

TO: CITY MANAGER

2004 November 24

FROM: DIRECTOR FINANCE

File: 6400 20

SUBJECT: TEMPORARY FINANCING BYLAW

PURPOSE: To obtain borrowing authority to temporarily finance expenditures.

RECOMMENDATION:

1. THAT a bylaw be brought down to permit borrowing to a maximum of \$5 million for the period 2005 January 01 to December 31, repayable 2005 December 31.

REPORT

BACKGROUND

Temporary borrowing sometimes becomes necessary during the year prior to collection of property taxes and at other times to make large unexpected payments or to cover an overdraft resulting from revenue shortfalls. Section 177 of the Community Charter provides that Council may by bylaw authorize borrowing of this nature.

2004 ACTIVITY

In 2004 a temporary financing bylaw was adopted authorizing \$5 million to meet operating needs between January and December, to date the City has not borrowed funds.

2005 REQUIREMENTS

For 2005 it is estimated that a \$5 million temporary financing bylaw is required to cover cash shortfalls which may occur during the year. The bylaw appears elsewhere on this agenda for the first three readings.



Rick Earle
DIRECTOR FINANCE

DGS:aj

cc. City Clerk
City Solicitor