

Synopsis

Temporary Borrowing Resolution

Temporary borrowing resolutions (TBRs) are used as temporary financing for capital projects. The Minister of Municipal Affairs allows municipalities to use TBRs to borrow funds on short term loans not exceeding 12 months. Once the projects are completed and the actual costs are known, the Town will enter into long term borrowing with the Municipal Finance Corporation by issuing debentures. We require the Minister's approval of a TBR before we can apply for debentures.

Similar to the General Borrowing Resolution approved by Council last spring, this TBR will give the Town the authority to borrow, *if required*, from our financial institution, RBC, for the completion of the capital projects identified. This is not to say the Town *will* borrow the funds, and it does not commit us to long term financing. The main purpose of this TBR is to obtain Ministerial approval so that we can borrow funds in the spring or fall debenture issue. This TBR will only be valid for 12 months from the date the Minister approves it.

MOTION :

That Council approve a Temporary Borrowing Resolution in the amount not exceeding \$366,485 for the following items, and submit it to the Department of Municipal Affairs for Ministerial approval:

• East Pleasant Street – water main replacement (water utility)	\$300,000
• Water Reservoir (water utility)	37,735
• Service Truck (water utility)	<u>28,750</u>
	<u>\$366,485</u>