



Recognising and upholding excellence in local government

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CEO Michael Whittaker
Sunshine Coast Regional Council

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Dear Mr Whittaker

Subject: Council Debt Policy and new Council Chamber funding

At the May Ordinary Meeting of Council the Debt Policy for 2019/2020 report was tabled.

ORDINARY MEETING AGENDA
Item 8.12 Debt Policy for 2019/20
Appendix A 2019/20 Debt Policy

23 MAY 2019

Appendix A

Schedule of proposed external borrowings:

\$'000	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
SCC Business Units	\$37,805	\$66,046	\$42,904	\$23,273	\$11,870	\$11,877	\$6,491	\$16,691	\$5,621	\$1,305
Maroochydore City Centre Project	\$10,000	\$0	\$0	\$0	\$0	\$15,000	\$30,000	\$0	\$0	\$5,000
Sunshine Coast Airport Runway	\$90,409	\$22,449	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sunshine Coast International Broadband Network	\$2,602	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$140,817	\$88,495	\$42,904	\$23,273	\$11,870	\$26,877	\$36,491	\$16,691	\$5,621	\$6,305

Note that Council operates a central treasury model and as such does not generally provide debt funding for specific projects or assets but rather uses debt funding to finance Council's balance sheet, with the exception being for strategic projects.

We note a significant increase in the borrowing figures for the Council's Business Units (which we have been previously advised as including Waste and Resource Management, SC Holiday Parks and Quarries) between 28 February 2019 and 23 May 2019. Can you explain why these figures have increased so much? Are there additional Business Units now included in this item? If that is the case, can you advise what the new Business Units are?

OSCAR understands that it is premature to provide an expected costing on the new CBD based Council Chambers project but we would appreciate some idea of how the cost will be funded.

To what extent will the funding for this project be achieved through external borrowings? If part, or all of these costs, are to be via external borrowings, are those additional borrowings reflected in the Debt Policy figures tabled at the 23 May Ordinary Meeting?

We look forward to your reply to our enquiry.

Yours sincerely

President