



Item	03
Meeting	2010 Nov 15

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2010 November 9

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 2011 January 01 to December 31, repayable 2011 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.

2010 ACTIVITY

In 2010 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 \$200,000 for a one day period.

2011 REQUIREMENTS

For 2011 it is estimated that a \$5 million temporary financing bylaw is required to cover cash shortfalls which may occur during the year.

Denise Jorgenson
DIRECTOR FINANCE

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