

BYLAW NO. 2019-03
OF THE
VILLAGE OF ANDREW

A BYLAW OF THE VILLAGE OF ANDREW IN THE PROVINCE OF ALBERTA
TO AUTHORIZE A BORROWING AND ESTABLISH A LINE OF CREDIT FOR
THE PURPOSE OF FINANCING OPERATING EXPENDITURES.

WHEREAS Sec. 251 of the Municipal Government Act (MGA) provides that a municipality may only make a borrowing bylaw if the borrowing is authorized by a borrowing bylaw;

AND WHEREAS Sec. 256 of the MGA 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 the purpose of financing operating expenditures, must not exceed the amount the municipality estimates will be raised in taxes in the year the borrowing is made;

AND WHEREAS Sec. 256 of the MGA further provides that a borrowing bylaw does not have to be advertised if the term of the borrowing does not exceed three years;

AND WHEREAS the council of the Village of Andrew (Municipality) deems it advisable to borrow to meet the operating expenditure of the Municipality until such a time as the current taxes levied or to be levied are collected;

AND WHEREAS the amount of any existing debt of the Municipality including this operating line of credit of which not part shall be in arrears, and the total amount to be borrowed, together with the unpaid principal of other borrowings made for the purpose of financing operating expenditures, must not exceed the amount the municipality estimates to be raised in taxes or its debt limit.

NOW THEREFORE under the authority of the Municipal Government Act RSA 2000, Chapter M-26, the council of the Village of Andrew in the Province of Alberta, duly assembled enacts as follows:

PART 1 – DEFINITIONS AND INTERPRETATION

Short Title

1. This Bylaw may be cited as the “Operating Expenditures Borrowing Bylaw”

Definitions

2. In this Bylaw, words have meanings set out in the MGA, except that:
 - a. “MGA” means the Municipal Government Act, RSA 2000, Chapter M-26;
 - b. “Chief Administer Officer” means the chief administer officer for the Village of Andrew;
 - c. “Mayor” means the chief elected official of the Village of Andrew;
 - d. “Deputy Mayor” means the appointed chief elected official to act on the Mayor’s behalf in their absence;
 - e. “Municipality” means the municipal corporation of the Village of Andrew;
 - f. “ATB Financial” means Alberta Treasury Branches.

Rules for Interpretation

3. Reference in this Bylaw to a statute, regulation or other Bylaw refer to the current laws at the time this Bylaw was enacted and as they are amended from time to time, including successor legislation.
4. Headings and sub-headings in the Bylaw are included for the convenience only and shall not be considered in interpreting the substantive content of this Bylaw.
5. The preamble paragraphs that precede the numbered paragraphs of this Bylaw are an integral and necessary part of this Bylaw and not a mere recital.

PART 2 – BORROWING AUTHORIZATION

Line of Credit

6. The Village of Andrew may borrow from ATB Financial sums of money from time to time to meet, until taxes are collected, or in certain cases the approved delivery of federal and/or provincial grant funding sources to the Village of Andrew, provided that the principal sum owed to ATB Financial at one time shall not exceed the sum of \$200,000.00 (Two Hundred Thousand Dollars).
7. All sums borrowed under this Bylaw shall be borrowed on the general credit and security of the Village of Andrew.
8. The Chief Administration Officer and the Mayor or Deputy Mayor of the Village of Andrew are hereby authorized to:
 - a) apply to ATB Financial and obtain a revolving line of credit facility with a credit limit not to exceed the maximum amount this Bylaw authorizes may be borrowed; and
 - b) execute on behalf of the Municipality promissory notes and other negotiable instruments or other evidence of indebtedness for the line of credit facility as ATB Financial may require as evidence of and security for all sums borrowed.

Interest Rate, Terms and Terms of Repayment

- 9. All sums borrowed under this Bylaw shall bear interest at a rate per annum not to exceed ATB Financial Prime and such interest will be calculated daily and due payable monthly on the last day of each and every month.
- 10. All sums borrowed under the Bylaw, including principal and interest, shall be due and payable in full by December 31st of each fiscal year.

Repayment Source

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

Severability

- 12. 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 the Bylaw shall remain valid and enforceable.

Effective Date

- 13. This Bylaw comes into effect when it has received third and final reading by unanimous consent of all members of Council present.

Bylaw No .2019-03 be given a first reading this 27th day of May


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VILLAGE OF ANDREW



 GARY LEPPIK
 MAYOR



 PAT SKOREYKO
 CHIEF ADMINISTRATIVE OFFICER