

CITY OF GRANDE PRAIRIE

BYLAW C-1428

A Bylaw of the City of Grande Prairie, in the Province of Alberta authorizing the Council to incur indebtedness by way of a revolving \$5,000,000.00 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 Five Million Dollars (\$5,000,000.00) operating line of credit to cover the City's operating expenditures and it is to be repaid as taxes are levied.

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, 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.

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 Five Million Dollars, (\$5,000,000.00) 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 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. 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 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. Bylaw C-1424 is hereby repealed.
- 8. This Bylaw shall take effect on the date it is passed.

READ a first time this 14 day of December , 2020.

READ a second time this 14 day of December , 2020.

READ a third time and finally passed this 14 day of December , 2020.

“B. Given” (signed)
Mayor

“A. Karbasheski” (signed)
City Clerk