

TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2015 October 14

FROM: DIRECTOR FINANCE

FILE: 6400-20

SUBJECT: TEMPORARY FINANCING BYLAW

PURPOSE: To obtain borrowing authority to temporarily finance expenditures.

RECOMMENDATION:

1. **THAT** the Financial Management Committee recommend Council authorize staff to bring down a bylaw to permit borrowing of up to \$2 million as required, during the period 2016 January 01 to December 31, repayable 2016 December 31.

REPORT**1.0 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 authorize borrowing of this nature through a bylaw.

2.0 2015 ACTIVITY

In 2015 a temporary financing bylaw was adopted authorizing \$2 million to meet operating needs between January and December. As of 2015 October 14 the City has not utilized these funds.

3.0 2016 REQUIREMENTS

For 2016 it is estimated that a \$2 million temporary financing bylaw will be sufficient to cover any City cash shortfalls which may occur at different times during the year. It is recommended that Council authorize staff to bring down a bylaw to permit borrowing of up to \$2 million as required, during the period 2016 January 01 to December 31, repayable 2016 December 31.



Denise Jorgenson
DIRECTOR FINANCE

DJ:DS /nl

Copied to: City Manager