

DATE: September 24, 2021

FILE: 5340-03

TO: Chair and Directors
Regional District Board

Supported by Russell Dyson
Chief Administrative Officer

FROM: Russell Dyson
Chief Administrative Officer

R. Dyson

RE: MFA Short Term Financing - King Coho Wastewater Service

Purpose

To obtain a Comox Valley Regional District Board (Board) resolution to enable the interim financing for the purpose of constructing and equipping the King Coho Wastewater service as approved by the Board in the 2021- 2025 Financial Plan and Capital Expenditure Program which was adopted on March 30, 2021.

Recommendation from the Deputy Chief Administrative Officer:

THAT the Comox Valley Regional District enter into a short term financing agreement in the amount of \$33,750 with the Municipal Finance Authority under section 175(1) of the Community Charter, and section 403(1)(a) of the *Local Government Act* (RSBC, 2015 c.1) for the construction and equipping of the King Coho Wastewater Service.

AND FURTHER THAT this financing be repaid within five years of entering into the agreement with the Municipal Finance Authority.

Executive Summary:

- At the March 30, 2021 Board meeting, the Board approved the 2021 – 2025 Financial Plan and Capital Expenditure Program which included the King Coho sewer infrastructure upgrade capital project which is to be funded in part by \$33,750 in interim financing.
- The interim borrowing must be repaid over a five year span starting from the date of the first draw down.
- Municipal Finance Authority (MFA) will also require annual payments to be applied towards the principal.
- Short term financing is permitted by Section 403(1)(a) of the *Local Government Act* and Section 175(1) liabilities under agreement of the Community Charter.
- If the term is less than five years, elector approval is not required.
- The MFA requires a Board resolution to be included with the short term financing application.

Prepared by:

Concurrence:

Concurrence:

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