



Item .....	13
Meeting .....	2008 Nov 24

## COUNCIL REPORT

**TO:** CITY MANAGER **DATE:** 2008 November 07

**FROM:** DIRECTOR FINANCE

**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 2009 January 01 to December 31, repayable 2009 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.

### 2008 ACTIVITY

In 2008 a temporary financing bylaw was adopted authorizing \$5 million to meet operating needs between January and December, to date the City has borrowed funds only once in the amount of \$3,725,000 for a three day period.

### 2009 REQUIREMENTS

For 2009 it is estimated that a \$5 million temporary financing bylaw is required to cover cash shortfalls which may occur during the year.

Rick Earle  
DIRECTOR FINANCE

DS:cp