

Synopsis

Moving Funds from Operating Reserve to General Capital

At March 31, 2018 the recently purchased fire truck had long term debt as its funding source on the capital budget, in the amount of \$527,907. For year-end purposes the fire truck was bridge financed with long term debt anticipated to be borrowed in the fall of 2018. The surplus at March 31, 2018 of \$472,237 plus \$55,670 from the Operating Reserve would pay for the truck avoiding, long term borrowing.

We need a resolution from Council to withdraw the funds from Operating Reserve and transfer them to the General Capital fund. This resolution would allow us to ensure proper matching of the funds with the expenditures. We note Council will have saved \$379,607 in debt repayment interest between this purchase and the use of last year's surplus funds to pay for the Community Credit Union Business Information Center and Mill Street per the May 29, 2018 Council meeting.

MOTION:

That Council approve the resolution to withdraw \$527,907 from the Operating Reserve and transfer it to the General Capital fund for the 2017/18 capital purchase of a fire truck.