			165.45	16.55	182.00
East Fremantle Art Award - per entry	LGA 1995			26.82	2.68	29.50
Special Events Fees						
Use of Car Parking areas- Unlicenced- per m2	LGA 1995			23.18	2.32	25.50
Use of Car Parking areas- Licenced- per m2	LGA 1995			37.27	3.73	41.00
Left Bank Special Event Fee	LGA 1995			3430.00	343.00	3,773.00
On-call Ranger Fee - per 8 hours		Per event		522.73	52.27	575.00
TRANSPORT						
Transport						
Road, Verge, Footpath & Crossover Reinstatements and Crossover Construction						
Reinstatement Inspection fees	LGA 1995	Per hour		63.64	6.36	70.00
Reinstatement Works	LGA 1995			Cost + 15%		Cost + 15%
Red Asphalt per m ¹	LGA 1996			Cost + 15%		Cost + 15%
Black Asphalt per m ²	LGA 1995			Cost + 15%		Cost + 15%
Concrete per m ²	LGA 1995			Cost + 15%		Cost + 15%
Recoverable Works - Cost plus 15% administration fee				Cost + 15%		Cost + 15%
Recoverable Graffiti Removal - Cost plus 15% administration fee				Cost + 15%		Cost + 15%
Parking Facilities						
Vehicle Impounding Fee	LGA 1995	Initial cost		244.55	24.45	269.00
Vehicle Impounding Fee		Per day thereafter		39.09	3.91	43.00
Parking Fees - Launching Ramp No1 Carpark per hour for the first 4 hours Thereafter \$12.00 for Maximum 24 hours)	LGA 1995	Per hour		2.73	0.27	3.00
Parking Fees - Various locations per hour other than Launching Ramp No1.	LGA 1995	Maximum per 24 hours		10.91	1.09	12.00
		Per hour		1.82	0.18	2.00
Reminder Letter and Final Notice Fee (28 Days)	Fines, Penalties & Infringement Notices Enforcement Regs 1994		S	16.40	Exempt	16.40
Resident Boat owners Annual Parking permit No1 Car Park (2 Year Renewal Ends 31 Aug 2018)		Each		92.73	9.27	102.00
Skip Bin Permits		Each		43.64	4.36	48.00
Skip Bin Permits - Extension		Each		11.09	1.11	12.20
Jetty A mooring permits		Each		43.64	4.36	48.00
Sea container placement permits		Each		43.64	4.36	48.00
ECONOMIC SERVICES						
Building Fees						
Based on valuation of new building or improvements - Minimum \$96.00	Bldg Reg 2012					
Class 1 & 10 - Uncertified	0.32% of est' const'. cost (ex GST)		S	Variable	Exempt	Variable
Class 2 to 9 - Uncertified	0.32% of est' const'. cost (ex GST)		S	Variable	Exempt	Variable
BCITF levy	0.2% of est' const'. (over \$20,000inc GST) cost		S	Variable	Exempt	Variable
Building Services Levy	Building Act 2011 (from 2 April 2012)		S	Variable	Exempt	Variable
Infrastructure Bond - Building	Single frontage	Refundable	s	1,500.00	Exempt	1,500.00
Infrastructure Bond - Building	Corner lots	Refundable	s	2,500.00	Exempt	2,500.00
Materials on Verge licence	\$1 per sq m (min \$100)					Variable
Building Approval Certificate - Minimum \$95.00	Bldg Reg 2012					
Class 1 & 10 - Certified	0.19% of est' const'. cost (ex GST), but not less than \$95.00		S	Variable	Exempt	Variable
Class 2 to 9 - Certified	0.09% of est' const'. cost (ex GST), but not less than \$95.00		S	Variable	Exempt	Variable

**SCHEDULE OF FEES AND CHARGES
2017-2018**

Description of Fee or Charge	Legislation	Details	Statutory	2017/18 Fees		
				GST (excl) \$	GST \$	GST (incl) \$
Refund of Building Licence fee Prior to assessment Following assessment						
		50% of fee	s	50% of fee	Exempt	50% of fee
		Nil	Nil			Nil
Strata Titles (Form 7) per Strata Titles Gen Regs 1996 - Min \$105.80 + GST	\$0.20 per sq m floor space + GST		s	Variable	Exempt	Variable
R-Code Compliance Assessment Fee (From 30 Nov 2015)	LGA 1995			133.64	13.36	147.00
Pool inspection annual fee - 4 Yearly Statutory inspection \$57.45	Building Regulations 2012		S	14.40	Exempt	14.40
Pool inspection fee - Request for inspection	LGA 1995			60.91	6.09	67.00