



To: Council
From: Yun Ke Ni, Director of Finance/Treasurer
Date of Meeting: November 24, 2021
Subject: By-law No. 2021-089 Debt Management Policy

Recommendation:

That By-law No. 2021-089, being a by-law to adopt a Debt Management Policy, be read and passed in open Council, signed and sealed this 24th day of November, 2021.

Executive Summary:

It is the policy of the Township of South Stormont to provide, use and maintain strong financial management for debts. Debt management Policy aims to ensure that a municipality maintains a sound debt position and that credit quality is protected.

Background:

To establish consistent guidelines for borrowing debt and managing outstanding debt.

This Debt Management Policy documents the existing rules, regulations and current practices relating to external debt. The debt related legal authority, restrictions, and responsibilities are summarized for the Township as below.

- a. Legal authorization and limitations.
- b. Debt capacity and benchmarking.
- c. Types of debt.
- d. Debt management practices.

A draft of this policy was presented to Council at the November 10, 2021 meeting. No further comments or questions have been received.

Options:

1. That Council adopt By-law No. 2021-089 to adopt a Debt Management Policy.
 2. That Council not approve.
 3. Other.
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Financial Impact:

This policy will guide finance to manage the debts efficiently.

Risk and Asset Management Considerations:

It is appropriate for Council to adopt a Debt Management Policy to ensure consistent standards are adhered to.

Others Consulted:

Council
CAO
Finance