

# Financial Modelling Assumptions

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## GNC0105: Boyne Tannum Aquatic Recreation Centre (BTARC)

Financial modelling assumptions include:

- Council accepts the Australian Government funding of \$15M.
- Options modelled are over the 10-year period of Council's updated 2023-2024 LTFF.
- The BTARC is operated under an external management model.
- 3% increase applied to Year on Year (YoY) operating expenditure.
- Options include capitalised employee costs.
- Capital renewal expenditure applied in year 7 and 9 of the modelling period.
- The purpose of borrowing is aligned with Council's current Debt Policy for major items of physical infrastructure with an asset life exceeding the term of the loan.
- The current borrowing rate applied is 6.01% (as of November 2023) with a loan term of 20 years. Borrowing rate is fixed with principal and interest payments paid quarterly over 20 years.
- The total number of assessments is 32,151 (all assessments).
- All calculations are based on cash impact. Does not include potential impacts from Australian accounting standards – operating position may be impacted by *AASB16 Leases*.
- Projected increases to the average general rates are additional to the base general rates increase and applied equally across all assessments that incur general rates.
- Rates increase does not include the impact on properties currently at a minimum rate and capped at 10%.