

# CITY OF GRANDE PRAIRIE

## BYLAW C-1424

### **A Bylaw of the City of Grande Prairie, in the Province of Alberta authorizing the Council to incur indebtedness by way of a revolving \$35,000,000.00 operating line of credit to meet the City's operating expenditure requirements**

#### **WHEREAS:**

The Council of the City of Grande Prairie has decided to issue a bylaw pursuant to Section 256 of the *Municipal Government Act* to authorize borrowing in the nature of a revolving Thirty Five Million Dollars (\$35,000,000.00) operating line of credit to cover the City's operating expenditures over the period from the date of this Bylaw through to December 31, 2020 and it is to be repaid as taxes are levied or to be levied over the borrowing period.

After the borrowing of the amount authorized to be borrowed, the City will not have exceeded the amount of taxes levied or estimated to be levied or the debt limit established for the City over the borrowing period, pursuant to the *Municipal Government Act*.

The source of money to be used to repay the money borrowed, inclusive of all principal, interest and other amounts is the taxes and penalties on taxes assessed and/or levied by the City during the borrowing period.

#### **NOW, THEREFORE, THE COUNCIL OF THE CITY OF GRANDE PRAIRIE, DULY ASSEMBLED, ENACTS AS FOLLOWS:**

1. That for the purpose of operating expenses over the borrowing period, the sum of Thirty Five Million Dollars, (\$35,000,000.00) be borrowed from an authorized financial institution by way of a revolving operating line of credit, on the credit and security of the City of Grande Prairie at large, of which the full sum borrowed over the borrowing period is to be paid by the City of Grande Prairie at large.
2. The proper officers of the City of Grande Prairie are hereby authorized to incur indebtedness on behalf of the City of Grande Prairie for the amount and purpose as authorized by this Bylaw, namely the Mayor and the Chief Financial Officer.
3. The City of Grande Prairie shall repay the indebtedness according to the repayment as outlined by the lender; until and unless demanded, interest will be paid monthly, with principal repaid prior to the end of the borrowing period. Interest will be calculated at the authorized institution's prime borrowing rate (currently 2.45%), minus 0.25% per annum.

- 4. The City of Grande Prairie shall levy and raise during the borrowing period municipal taxes sufficient to pay the indebtedness.
- 5. The indebtedness shall be contracted on the credit and security of the City of Grande Prairie.
- 6. The net amount borrowed under the bylaw shall be applied only for the purposes specified by this Bylaw.
- 7. This Bylaw shall take effect on the date it is passed.

**READ** a first time this   6   day of   April  , 2020.

**READ** a second time this   6   day of   April  , 2020.

**READ** a third time and finally passed this   6   day of   April  , 2020.

“B. Given” (signed)  
Mayor

“A. Karbasheski” (signed)  
City Clerk