

Policy Type	Statutory
Function	Financial Management
Policy Owner	Manager Financial and Administrative Services
Policy Contact	Financial Accountant Systems
Effective Date	1 July 2025

Purpose

The objective of this policy is to ensure the sound management of Council's existing and future debt.

Scope

This policy applies to borrowings for capital works by Burdekin Shire Council.

Policy Statement

All external borrowing shall be obtained through the Queensland Treasury Corporation and Council shall continue to use the full range of Queensland Treasury Corporation's fund management services in order to enhance Council's loan/redemption procedures.

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.

Council will not use long-term debt to finance operating activities or recurrent expenditure.

Council will always be mindful of the additional cost incurred by the community when assets are acquired through borrowings, which increases the cost of providing capital infrastructure.

The repayment period for new and existing borrowings will be set at 10 years or less except in the case of borrowings for major long-life infrastructure assets where a repayment period will be determined on an individual basis.

Council will review the level of debt to ensure its relevant financial sustainability indicators do not exceed the minimum limits recommended by the Queensland Treasury Corporation.

Detailed capital works and asset acquisition programs for the next 10 years together with the 10 year financial model will provide the basis for determination of funding options.

Planned Borrowings

There are no planned borrowings in 2025/26 or during the next 9 financial years.

Existing Borrowings

Council has no existing borrowings.

Risk Management

The policy supports Council's strong commitment to transparency, accountability and adherence to the governance framework.

The policy mitigates the risk of inappropriate borrowings and protects Council's Financial Sustainability.

Legislation

Local Government Act 2009

Local Government Regulation 2012

Statutory Bodies Financial Arrangements Act 1982

Statutory Bodies Financial Arrangements Regulation 2007

Document History and Version Control

Title of Document	Debt Policy
Document Reference Number	FIN-POL-0009 Rev 3
Review Schedule	12 months
Council Meeting Date	24 June 2025
Council Resolution Number	1882044