

**PARKLAND COUNTY  
PROVINCE OF ALBERTA**

**BYLAW 2020-05**

**BEING A BYLAW OF PARKLAND COUNTY TO AUTHORIZE A BORROWING [AND ESTABLISH A LINE OF CREDIT] FOR THE PURPOSE OF FINANCING CURRENT OPERATING EXPENDITURES**

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**WHEREAS** Section 251 of the Municipal Government Act provides that a municipality may only make a borrowing if the borrowing is authorized by a borrowing bylaw;

**AND WHEREAS** Section 256 of the Municipal Government Act provides that a municipality may make a borrowing for the purpose of financing operating expenditures of the municipality provided that the amount to be borrowed, together with the unpaid principal of the other borrowings made for this purpose, must not exceed the amount the municipality estimates will be raised in taxes in the year the borrowing is made;

**AND WHEREAS** Section 256 of the Municipal Government Act further provides that a borrowing bylaw does not have to be advertised if the term of the borrowing does not exceed 3 years;

**AND WHEREAS** the Council of Parkland County (the "County") deems it advisable to borrow to meet the operating expenditures of the County until such time as the current taxes are levied or to be levied are collected;

**AND WHEREAS** the total amount of taxes to be levied in 2020 by the County is estimated to be the sum of \$61,000,000;

**AND WHEREAS** the amount of the existing debt of the County at December 31, 2019 is \$29,386,232, no part of which is in arrears, and the borrowing of the amount authorized to be borrowed by the Bylaw will not cause the County to exceed its debt limit;

**NOW THEREFORE** the Council of Parkland County, duly assembled, hereby enacts the following:

**TITLE**

1. This bylaw shall be known as the "Operating Expenditures Borrowing Bylaw".

**DEFINITIONS**

2. The following definitions will apply to the corresponding words in this bylaw:
  - (1) "Act" means the Municipal Government Act, RSA 2000, c M-26, as amended;
  - (2) "CAO" means the chief administrative officer of the County or the CAO's delegate;
  - (3) "County" means the municipal County of Parkland County in the Province of Alberta; and
  - (4) "Mayor" means the chief elected official of the County.

**BORROWING**

3. The County may borrow from Servus Credit Union Limited (hereinafter called the "Credit Union") such sums of money as may from time to time be required to meet, until taxes are collected, current operating expenditures and obligations of the County, provided the total principal amount owed the Credit Union at any one time shall not exceed the sum of Fifteen Million (\$15,000,000) Dollars.
4. All sums borrowed under this Bylaw shall be borrowed on the general credit and security of the County at large.
5. The Mayor and CAO (hereinafter called the "Signing Authority"), are authorized for and on behalf of the County:
  - a. to apply to the Credit Union and obtain a revolving line of credit with a credit limit not to exceed the maximum amount this Bylaw authorizes may be borrowed; and
  - b. execute on behalf of the County such bills, debentures, promissory notes or similar forms of obligation as the Credit Union may require as evidence of and security for all sums borrowed hereunder.

6. All sums borrowed pursuant to this Bylaw shall bear interest at a rate per annum not to exceed prime rate less one-half percent charged by the Credit Union and such interest will be calculated daily and due and payable monthly on the last day of each month.
7. All sums borrowed under this Bylaw, including principal and interest, shall be due and payable in full within three years of the borrowing.
8. Revenue derived from the collection of municipal taxes levied in 2020 will be used to repay the principal borrowed and interest owing under this Bylaw.
9. This Bylaw shall come into force and take effect on the day of third reading and signing thereof.

READ A FIRST TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

READ A SECOND TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

READ A THIRD TIME and finally passed this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

SIGNED AND PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

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Mayor

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Chief Administrative Officer