



BY-LAW NO. 02-2019
OF THE
VILLAGE OF WABAMUN
IN THE PROVINCE OF ALBERTA

A BY-LAW OF THE VILLAGE OF WABAMUN TO AUTHORIZE A BORROWING AND ESTABLISH A LINE OF CREDIT FOR THE PURPOSE OF FINANCING OPERATING EXPENDITURES

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

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

AND WHEREAS the Council of the Village of Wabamun deems it advisable to borrow to meet the operating expenditures of the Village of Wabamun

AND WHEREAS the municipality has no existing debt and that this borrowing will not cause the municipality to exceed its debt limit.

AND WHEREAS the total amount of taxes to be levied in 2019 by the Village of Wabamun is estimated to be the sum of \$759,828;

NOW THEREFORE, the Council of the Village of Wabamun, in the Province of Alberta duly assembled, enacts as follows:

1. Short Title

This By-Law may be referred to as the “Operating Expenditures Borrowing By-Law”

2. Definitions

- a. “Act” means the *Municipal Government Act*, R.S.A. 2000 c.M.-26 as may be amended from time to time or any legislation which replaces the Act and includes any regulation to the Act or to any replacement legislation;
- b. “Borrowing or Borrowings” shall refer to any and all financing advanced pursuant to this By-Law;
- c. “Chief Administrative Officer” means the chief administrative officer of the Village of Wabamun
- d. “Council” means the Council of the Village of Wabamun;
- e. “Village” means the corporation known as the Village of Wabamun;

3. Line of Credit

- a. The Village may borrow from Servus Credit Union sums of money from time to time to meet the operating expenditures of the Village, provided that the total principal sum owed to Servus Credit Union at any one time shall not exceed the sum of \$700,000

b. All sums borrowed under this Bylaw shall be borrowed on the general credit and security of the Village at large

c. The Chief Administrative Officer is hereby authorized to:

apply to Servus Credit Union and obtain a revolving line of credit facility with a credit limit not to exceed the maximum amount this Bylaw authorized may be borrowed;

4. Interest Rate, Term and Terms of Repayment

a. All sums borrowed under this Bylaw shall bear interest at a rate per annum not to exceed Servus Credit Union Prime less 0.25% provided that, in any event, the Prime Lending Rate does not exceed a maximum rate of interest of 10% and such interest will be calculated daily and due and payable monthly on the last day of each and every month. All sums borrowed under this Bylaw, including principal and interest, shall be due and payable in full by January 31, 2022 or payable on demand

5. Repayment Source

Revenue derived from the collection of municipal taxes levied and general revenues will be used to repay the principal borrowed and interest owing under this Bylaw.

6. Severability

Every provision of this Bylaw is independent of all other provisions and it is the intention of the Council that if any provision of this Bylaw is declared invalid by a court of competent jurisdiction, all other provisions of this Bylaw shall remain valid and enforceable.

7. By-Law #02-2009 is hereby repealed.

8. This Bylaw comes into effect upon third and final reading.

READ A FIRST TIME IN COUNCIL THIS 5th DAY OF FEBRUARY, 2019

READ A SECOND TIME IN COUNCIL THIS 5th DAY OF FEBRUARY, 2019

READ A THIRD TIME IN COUNCIL AND FINALLY PASSED THIS 5th DAY OF FEBRUARY, 2019

Signed by the CEO this date

CHIEF ELECTED OFFICIAL

Signed by the CAO this date

CHIEF ADMINISTRATIVE OFFICER