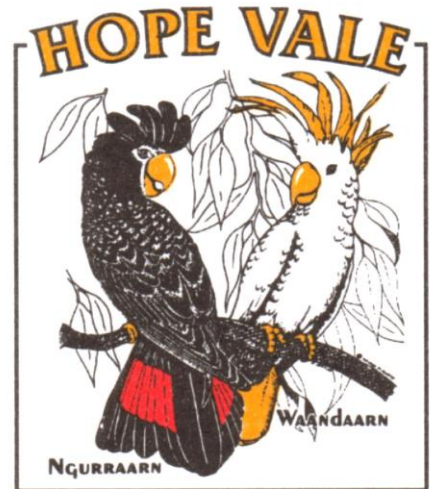


HOPE VALE ABORIGINAL SHIRE COUNCIL



Debt Policy

Document Control

Document Details:

Document Reference Number: 0006/10

Version Number: 6

Business Unit: Finance

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Version History

Version Number	Date	Signature	Reason / Comments
1	28 June 2011		Council Resolution
2	20 March 2013		Council Resolution
3	25 February 2014		Council Resolution
4	9 March 2015		Council Resolution
5	18 January 2017		Council Resolution
6	21 February 2018		Council Resolution

DEBT POLICY 2017-2018

ORIGIN/AUTHORITY

Local Government Act 2009

Section 192

Local Government Regulation 2012

OBJECTIVES

1. To provide Council with a debt management strategy based on sound financial management guidelines.
2. To establish a framework for:
 - (a) the new borrowings planned for the current financial year and the next nine (9) financial years; and
 - (b) the time over which the local government plans to repay existing and new borrowings.

POLICY STATEMENT

1. Council aims to finance capital works and new assets to the greatest extent possible from revenue, grants and subsidies or any specific reserves primarily established to fund capital works.
2. Borrowings will only be made for:
 - Capital expenditure; or
 - Short-term working capital; or
 - A genuine emergency or hardship.
3. Borrowing will be undertaken in accordance with Queensland Treasury Corporation guidelines.
4. Borrowings will be for a period which is less than or equal to the estimated useful life of the related asset(s). However, in the case of infrastructure with useful lives ranging from 10 to 80 years the term will be limited to between 10 and 20 years unless longer terms are recommended by the Queensland Treasury Corporation.
5. Detailed capital works and assets acquisition programs (Asset Management Plans, Strategies, and Policies) for the next ten (10) years together with the ten (10) year Long Term Financial Forecast will provide the basis for determination of funding options.

6. Council will use the Queensland Treasury Corporation for the management of its long term debt facilities.
7. Borrowings planed for the next ten(10) financial years based on estimated new capital expenditure provided to Queensland Treasury Corporation:
 - 2019/20 – \$2,525,000.00
 - 2020/21 – \$1,500,000.00
 - 2021/22 – no proposed borrowings
 - 2022/23 – no proposed borrowings
 - 2024/25 – no proposed borrowings
 - 2025/26 – \$1,750,000.00
 - 2026/27 – no proposed borrowings
 - 2027/28 – no proposed borrowings
 - 2028/29 – no proposed borrowings
 - 2029/30 – no proposed borrowings
8. Debt as at 30 June 2017, \$0.00

Adopted by Council on the 21 February 2018

Resolution Number:

Shannon Gibbs
Director of Finance

06/02/2018