



Long-Term Debt Policy



STATEMENT of POLICY			
Manual:	Financial Policies Manual	Policy No.	FIN-006
Section:	Governance Finance Policies	Issued:	2026-02-23
Subject:	Long-Term Debt Policy	Effective:	2026-02-23
Approved by:	Provincial Métis Council (PMC)	Page:	1 of 4
		Replaces:	N/A

1.0 Policy Statement

1.1 The Métis Nation – Saskatchewan (MN-S) is committed to maintaining financial sustainability by responsibly managing its long-term debt obligations. The MN-S will only incur long-term debt to finance capital projects and long-term investments that are aligned with MN-S' strategic goals, and where repayment terms are favorable and aligned with MN-S' financial position.

2.0 Scope

2.1 The Long-Term Debt Policy applies to:


- All MN-S employees and any other persons who conduct business on behalf of the MN-S; and
- All long-term debt incurred by the MN-S, including loans, bonds, and other forms of financial obligations with a maturity period of more than one year.

3.0 Purpose

3.1 The Long-Term Debt Policy establishes guidelines for the responsible use of long-term debt to finance capital projects and other strategic initiatives. The policy also assists MN-S to ensure long-term debt is managed within the MN-S' financial capacity, preventing excessive borrowing that could negatively impact future operations and generations.

4.0 Definitions

- 4.1 **Capital Project** refers to a long-term infrastructure or investment project that requires significant financial resources and is typically financed through long-term debt.
- 4.2 **Debt Capacity** is the maximum amount of debt the MN-S can afford to incur, based on its financial position, revenues, and ability to repay.
- 4.3 **Debt Limit** is a pre-established maximum level of debt that the MN-S is permitted to incur, based on legal, financial, or policy constraints.
- 4.4 **Debt Ratio** is a financial ratio that compares the MN-S' total debt to its total assets or revenues, used to assess the debt levels.



4.5 **Debt Service** is the cash required for a particular period to cover the repayment of interest and principal on a debt.

4.6 **Financial Institution** means any bank or trust company that is a member institution for which Canada Deposit Insurance Corporation has a duty to insure deposits pursuant to the Canada Deposit Insurance Corporation Act.

4.7 **Long-Term Debt** is any financial obligation with a repayment period of more than one year, including loans, bonds, mortgages, and other forms of borrowing used to finance capital projects or other long-term investments.

4.8 **Refinancing** is the process of replacing an existing debt obligation with a new one, typically to secure better repayment terms, such as lower interest rates.

Policy Requirements

5.0 Debt Authorization and Approval

5.1 MN-S will only incur long-term debt to finance capital projects and long-term investments that are aligned with MN-S' strategic goals, and where repayment terms are favorable and aligned with MN-S' financial position.

5.2 All long-term debt must be approved in accordance with the Delegation of Authority Policy, after a thorough review of the financial justification, project feasibility, and debt service capacity.

5.3 Any changes to previously approved debt, such as refinancing or restructuring, must also be reviewed and approved by the Finance Committee.

5.4 The Chief Operating Officer (COO) and Chief Executive Officer (CEO) will review proposals for borrowing and, if required, present the recommended option to the Finance Committee for approval. If the requirement to incur debt is approved, the Finance Committee must also approve the terms and conditions of the long-term debt financing option that will be used.

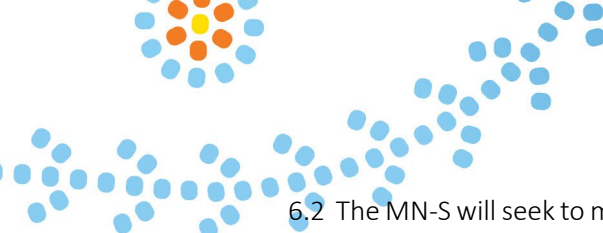
5.5 Interest rates and payment terms must be clearly stated and defined in the loan documents.

5.6 MN-S may borrow funds from a financial institution once the need to do so has been established and approved in accordance with this policy.

5.7 Funds borrowed must only be used for stated and approved purposes.

6.0 Debt Limit and Capacity

6.1 The MN-S will establish a debt limit based on a percentage of its annual revenues or assets, ensuring that the MN-S does not exceed its capacity to service its debt obligations.



6.2 The MN-S will seek to maintain a prudent debt ratio, ensuring that long-term debt levels remain sustainable and within the MN-S' ability to repay without compromising essential services or financial stability.

6.3 The MN-S will seek competitive financing terms when issuing long-term debt, prioritizing favorable interest rates, repayment schedules, and flexibility in the use of funds.

7.0 Debt Repayment and Servicing

7.1 The MN-S will ensure timely repayment of all principal and interest on long-term debt, prioritizing debt servicing in the annual budgeting process.

7.2 The MN-S may set aside sufficient reserves to cover debt service obligations, ensuring that payments can be made even in times of revenue shortfalls or economic uncertainty.

7.3 Prepayment of debt may be considered if it results in long-term savings, reduced interest costs, or an improved financial position for the MN-S.

8.0 Risk Management and Monitoring

8.1 The Department of Finance will monitor the MN-S' debt portfolio on an ongoing basis, ensuring that debt levels, repayment terms, and interest rates remain manageable and in line with the MN-S's financial strategy.

8.2 The Director of Finance will ensure timely payments are made according to the terms, conditions, and repayment schedule of the long-term debt obligation.

8.3 The Director of Finance will reconcile the financial records and statements from the lender to the MN-S records on a monthly basis and provide the reconciliation to the Chief Operating Officer (COO) for review. The COO will notify the CEO immediately of any financial difficulties or irregularities.

8.4 In the event of financial difficulties, the MN-S will take corrective actions, such as refinancing, restructuring, or adjusting expenditure priorities, to maintain debt service capacity and protect the MN-S' financial health.

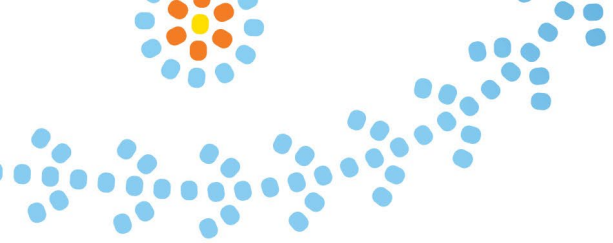
9.0 Records Management

9.1 The COO will ensure that records pertaining to each long-term debt obligation are created, maintained, and retained in accordance with the Financial Records Management Policy.

10.0 Reporting and Transparency

10.1 Annual financial reports will include detailed disclosures on long-term debt, including outstanding balances, repayment schedules, interest rates, and the purpose of the debt.

10.2 External auditors will review the MN-S' long-term debt as part of the annual financial audit, ensuring that debt is properly accounted for and managed in accordance with this policy.



11.0 Authority

11.1 This policy is strictly enforced by the Provincial Métis Council (PMC) of the MN-S. All employees and representatives must adhere to the guidelines outlined herein. Non-compliance shall result in disciplinary action or withholding of reimbursement, as deemed appropriate by the government.

11.2 This policy will undergo review annually, or earlier if identified as necessary. Any updates, changes, revisions, or additions must be approved by the PMC.

Other Information

Attachments / Appendices

References

- Delegation of Authority
- Records Management Policy

Original Approval Date	Approved By
2026-02-23	Provincial Métis Council

Revision Date	Nature of Revision	Approved By	Effective Date

