

## Circular to Municipalities and Local Service Districts

### **SUBJECT: Documentation Required for Approvals to Borrow Applications**

In accordance with the *Municipalities Act, 1999*, Municipalities and/or Local Service Districts may borrow funds from a financial institution with the approval of the Minister. In order to facilitate this process, requests for an Approval to Borrow must include:

1. An approved resolution from council, which can be provided as a complete copy or an extraction from the approved minutes. The resolution must include the:
  - Name of the lending institution,
  - Loan amount,
  - Fixed loan term,
  - Loan amortization period, and
  - Purpose of the loan.
2. A signed Letter of Request for an Approval to Borrow from the Municipality or Local Service District.
3. A signed Bank Letter from the lending institution which includes the:
  - Loan amount,
  - Interest rate,
  - Fixed loan term,
  - Loan amortization period, and
  - Loan payment amount.
4. Any other documentation deemed necessary by the Municipal Analyst in the applicable Regional Office of the applicant.

Should the Municipality or Local Service District have any further questions or concerns, please contact the local Regional Office for assistance.



Eastern Regional Office  
709-729-0259



Western Regional Office  
709-637-2219



Central Regional Office  
709-256-1050



Labrador Regional Office  
709-637-2219