

SYNOPSIS

General Borrowing Resolution

Each year, usually in conjunction with approving the budget, Council approves a general borrowing resolution to authorize the borrowing of up to a specific amount from the Royal Bank to meet day to day expenditures of the Town until such time as the taxes are levied and collected. The amount of the authorization is \$7.7 million. This credit facility is almost never used and, when it is used, it is only briefly.

This general borrowing resolution ensures the provision of municipal services by the Town are able to be financed until taxes are collected. Approval of this resolution does not REQUIRE the town to borrow this amount but it does authorize the borrowing up to that amount.

The interest rate on such borrowing is Royal Bank prime minus $\frac{1}{4}$ %.

MOTION:

That Council approves a general borrowing resolution in authorizing a line of credit in the amount of \$7.7 million with the Royal Bank of Canada to meet the current expenditures of the Town of Amherst for the year ending March 31, 2024.