

TOWN OF MORINVILLE

LEGISLATIVE POLICY

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|--------------------------------|--------------------|----------------|
| TITLE: | ADOPTED BY: | NUMBER: |
| Interest on Internal Borrowing | Council | 228/2004 |

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|---------------------|-----------------------------------|-------------------|
| PREPARED BY: | DATE: | SUPERSEDES |
| Colleen Nahernik | September 14 th , 2004 | |

PURPOSE OF THIS POLICY:

To set guidelines for charging interest on money borrowed from reserves

POLICY STATEMENT:

1. Short, mid and long term financial plans will be in place for all capital expenditures.
 2. Comparison on available revenue options will be preformed annually.
 3. When most economical revenue options prove to be internal borrowing, interest rates on existing investments will apply to internal loans.
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