APPLIES TO STATUTORY POLICIES ONLY

This is an official copy of the **Debt Policy - 2023/24 Financial Year**, made in accordance with the provisions of *Local Government Act 2009* and *Local Government Regulation 2012, Public Records Act,* Mount Isa City Council's Local Laws, Subordinate Local Laws and current Council Policies.

Statutory Policies comply with a legislative requirement; the **Debt Policy - 2023/24 Financial Year** is approved by the Mount Isa City Council for the operations and procedures of Council. Note that Financial Year Policies are reviewed annually.

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Dale Dickson
Chief Executive Officer

DOCUMENT VERSION CONTROL					
Governance/Policies/Statutory Doc ID# 667568			**POLICY TYPE**		Statutory (Council)
VERSION	**DATE**	**RESOLUTION NO.**	**DETAILS**		
V1	26.06.2019	SM01/07/19	**Responsible Officer -** Manager Corporate and Financial Services		
V2	27.05.2020	OM 23/05/20	**Responsible Officer -** Manager Corporate and Financial Services		
V3	26.05.2021	OM20/05/21	**Responsible Officer –** Acting Manager Corporate and Financial Services		
V4	27.04.2022	OM17/04/22	**Responsible Officer –** Manager, Finance and Information Technology		
V5	21.06.2023	OM07/06/21	**Responsible Officer –** Interim Manager, Finance		
			REVIEW DUE		30.06.2024

DISTRIBUTION AND DISSEMINATION				
Internal email to all employees	X	Section meetings / Toolbox talks		
Internal email to all councillors		Included in employee inductions		
Employee noticeboards		Uploaded to Council website	X	
Internal training to be provided		External training to be provided		
Registered in magiQ	X			

1. PURPOSE

To satisfy Mount Isa City Council's ("Council") statutory obligations under Section 192 *Local Government Regulation 2012* and to establish Council's intent with respect to borrowings.

2. COMMENCEMENT

The Mount Isa City Council Debt Policy will take effect on 01 July 2023.

3. PRINCIPLES

It is the Council's intention that, in order to provide a better service and value for money to ratepayers, Council will restrict the purpose of loans to asset acquisition and expenditure of a capital nature only.

The service that will be provided by long-term assets will benefit present and future generations; therefore, it is the opinion of the Council that the cost should be shared between present and future generations.

4. POLICY

The appropriate mix of debt to internal funding used is intended to provide the lowest long-term level of rates which does not over-commit the future and which provides adequate flexibility of funding in the short term. The total debt will depend on the future outlook for growth in the region. The term of the debt will relate to the life of the asset created but will not exceed 20 years for any individual asset.

Council will raise all external borrowings from the Queensland Treasury Corporation.

a)   New Borrowings   :   2023/24   Nil

Council will not be undertaking any additional borrowings for the financial years 2023 to 2030 and will fully fund its capital program from Government grants and subsidies, funded depreciation, asset sale proceeds, operating revenues, and capital reserves.

b)   Anticipated loan repayment dates for all Council loans are as follows:

QTC Loan No.	Loan Description	Final Maturity Date
80884	08/09 Capital Works	June 2029
80879	09/10 Capital Works	June 2030
80878	10/11 Capital Works	December 2028
80883	11/12 Sewerage Upgrade	June 2032
81176	12/13 Sewerage	December 2032
80882	13/14 Sewerage	March 2034

5. COMMUNICATION AND DISTRIBUTION

5.1 Council will make available to the public, the Debt Policy on our website at www.mountisa.qld.gov.au

6. COMMUNITY ENGAGEMENT

Not applicable

7. DEFINITIONS

a) **Long life assets -** Long Life Assets are those non-current assets required by the Council for use in the provision of services to the local community which is not easily disposed of and have a useful life generally longer than twenty years.