

## BYLAW 20187

**A Bylaw to authorize the City of Edmonton to incur short term indebtedness on behalf of The City of Edmonton and its Utilities with respect to the amount available to be borrowed on a credit card**

### RECOMMENDATION

That Bylaw 20187 be given appropriate readings.

### Purpose

To authorize the City of Edmonton to incur short-term borrowing up to \$5,000,000 on a credit card for the purpose of financing City operating expenditures.

### Readings

Bylaw 20187 is ready for three readings.

A majority vote of City Council on all three readings is required for passage.

If Council wishes to give three readings during a single meeting, then prior to moving third reading, Council must unanimously agree “That Bylaw 20187 be considered for third reading.”

### Position of Administration

Administration supports this Bylaw.

### Report Summary

This Bylaw provides debt financing for the purpose of financing City operating expenditures and obligations, including operation of City utilities.

## REPORT

Under the *Red Tape Reduction Statutes Amendment Act, 2022*, the Government of Alberta has updated the definition of borrowing under the *Municipal Government Act (MGA)*, where a borrowing now includes the amount available to be borrowed on a credit card. In accordance with the MGA the City is required to have a borrowing bylaw in place for all borrowing as defined within the MGA.

## **Bylaw 20187 - A Bylaw to authorize the City of Edmonton to incur short term indebtedness on behalf of The City of Edmonton and its Utilities with respect to the amount available to be borrowed on a credit card**

As such, the updated borrowing definition requires Council to pass borrowing Bylaw 20187 to be in compliance with the MGA..

The City has a long standing practice of using credit cards for low value operational purchases, and pays its credit card bills each month to avoid interest charges. Bylaw 20187 is administrative in nature and will not change existing City credit card procedures and policies.

This bylaw will allow the City of Edmonton to incur short-term borrowing up to \$5,000,000 on a credit card for the purpose of financing City operating expenditures.

### **COMMUNITY INSIGHTS**

Borrowing bylaws reflect a legislative requirement of the borrowing process. As a result, no community insight is undertaken with respect to the borrowing bylaw process. Where required by the *Municipal Government Act*, borrowing bylaws are advertised.

### **ATTACHMENTS**

1. Bylaw 20187

### **OTHERS REVIEWING THIS REPORT**

- M. Plouffe, City Solicitor