

**FINANCIAL MANAGEMENT COMMITTEE**

*HIS WORSHIP, THE MAYOR  
AND COUNCILLORS*

**SUBJECT: TEMPORARY FINANCING BYLAW**

**RECOMMENDATION:**

1. THAT Council authorize the City Solicitor to bring forward a Temporary Financing Bylaw to permit borrowing of up to \$10 million as required, during the period 2020 January 01 to December 31, repayable 2020 December 31.

**REPORT**

The Financial Management Committee, at its meeting held on 2019 September 19, received and adopted the attached report seeking Council approval for borrowing authority to temporarily finance expenditures.

Respectfully submitted,

Mayor M. Hurley  
Chair

Councillor S. Dhaliwal  
Vice Chair

Copied to:	City Manager Director Finance City Solicitor
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**TO:** CHAIR AND MEMBERS  
FINANCIAL MANAGEMENT COMMITTEE

**DATE:** 2019 Sep 09

**FROM:** DIRECTOR FINANCE

**FILE:** 6400-20

**SUBJECT:** TEMPORARY FINANCING BYLAW

**PURPOSE:** To obtain borrowing authority to temporarily finance expenditures.

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**RECOMMENDATION:**

1. **THAT** the Financial Management Committee recommend Council authorize the City Solicitor to bring forward a Temporary Financing Bylaw to permit borrowing of up to \$10 million as required, during the period 2020 January 01 to December 31, repayable 2020 December 31.

**REPORT****1.0 INTRODUCTION**

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 to meet current lawful expenditures. The debt under this bylaw must not exceed the total of the unpaid taxes nor can it represent a value greater than 75% of all property taxes imposed.

**2.0 POLICY SECTION****Goal**

- A Thriving Organization
  - Financial viability –  
Maintain a financially sustainable City for the provision, renewal and enhancement of City services, facilities and assets

**3.0 ACTIVITY**

For 2019, a temporary financing bylaw was adopted authorizing \$10 million for operating needs between January and December. As of 2019 Aug 28, the City utilized the credit facility only once in 2019 on 2019 January 09 for one day in the amount of \$1,655,000.00.

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From: Director Finance  
Re: Temporary Financing Bylaw  
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This occurred because there was a delay in the return of maturing investment funds from a brokerage firm. The overdraft fee that was charged to the City was subsequently reimbursed by the brokerage firm due to their oversight.

For 2020 it is estimated that a \$10 million temporary financing bylaw will be sufficient to cover any City cash shortfalls which may occur at different times during the year.

#### **4.0 RECOMMENDATION**

It is recommended that Council authorize the City Solicitor to bring forward a Temporary Financing Bylaw to permit borrowing of up to \$10 million as required, during the period 2020 January 01 to December 31, repayable 2020 December 31.

A handwritten signature in black ink, appearing to be 'Noreen Kassam', with a stylized, sweeping flourish at the end.

Noreen Kassam, CPA, CGA  
DIRECTOR FINANCE

NK:NL / ml:jk

Copied to: City Manager  
City Solicitor