



# Northern Peninsula Area Regional Council

## Borrowing Policy

### Document Control

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| 1              | 23-10-2018 |           | Council Resolution 8.1 231018 |
| 2              | 28-05-2019 |           |                               |

## BORROWING POLICY

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### ORIGIN/AUTHORITY

*Local Government Act 2009*  
*Section 192*  
*Local Government Regulation 2012*

### OBJECTIVES



# Northern Peninsula Area Regional Council

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 planned for the next ten(10) financial years based on estimated new capital expenditure provided to Queensland Treasury Corporation:



# Northern Peninsula Area Regional Council

2016/17 – no proposed borrowings  
2017/18 – no proposed borrowings  
2018/19 – no proposed borrowings  
2019/20 – no proposed borrowings  
2020/21 – no proposed borrowings  
2021/22 – no proposed borrowings  
2022/23 – no proposed borrowings  
2024/25 – no proposed borrowings  
2025/26 – no proposed borrowings  
2026/27 – no proposed borrowings

8. Current Debt, \$0.00

**Adopted by Council on the 28<sup>th</sup> May 2019**

**Resolution Number: 8.1 231018**

Daniel SEBASIO  
Acting Chief Executive Officer

28-05-2019