



Municipality of the District of Argyle

Item: Additional borrowing-
Operating Reserve

Date: April 25, 2024

Vision statement

Argyle is the community of choice to invest, live and play.

Mission statement

Argyle invests time & talent in growth opportunities in fishing, tourism, and renewable energy sectors.

Argyle provides affordable taxation while providing safe and healthy communities and strives to engage and inform our residents on decisions that affect them most.

Argyle provides high class, accessible recreational and cultural facilities and helps celebrate its unique heritage and culture and welcomes new residents to our region.

CAO's Recommendation:

That council allows the Director of Finance to borrow up to \$600,000 (non interest bearing) from the operating reserve to be repaid to the operating reserve by August 31, 2024.

Suggested motion:

That the Director of Finance be authorized to borrow up to \$600,000 (non interest bearing) from the operating reserve to the operating fund with full repayment by August 31, 2024.

Background:

Accounting rules require us to transfer any surplus at year end to the operating reserve. Because of this, at the end of the fiscal year, there can be a cash flow short fall in the operating fund. The purpose of this request is to temporarily borrow from the operating reserve to avoid any overdraft.

MGA considerations:

FRAM (Municipal financial reporting and accounting manual) allows for a lending of funds from fund to fund, provided that there is a borrowing resolution stated with repayment and interest.