



# Regional Board Report

## Request for Decision

**To:** Regional Board  
**From:** Director of Financial Services  
**Date:** February 19, 2026  
**Subject:** Security Issuing Bylaws – City of Kelowna - Municipal Finance Authority Spring 2026 Issue

**Voting Entitlement:** *All Directors - Weighted Corporate Vote - Simple Majority (LGA s.210)  
Bylaw adoption requires 2/3 majority (LGA s.228)*

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**Purpose:** To consider approval of security issuing bylaws for the Regional District of the Central Okanagan (RDCO) on behalf of the City of Kelowna

### Executive Summary:

The RDCO is borrowing on behalf of the City of Kelowna. There is no direct impact to the RDCO. The debt is issued to the municipality through the regional district, and all principal and interest payments are paid for by the municipality. The City of Kelowna has the required loan authorization bylaw, certificate of approval and municipal resolution for the proposed security issuing bylaw in place. They have also passed the required security issuing resolution. The City of Kelowna will bear the resulting debt service costs. Approval of this bylaw is recommended to permit participation in MFA's Spring 2026 debt issuance.

### Recommendation #1:

**THAT** City of Kelowna Security Issuing Bylaw No. 1583, 2026 be read a first, second, and third time;  
**AND THAT** City of Kelowna Security Issuing Bylaw No. 1583, 2026 be adopted.

### Recommendation #2:

**THAT** City of Kelowna Security Issuing Bylaw No. 1584, 2026 be read a first, second, and third time;  
**AND THAT** City of Kelowna Security Issuing Bylaw No. 1584, 2026 be adopted.

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Report Submitted & Approved by: Tania McCabe, CPA, CA, Director of Financial Services

Approved for Agenda: Sally Ginter, Chief Administrative Officer

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**Background:**

Under Sections 410 and 411 of the Local Government Act (LGA), the RDCO must adopt a security issuing bylaw to provide for the issue of debentures under municipal loan authorization bylaws.

Debt issuance is undertaken twice annually by the Municipal Finance Authority (MFA). The process requires the borrowing municipality to adopt a Loan Authorization bylaw as well as pass a Security Issuing Resolution. When completed, the municipality submits these to the Regional District, along with the Ministry of Municipal Affairs' Certificate of Approval for the Loan Authorization bylaw and the Liability Servicing Limit Certificate. The RDCO Board then adopts a security issuing bylaw for each municipality that wishes to borrow funds.

A municipal request for the Spring 2026 MFA issue has been submitted by the City of Kelowna. Their request is outlined in the table below:

Security Issuing Bylaw No.	Municipality	Purpose	Loan Authorization			Term of Issue (Years)	Issue Amount	
			Bylaw No.	Authorized	Previously Borrowed			Remaining
1583	City of Kelowna	Kelowna International Airport Terminal Building Expansion	12480	\$48,000,000	\$0	\$48,000,000	20	\$48,000,000
1584	City of Kelowna	Recreation and Activity Centres	12540	\$241,320,000	\$0	\$241,320,000	30	\$60,000,000

The approved Security Issuing bylaws will be submitted to the Ministry of Municipal Affairs for approval. When approved, the MFA will include the City of Kelowna's request in its Spring 2026 Issue.

**Considerations:****Financial:**

For municipal borrowings, there is no direct impact to the RDCO. The debt is issued to the municipality through the regional district, and all principal and interest payments are paid for by the respective municipalities.

**Legal/Statutory Authority:**

*Local Government Act*, Sections 410 and 411

**Considerations not applicable:**

- Organizational/External
- Alternate Recommendation

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- Attachment(s):
1. BL1583 City of Kelowna Security Issuing Bylaw
  2. City of Kelowna Loan Authorization Bylaw No. 12480
  3. Certificate of Approval - City of Kelowna Loan Authorization Bylaw No. 12480
  4. BL1584 City of Kelowna Security Issuing Bylaw
  5. City of Kelowna Loan Authorization Bylaw No. 12540
  6. Certificate of Approval - City of Kelowna Loan Authorization Bylaw No. 12540
  7. City of Kelowna Spring 2026 Borrowing Resolution
  8. City of Kelowna Liability Servicing Limit Certificate
  9. Security Issuing Bylaws - Municipal Finance Authority Spring 2026 Issue – City of Kelowna - Presentation
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