

General Public Statement on New Brunswick Debt Management:

The Province borrows money to finance its operations and capital projects and to refinance maturing debt. The Province also provides financing to Crown corporations and agencies.

The primary objective of debt management is to ensure that the government's financing needs and its payment obligations are met, consistent with a prudent degree of risk.

The Department of Finance and Treasury Board provides centralized cash, debt issuance and debt management services to the government and its Crown corporations and agencies.

In addition to borrowing funds to meet client requirements, the Department of Finance and Treasury Board manages all principal and interest payments over the life of a debt issue and enters derivative product transactions to manage interest rate and foreign currency exposure.

Authority to Borrow is approved through the Legislative Assembly of New Brunswick, the Executive Council of New Brunswick, and Boards of Directors for New Brunswick Crown Corporations and Agencies.

Treasury Risk Management Committee

The Treasury Risk Management Committee is a senior management committee that is comprised of four voting members:

- The Deputy Minister of Finance and Treasury Board of the Government of New Brunswick
- The Comptroller of the Government of New Brunswick
- A senior financial officer of the Government of New Brunswick who is not an employee of the Division responsible for treasury management within the Department of Finance and Treasury Board of the Government of New Brunswick
- A senior financial officer of the Government of New Brunswick or its crown agencies who is not an employee of the Department of Finance and Treasury Board.

The Treasury Risk Management Committee is responsible for reviewing and approving treasury risk management policies on behalf of the Minister of Finance and Treasury Board. Meetings are held not less than once annually and at such other times as required.

Type of Risk	Risk Mitigation Strategy	Compliant
Foreign Currency Risk	Limit unhedged total foreign currency exposure to 5% of the Principal Amount of Funded Debt for Provincial Purposes.	Yes
Debt Program Administration	Total debt issuance cannot exceed the limits established in the respective Orders in Council	Yes
Interest Rate Risk	Limit interest rate resetting risk arising from net floating rate long-term debt exposure and fixed-rate debt maturing within a 12-month period, to no more than 25 per cent of debt.	Yes