

## DEBT & BORROWING POLICY

<b>Policy Number:</b> BSC-039	<b>Version:</b> 5
<b>Classification:</b> Statutory	<b>Section:</b> Executive - Governance
<b>Date Adopted by Council:</b> 28 June 2023	<b>Resolution Number:</b> SM2023.06.***
<b>Next review Due:</b> 31 July 2024	<b>Responsible Officer:</b> Group Manager Corporate Services
<b>Last Reviewed:</b> 27 June 2022	<b>Review: Note:</b> This Policy is reviewed when any of the following occur: <ol style="list-style-type: none"> <li>1. The related information is amended or replaced.</li> <li>2. Other circumstances as determined from time to time by the Chief Executive Officer.</li> </ol> Notwithstanding the above, this Policy is to be reviewed at intervals of no more than two years.
<b>Legislation:</b> <i>Local Government Act 2009, Local Government Regulation 2012, Statutory Bodies Financial Arrangements Act 1982</i>	

### OBJECTIVE

The objective of this policy is to ensure the sound management of Barcoo Shire Council's existing and future debt in the 2023-2024 financial year.

### POLICY STATEMENT

Council will manage its finances to promote the best interests of local residents, including decisions made for the purposes outlined below.

### DEFINITIONS

Nil

### PROCEDURE

Council's approach to debt will incorporate the following principles:

- the appropriate mix of debt to internal funding used is intended to provide the lowest long-term level of rates which does over commit Council in the future,
- borrowing should provide adequate flexibility in the short term,
- the total debt accrued should depend on future outlook for growth in the Shire area, and;
- the term of the debt will relate to the life of the asset obtained by borrowing but will not exceed 20 years for any individual asset.

In order to provide the best possible service for ratepayers, Council will restrict the purpose of loans to asset acquisition and capital expenditure. As the outcome of borrowing for these purposes will benefit present and future generations and the cost is fairly shared across the years. Council is not expected to borrow funds over the next 5 years:

The time over which it is any planned future loans to repay is as follows:

Balance as at 30/6/2023	Purpose of Borrowing	Annual Repayments	Remaining Term (Years)	Interest Rate
Nil	Nil	Nil	0	N/A

### ASSOCIATED DOCUMENTS AND POLICIES

Revenue Policy