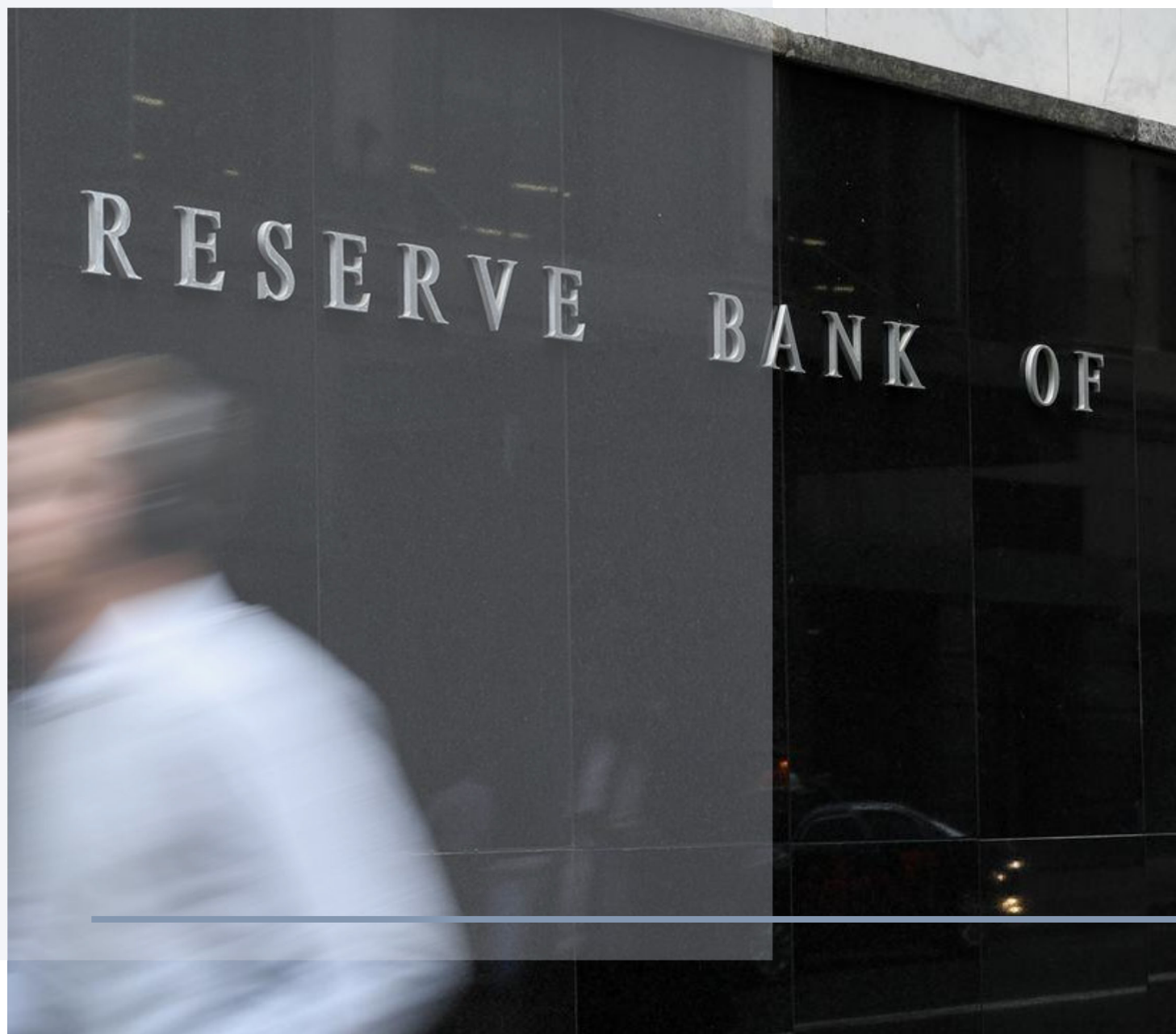




Borrowings Plan

2023/24



Introduction

The use of borrowings as a means of funding asset acquisitions, renewals and maintenance is a useful mechanism for allocating the costs of such works over a time frame that reflects when residents will benefit from the assets.

Council is guided by it's adopted policy - COUNCIL POLICY FIN/CP-3 DEBT

This Policy sets out the manner in which the Shire of Donnybrook Balingup may establish and manage a debt portfolio. The objective of this Debt Policy is to ensure the sound management of the Shire's existing and future debt.

This Debt Policy outlines the Shire's debt strategy and provides for the responsible financial management of loan funding by ensuring that the level of indebtedness is maintained within acceptable limits and is managed appropriately.

It is therefore critical that debt funding is appropriately planned and monitored if Council is to maintain the capacity to effectively use this funding source.

Strategic planning allows Council to develop targets and standards for debt that are strategic in nature, rather than relying on debt as a response to current financial requirements.

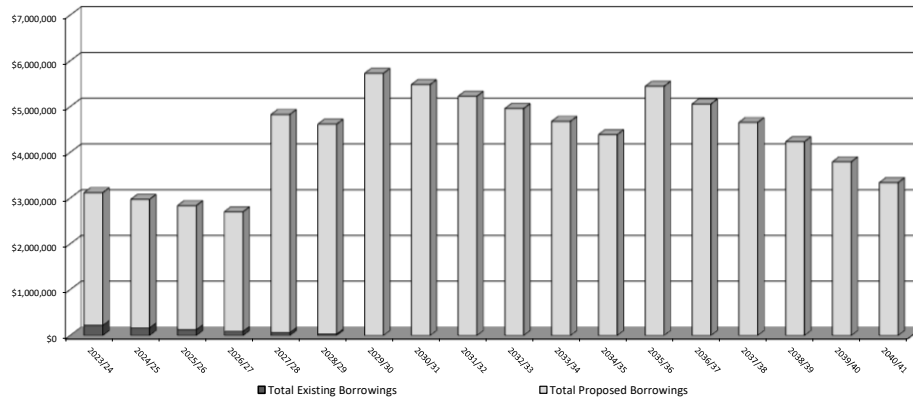
Funding Options

1. Comparison of Funding Options

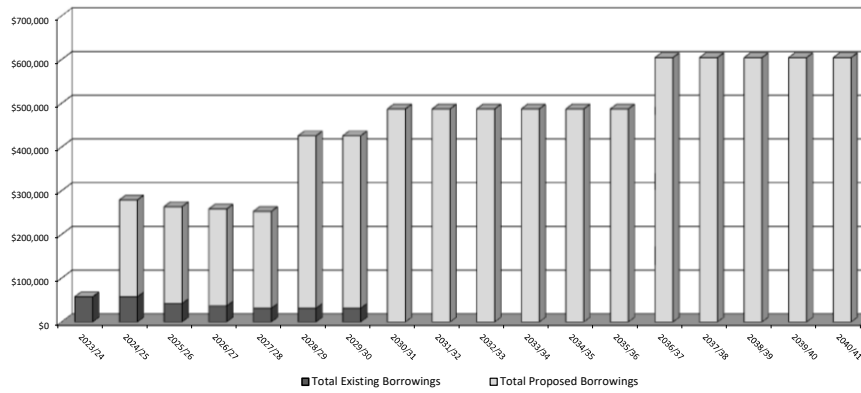
Council should investigate all funding options and compare the advantages and disadvantages of each. There are a number of funding options for asset management available to Council.

- 2.1 Government grants shall be sourced where possible as a first option.
- 2.2 Investigation of Public / Private Partnerships.
- 2.3 Council consider a 1/3 contribution for groups & clubs projects. (1/3 Community, 1/3 Council, 1/3 Grants).
- 2.4 That regard to the life of the asset is given to the life of the loan, and matched where possible.
- 2.5 That consideration be given that infrastructure that is commercial in nature be self funded.
- 2.6 That loans are only raised where identified in Council's Asset Management Plans.
- 2.7 Reserve Funds shall be utilised up to amounts prescribed in Council's Asset Management Plans.
- 2.8 That self supporting loans be available to community groups for project funding.

PROJECTED BORROWINGS LIABILITY



TOTAL BORROWING REPAYMENTS (PRINCIPAL + INTEREST)



Borrowings Liability

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38
Existing Borrowings															
Loan #															
Dental Surgery Extensions	74	14,715	0	0	0	0	0	0	0	0	0	0	0	0	0
Country Club - Artificial Surface (SSL)	90	26,019	15,823	5,346	0	0	0	0	0	0	0	0	0	0	0
Tuia Lodge - Fire Suppression System	93	180,064	151,222	121,922	92,157	61,920	31,204	0	0	0	0	0	0	0	0
Total Existing Borrowings		220,798	167,045	127,268	92,157	61,920	31,204	0	0	0	0	0	0	0	0
Proposed New Borrowings															
VC Mitchell Park	2023/24	2,900,000	2,808,048	2,711,912	2,611,401	2,506,316	2,396,450	2,281,583	2,161,490	2,035,931	1,904,659	1,767,413	1,623,921	1,473,900	1,317,052
Administration Centre Extensions	2027/28	0	0	0	0	2,261,654	2,189,943	2,114,968	2,036,581	1,954,628	1,868,945	1,779,363	1,685,704	1,587,783	1,485,407
Donnybrook Transfer Station Development	2029/30	0	0	0	0	0	0	1,331,418	1,284,486	1,235,896	1,185,591	1,133,510	1,079,590	1,023,767	965,973
Apple Funpark Equipment Renewal	2035/36	0	0	0	0	0	0	0	0	0	0	0	1,360,121	1,289,792	1,216,980
Total Proposed Borrowings		2,900,000	2,808,048	2,711,912	2,611,401	4,767,970	5,727,969	5,482,557	5,226,455	4,959,195	4,680,286	4,389,216	5,445,571	5,058,223	4,654,554
Total Outstanding Borrowings		3,120,798	2,975,093	2,839,180	2,703,558	4,829,891	5,727,969	5,482,557	5,226,455	4,959,195	4,680,286	4,389,216	5,445,571	5,058,223	4,654,554
Less: Self Supporting Loans															
Country Club - Artificial Surface (SSL)		(26,019)	(15,823)	(5,346)	0	0	0	0	0	0	0	0	0	0	0
Total SSL		(26,019)	(15,823)	(5,346)	0	0	0	0	0	0	0	0	0	0	0
Total Net Outstanding Borrowings		3,094,779	2,959,270	2,833,834	2,703,558	4,829,891	5,727,969	5,482,557	5,226,455	4,959,195	4,680,286	4,389,216	5,445,571	5,058,223	4,654,554

Total Borrowing Expense (Principal + Interest)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38
Existing Borrowings															
Loan #															
Dental Surgery Extensions	74	15,361	15,361	0	0	0	0	0	0	0	0	0	0	0	0
Country Club - Artificial Surface (SSL)	90	10,839	10,839	10,839	5,420	0	0	0	0	0	0	0	0	0	0
Tuia Lodge - Fire Suppression System	93	31,574	31,574	31,574	31,574	31,574	31,574	31,574	0	0	0	0	0	0	0
Total Existing Borrowings		57,774	57,774	42,413	36,994	31,574	31,574	31,574	0	0	0	0	0	0	0
Proposed New Borrowings															
VC Mitchell Park	2023/24	0	221,429	221,429	221,429	221,429	221,429	221,429	221,429	221,429	221,429	221,429	221,429	221,429	221,429
Administration Centre Extensions	2027/28	0	0	0	0	172,688	172,688	172,688	172,688	172,688	172,688	172,688	172,688	172,688	172,688
Donnybrook Transfer Station Development	2029/30	0	0	0	0	0	0	93,125	93,125	93,125	93,125	93,125	93,125	93,125	93,125
Apple Funpark Equipment Renewal	2035/36	0	0	0	0	0	0	0	0	0	0	0	0	117,323	117,323
Total Proposed Borrowings		0	221,429	221,429	221,429	394,117	394,117	487,242	487,242	487,242	487,242	487,242	487,242	604,565	604,565
Total Borrowing Repayments		57,774	279,203	263,842	258,422	253,003	425,691	425,691	487,242	487,242	487,242	487,242	487,242	487,242	604,565
Less: Self Supporting Loans															
Country Club - Artificial Surface (SSL)		(10,839)	(10,839)	(10,839)	(5,420)	0	0	0	0	0	0	0	0	0	0
Total SSL		(10,839)	(10,839)	(10,839)	(5,420)	0	0	0	0	0	0	0	0	0	0
Total Net Repayments		46,935	268,364	253,003	253,003	425,691	425,691	487,242	487,242	487,242	487,242	487,242	487,242	604,565	604,565
\$ Increase (Decrease) from Previous Year			221,429	(15,361)	0	0	172,688	0	61,551	0	0	0	0	117,323	0

Interest Expense

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38
Existing Borrowings															
Loan #															
Dental Surgery Extensions	74	1,468	646	0	0	0	0	0	0	0	0	0	0	0	0
Country Club - Artificial Surface (SSL)	90	917	644	362	73	0	0	0	0	0	0	0	0	0	0
Tuia Lodge - Fire Suppression System	93	3,182	2,732	2,274	1,809	1,337	857	370	0	0	0	0	0	0	0
Total Existing Borrowings		5,567	4,022	2,636	1,883	1,337	857	370	0	0	0	0	0	0	0
Proposed New Borrowings															
VC Mitchell Park	2023/24	0	129,477	125,293	120,918	116,344	111,562	106,562	101,335	95,870	90,157	84,183	77,937	71,407	64,581
Administration Centre Extensions	2027/28	0	0	0	0	0	100,977	97,713	94,302	90,734	87,005	83,106	79,029	74,767	70,311
Donnybrook Transfer Station Development	2029/30	0	0	0	0	0	0	0	46,193	44,536	42,820	41,044	39,205	37,301	35,331
Apple Funpark Equipment Renewal	2035/36	0	0	0	0	0	0	0	0	0	0	0	0	0	46,994
Total Proposed Borrowings		0	129,477	125,293	120,918	116,344	212,539	204,276	241,829	231,140	219,982	208,333	196,172	183,476	217,217
Total Interest Repayments		5,567	133,499	127,929	122,800	117,681	213,396	204,646	241,829	231,140	219,982	208,333	196,172	183,476	217,217
Less: Self Supporting Loans															
Country Club - Artificial Surface (SSL)		(917)	(644)	(362)	(73)	0	0	0	0	0	0	0	0	0	0
Total SSL		(917)	(644)	(362)	(73)	0	0	0	0	0	0	0	0	0	0
Total Net Interest Repayments		4,650	132,855	127,567	122,727	117,681	213,396	204,646	241,829	231,140	219,982	208,333	196,172	183,476	217,217
\$ Increase (Decrease) from Previous Year			128,205	(5,288)	(4,840)	(5,046)	95,715	(8,750)	37,183	(10,689)	(11,159)	(11,649)	(12,161)	(12,696)	33,740

Principal Expense

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38
Existing Borrowings															
Loan #															
Dental Surgery Extensions	74	13,893	14,715	0	0	0	0	0	0	0	0	0	0	0	0
Country Club - Artificial Surface (SSL)	90	9,922	10,196	10,477	5,346	0	0	0	0	0	0	0	0	0	0
Tuia Lodge - Fire Suppression System	93	28,392	28,842	29,300	29,765	30,237	30,716	31,204	0	0	0	0	0	0	0
Total Existing Borrowings		52,207	53,753	39,777	35,111	30,237	30,716	31,204	0	0	0	0	0	0	0
Proposed New Borrowings															
VC Mitchell Park	2023/24	0	91,952	96,136	100,511	105,085	109,867	114,866	120,094	125,559	131,272	137,246	143,492	150,021	156,848
Administration Centre Extensions	2027/28	0	0	0	0	0	71,711	74,975	78,387	81,954	85,683	89,582	93,659	97,921	102,377
Donnybrook Transfer Station Development	2029/30	0	0	0	0	0	0	0	46,932	48,589	50,305	52,081	53,920	55,823	57,794
Apple Funpark Equipment Renewal	2035/36	0	0	0	0	0	0	0	0	0	0	0	0	70,329	72,812
Total Proposed Borrowings		0	91,952	96,136	100,511	105,085	181,578	189,841	245,413	256,102	267,260	278,909	291,070	303,766	387,349
Total Principal Repayments		52,207	145,704	135,913	135,622	135,322	212,295	221,045	245,413	256,102	267,260	278,909	291,070	303,766	387,349
Less: Self Supporting Loans															
Country Club - Artificial Surface (SSL)		(9,922)	(10,196)	(10,477)	(5,346)	0	0	0	0	0	0	0	0	0	0
Total SSL		(9,922)	(10,196)	(10,477)	(5,346)	0	0	0	0	0	0	0	0	0	0
Total Net Repayments		42,285	135,509	125,436	130,276	135,322	212,295	221,045	245,413	256,102	267,260	278,909	291,070	303,766	387,349
\$ Increase (Decrease) from Previous Year			93,224	(10,073)	4,840	5,046	76,973	8,750	24,368	10,689	11,159	11,649	12,161	12,696	83,583

State Guarantee Fee Expense

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38
Existing Borrowings															
Loan #															
Dental Surgery Extensions	74	103	0	0	0	0	0	0	0	0	0	0	0	0	0
Country Club - Artificial Surface (SSL)	90	182	111	37	0	0	0	0	0	0	0	0	0	0	0
Tuia Lodge - Fire Suppression System	93	1,059	853	645	433	218	0	0	0	0	0	0	0	0	0
Total Existing Borrowings		1,344	964	683	433	218	0	0	0	0	0	0	0	0	0
Proposed New Borrowings															
VC Mitchell Park	2023/24	0	19,656	18,983	18,280	17,544	16,775	15,971	15,130	14,252	13,333	12,372	11,367	10,317	9,219
Administration Centre Extensions	2027/28	0	0	0	0	0	15,330	14,805	14,256	13,682	13,083	12,456	11,800	11,114	10,398
Donnybrook Transfer Station Development	2029/30	0	0	0	0	0	0	0	899	865	830	793	756	717	676
Apple Funpark Equipment Renewal	2035/36	0	0	0	0	0	0	0	0	0	0	0	0	0	903
		0	19,656	18,983	18,280	17,544	32,105	30,776	30,286	28,799	27,245	25,621	23,923	22,148	21,196
Total State Guarantee Fee		1,344	20,621	19,666	18,713	17,763	32,105	30,776	30,286	28,799	27,245	25,621	23,923	22,148	21,196
Less: Self Supporting Loans															
Country Club - Artificial Surface (SSL)		(182)	(111)	(37)	0	0	0	0	0	0	0	0	0	0	0
Total SSL		(182)	(111)	(37)	0	0	0	0	0	0	0	0	0	0	0
Total Net Repayments		1,162	20,510	19,628	18,713	17,763	32,105	30,776	30,286	28,799	27,245	25,621	23,923	22,148	19,206
\$ Increase (Decrease) from Previous Year			19,348	(881)	(915)	(951)	14,342	(1,329)	(490)	(1,487)	(1,554)	(1,624)	(1,698)	(1,775)	(952)