

**Cape Breton Regional Municipality**

**Special Council Meeting**

**ADDENDUM**

**THURSDAY, JULY 20<sup>TH</sup>, 2023**

**6:00 P.M.**

Council Chambers  
2<sup>nd</sup> Floor, City Hall  
320 Esplanade, Sydney, NS

# Cape Breton Regional Municipality

## Special Council Meeting

Thursday, July 20<sup>th</sup>, 2023

6:00 p.m.

### **ADDENDUM ITEM**

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6. CORPORATE SERVICES ISSUE:

6.1 Resolution for Pre-Approval of Debt Issuance/Temporary Borrowing

Resolution: Jennifer Campbell, Chief Financial Officer (See page 3)

ADJOURNMENT



# CBRM

*A Community of Communities*

**Cape Breton Regional Municipality**

## MEMO

**Date:** July 17, 2023

**To:** Mayor and Council

**From:** Jennifer Campbell, CPA, CA Chief Financial Officer

**Re:** Resolution for Pre-Approval of Debt Issuance/Temporary Borrowing Resolution

CBRM requires a renewed pre-approval for Debenture Issuance and temporary borrowing resolution for the Province of Nova Scotia's 2023 Fall Debenture Issue for Municipalities. The amount of borrowing required is \$8,887,057. This borrowing is for capital projects approved and completed in the fiscal year March 31, 2022. A summary of the projects and related borrowing is included for reference:

CBRM Capital Program 2021/22	Cost	Funding	Borrowing	Budgeted Borrowing
Land and buildings	\$ 609,513	\$ 252,005	\$ 357,508	\$ 476,000
Sydney Second Cruise Berth - Land	2,513,900	-	2,513,900	-
Fire Station 1	1,940,455	1,940,455	-	-
Centre 200 Revitalization	660,630	460,209	200,421	189,000
Fire Equipment/Apparatus	642,725	-	642,725	1,300,000
Streets and Sidewalks	9,796,220	8,589,467	1,206,754	-
Fleet Replacement	2,650,908	1,891,692	759,216	850,000
Waste Water/Storm Water	15,259,868	12,333,942	2,925,927	5,583,934
Parks, Grounds and Arenas	446,021	337,452	108,569	-
Active Transportation	546,466	385,309	161,157	271,333
Transit	1,835,164	1,824,283	10,882	120,000
<b>Total</b>	<b>\$ 36,901,871</b>	<b>\$ 28,014,814</b>	<b>\$ 8,887,057</b>	<b>\$ 8,790,267</b>

Due to the fact that longer than 12 months have elapsed since the original borrowing resolution approval, a current resolution must be passed to meet MFC's debenture participation requirements. Also note that the required borrowing includes the financing for the second cruise berth land, which was not part of Council's original borrowing resolution as it was approved subsequent to 2021/22 budget deliberations.

Requested Motion:

Council approve the attached resolution for the pre-approval of debt issuance and temporary borrowing resolution in the amount of \$8,887,057 for capital projects completed up to March 31, 2022.

Sincerely,

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Jennifer Campbell, CPA, CA Chief Financial Officer

Excerpt – Special Council April 27, 2021

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**Original Council Resolution - CBRM Capital Budget 2021-22**

**Motion:**

Moved by Councillor Bruckschwaiger, seconded by Councillor Edwards, to approve the associated required borrowing resolutions for the Capital Budget in the amount of \$8,790,267.

**Discussion:**

In response to a question, the Chief Financial Officer confirmed that this borrowing is within Policy and explained same.

**Motion Carried.**

Name of Unit: \_\_\_\_\_ CAPE BRETON REGIONAL MUNICIPALITY \_\_\_\_\_

**Resolution for Pre-Approval of Debenture Issuance Subject to Interest Rate**

**WHEREAS** clause 66 (1) of the Municipal Government Act (the "Act") provides that a municipality may borrow to carry out an authority to expend funds for capital purposes conferred by the Act or another Act of the Legislature;

**AND WHEREAS** clause 91(1)(a) of the Act provides that where a municipality is authorized to borrow money, subject to the approval of the Minister of Municipal Affairs and Housing (the "Minister"), that the sum shall be borrowed by the issue and sale of debentures, in one sum or by installments, as determined by the council;

**AND WHEREAS** clause 91(1)(b) of the *Municipal Government Act* authorizes the council to determine the amount and term of, and the rate of interest, on each debenture, when the interest on a debenture is to be paid, and where the principal and interest on a debenture are to be paid;

**AND WHEREAS** clause 91(2) of the *Municipal Government Act* states, that in accordance with the *Finance Act*, the mayor or warden and clerk or the person designated by the council, by policy, shall sell and deliver the debentures on behalf of the municipality at the price, in the sums and in the manner deemed proper;

**AND WHEREAS** the resolution of council to borrow for was approved by the municipal council on July 20, 2023  
(council's TBR approval date)

**BE IT THEREFORE RESOLVED**

**THAT** under the authority of Section 91 of the *Municipal Government Act*, the

\_\_\_\_\_  
CAPE BRETON REGIONAL MUNICIPALITY  
(Name of Unit)

borrow by the issue and sale of debentures a sum or sums not exceeding \$ 8,887,057 , for a period not to exceed 20 years, subject to the approval of the Minister;

**THAT** the sum be borrowed by the issue and sale of debentures of the

\_\_\_\_\_  
CAPE BRETON REGIONAL MUNICIPALITY  
(Name of Unit)

in the amount that the mayor or warden and clerk or the person designated by the council deems proper, provided the average interest rate of the debenture does not exceed the rate of 6.5%;

**THAT** the debenture be arranged with the Province of Nova Scotia with interest to be paid semi-annually and principal payments made annually;

**THAT** this resolution remains in force for a period not exceeding twelve months from the passing of this resolution.

**For Province use only:**  
TBR #: \_\_\_\_\_  
Minister  
signed: \_\_\_\_\_

**THIS IS TO CERTIFY** that the foregoing is a true copy of a resolution duly passed at a meeting of the Council of the  
CAPE BRETON REGIONAL MUNICIPALITY

\_\_\_\_\_  
(Name of Unit)

held on the 20 day of July 2023

**GIVEN** under the hands of the Mayor/Warden and the Clerk of the  
CAPE BRETON REGIONAL MUNICIPALITY

\_\_\_\_\_  
(Name of Unit)

this 20 day of \_\_\_\_\_

\_\_\_\_\_  
Mayor/Warden

**MUNICIPAL COUNCIL OF THE  
Cape Breton Regional Municipality  
TEMPORARY BORROWING RESOLUTION**

Amount: \$8,887,057

Capital Projects: Detailed in Schedule "A"

**WHEREAS** Section 66 of the Municipal Government Act provides that the Council of the \_\_\_\_\_  
Cape Breton Regional Municipality \_\_\_\_\_, subject to the approval of the Minister  
of Municipal Affairs and Housing, may borrow to expend funds for a capital purpose as authorized by statute;

**WHEREAS** the Council of the \_\_\_\_\_ Cape Breton Regional Municipality \_\_\_\_\_ has  
adopted a capital budget for this fiscal year as required by Section 65 of the Municipal Government Act and are  
so authorized to expend funds for capital purposes as identified in their capital budget; and

**WHEREAS** the specific amounts and descriptions of the projects are contained in Schedule "A" (attached);

**BE IT THEREFORE RESOLVED**

**THAT** under the authority of Section 66 of the Municipal Government Act, the Council of the  
\_\_\_\_\_ Cape Breton Regional Municipality \_\_\_\_\_ borrow a sum or sums not exceeding  
Seven Million, Five Hundred Ninety-Three Thousand, Two Hundred Five Dollars (\$8,887,057) for the  
purpose set out above, subject to the approval of the Minister of Municipal Affairs and Housing;

**THAT** the sum be borrowed by the issue and sale of debentures of the Council of the  
\_\_\_\_\_ Cape Breton Regional Municipality \_\_\_\_\_ to such an amount as the Council  
deems necessary;

**THAT** the issue of debentures be postponed pursuant to Section 92 of the Municipal Government Act  
and that a sum or sums not exceeding Seven Million, Five Hundred Ninety-Three Thousand, Two Hundred Five  
Dollars (\$8,887,057) in total be borrowed from time to time from any chartered bank or trust company  
doing business in Nova Scotia;

**THAT** the sum be borrowed for a period not exceeding Twelve (12) Months from the date of approval  
of the Minister of Municipal Affairs and Housing of this resolution;

**THAT** the interest payable on the borrowing be paid at a rate to be agreed upon; and

**THAT** the amount borrowed be repaid from the proceeds of the debentures when sold.

**THIS IS TO CERTIFY** that the foregoing is a true copy of a resolution read  
and duly passed at a meeting of the Council of the  
\_\_\_\_\_ Cape Breton Regional Municipality \_\_\_\_\_  
held on the \_\_\_\_ day of \_\_\_\_\_, 2022.

**GIVEN** under the hands of the Clerk and under the seal of the Council of the  
\_\_\_\_\_ Cape Breton Regional Municipality \_\_\_\_\_  
this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Clerk

**MUNICIPAL COUNCIL OF THE  
Cape Breton Regional Municipality  
TEMPORARY BORROWING RESOLUTION**

Amount: \$ 8,887,057

Capital Projects: Detailed in Schedule "A"

**SCHEDULE "A"  
CAPITAL PROJECTS**

		<b>Estimates \$</b>
<b>Heading / Category:</b>		
<b>Item</b>	Land and buildings	357,508
<b>Item</b>	Sydney Second Cruise Berth - Land	2,513,900
<b>Item</b>		
<b>Item</b>		
<b>Heading Sub Total:</b>		<b>2,871,408</b>
<b>Heading / Category:</b> Recreation/ Facilities		
<b>Item</b>	Parks, Grounds	108,569
<b>Item</b>	Centre 200	200,421
<b>Item</b>	Active Transportation	161,157
<b>Item</b>		
<b>Heading Sub Total:</b>		<b>470,147</b>
<b>Heading / Category:</b> Transportation		
<b>Item</b>	Streets and sidewalks	1,206,754
<b>Item</b>	Transit	10,882
<b>Item</b>		
<b>Item</b>		
<b>Heading Sub Total:</b>		<b>1,217,636</b>
<b>Heading / Category:</b> Vehicles and equipment		
<b>Item</b>	Fire apparatus	642,725
<b>Item</b>	Public Works Fleet	759,216
<b>Item</b>		
<b>Item</b>		
<b>Heading Sub Total:</b>		<b>1,401,941</b>
<b>Heading / Category:</b> Environmental Health		
<b>Item</b>	Waste Water/Storm Water (Sydney Harbour West)	2,925,927
<b>Item</b>		
<b>Item</b>		
<b>Item</b>		
<b>Heading Sub Total:</b>		<b>2,925,927</b>
<b>Heading / Category:</b>		
<b>Item</b>		
<b>Item</b>		
<b>Item</b>		
<b>Item</b>		
<b>Heading Sub Total:</b>		<b>0</b>
<b>TOTAL REQUEST CONTAINED WITHIN THIS RESOLUTION</b>		<b>8,887,059</b>

