

**Q 9. Why did the Town have to pass a Borrowing Bylaw before signing the Community Learning Centre Lease Agreement?**

- The Community Learning Centre Lease Agreement is being treated as a capital lease under the Municipal Government Act (MGA) because it may extend beyond a five-year term (if the Lease Buy-Out Option is not exercised before then).
- Because it is considered a capital lease, it also considered as Debt under the MGA, which required the Town to advertise the terms of the lease in a Borrowing Bylaw (the Community Learning Centre Lease Bylaw), even though the Town has no current plans to actually borrow money to fund the project.