



Message from the Shire President – 2026/27 Budget

Council adopted the Shire's 2026/27 budget at its Council meeting held on 23 June 2026.

2026/27 is a rates revaluation year, with the average Gross Rental Values (GRV) increasing by 25%. When there is an increase in the GRV as a consequence the Shire will reduce the rate in the dollar down to achieve a balanced budget. Council has set an average rate increase of 3.8% for all properties, however due to the different increases in GRV's across different property types in the Shire, some properties will see increases greater than 3.8% and others increases less than 3.8% or even a rate reduction from last year.

The GRV's are set by the Valuer Generals Office, as part of the State Government Landgate Department. The Shire does not set GRVs. A GRV is an estimate of the annual rental a property should receive. If a weekly rental is estimated to be \$1000, the GRV for that property is \$52,000. Please contact the office if you have a concern over your GRV.

Rate increases in recent years have been very minimal, 18/19 1.55%, 19/20 1.0%, 20/21 0.0%, 21/22 1.7%, 22/23 2.0%, 23/24 2.9%, 24/25 2.5% and 25/26 2.0%. With a 3.8% increase in 26/27, the average increase over this period would be of 1.94% over this period.

Waste charges

The Shire is one of the few local governments to include general waste, FOGO and recycling bins charges in the general rates. Most other local governments charge these services as an additional cost over and above the rates.

If you have second bins, the charges for additional bins have been re-costed to reflect the current trends and actual collection and disposal costs.

Library Contributions

The net operating cost of running the Grove library is met by the three member councils of the Towns of Mosman Park and Cottesloe and the Shire. The level of contribution is based on census population data for each Council. The net operating shortfall for 2026/27 for the library, history unit and

community centre is \$1,550,000, with the Town of Mosman Park contributing \$760,000 Cottesloe \$660,000 and the Shire \$132,000.

Reserve funds

The balance of the reserve funds as of 30 June 2026 \$2,128,000. Transfers into the reserves during the 2026/27 year will be \$1,220,000, which is made up of the following,

- \$187,000 Interest on Reserve fund investments.
- \$113,000 to the Road Reserve in accordance with the AMP
- \$70,000 to the Infrastructure/ Building Reserve in accordance with the AMP
- \$900,000 the Investment Reserve being net proceeds pending the sale of the Johnston Street lot.
- \$50,000 Transfer to the Investment Reserve

Transfers out of reserve accounts total \$350,000.

- \$90,000 for Keane Street wombat crossing.
- \$90,000 jetty repairs
- \$70,000 for DBCA matching grant funds for foreshore bushland project.
- \$100,000 from Investment reserve for sump relocation.

The total projected reserve fund balance as of 30 June 2027 is nearly \$3,000,000.

Capital Works program (CAPEX)

The CAPEX program is now linked to the asset renewal requirements as identified in the Asset Management Plan (AMP). The CAPEX schedule is broken to asset classes of Property, Plant & Equipment, Transport and Recreation.

The total CAPEX program for 2026/27 is \$2,715,000 with the most significant projects being.

Annual AMP allocations \$157,000 (Municipal)

Parking Bay View trial \$30,000 (Municipal)

Depot – laydown area \$30,000 (Municipal)

Jetty repairs \$90,000 (Reserve)

Wombat crossing Keane \$90,000 (Reserve)

Johnston Street sump conversion \$2,100,000 (Loan/overdraft \$2m, \$100,000 Reserve)

The Johnston Street sump project is the relocation of the current stormwater sump opposite Cottesloe Primary School. This would free up this lot, which is owned by the Shire and zoned residential, to be sold. Net proceeds would be transferred to the Investment Reserve account.

The AMP also has a schedule showing amounts that should be transferred on an annual basis that will be required to meet future renewal costs. The reserve fund transfer is to ensure the Shire has the funds to meet the costs when these larger renewal costs are due. The total scheduled to be transferred to reserve funds is \$183,000. The 2026/27 budget makes provision for a comprehensive review of the Shire's AMP, particularly for infrastructure assets of roads, drainage, footpaths and

reticulation. Updated asset values are required to populate the Shire's 10 Year financial plan and to ensure asset renewal costs can be met by the Shire.

Other Major Projects

One project which is not capital but significant, is the foreshore bushland revegetation project. This will be subject to a report to Council and adoption of the management plan. The budget makes provision of \$250,000, with a possible grant of \$98,000, \$70,000 from Reserve and \$82,000 municipal. This project will see revegetation and other improvements to the foreshore cliffs bushland.

The Shire has received a grant to develop a PSHB management plan, particularly to support residents in managing the impact from the borer.

The attached pie graphs show the revenue sources for the Shire as well as where we spend our money.

The full budget is available on the Shire's website at www.peppermintgrove.wa.gov.au

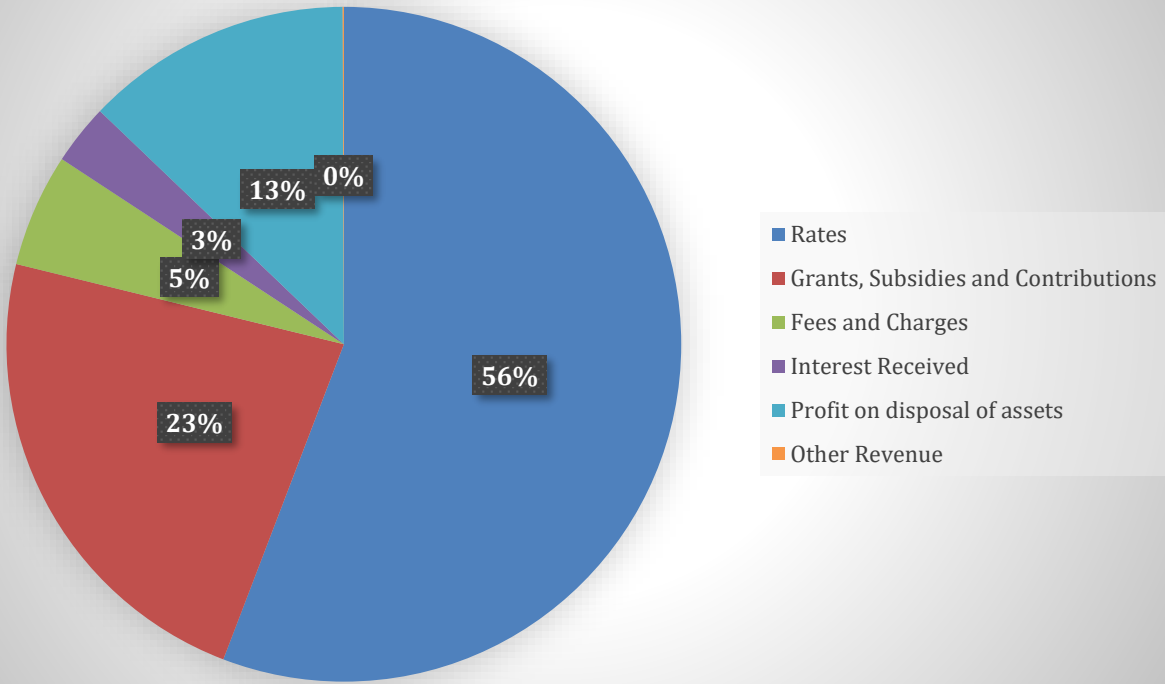
Best wishes

Karen Farley SC



Shire President

Budget 2026/27 Operating Revenue



Budget 2026/27 Operating Expenditure

