

Minutes

Item 1: Call to Order

Deputy Mayor D. Tremblett called the meeting to order at 7:00 pm on March 3, 2010 and presided with the following individuals in attendance:

Councillor A. Hynes
Councillor P. Budgell
Councillor F. Mills
Councillor R. Canning

Lesley Smith, Town Manager
Randy Drover, Town Clerk

Mayor Hobbs and Councillor King were absent with regrets.

Item 2: Adoption of the Agenda

Motion 65/2010 – Councillor Mills/Councillor Canning

To adopt the agenda as presented.

Yeas: 5 –Deputy Mayor Tremblett, Councillor Hynes, Councillor Budgell, Councillor Mills and Councillor Canning.

Nays: 0

Abstained: 0

Motion Carried

Item 3: Severance Pay/Sick Day Payout Financing

The Town Manager provided Council with its options concerning financing for severance payments and the final sick day payout. Three (3) financial institutions were approached. A loan in the amount of \$115,000 is required, and the Bank of Montreal is willing to offer financing at a five (5) or seven (7) year term with a variable or fixed interest rate of 2.25% or 4.32% respectively. The CIBC will consider financing, but they require at least two (2) weeks to review the Town's budget and financial statements, and the NL Credit Union did not return the

Town Manager's call before the meeting. The Town Manager advised Council that the loan will be drawn down in three (3) stages – April (sick day payout), June (severance), and October/November (severance). Council discussed the term of the loan and interest rate options in detail. Most Councillors believed the longer term is more beneficial for cash flow purposes. The fixed interest rate was also selected because it will provide the Town with greater certainty. Having allowed ample debate on the options, the Deputy Mayor called for a motion.

Motion 66/2010 – Councillor Budgell/Councillor Mills

That Council shall approve an \$115,000 loan from the Bank of Montreal with a fixed interest rate of 4.32% and seven (7) year term to finance the severance payments and final sick day payout.

Yeas: 5 –Deputy Mayor Tremblett, Councillor Hynes, Councillor Budgell, Councillor Mills and Councillor Canning.

Nays: 0

Abstained: 0

Motion Carried

Motion 67/2010 – Councillor Budgell/Councillor Mills

That Council shall request a letter from the Department of Municipal Affairs granting permission to borrow \$115,000 from the Bank of Montreal to finance two (2) severance payments and the final sick day payout in 2010.

Yeas: 5 –Deputy Mayor Tremblett, Councillor Hynes, Councillor Budgell, Councillor Mills and Councillor Canning.

Nays: 0

Abstained: 0

Motion Carried

Motion 68/2010 – Councillor Budgell/Councillor Canning

That Council approves a drawdown of up to \$115,000 against the \$115,000 loan from the Bank of Montreal to finance the severance payments and final sick day payout as needed.

Yeas: 5 –Deputy Mayor Tremblett, Councillor Hynes, Councillor Budgell, Councillor Mills and Councillor Canning.

Nays: 0

Abstained: 0

Motion Carried

Item 4: Adjournment

Motion 69/2010 – Councillor Canning/Councillor Mills

To adjourn Public Meeting 1262.

Yeas: 5 –Deputy Mayor Tremblett, Councillor Hynes, Councillor Budgell, Councillor Mills and Councillor Canning.

Nays: 0

Abstained: 0

Motion Carried

The meeting adjourned at 7:20 pm.

Randy Drover, Town Clerk