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CITY OF KELOWNA

MEMORANDUM

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**Date:** September 30, 2008  
**File No.:** 5341-20  
**To:** City Manager  
**From:** Financial Planning Manager  
**Subject:** 2009 MFA Borrowing Requirements

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**RECOMMENDATION:**

THAT Council receives the September 30<sup>th</sup>, 2008 MFA Borrowing Requirements report from the Financial Planning Manager;

AND THAT Loan Authorization Bylaw No. 10099 be advanced for Council consideration.

**BACKGROUND:**

On December 16, 2002, Bylaw 8929 established a specified area for the provision of a sanitary sewer system in the North Rutland area and authorized the borrowing of \$13.39 million for the project. In February of 2005 the two local area services in North and South West Rutland were merged into one large Local Area Service. The original borrowing request under Bylaw No. 8929 had sufficient capacity to provide for the borrowing of the larger merged area, after the cash commutations were made. Construction of the second phase of the local area service was not completed until early 2008 and that timing has extended beyond the five year limit that provides authority to borrow under the original loan authorization bylaw.

The borrowing in the amount of \$6,572,000 is required to cover the property owners who chose the annual repayment option. Bylaw No. 10099 is being advanced to provide for the borrowing required and repayment will be from a parcel tax charge levied against the benefiting properties.

**INTERNAL CIRCULATION TO:**

City Clerk

**LEGAL/STATUTORY AUTHORITY:**

Section 179 of the Community Charter establishes the use of Loan Authorization Bylaws.

**FINANCIAL/BUDGETARY CONSIDERATIONS:**

The project covered by the loan authorization bylaw was approved in earlier Financial Plans.

Considerations that were not applicable to this report:

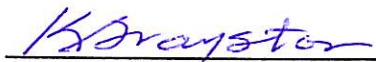
**LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:**

**EXISTING POLICY:**



PERSONNEL IMPLICATIONS:  
TECHNICAL REQUIREMENTS:  
EXTERNAL AGENCY/PUBLIC COMMENTS:  
COMMUNICATIONS CONSIDERATIONS:  
ALTERNATE RECOMMENDATION:

Submitted by:



K Grayston, Financial Planning Manager

Approved for Inclusion:



Cc: Director of Financial Services  
City Clerk  
Wastewater Manager