

TOWN OF SLAVE LAKE

BYLAW NO. 13-2020

COVID19 OPERATING EXPENDITURES BORROWING BYLAW

BEING A BYLAW OF THE TOWN OF SLAVE LAKE IN THE PROVINCE OF ALBERTA TO AUTHORIZE BORROWING FOR GENERAL OPERATING EXPENDITURES

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 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 3 years; and

WHEREAS the total amount of taxes to be levied in 2020 by the Town of Slave Lake is estimated to be the sum of \$11,803,221; and

WHEREAS the amount of the existing debt of the Town is \$29,507,834, no part of which is in arrears, and the borrowing of the amount authorized to be borrowed by this Bylaw will not cause the Town to exceed its debt limit; and

WHEREAS the Council considers it necessary to borrow certain sums of money for a period of no longer than three years for the purpose of financing general operating expenditures of the Town until such time as the current taxes levied or to be levied are collected;

NOW THEREFORE the Council of the Town of Slave Lake, duly assembled, enacts as follows:

1. Short Title

1.1 This Bylaw may be cited as the Town of Slave Lake "COVID19 Operating Expenditures Borrowing Bylaw".

2. Definitions

For the purposes of this Bylaw, words have the meanings set out in the Act, except that:

2.1. "Act" means the *Municipal Government Act*, RSA 2000, c. M-26, as amended;

2.2. "Chief Administrative Officer" means the chief administrative officer of the Town of Slave Lake;

2.3. "Mayor" means the chief elected official of the Town of Slave Lake;

2.4. "Royal Bank" means the Royal Bank of Canada;

2.5. "Town" means the municipal corporation of the Town of Slave Lake, in the Province of Alberta.

3. Borrowing Authorization

3.1. The Town may borrow from the Royal Bank of Canada up to the principal sum of **\$6,000,000.00 (SIX MILLION DOLLARS)** repayable upon demand at a rate of interest per annum from time to time established by Royal Bank, not to exceed 3.45%, and such interest will be calculated daily and due payable monthly on the last day of each and every month.

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

3.3. The Mayor and the Chief Administrative Officer are authorized for and on behalf of the Town to:

(a) apply to Royal Bank for the aforesaid loan to the Town and to arrange with Royal Bank the amount, terms and conditions of the loan and security or securities to be given to Royal Bank;

(b) execute on behalf of the Town promissory notes and other negotiable instruments or other evidence of indebtedness for the loan as Royal Bank may require as evidence of and security for all sums borrowed.

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

4. Severability

4.1. If a court of competent jurisdiction should declare any section of subsection of this Bylaw to be invalid, that section or subsection shall be severed from the remainder of the Bylaw, and the remaining provisions of this Bylaw shall continue to be valid and enforceable.

5. Effective Date

5.1. This Bylaw shall come into full force and effect when it is passed.

READ A FIRST TIME THIS 16th DAY OF June 2020.

READ A SECOND TIME THIS 16th DAY OF June 2020.

READ A THIRD TIME THIS 16th DAY OF June 2020.

Signed and passed this 16th day of June, 2020



MAYOR



CHIEF ADMINISTRATIVE OFFICER



