



BYLAW 03-18

Purpose

The purpose of Bylaw 03-18 is to authorize a borrowing line of credit of up to \$7,300,000 to finance operating expenditures for the 2018 taxation year.

Readings

This Bylaw is ready for three readings.

Public Hearing and/or Public Engagement/Communication Strategy

n/a

Report, Analysis and Financial Implications

Bylaw 03-18 provides for total authorized contingencies of \$7,300,000. It provides the Town's financial institution with the authority to cover any temporary overdraft on the general account up to \$1,000,000. The Town's financial institution also requires a contingency of \$300,000 related to the credit limit for the Town's corporate VISA account.

The Town's financial institution processes the Town's payroll through electronic funds transfer (EFT) to employees' accounts; and also processes the Town's payments to vendors through EFT to vendors' accounts where the vendors have contracted for such service. The financial institution requires a temporary borrowing authorization that would indemnify them should the Town's account have insufficient funds to cover the amount of the transfer. The Town's financial institution requires a contingency of \$6,000,000 related to payments made via EFT.

The amount of the contingency related to EFT is identical to the contingency required in this Bylaw last year.

Purchasing and payment controls are in place, recommended and approved by the Town's auditors, to prevent the unauthorized expenditure of funds. The funds available through the proposed line of credit would be accessed by the financial institution only in the event of an overdraft on the Town's general bank account. There is no means of accessing the line of credit directly.

This Bylaw will remain in effect until December 31, 2018.

Strategic Plan Goals

<input type="checkbox"/> Manage Community Growth	<input checked="" type="checkbox"/> Provide Strong Governance
<input type="checkbox"/> Provide Quality Community Infrastructure	<input type="checkbox"/> Healthy and Safe Community
<input type="checkbox"/> Maintain Organizational Excellence	<input checked="" type="checkbox"/> Foster Economic Vitality
	<input type="checkbox"/> Promote Environmental Stewardship

Alternatives for Consideration

n/a

CAO Comments

This Bylaw is in place as a contingency. Under normal operating circumstances, there is not a need to access the line of credit.

Attachment(s)

1. Draft Bylaw 03-18

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