

MEMORANDUM

TO: BOARD OF DIRECTORS

FROM: KATHRYN DUBICKI, SENIOR DIRECTOR

DATE: JUNE 27, 2024

RE: RECOMMENDATION NO. 2023/24—35—OPERATING LINE OF CREDIT (REVOLVING DEMAND FACILITY) AND BORROWING LIMIT

1. RECOMMENDATION NO. 2023/24—35—OPERATING LINE OF CREDIT (REVOLVING DEMAND FACILITY) AND BORROWING LIMIT:

That the Board approve increasing the operating line of credit with the Royal Bank of Canada to \$800,000 with a maximum borrowing limit of \$900,000.

SUBMISSION:

Community Living Brant has been working closely with RBC with respect to cash requirements and the operating line of credit (Revolving Demand Facility).

In October 2023, the Line of Credit was increased to \$600,000 to reflect changes to payroll.

Since that time, due to the timing of expenditures and revenue at the end of the month, temporary increases in the limit have been put in place.

RBC is recommending that a permanent increase be implemented. This will ensure that financial commitments can be met.

As Community Living Brant continues to work towards bringing the financial position into a balanced position, the reliance on the Line of Credit will decrease.

The current Agreement currently has a maximum borrowing limit of \$750,000. However, based on the recommended change in the Operating Line of Credit, the maximum borrowing limit is to be increased to \$900,000—Operating Line of Credit (Revolving Demand Facility) to \$800,000 along with the maximum borrowings is the Credit Card Limit of \$100,000.