
TO: Committee of the Whole **MEETING:** July 9, 2019

FROM: Jeannie Bradburne **FILE:** 1760-20
Director of Finance

SUBJECT: Nanoose Bay Peninsula Water Service Area Capital Improvements – Temporary
Borrowing Bylaw 1794

RECOMMENDATIONS

1. That “Nanoose Bay Peninsula Water Service Area Capital Improvements Temporary Borrowing Bylaw No. 1794, 2019” be introduced and read three times.
2. That “Nanoose Bay Peninsula Water Service Area Capital Improvements Temporary Borrowing Bylaw No. 1794, 2019” be adopted.

SUMMARY

The Board adopted the Nanoose Bay Peninsula Water Service Area Capital Improvements Loan Authorization Bylaw No. 1714, 2014 at the November 25, 2014 Board meeting to ensure borrowing authority was provided for the Nanoose Bay Peninsula Water Service Area in accordance with the Financial Plan. This bylaw authorized the borrowing of \$2,600,000.

Of the \$2,600,000, \$907,200 has been authorized by means of security issuing bylaws, and a further \$350,000 has been authorized for temporary borrowing. The balance of \$1,342,800 has not yet been acted on.

Nanoose Bay Peninsula Water Service Area Capital Improvements Temporary Borrowing Bylaw No. 1794, 2019 will provide the authority to interim finance the balance of the \$2,600,000 that has been authorized.

BACKGROUND

Regional Districts can borrow by way of a Loan Authorization Bylaw. After adoption of a Loan Authorization Bylaw, a Regional District can proceed to Temporary Borrowing or Security Issuing.

A Loan Authorization Bylaw was approved on November 25, 2014 authorizing \$2,600,000 to be borrowed for Nanoose Bay Peninsula Water Service Area Capital Improvements. This amount has been acted upon as follows:

- Nanoose Bay Peninsula Water Service Area Capital Improvements Security Issuing Bylaw No. 1723, 2015 authorized \$350,000 of long term debt on March 24, 2015.

- Nanoose Bay Peninsula Water Service Area Capital Improvements Security Issuing Bylaw No. 1750, 2016 authorized \$557,200 of long term debt on August 23, 2016.
- Nanoose Bay Peninsula Water Service Area Capital Improvements Interim Financing Bylaw No. 1724, 2015 authorized \$350,000 of temporary borrowing on March 24, 2015.

A balance of \$1,342,800 has yet to be acted upon. The authority to borrow under Nanoose Bay Peninsula Water Service Area Capital Improvements Loan Authorization Bylaw No. 1714, 2014 for any part of the bylaw that has not already been used to secure either temporary borrowing or long term borrowing will expire on November 24, 2019¹. Approval of Nanoose Bay Peninsula Water Service Area Capital Improvements Temporary Borrowing Bylaw No. 1794, 2019 will preserve the RDN's ability to borrow under the Loan Authorization Bylaw and provide for the ability to temporarily borrow for this work until such time that the project is complete. Once the work is complete the temporary financing will be converted into long term debenture debt by way of a security issuing bylaw.

ALTERNATIVES

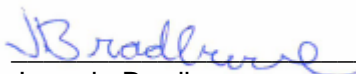
1. That "Nanoose Bay Peninsula Water Service Area Capital Improvements Temporary Borrowing Bylaw No. 1794, 2019" be introduced and read three times.
2. That "Nanoose Bay Peninsula Water Service Area Capital Improvements Temporary Borrowing Bylaw No. 1794, 2019" be adopted.
3. That the Board provide alternative direction.

FINANCIAL IMPLICATIONS

Nanoose Bay Peninsula Water Service Area Capital Improvements Temporary Borrowing Bylaw No. 1794, 2019 will provide approval of temporary borrowing in the amount of \$1,342,800.

STRATEGIC PLAN IMPLICATIONS

This report relates to the Regional District's values of Fiscal Responsibility and Good Governance.



Jeannie Bradburne
jbradburne@rdn.bc.ca
June 20, 2019

Reviewed by:

- J. Bradburne, Director of Finance
- D. Wells, General Manager, Corporate Services
- P. Carlyle, Chief Administrative Officer

¹ Local Government Act section 403 / Community Charter section 179

Attachments:

1. Nanoose Bay Peninsula Water Service Area Capital Improvements Temporary Borrowing Bylaw No. 1794, 2019
2. Nanoose Bay Peninsula Water Service Area Capital Improvements Loan Authorization Bylaw No. 1714, 2014
3. Nanoose Bay Peninsula Water Service Area Capital Improvements Security Issuing Bylaw No. 1723, 2015
4. Nanoose Bay Peninsula Water Service Area Capital Improvements Security Issuing Bylaw No. 1750, 2016
5. Nanoose Bay Peninsula Water Service Area Capital Improvements Interim Financing Bylaw No. 1724, 2015