

Shire of Denmark

Long Term Financial Plan

2027 – 2036

24 November 2026 - Attachment 9.3

Denmark is growing – and we're planning for the future

Our Long Term Financial Plan (LTFP) is more than just numbers on a page. It is the Shire's roadmap for the next decade, helping us make sure we have the resources to deliver the vision and priorities in the Council Plan – *Our Future 2035*. It guides decisions about projects, services and investment, while keeping an eye on what the Shire can afford over the long term.

To keep our strategic and financial planning connected, the LTFP will be reviewed alongside the Annual Budget each year. Every second year, it will also be reviewed following an update to the Council Plan. This means we can regularly adjust our long-term plans as priorities, costs and circumstances change.

This latest review takes into account feedback from the Council Plan and Community Scorecard, changes to major project timelines and updated economic assumptions, including CPI forecasts.

One of the biggest challenges ahead is looking after the Shire's existing assets. Our roads, parks, community buildings and sporting facilities require ongoing investment to keep them in good condition and replace them when they reach the end of their useful life.

Asset renewal means replacing or restoring existing assets when they reach the end of their useful life. The asset renewal funding gap is the difference between the estimated funding required for that renewal and the funding available. It is distinct from routine maintenance and from investment in new or expanded facilities.

We are also due to revalue our assets in the coming year. This will give us a more up-to-date picture of what our assets are worth and what it may cost to replace them in the future. We expect this could show that the gap between what we need to spend on asset renewal and the funding available is greater than our current figures suggest.

We won't know the full impact until the revaluation is complete, but we know we need to prepare for it**.** That is why this Plan includes Council's planned commitment to rate increases above CPI until 2029, helping to progressively build our capacity to renew existing infrastructure and manage this challenge over the longer term.

David King
Chief Executive Officer



Photographs by Nic Duncan

Basis for Preparation of the Long Term Financial Plan (LTFP)

Council has established the following guiding principles to underpin long-term financial planning, promote consistency and provide a framework for financial decision-making over the life of the Plan:

1. The LTFP supports the achievement of the goals and priorities identified in the Council Plan - ***Our Future 2035***

2. The LTFP and the Council Plan – Our Future 2035 inform the development of the Annual Budget.

3. Financial sustainability and accountability will be supported through responsible financial management and the preparation of a balanced Annual Budget.

4. Reserve funds will be maintained and used for their intended purposes.

5. Revenue and expenditure will be managed to support the future renewal of assets within their planned useful life.

6. Borrowings may be considered for capital works and asset acquisition, but will not be used to fund operating activities or recurrent expenditure.

7. The LTFP will provide for the management and renewal of the Shire's asset base to meet community needs identified in the Council Plan

8. As part of the annual review of the LTFP, Council will consider economic conditions, financial capacity and community priorities and may adjust the timing of capital projects accordingly.

9. Rate revenue will be increased above the WA Consumer Price Index (CPI) until 2029 to progressively address the identified asset renewal funding gap.

10. For all capital upgrades or new infrastructure, external grant funding should be sourced.



Strategic Infrastructure Priorities

Project / Timing	Total Cost	External Funding Sought	Driver for Investment
Berridge Park Redevelopment 2026/27	$5.50m	$5.50m (secured)	Berridge Park is a well-used district-level community and visitor destination, but its public amenities, play equipment and supporting infrastructure were ageing and no longer meet contemporary expectations. Redevelopment will provide more inclusive youth and children's facilities, improve accessibility, shade, seating and connections, and strengthen the park's role as a central place for recreation, events and social activity.
Turner Road Sealing 2026/27	$1.17m	$780,000 (secured)	Traffic volumes have reached the industry standard threshold for sealing. The project will improve safety, reliability and travel conditions, strengthening the local transport network for residents and visitors.
Walter Road Sealing 2027/28	$1.20m	Approx $800,000	Traffic volumes have reached the adopted threshold for sealing. The project will improve safety, reliability and travel conditions, strengthening the local transport network for residents and visitors.
New Community Sports Oval 2029/30	$3.00m	Approx. $2.25m	Existing playing fields are heavily used by football, soccer and cricket, creating pressure on surface quality and availability. A third oval will provide the additional capacity sporting groups need, reduce pressure on existing facilities, and support continued participation as the population grows.
Hollings Road Upgrade 2029/30	$2.30m	Approx. $1.55m	The upgrade will improve the connection between the town centre and the park precinct. It will also provide better parking and create alfresco opportunities that improve the area's amenity and support nearby businesses.
Ocean Beach Roundabout 2030/31	$2.00m	Approx. $2.00m	The project provides for future traffic management requirements associated with a potential supermarket development at the intersection. Its timing is therefore contingent on that development progressing and the resulting need to safely manage traffic.
McLean Park Recreation Centre Upgrade 2032/33	$3.00m	Approx. $2.0m	Current demand for indoor courts is putting pressure on the Recreation Centre. The project is scheduled to align with anticipated population growth and will provide additional capacity for club competition, training and community recreation.
Denmark Civic Centre Upgrade 2035/36	$7.00m	Approx. $5.50m	The Civic Centre remains a regularly used district-level venue, but its ageing fittings and fixtures, accessibility constraints and limited spatial and technical flexibility will require significant investment. A staged renovation is planned when major building components approach renewal, allowing the existing structure to be retained while improving its functionality and keeping it viable as a community and civic asset into the future.

Note 1: *The timing and funding of these projects are indicative and may change as projects are further developed, funding opportunities become available, and priorities are considered through future budgets.*

Note 2: *An aquatic facility was not included as an infrastructure priority at this time, consistent with Council's previous decision not to proceed until population forecasts indicate 10,000 residents within a 10-year forward period.*

Background

The 2026/27 Annual Budget provides the baseline for the Shire's current financial position. From this baseline, the LTFP projects financial performance and capacity over a ten-year period. It assumes appropriate staffing levels and the continuation of existing service standards. Future priorities and requirements are informed by:

- Council Plan priorities and initiatives
- Asset management plans for land and buildings, transport and recreation infrastructure
- Workforce planning
- Capital project plans and proposals
- Plant replacement programs
- ICT renewal and upgrade programs
- Projections for changes to the proposed range of services
- Discretionary capital revenue projections
- Anticipated government grants and subsidies.

Financial modelling over a ten-year period is inherently uncertain. Assumptions relating to project costs, timing, service delivery and external funding may change as more information becomes available. The LTFP therefore reflects the best available information at the time of preparation and will be reviewed annually to respond to changing circumstances and priorities.

Adopting the LTFP establishes a financial planning framework; it does not commit Council to specific projects, services or delivery timeframes. Individual initiatives remain subject to further consideration through Council's annual planning and budget processes. Council may also consider additional initiatives where they are financially sustainable and aligned with the Shire's strategic direction.

Regional Western Australia continues to experience economic uncertainty. Geopolitical tensions, fuel market volatility, inflationary pressures and supply chain disruptions may affect the cost of fuel, transport, construction and service delivery, creating ongoing financial risk for the Shire's operations and capital works.

The WALGA June Quarter 2026 Economic Briefing identifies continuing cost pressures for Local Governments, including increased construction costs reflected in the Local Government Cost Index. Employee costs, fuel costs and infrastructure delivery remain key areas of financial risk. Accordingly, the LTFP recognises the potential for labour availability, wage growth and construction cost pressures to affect operating and capital expenditure over the life of the Plan.



Key Assumptions

The LTFP is prepared on the basis of achieving a balanced budget each financial year. Operating revenue and expenditure are projected over the ten-year period using the assumptions outlined in the Plan. Where the financial modelling identifies surplus capacity, funds will be transferred to reserves for future asset renewal, replacement and strategic capital requirements. These planned transfers support future infrastructure and service requirements and the Shire's long-term financial sustainability; they are distinct from the objective of balancing each annual budget.

Consumer Price Index (CPI)

Perth CPI rose by 3.9% in the year to June 2026, reflecting continued inflationary pressures across the economy. Cost pressures affecting areas such as fuel, labour, construction and service delivery remain relevant to the Shire's operating and capital expenditure assumptions.

The LTFP applies CPI assumptions of 3.75% in 2026/27, 2.75% in 2027/28 and 2.5% in the following two years. These assumptions provide a consistent basis for the LTFP but will be reviewed annually to reflect updated economic conditions and forecasts.

Population Growth



WA Tomorrow forecasts Denmark's population will reach around 8,080 by 2036 under current growth projections. However, recent trends suggest growth could be higher, potentially reaching 9,400 by 2036. Higher population growth would increase demand for housing, infrastructure, community facilities, and services, shaping future capital works and financial planning.

Rates Setting and Growth

Rate revenue projections reflect two distinct sources of growth: annual rate increases above CPI (until 2029), which progressively address the asset renewal funding gap, and expansion of the rate base through population growth and new development.

The 2024 Long Term Financial Plan aimed to eliminate this gap over ten years through ongoing annual rate contributions to asset renewal. The forthcoming asset revaluation may increase asset replacement costs and future renewal requirements, reinforcing the need for a sustainable long-term funding strategy.

In addition to annual rate increases, the Plan assumes 3.5% annual growth in the rate base for the next three years, reflecting forecast population growth and planned land development. This reduces to the long-term average of 2.0% in subsequent years.

Operating Grants

The central annual operating grants received are:

- Grants Commission General
- Grants Commission Roads
- Main Roads Direct

Additionally, the Shire receives significant annual income from the Regional Road Group. A section of this funding is allocated competitively based on predetermined criteria. The Shire must ensure applications are renewal-focused and well aligned with the selection criteria to maintain funding success under this program. Failure to maintain funding levels under this program will affect the Shire's ability to fund its workforce and meet the expenditure levels required under the Asset Management Plan.

Fees & Charges

For fees and charges within Council's control, the Plan assumes increases in line with CPI and annual rates growth. CPI reflects rising service delivery costs, while the rates-growth component supports broader Shire responsibilities, including maintaining and renewing community infrastructure and assets. This approach supports appropriate cost recovery and a fair contribution from service users to rising costs, as part of the Shire's long-term financial sustainability.

Some fees are statutory and determined by relevant government bodies.

Some primary revenue-earning fees and charges include:

- Waste Management
- Peaceful Bay Leases
- Parry Beach Camping Fees

Interest Earnings

Interest earnings are forecast at 5% per annum across the LTFP. While investment returns will fluctuate over time, the LTFP is reviewed annually, allowing this assumption to be updated to reflect actual investment performance, market conditions and current economic forecasts.

Non-Operating Grants & Subsidies

Non-operating grants are project-specific and aligned with the timing of capital works, with funding adjusted to reflect anticipated project schedules. Grant funding is subject to uncertainty, as funding streams may not

materialise, may be competitive, or may be lower than anticipated.

Employee Expenses

Employee expense projections address both changes in the cost of employing staff and the workforce needed to serve a growing community. The Plan describes employee expenses as indexed at 3.0%, in line with WALGA cost indexing, to accommodate known or expected changes, including salary and wage increases. It also describes employee costs as indexed at CPI plus 80% of anticipated rates growth, reflecting the Shire's aim to gradually expand its workforce in response to anticipated population and tourism growth.

Depreciation

The Shire recognises depreciation on depreciable assets, including property, plant and equipment, and infrastructure, using the straight-line method. Asset valuations completed in 2023 resulted in a significant increase in infrastructure values due to higher construction, labour and material costs. A further valuation is scheduled for 2027, with changes in asset values expected to affect future depreciation expense. The Shire will continue to monitor asset values, economic conditions and asset management requirements, with future depreciation and asset renewal assumptions reviewed through the annual LTFP process.

Debt Management

Loan borrowings are used to support the delivery of significant community infrastructure while maintaining a sustainable approach to debt. The LTFP includes $5.25M in new borrowings over the ten-year period for:

- Denmark Depot redevelopment - $1.75M
- McLean Park Recreation Centre Upgrade - $1.0M
- New Community Oval $1.0M
- Civic Centre upgrade - $1.50M

Loan debt is projected to be $2.68M by the end of the LTFP period. This approach maintains capacity for future borrowing should it be required.



Capital Expenditure

The LTFP includes a ten-year capital works program valued at $74.5M, focused on the renewal, upgrade and expansion of infrastructure to meet current and future community needs. The program includes $5.25M in new borrowings and assumes significant State and Federal grant funding for a number of projects. Delays or shortfalls in grant funding may require some projects to be deferred, reprioritised or cancelled.

Reserve Accounts

Financial reserves are an important tool in supporting the Shire's long-term financial sustainability. They enable Council to set aside funds over time for future projects, asset renewals and specific purposes, reducing the need for significant one-off rate increases. Reserves can also be used for unforeseen emergency works. By progressively building reserves, the Shire is better positioned to meet future community needs, manage financial risks and fund planned infrastructure and services. The table below outlines the Shire's reserves and their intended purposes.

Over the ten-year period, total reserve balances are projected to increase from $6.37M to $7.45M, representing an 17% increase over the life of the LTFP.

When Council adopted its first LTFP in 2019, it projected a closing reserve balance of $7.5 million by 2034. The current LTFP projects a closing balance of $7.45 million by 2036, which compares favourably with the position forecast when the Shire commenced long-term financial planning.

Current Reserve Accounts

Name of Reserve	Purpose of the Reserve
Aquatic Facility Development Reserve	to fund the development of aquatic facilities.
Employee Entitlements Reserve	to fund employee leave entitlements as required.
ICT Reserve	to finance the acquisition and enhancement of information technology and digital service delivery initiatives.
Infrastructure Reserve	to fund the purchase, construction, or upgrade of infrastructure, including land and buildings.
Legal Contingency Reserve	to fund unanticipated legal expenses in excess of budget.
Lime Quarry Rehabilitation Reserve	to maintain or rehabilitate the lime quarry.
Parry Inlet Reserve	to develop the Parry facility, including Parryville Hall, and maintenance of adjoining recreation reserves.
Peaceful Bay Caravan Park Reserve	to fund the future requirements with respect of site and end-of-lease conditions, including adjoining recreation reserves.
Peaceful Bay Reserve	to be used for future requirements, including those linked to the asset management plan.
Plant Reserve	to fund the purchase of vehicles, plant and machinery.
Recreation Centre Reserve	to fund the upgrades to the Recreation Centre facility, including equipment.
Rivermouth Caravan Park Reserve	to fund the future requirements with respect of site and end-of-lease conditions, including adjoining recreation reserves.
Strategic Reserve	to fund strategic projects as identified in the Shire's Council Plan.
Waste Services Reserve	to fund waste services and the capping, closure and rehabilitation of the DWMRF site.

Key Financial Indicators

Asset Renewal Funding Ratio

This ratio looks ahead and asks: "*Are we setting aside enough funding to renew and replace assets when they need it*?"

The ratio compares the planned asset renewal funding in the LTFP with the estimated cost of renewing assets. A result within the benchmark range (75%–96%) indicates an appropriate level of planned renewal funding. Results outside this range may indicate either a funding gap or funding above forecast renewal requirements.

Over the assessment period, the Shire's average ratio is 99.6%, meaning approximately $1.00 of expenditure is planned for every $1.00 of forecast asset renewal. The scheduled asset revaluation is expected to increase future asset renewal requirements, which would reduce the ratio in future assessments.

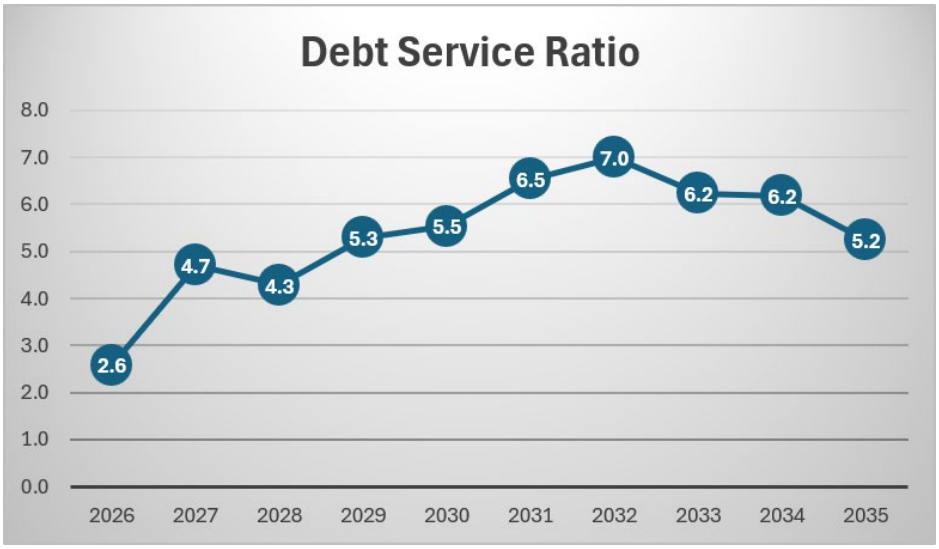
The ratio assumes 100% funding for the replacement of plant and equipment and bridges, consistent with historical funding arrangements, and a similar level of funding for Bush Fire Brigade assets, which the Shire continues to advocated for. These assumptions will be reviewed through future LTFP reviews should external funding arrangements change.

Debt Service Ratio

This ratio measures the Shire's capacity to meet its principle and interest repayments from its operating position. A higher ratio indicates a greater capacity to service debt.

The ratio has historically used a basic standard of 2 or greater, with a ratio above 5 considered an advanced standard.

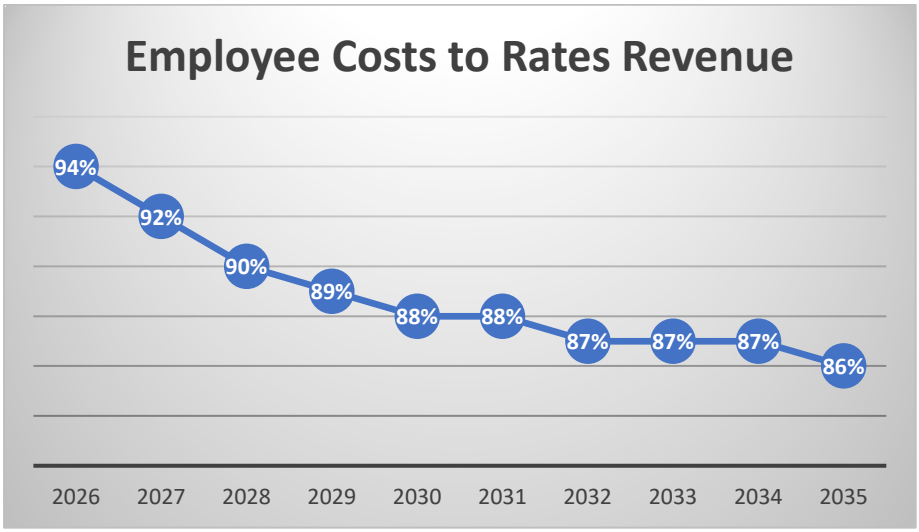
Over the 10-year Long Term Financial Plan, the Shire's ratio ranges from 2.6 to 7.0. The ratio remains above 5 after 2029, indicating that the Shire retains capacity to meet its forecast debt repayments throughout the Plan.



Employee Costs to Rates Revenue

As the Shire grows, it becomes more efficient. A larger rates base spreads the cost of delivering services across more ratepayers, giving the Shire greater capacity to meet increasing service demands without a directly proportional increase in workforce.

The change in the ratio over a ten-year period demonstrates a long-term plan for that approach. It declines from 94% in 2026 to 86% by 2035, indicating that employee costs are expected to reduce as a proportion of rates revenue, and that planned workforce growth remain financially sustainable over the life of the plan.



Shire of Denmark - Long Term Financial Plan

Financial Forecast for the Period 2026/27 to 2035/36

	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
Key Assumptions										
CPI (Perth)	3.75%	2.75%	2.50%	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Employee Costs	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Growth	3.50%	3.50%	3.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Above CPI Rate Rise	2.00%	2.00%	2.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Operating Revenue										
Rates	9,820,975	10,631,205	11,481,702	11,998,378	12,478,314	12,977,446	13,496,544	14,036,406	14,597,862	15,181,776
Grants, Subsidies, Contributions	1,495,903	2,337,641	2,396,082	2,455,984	2,505,103	2,555,205	2,606,309	2,658,436	2,711,604	2,765,836
Fees and Charges	4,482,802	4,762,977	5,048,756	5,275,950	5,486,988	5,706,467	5,934,726	6,172,115	6,419,000	6,675,760
Interest	649,366	578,448	591,962	604,452	614,476	574,264	566,807	573,942	587,479	615,305
Other	52,110	53,543	54,882	56,254	57,379	58,526	59,697	60,891	62,109	63,351
Total Operating Revenue	**16,501,156**	**18,363,814**	**19,573,382**	**20,391,017**	**21,142,260**	**21,871,909**	**22,664,083**	**23,501,789**	**24,378,053**	**25,302,028**
Operating Expenses										
Employee Cost	(9,273,340)	(9,788,010)	(10,306,775)	(10,729,353)	(10,985,609)	(11,381,091)	(11,790,811)	(12,215,280)	(12,655,030)	(13,110,611)
Materials and Contracts	(4,814,698)	(5,490,617)	(6,195,054)	(5,723,831)	(5,952,784)	(6,190,896)	(6,438,531)	(6,696,073)	(6,963,916)	(7,242,472)
Utility Charges	(262,225)	(269,436)	(276,172)	(283,076)	(288,738)	(294,513)	(300,403)	(306,411)	(312,539)	(318,790)
Depreciation	(6,008,875)	(6,312,609)	(6,509,574)	(6,692,713)	(6,947,167)	(7,181,031)	(7,341,901)	(7,549,759)	(7,717,051)	(7,887,973)
Finance Costs	(98,741)	(70,448)	(102,463)	(129,804)	(140,793)	(121,506)	(120,762)	(133,002)	(134,772)	(180,168)
Insurance Expenses	(380,680)	(394,956)	(408,779)	(423,086)	(435,779)	(448,852)	(462,318)	(476,187)	(490,473)	(505,187)
Other Expenses	(476,735)	(489,845)	(502,091)	(514,644)	(524,936)	(535,435)	(546,144)	(557,067)	(568,208)	(579,572)
Total Operating Expenses (exl depreciation)	**(15,306,419)**	**(16,503,312)**	**(17,791,334)**	**(17,803,794)**	**(18,328,640)**	**(18,972,293)**	**(19,658,969)**	**(20,384,020)**	**(21,124,938)**	**(21,936,801)**
Capital Expenditure										
Furniture and Equiptment	(10,000)	(25,000)	(25,750)	(26,523)	(27,318)	(28,138)	(28,982)	(29,851)	(30,747)	(31,669)
Land and Buildings	(1,039,070)	(1,179,813)	(1,399,994)	(630,462)	(641,579)	(662,953)	(3,685,054)	(707,908)	(731,540)	(7,755,978)
Plant and Equiptment	(1,463,000)	(385,000)	(815,000)	(1,300,000)	(850,000)	(825,000)	(825,000)	(830,000)	(800,000)	(800,000)
Infrastructure Other	(6,999,616)	(270,000)	(430,000)	(3,280,000)	(1,770,000)	(368,826)	(373,891)	(379,108)	(384,481)	(403,266)
Infrstruture - Roads, Paths, Drainage, Bridges	(2,857,206)	(3,014,267)	(1,988,191)	(3,355,754)	(4,181,669)	(3,630,615)	(3,501,355)	(3,472,792)	(3,377,130)	(2,856,300)
Total Capital Expenditure	**(12,368,892)**	**(4,874,080)**	**(4,658,935)**	**(8,592,738)**	**(7,470,567)**	**(5,515,532)**	**(8,414,283)**	**(5,419,659)**	**(5,323,898)**	**(11,847,213)**

Financial Forecast for the Period 2026/27 to 2035/36 continued

Investing Inflows										
Capital Grants, subsidies, contributions	8,589,854	2,577,846	1,836,991	5,204,951	3,972,155	2,547,389	4,620,698	2,696,215	2,774,011	8,329,581
Sale of Plant and Equiptment	387,000	58,000	207,000	313,000	200,000	200,000	200,000	200,000	200,000	200,000
Proceeds from Assets	22,473	22,473	22,473	22,473	22,473	22,473	22,473	22,473	22,473	22,473
Sale of Land	0	0	350,000	0	0	0	0	0	0	0
Total Non Operating Grants and Income	**8,999,327**	**2,658,319**	**2,416,464**	**5,540,424**	**4,194,628**	**2,769,862**	**4,843,171**	**2,918,688**	**2,996,484**	**8,552,054**
Financing Activities										
Reserve In	0	(270,268)	(249,802)	(200,489)	0	0	(142,710)	(270,731)	(556,520)	(1,141,973)
Reserve Out	802,568	0	0	0	804,253	149,136	0	0	0	0
Loan Repayments	(325,329)	(310,152)	(289,775)	(334,420)	(341,935)	(303,081)	(291,292)	(346,068)	(369,181)	(428,095)
New Borrowings		750,000	1,000,000	1,000,000			1,000,000			1,500,000
Total Financing Activities	**477,239**	**169,580**	**460,423**	**465,091**	**462,318**	**(153,945)**	**565,998**	**(616,799)**	**(925,701)**	**(70,068)**
Carry Forward Surplus	1,883,267	185,678	(0)	0	0	(0)	(0)	(0)	0	0
Net Surplus/(Defecit)	185,678	**(0)**	**0**	**0**	**(0)**	**(0)**	**(0)**	**0**	**0**	**0**
Ratios										
Dept Servicing Cover Ratio	2.58	4.70	4.28	5.29	5.54	6.54	7.00	6.23	6.19	5.24
Asset Renewal Ratio	99.6%									

Shire of Denmark - Long Term Financial Plan

Loan Borrowings Forecast for the Period 2026/27 to 2035/36

	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
Lionsville										
Loan Outstanding	170,584	125,893	78,075	26,910						
Interest Payment	(11,857)	(8,874)	(5,232)	(1,122)						
Principal Repayment	(44,691)	(47,818)	(51,165)	(26,910)						
Loan Balance	125,893	78,075	26,910	0						
Football Clubrooms										
Loan Outstanding	69,912	54,042	37,145	19,154						
Interest Payment	(4,735)	(3,612)	(2,415)	(1,141)						
Principal Repayment	(15,870)	(16,897)	(17,991)	(19,154)						
Loan Balance	54,042	37,145	19,154	0						
Riverside Club - Stage 1										
Loan Outstanding	294,984	270,825	245,910	220,213	193,712	166,379	138,190	109,118	79,135	48,211
Interest Payment	(10,655)	(10,020)	(9,057)	(8,069)	(7,049)	(5,999)	(4,912)	(3,794)	(2,223)	(1,253)
Principal Repayment	(24,158)	(24,915)	(25,696)	(26,502)	(27,332)	(28,189)	(29,072)	(29,984)	(30,923)	(31,893)
Loan Balance	270,826	245,910	220,213	193,712	166,379	138,190	109,118	79,134	48,211	16,319
Purchase Reserve 27101										
Loan Outstanding	155,339	127,856	98,686	67,728	34,872					
Interest Payment	(10,120)	(8,270)	(6,301)	(4,216)	(2,000)					
Principal Repayment	(27,484)	(29,170)	(30,958)	(32,856)	(34,872)					
Loan Balance	127,855	98,686	67,728	34,872	0					
Rubbish Truck										
Loan Outstanding	182,027	93,018								
Interest Payment	(8,248)	(3,610)								
Principal Repayment	(89,009)	(93,018)								
Loan Balance	93,018	0								

Loan Borrowings Forecast for the Period 2026/27 to 2035/36 continued.

Energy Efficiency Upgrades										
Loan Outstanding	337,255	283,337	227,635	169,456	108,689	45,218				
Interest Payment	(16,204)	(11,314)	(8,836)	(6,248)	(3,545)	(721)				
Principal Repayment	(52,727)	(55,702)	(58,179)	(60,767)	(63,471)	(45,218)				
Loan Balance	284,528	227,635	169,456	108,689	45,218	0				
Ocean Beach Precinct Upgrades										
Loan Outstanding	516,996	466,839	414,929	360,539	303,552	243,844	181,284	115,736	47,058	
Interest Payment	(26,901)	(20,887)	(18,408)	(15,810)	(13,089)	(10,237)	(7,249)	(4,119)	(839)	0
Principal Repayment	(48,917)	(51,910)	(54,390)	(56,987)	(59,709)	(62,560)	(65,548)	(68,678)	(47,058)	0
Loan Balance	468,079	414,929	360,539	303,552	243,844	181,284	115,736	47,058	0	
Depot Upgrade - Part 1										
Loan Outstanding		0	736,064	679,202	618,564	554,129	485,659	412,901	335,587	253,433
Interest Payment		(11,479)	(43,766)	(40,193)	(36,396)	(32,361)	(28,074)	(23,518)	(18,677)	(13,532)
Principal Repayment		(13,936)	(57,065)	(60,638)	(64,435)	(68,470)	(72,758)	(77,314)	(82,155)	(87,299)
Loan Balance		736,064	679,202	618,564	554,129	485,659	412,901	335,587	253,433	166,133
Riverside Club Self Supporting Loan										
Loan Outstanding	261,176	238,701	215,487	191,508	166,739	141,153	114,723	87,422	59,222	30,091
Interest Payment	(10,021)	7,617	6,852	6,061	5,245	4,401	3,530	2,630	1,700	740
Principal Repayment	(22,473)	23,214	23,979	24,769	25,586	26,430	27,301	28,201	29,131	29,130
Loan Balance	238,703	215,487	191,508	166,739	141,153	114,723	87,422	59,222	30,091	961
Depot Upgrade - Part 2										
Loan Outstanding			0	981,690	679,202	618,564	554,129	485,659	412,901	335,587
Interest Payment			(15,300)	(43,766)	(40,193)	(36,396)	(32,361)	(28,074)	(23,518)	(18,676)
Principal Repayment			(18,310)	(57,065)	(60,638)	(64,435)	(68,470)	(72,758)	(77,314)	(82,155)
Loan Balance			981,690	679,202	618,564	554,129	485,659	412,901	335,587	253,433
New Community Oval										
Loan Outstanding				0	981,690	679,202	618,564	554,129	485,659	412,901
Interest Payment				(15,300)	(43,766)	(40,193)	(36,396)	(32,361)	(28,074)	(23,518)
Principal Repayment				(18,310)	(57,065)	(60,638)	(64,435)	(68,470)	(72,758)	(77,314)
Loan Balance				981,690	679,202	618,564	554,129	485,659	412,901	335,587

Loan Borrowings Forecast for the Period 2026/27 to 2035/36 continued.

McLean Park Recreation Centre Upgrade										
Loan Outstanding							0	981,690	679,202	618,564
Interest Payment							(15,300)	(43,766)	(40,193)	(36,396)
Principal Repayment							(18,310)	(57,065)	(60,638)	(64,435)
Loan Balance							981,690	679,202	618,564	554,129
Civic Centre Upgrade										
Loan Outstanding										0
Interest Payment										(22,950)
Principal Repayment										(27,466)
Loan Balance										1,472,534
Summary										
Loan Outstanding	**1,988,273**	**1,660,511**	**2,053,931**	**2,716,401**	**3,087,020**	**2,448,489**	**2,092,549**	**2,746,655**	**2,098,764**	**3,171,322**
Interest Payment	**(98,741)**	**(70,448)**	**(102,463)**	**(129,804)**	**(140,793)**	**(121,506)**	**(120,762)**	**(133,002)**	**(134,772)**	**(180,168)**
Principal Repayment	**(325,329)**	**(310,152)**	**(289,775)**	**(334,420)**	**(341,935)**	**(303,081)**	**(291,292)**	**(346,068)**	**(369,181)**	**(428,095)**
Loan Balance	**1,662,944**	**2,053,931**	**2,716,401**	**3,087,020**	**2,448,489**	**2,092,549**	**2,746,655**	**2,098,763**	**3,171,322**	**2,684,966**

Shire of Denmark - Long Term Financial Plan

Reserves Forecast for the Period 2026/27 to 2035/36

	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
Employee Entitlements Reserve										
Opening Balance	489,381	493,850	473,850	453,850	433,850	413,850	393,850	373,850	353,850	333,850
Tranfer to/(from)	4,469	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Closing Balance	493,850	473,850	453,850	433,850	413,850	393,850	373,850	353,850	333,850	313,850
Plant Reserve										
Opening Balance	917,921	437,317	437,317	324,157	350,595	992,889	649,453	327,175	374,381	837,345
Tranfer to/from	(480,604)	0	(113,160)	26,438	642,294	(343,436)	(322,278)	47,206	462,964	253,337
Closing Balance	437,317	437,317	324,157	350,595	992,889	649,453	327,175	374,381	837,345	1,090,682
Parry Inlet Reserve										
Opening Balance	232,643	254,275	254,275	254,275	264,275	274,275	248,575	258,575	268,575	278,575
Tranfer to/from	21,632	0	0	10,000	10,000	(25,700)	10,000	10,000	10,000	10,000
Closing Balance	254,275	254,275	254,275	264,275	274,275	248,575	258,575	268,575	278,575	288,575
Lime Quarry Rehabilitation Reserve										
Opening Balance	338,751	355,689	315,689	275,689	235,689	195,689	155,689	115,689	75,689	35,689
Tranfer to/from	16,938	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	0
Closing Balance	355,689	315,689	275,689	235,689	195,689	155,689	115,689	75,689	35,689	35,689
Infrastructure Reserve										
Opening Balance	1,840,758	1,001,152	1,317,613	2,070,575	2,024,626	1,998,079	2,008,079	2,513,067	2,524,092	2,405,148
Tranfer to/from	(839,606)	316,461	752,962	(45,949)	(26,547)	10,000	504,988	11,025	(118,944)	636,136
Closing Balance	1,001,152	1,317,613	2,070,575	2,024,626	1,998,079	2,008,079	2,513,067	2,524,092	2,405,148	3,041,284
Waste Services Reserve										
Opening Balance	1,376,097	1,621,902	1,791,902	1,461,902	1,631,902	161,902	331,902	501,902	671,902	841,902
Tranfer to/from	245,805	170,000	(330,000)	170,000	(1,470,000)	170,000	170,000	170,000	170,000	170,000
Closing Balance	1,621,902	1,791,902	1,461,902	1,631,902	161,902	331,902	501,902	671,902	841,902	1,011,902
Acquatic Facility Development Reserve										
Opening Balance	140,724	157,760	157,760	157,760	167,760	177,760	187,760	197,760	207,760	217,760
Tranfer to/from	17,036	0	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Closing Balance	157,760	157,760	157,760	167,760	177,760	187,760	197,760	207,760	217,760	227,760

Reserves Forecast for the Period 2026/27 to 2035/36 continued

Peaceful Bay Reserve										
Opening Balance	428,785	485,224	485,224	485,224	520,224	555,224	590,224	625,224	660,224	695,224
Tranfer to/from	56,439	0	0	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Closing Balance	485,224	485,224	485,224	520,224	555,224	590,224	625,224	660,224	695,224	730,224
Rivermouth Caravan Park Reserve										
Opening Balance	143,002	150,152	150,152	150,152	150,152	150,152	150,152	150,152	150,152	150,152
Tranfer to/from	7,150	0	0	0	0	0	0	0	0	0
Closing Balance	150,152	150,152	150,152	150,152	150,152	150,152	150,152	150,152	150,152	150,152
Peaceful Bay Caravan Park Reserve										
Opening Balance	97,745	102,632	102,632	102,632	102,632	102,632	102,632	102,632	102,632	102,632
Tranfer to/from	4,887	0	0	0	0	0	0	0	0	0
Closing Balance	102,632	102,632	102,632	102,632	102,632	102,632	102,632	102,632	102,632	102,632
Recreation Centre Reserve										
Opening Balance	82,354	126,472	126,472	126,472	151,472	176,472	201,472	26,472	51,472	76,472
Tranfer to/from	44,118	0	0	25,000	25,000	25,000	(175,000)	25,000	25,000	25,000
Closing Balance	126,472	126,472	126,472	151,472	176,472	201,472	26,472	51,472	76,472	101,472
Strategic Reserve										
Opening Balance	146,556	158,884	158,884	158,884	163,884	168,884	173,884	118,884	123,884	128,884
Tranfer to/from	12,328	0	0	5,000	5,000	5,000	(55,000)	5,000	5,000	5,000
Closing Balance	158,884	158,884	158,884	163,884	168,884	173,884	118,884	123,884	128,884	133,884
ICT Reserve										
Opening Balance	82,089	156,193	0	0	15,000	30,000	45,000	60,000	75,000	90,000
Tranfer to/from	74,104	(156,193)	0	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Closing Balance	156,193	0	0	15,000	30,000	45,000	60,000	75,000	90,000	105,000
Legal Contingency Reserve										
Opening Balance	54,726	67,462	67,462	67,462	77,462	87,462	97,462	107,462	109,962	112,462
Tranfer to/from	12,736	0	0	10,000	10,000	10,000	10,000	2,500	2,500	2,500
Closing Balance	67,462	67,462	67,462	77,462	87,462	97,462	107,462	109,962	112,462	114,962
Summary										
Opening Balance	**6,371,532**	**5,568,964**	**5,839,232**	**6,089,034**	**6,289,523**	**5,485,270**	**5,336,134**	**5,478,844**	**5,749,575**	**6,306,095**
Interest	**318,577**	**278,448**	**291,962**	**304,452**	**314,476**	**274,264**	**266,807**	**273,942**	**287,479**	**315,305**
Tranfer to/from	**(802,568)**	**270,268**	**249,802**	**200,489**	**(804,253)**	**(149,136)**	**142,710**	**270,731**	**556,520**	**1,141,973**
Closing Balance	**5,568,964**	**5,839,232**	**6,089,034**	**6,289,523**	**5,485,270**	**5,336,134**	**5,478,844**	**5,749,575**	**6,306,095**	**7,448,068**