



## **Borrowing Resolution to Meet Current Operating Expenditures**

**To:** Special Finance, Budget and Enrolment Committee

**Date:** 20 April, 2020

**Report No.:** 04-20-3873

### **Strategic Directions**

- Allocate Human and Financial Resources Strategically to Support Student Needs

### **Recommendation**

It is recommended that in accordance with Section 243 of the Education Act, the Secretary-Treasurer and Chair (or Vice-Chair) be authorized on behalf of the Board to sign the Short-term Borrowing Resolutions, attached to this Report, as Appendix A, with an amount of \$200 million in order to supplement the current borrowing facility of \$50 million to be drawn down as required for operational expenditures, for the period ending 31 October 2020.

### **Context**

The Board approved a borrow resolution on 11 June 2018 and 18 October 2017 to allow staff to borrow funds on a short-term basis to support both the daily operations of the board of \$50 million and permanent improvements relating to capital funding of \$250 million. These borrowing resolutions were approved until 31 October 2020 in the amount of \$300 million. Due to the COVID 19 health crisis some municipal cash flows have been delayed. Staff are requesting additional borrowing ability to ensure sufficient cash flow to meet operational needs during this health crisis. Staff are requesting access to additional short-term borrowing facility until October 31, 2020 in the amount of \$200 million. This will bring the total borrowing facility to \$500 million with \$250 million for operational expenditures and \$250 for capital expenditures.

### **Action Plan and Associated Timeline**

This borrowing resolution becomes effective as of April 22, 2020.

## **Resource Implications**

The cost of the short-term borrowing for permanent improvements includes interest costs incurred, will be fully funded by the Ministry.

## **Communications Considerations**

Not Applicable.

## **Board Policy and Procedure Reference(s)**

Not Applicable.

## **Appendices**

- Appendix A: Short-Term Borrowing Resolution

## **From**

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