



POLICY FOR BORROWINGS (DEBT)

Origin / Authority

1. Local Government Act 2009
2. Local Government (Finance, Plans & Reporting) Regulation 2012

Policy

This policy sets out the Cherbourg Aboriginal Shire Council's principles on borrowing and details the term and purpose of new borrowings for the current and the next 4 financial years.

Principles

For each borrowing, Council must ensure that the following general principles are observed.

Borrowings will only be undertaken if:

- All alternative options for undertaking the project without borrowing have been investigated and proved less advantageous to the Council;
- The benefit received from undertaking the borrowing is greater, over the life of the borrowing, than the costs of borrowing; and
- Repayments will be met from project income or other untied income of Council (not grant funding).
- Approvals in accordance with legislative requirements are met.

Existing Borrowings

Council currently has no borrowings.

New Borrowings

Council has no borrowings planned for the next 4 financial years.

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