

Report To: Finance Committee, Board of Health
Submitted by: Elizabeth Bowden, Interim Director of Administrative Services
Subject: BANKING RESOLUTION RE: LINE OF CREDIT

RECOMMENDATION(S):

- (a) That the Finance Committee makes recommendation to the Board of Health to receive this report, for information.
- (b) That the Finance Committee makes recommendation to the Board of Health to approve a resolution authorizing the Medical Officer of Health and CEO, on behalf of the Board of Health, to enter into an Agreement with the Toronto-Dominion Bank to maintain an operating line of credit up to \$500,000.

BACKGROUND:

Wellington-Dufferin-Guelph Public Health's (WDGPH) banking agreement with the Royal Bank of Canada (RBC) expired in January 2017. In advance of this, an RFP for banking services was issued in the Fall of 2016 to allow all financial institutions the opportunity to bid on WDGPH's banking business.

The Toronto-Dominion Bank (TD) was awarded the contract, for a period of five years, with an option to renew for a further five year term.

WDGPH has had access to an operating line of credit, in the amount of \$500,000, through RBC. The agreement with TD allows for an operating line of credit, in the same amount, to replace the RBC product.

WDGPH's By-law No. 7 (Borrowing) contains provisions which specifies the conditions and requirements for the Board of Health to borrow money.¹

PUBLIC HEALTH AND/OR FINANCIAL IMPLICATIONS:

By-law No. 7 enables the Board of Health to authorize the Medical Officer of Health and Chief Executive Officer to exercise the Board's power, on behalf of the Board, to "borrow money upon the credit of the Health Unit in such amounts and on such terms as may be approved by the Board by obtaining loans or advances or by way of overdraft or otherwise (The Board of Health for Wellington-Dufferin-Guelph Health Unit, 2012)".¹

The nature of a revolving operating line of credit is such that once it is set up, no further action is required in order to draw upon it. As a result, TD requires a Board of Health resolution that confirms that “Dr. Mercer, on behalf of the Board of Health, is authorized to enter into an Agreement, with the Toronto Dominion Bank, to borrow up to \$500,000 via an operating line of credit.”

APPENDICES:

NONE.

REFERENCES:

1. The Board of Health for Wellington-Dufferin-Guelph Health Unit. By-law No. 7 Being A By-law Relating to Borrowing By The Board of Health for Wellington-Dufferin-Guelph Health Unit. 2012 April 4.

Original Signed Document on File

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