

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY:

Original Signed by 

Jacques Dubé, Chief Administrative Officer

DATE: February 16, 2022

SUBJECT: Spring 2022 Temporary Borrowing Resolution & Debenture

ORIGIN

Provincial administrative process to secure and fulfill debt financing for capital projects, as directed by Halifax Regional Council during previous annual capital budget deliberations.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter,

83 (1) The Municipality may borrow to carry out an authority to expend funds for capital purposes conferred by this Act or another Act of the Legislature.

111 (2) No money may be borrowed by the Municipality or a committee created by an inter-municipal services agreement pursuant to the provisions of this Act or another Act of the Legislature until the proposed borrowing has been approved by the Minister.

112 (1) Where the Municipality is authorized to borrow money, subject to the approval of the Minister

- (a) the sum shall be borrowed by the issue and sale of debentures, in one sum or by instalments, as determined by the Council; and
- (b) the Council shall determine
 - (i) the amount and term of, and the rate of interest on, each debenture,
 - (ii) when the interest on a debenture is to be paid, and
 - (iii) where the principal and interest on a debenture are to be paid.

113 (1) Where the Municipality is authorized to borrow money, the Municipality may, with the approval of the Minister, postpone the issue of debentures and borrow the money on terms and conditions agreed upon with the lender.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Approve a Temporary Borrowing Resolution of \$197,418,785 for financing of current debt-funded projects in-progress from the 2022/23 and prior capital budgets, as set out in Attachment A;
2. Approve a Temporary Borrowing Resolution of \$41,590,106 for financing of the debt-funded projects from previous capital budgets which have reached substantial completion and eligible for Spring 2022 Debenture Issue application, as set out in Attachment B; and
3. Authorize the Mayor and Municipal Clerk to sign the Resolution for Pre-Approval of Debenture Issuance, subject to interest rate confirmation not to exceed 4.0%, to enable the Halifax Regional Municipality to issue a 10-year debenture of \$41,590,106, as set out in Attachment C.

BACKGROUND

The Nova Scotia Municipal Funding Corporation provides debt financing for municipalities in Nova Scotia and require both municipal council and Minister of Municipal Affairs and Housing approvals as a prerequisite to issuing debentures.

The annual capital budget recommendation to Halifax Regional Council presents a prioritized list of capital projects and their proposed funding sources. These sources regularly include Capital from Operating (municipal taxes), reserves, debt, government funding programs (such as the Gas Tax Program), and other external cost sharing. Each source of funding has its own administrative process to allocate the appropriate actual funding amounts to match the capital project costs once the approved scope of work has been completed. This report references the process supporting the ability for Halifax Regional Municipality (HRM) to borrow debt from the Nova Scotia Municipal Finance Corporation.

DISCUSSION

By requesting Ministerial approval for a Temporary Borrowing Resolution (TBR), Regional Council is acting on their previous approval of debt financing for specific capital projects. The Temporary Borrowing Resolution acts as a pre-approval authority for the municipality's ability to support this form of funding. The Department of Municipal Affairs will review the borrowing request against eligibility definitions and the municipality's debt service ratio. Once approved, HRM can participate in the Nova Scotia Municipal Finance Corporation's (MFC) debenture issue.

To determine the amount requested on the TBR, staff review and compile a list of all approved capital projects which are in-progress and designated to be funded by a future debenture. This listing is renewed every two years in the fall of the year. When a capital project included in this listing reaches substantial completion staff prepare the debenture request to MFC, either for the annual spring or fall issuance. Debt repayment schedules are generally for a 10-year term and the debt servicing rates are lower than generally possible through a private lending institution. HRM historically has provided bridge financing for the interim work-in-progress duration period of the debt-funded projects until the debenture can be received at substantial completion.

The current list of capital projects included in the TBR, as detailed in Schedule A of Attachment A of this report, includes capital projects in which the investment in infrastructure will provide a value to the municipal service it supports for a period equal to, or longer than the debt repayment term of 10 years.

The current list of capital projects included in the Debenture Request, as detailed in Schedule A of Attachment B of this report, includes capital projects previously included in a Ministerial-approved TBR and

have reached substantial completion. The requested debenture funding, once received from the MFC, will reimburse HRM's cash balances used to temporarily finance these projects during their project work phase.

FINANCIAL IMPLICATIONS

This Temporary Borrowing Resolution request for \$197,418,785 indicates that once each of the capital projects included in Schedule A of Attachment A reach substantial completion, HRM will receive the requested amount of debt funding to replenish its cash accounts. The repayment of the debt principal plus associated debt servicing costs, at a rate set by the Nova Scotia Municipal Finance Corporation, will be included in HRM's annual tax bill calculation for the term of the debenture schedules. The approved TBR allows the Municipality to temporarily finance the itemized in-progress capital projects by internal cash balances or via an external financial institution until the projects are eligible for debenture. Historically, HRM has financed the interim periods with internal cash balances.

The interest payment on the anticipated 2022 spring debenture of \$41,590,106 will commence in November of the 2022/23 fiscal year and will be incorporated with other outstanding debenture calculations within future operating budgets as appropriate. If the maximum quoted interest rate of 4.0% is assigned by the MFC, the total debt servicing cost to be paid in addition to the principal repayment of \$41,590,106 would be \$9,149,823 over a 10-year period, as per the draft schedule below. While interest for 2022/23 at the 4.0% rate is \$831,802, the most recent debenture rate of 2.07% would produce an interest cost of roughly \$430,000. The 2022/23 fiscal services budget includes \$330,000 for the 2022 spring debenture. Any variance between the budgeted interest and the actual, which will be determined after the MFC submission of April 22, 2022, will be managed with other budgetary variances as part of the 2022/23 operational projection process.

Spring 2022 Debenture 10-Year Amortization Schedule at estimated 4.0% interest rate

Year	Fiscal	Month	Repayment Balance	Total Payment	Principal Payment	Interest Payment	Total P&I per Fiscal Year
1	2022	November	\$ 41,590,106	\$ 831,802	\$ -	\$ 831,802	\$ 831,802
2	2023	May		\$ 4,990,813	\$ 4,159,011	\$ 831,802	
2	2023	November	\$ 37,431,096	\$ 748,622	\$ -	\$ 748,622	\$ 5,739,435
3	2024	May		\$ 4,907,633	\$ 4,159,011	\$ 748,622	
3	2024	November	\$ 33,272,085	\$ 665,442	\$ -	\$ 665,442	\$ 5,573,074
4	2025	May		\$ 4,824,452	\$ 4,159,011	\$ 665,442	
4	2025	November	\$ 29,113,074	\$ 582,261	\$ -	\$ 582,261	\$ 5,406,714
5	2026	May		\$ 4,741,272	\$ 4,159,011	\$ 582,261	
5	2026	November	\$ 24,954,064	\$ 499,081	\$ -	\$ 499,081	\$ 5,240,353
6	2027	May		\$ 4,658,092	\$ 4,159,011	\$ 499,081	
6	2027	November	\$ 20,795,053	\$ 415,901	\$ -	\$ 415,901	\$ 5,073,993
7	2028	May		\$ 4,574,912	\$ 4,159,011	\$ 415,901	
7	2028	November	\$ 16,636,042	\$ 332,721	\$ -	\$ 332,721	\$ 4,907,633
8	2029	May		\$ 4,491,731	\$ 4,159,011	\$ 332,721	
8	2029	November	\$ 12,477,032	\$ 249,541	\$ -	\$ 249,541	\$ 4,741,272
9	2030	May		\$ 4,408,551	\$ 4,159,011	\$ 249,541	
9	2030	November	\$ 8,318,021	\$ 166,360	\$ -	\$ 166,360	\$ 4,574,912
10	2031	May		\$ 4,325,371	\$ 4,159,011	\$ 166,360	
10	2031	November	\$ 4,159,011	\$ 83,180	\$ -	\$ 83,180	\$ 4,408,551
11	2032	May		\$ 4,242,191	\$ 4,159,011	\$ 83,180	\$ 4,242,191
Total			\$ -	\$ 50,739,930	\$ 41,590,106	\$ 9,149,823	\$ 50,739,930

RISK CONSIDERATION

From the period when a debt-funded capital project begins work to its substantial completion when a debenture can be received, there is a cashflow risk to the organization. HRM mitigates this risk through its treasury reporting and forecasting function and can enter into a short-term borrowing arrangement with MFC or a private lending institution if the need is determined. The risk of obtaining more debt than the municipality can support is mitigated by both the Department of Municipal Affairs' TBR review process as well as HRMs internal fiscal policy management.

COMMUNITY ENGAGEMENT

There is no community engagement associated with the debenture administrative process. The annual capital budget debate held with Halifax Regional Council is open to public participation.

ENVIRONMENTAL IMPLICATIONS

The implications associated with this administrative process are minimal. Environmental implications associated with the capital projects being debt financed are evaluated and considered during the annual capital budget process.

ALTERNATIVES

Halifax Regional Council could choose not to approve the recommended Temporary Borrowing Resolution or Debenture request outlined in the current report, either partially or in whole. The amount not approved for debt financing would require an alternative source of funding for the completed portions of these capital projects in-progress and Council would need to direct staff whether to complete the outstanding capital work plan for these projects. Finance staff would need to provide Council with options for alternative funding sources, such as increased capital from operating (taxes), available reserves, or explore new cost sharing opportunities from external sources.

ATTACHMENTS

Attachment A - Spring 2022 Temporary Borrowing Resolution for In-Progress Projects
Attachment B - Spring 2022 Temporary Borrowing Resolution for Substantially Complete Projects
Attachment C - Resolution for Pre-Approval of Debenture Issuance Subject to Interest Rate

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Crystal Nowlan, Director Asset Management, Finance & Asset Management
902.237.8768

**HALIFAX REGIONAL MUNICIPALITY
TEMPORARY BORROWING RESOLUTION**

Amount: \$197,418,785

Purpose: Capital Projects In-Progress

WHEREAS Section 83 of the Halifax Regional Municipality Charter provides that the Halifax 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 Halifax Regional Municipality has adopted a capital budget for this fiscal year as required by Section 79A of the Halifax Regional Municipality Charter 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 83 of the Halifax Regional Municipality Charter, the Halifax Regional Municipality borrow a sum or sums not exceeding One Hundred Ninety-Seven Million Four Hundred Eighteen Thousand Seven Hundred Eighty-Five Dollars (\$197,418,785) 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 Halifax Regional Municipality to such an amount as the Council deems necessary;

THAT the issue of debentures be postponed pursuant to Section 113 of the Halifax Regional Municipality Charter and that a sum or sums not exceeding One Hundred Ninety-Seven Million Four Hundred Eighteen Thousand Seven Hundred Eighty-Five Dollars (\$197,418,785) 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 the 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 Halifax Regional Municipality held on the ____ day of _____, 2022.

GIVEN under the hands of the Clerk and under the seal of the Halifax Regional Municipality this ____ day of _____, 2022.

Clerk

Schedule A to Attachment A

Halifax Regional Municipality

Spring 2022 Temporary Borrowing Resolution
Capital Projects In-Progress Schedule A

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Asset Class	Project Number	Project Name	TBR Amount
Bridges	CR180003	Bridges	359,255
Bridges	CR200003	Bridges	2,107,945
Bridges	CR200003	Bridges	1,750,000
Buildings/Facilities	CB190006	Accessibility - HRM Facilities	322,346
Buildings/Facilities	CB210021	Beechville Lakeside Timberlea Rec Centre	500,000
Buildings/Facilities	CB210021	Beechville Lakeside Timberlea Recreation Centre Recap	1,250,200
Buildings/Facilities	CB000082	Burnside Transit Centre Roof Repairs	120,250
Buildings/Facilities	CB000086	Central Liby Replacement-Spring Garden	4,131
Buildings/Facilities	CB000045	Cole Harbour Place	97,560
Buildings/Facilities	CB190011	Corporate Accommodations	456,738
Buildings/Facilities	CB000075	Dartmouth North Community Centre Upgrade	600,000
Buildings/Facilities	CB180008	Emera Oval	64,754
Buildings/Facilities	CB000052	Fire Station 2, University Ave. Recap.	1,610,000
Buildings/Facilities	CB000065	Fire Station Replacements	269,800
Buildings/Facilities	CB200014	Fire Station Replacements	359,592
Buildings/Facilities	CB000090	General Building Recapitalization	190,399
Buildings/Facilities	CB200006	General Building Recapitalization	103,250
Buildings/Facilities	CB200012	HalifACT 2050 - Climate Action Plan	2,000,000
Buildings/Facilities	CB210020	Halifax Common Pool Reconstruction	489,070
Buildings/Facilities	CB000039	Halifax Ferry Terminal	78,668
Buildings/Facilities	CB190003	Halifax North Memorial Public Library	400,000
Buildings/Facilities	CB180003	HFX City Hall & Grand Parade Restoration	88,685
Buildings/Facilities	CB200015	HRM Depot Upgrades	394,736
Buildings/Facilities	CB000089	Mackintosh Depot Replacement	5,000,000
Buildings/Facilities	CV210013	Mill Cove Ferry Service	783,000
Buildings/Facilities	CB200001	Multi-District Facilities Upgrades	659,655
Buildings/Facilities	CB000017	New/Expanded Transit Centre	626,711
Buildings/Facilities	CB000125	Ragged Lake Transit Centre Expansion	5,500,000
Buildings/Facilities	CV210001	Ragged Lake Transit Centre Expansion	8,000,000
Buildings/Facilities	CB200010	Regional Park Washrooms	1,150,000
Buildings/Facilities	CB200005	Roof Recapitalization	236,695
Buildings/Facilities	CB000080	Sheet Harbour Rec Centre	336,000
Buildings/Facilities	CB000080	Sheet Harbour Recreation Centre	285,000
Buildings/Facilities	CB000011	St. Andrews Community Ctr. Renovation	69,596
Buildings/Facilities	CB000087	Wharf Recapitalization	1,000,000
Business Systems	CI200002	Finance & HR Business Foundations	10,000,000
Business Systems	CI200002	Finance & HR Optimization	28,297,182
Business Systems	CI190003	Fleet SAP Interface Upgrades	410,000
Business Systems	CI190003	Fleet SAP Interface Upgrades	595,000
Business Systems	CM180005	New Transit Technology	1,707,766
Equipment & Machinery	CM180006	Transit Security	51,616
Other Assets	CB200012	HalifACT 2050 - Climate Action Plan	9,960,000
Outdoor Sport Facilities	CP000018	Beazley Field Complex	35,010
Parks	CP200002	Halifax Common Upgrades	70,926
Parks	CP210013	Park Development - New	10,000
Parks	CP200001	Park Recapitalization	1,969,551
Parks	CP000011	Peace & Friendship Park Improvements	23,692
Parks	CP180002	Regional Water Access/Beach Upgrades	110,780
Roads & Active Transportation	CR200001	Active Transportation	6,328,942
Roads & Active Transportation	CR180001	Active Transportation Strategic Projects	1,682,375
Roads & Active Transportation	CTU01006	Bedford West Road Oversizing	566,315
Roads & Active Transportation	CT000013	Burnside Connection to Hwy 107	1,000,000
Roads & Active Transportation	CT000007	Cogswell Interchange Redevelopment	500,000
Roads & Active Transportation	CT000007	Cogswell Interchange Redevelopment	16,030,000
Roads & Active Transportation	CT190003	Downtown Dartmouth Infrastructure Renewal	4,500,000
Roads & Active Transportation	CT190009	IMP Land Acquisition	5,000,000

Asset Class	Project Number	Project Name	TBR Amount
Roads & Active Transportation	Mobility13	Major Strategic Multi-Modal Corridors: Functional Studies & Designs	500,000
Roads & Active Transportation	CT200002	Multi Modal Corridor: Bayers Rd	5,997,398
Roads & Active Transportation	CT200003	Multi Modal Corridor: Dutch Vii	250,000
Roads & Active Transportation	CT200006	Multi Modal Corridor: Robie & Young St	500,000
Roads & Active Transportation	CR200004	Other Related Road Works	467,610
Roads & Active Transportation	CR180004	Other Road Related Works	276,922
Roads & Active Transportation	Traffic3	Port Wallace Roadway Oversizing	200,000
Roads & Active Transportation	CR200007	Regional Centre AAA Bikeways	1,493,605
Roads & Active Transportation	CR200007	Regional Centre AAA Bikeways	1,000,000
Roads & Active Transportation	CR180002	Sidewalk Renewals	64,228
Roads & Active Transportation	CR200002	Sidewalk Renewals	1,059,171
Roads & Active Transportation	CR200002	Sidewalk Renewals	1,000,000
Roads & Active Transportation	CR000009	Street Recapitalization	600,626
Roads & Active Transportation	CR200006	Street Recapitalization	11,565,103
Roads & Active Transportation	CR200006	Street Recapitalization	7,067,000
Roads & Active Transportation	CT200008	Tactical Urbanism	141,976
Roads & Active Transportation	CM000009	Transit Priority Measures	640,000
Roads & Active Transportation	CM200009	West Bedford Park & Ride	4,100,000
Roads & Active Transportation	CT190010	Windsor Street Exchange Redevelopment	1,499,043
Stormwater/Wastewater Assets	CT200009	Wastewater Oversizing	1,900,000
Streetlights	CT180001	Street Lighting	15,854
Streetlights	CT200001	Street Lighting	104,129
Traffic Signalization/Equipment	CT200004	Controller Cabinet & Detection	375,809
Traffic Signalization/Equipment	CTR00904	Destination Signage Program	93,230
Traffic Signalization/Equipment	CT190006	Road Safety Improvement	2,900,000
Traffic Signalization/Equipment	CT190006	Road Safety Improvement Program	725,862
Traffic Signalization/Equipment	CT180007	Traffic Signal Installation	43,338
Traffic Signalization/Equipment	CT180002	Traffic Signal Rehabilitation	2,134
Vehicles	CM200006	Conventional Bus Replacement	1,021,683
Vehicles	CV210011	Electric Bus Procurement - Phase 1	243,000
Vehicles	CV210001	Electric Bus Procurement - Phase 1	15,104,000
Vehicles	CE200002	Fire Fleet Replacement	3,934,399
Vehicles	CE200002	Fire Fleet Replacement	3,413,000
Vehicles	CE190005	Ice Resurfacer Replacement	5,291
Vehicles	CE190005	Ice Resurfacer Replacement	150,000
Vehicles	CM180008	MFTP Implementation Bus Expansion	591,298
Vehicles	CM180008	Moving Forward Together Plan Implementation	350,000
Vehicles	CE200001	Municipal Fleet Replacement	1,909,887
Total			197,418,785

**HALIFAX REGIONAL MUNICIPALITY
TEMPORARY BORROWING RESOLUTION**

Amount: \$ 41,590,106

Purpose: Capital Projects Substantially Complete

WHEREAS Section 83 of the Halifax Regional Municipality Charter provides that the Halifax 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 Halifax Regional Municipality has adopted a capital budget for this fiscal year as required by Section 79A of the Halifax Regional Municipality Charter 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 83 of the Halifax Regional Municipality Charter, the Halifax Regional Municipality borrow a sum or sums not exceeding Forty-One Million Five Hundred Ninety Thousand One Hundred Six Dollars (\$41,590,106) 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 Halifax Regional Municipality to such an amount as the Council deems necessary;

THAT the issue of debentures be postponed pursuant to Section 113 of the Halifax Regional Municipality Charter and that a sum or sums not exceeding Forty-One Million Five Hundred Ninety Thousand One Hundred Six Dollars (\$41,590,106) 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 the 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 Halifax Regional Municipality held on the ____ day of _____, 2022.

GIVEN under the hands of the Clerk and under the seal of the Halifax Regional Municipality this ____ day of _____, 2022.

Clerk

Schedule A to Attachment B

Halifax Regional Municipality

**Spring 2022 Temporary Borrowing Resolution
Capital Projects Substantially Complete Schedule A**

Asset Class	Project Number	Project Name	Amount to Debenture
Bridges	CR180003	Bridges	359,839
Bridges	CR200003	Bridges	1,497,691
Buildings/Facilities	CB000086	Central Liby Replacement-Spring Garden	66,356
Buildings/Facilities	CB000045	Cole Harbour Place	177,389
Buildings/Facilities	CB000065	Fire Station Replacements	472,055
Buildings/Facilities	CB000039	Halifax Ferry Terminal	22,035
Buildings/Facilities	CB180005	Roof Recapitalization	472,910
Buildings/Facilities	CB000079	Sambro/Harrietsfield Fire Station	2,500,000
Buildings/Facilities	CB000011	St. Andrews Community Ctr. Renovation	594,539
Buildings/Facilities	CB000042	Woodside Ferry Terminal Upgrades	4,850,000
Equipment & Machinery	CM180006	Transit Security	343,649
Outdoor Sport Facility	CP000018	Beazley Field Complex	194,990
Outdoor Sport Facility	CP200003	Playing Fields and Courts - Renewal	1,883,396
Outdoor Sport Facility	CP180003	Sport Fields/Courts-Renewal	1,672,943
Parks	CP000012	Fort Needham Master Plan Implementation	36,346
Parks	CP000013	Halifax Common Upgrades	1,040,004
Parks	CP180001	Park Recapitalization	178,060
Roads & Active Transportation	CR180001	Active Transportation	1,707,194
Roads & Active Transportation	CR180004	Other Road Related Works	276,252
Roads & Active Transportation	CR180002	Sidewalk Renewals	1,612,405
Roads & Active Transportation	CR200002	Sidewalk Renewals	1,673,863
Roads & Active Transportation	CR000001	Storm Sewer Upgrades	229,758
Roads & Active Transportation	CR000009	Street Recapitalization	793,867
Roads & Active Transportation	CM000014	Transit Priority Measure Corridors Study	202,602
Streetlights	CT180001	Street Lighting	100,017
Traffic Signalization/Equipment	CT200004	Controller Cabinet & Detection	37,703
Traffic Signalization/Equipment	CT180008	Tactical Urbanism	270,273
Traffic Signalization/Equipment	CT180007	Traffic Signal Installation	254,047
Traffic Signalization/Equipment	CT180002	Traffic Signal Rehabilitation	79,466
Vehicles	CM200006	Conventional Bus Replacement	8,226,817
Vehicles	CE200002	Fire Fleet Replacement	7,538,895
Vehicles	CE190005	Ice Resurfacers Replacement	249,275
Vehicles	CM180008	MFTP Implementation Bus Expansion	1,975,470
Total			41,590,106

Name of Unit: _____ HALIFAX REGIONAL MUNICIPALITY

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

WHEREAS Section 83 of the *Halifax Regional Municipality Charter* provides that the Halifax Regional Municipality is authorized to borrow money, subject to the approval of the Minister of Municipal Affairs and Housing;

AND WHEREAS the resolution of council to borrow for 2022 Capital Budget Projects Substantially Complete was approved by the Minister of Municipal Affairs and Housing on pending;

AND WHEREAS clause 112(1)(b) of the *Halifax Regional Municipality Charter* 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 subsection 112(2) of the *Halifax Regional Municipality Charter* states, that in accordance with the *Municipal Finance Corporation Act*, the Mayor 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;

BE IT THEREFORE RESOLVED

THAT under the authority of Section 112 of the *Halifax Regional Municipality Charter*, the Halifax Regional Municipality borrow by the issue and sale of debentures a sum or sums not exceeding Forty-One Million Five Hundred Ninety Thousand One Hundred Six Dollars (\$41,590,106), for a period not to exceed 10 years, 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 Halifax Regional Municipality in the amount that the mayor 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 **4.0%**;

THAT the debenture be arranged with the Nova Scotia Municipal Finance Corporation 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.

THIS IS TO CERTIFY that the foregoing is a true copy of a resolution duly passed at a meeting of the Council of the Halifax Regional Municipality held on the _____ day of _____, 2022

GIVEN under the hands of the Mayor and the Clerk and under the seal of the Halifax Regional Municipality this _____ day of _____, 2022

Mayor

Clerk