

THE CITY OF SPRUCE GROVE

BYLAW C-1302-24

OPERATING EXPENDITURES BORROWING BYLAW

WHEREAS, pursuant to the *Municipal Government Act*, RSA 2000 cM-26, and amendments thereto, the City of Spruce Grove wishes to borrow \$6,000,000 of Revolving Credit to meet the City's operating expenditure needs over the period from the day of this bylaw through to December 31, 2026.

AND WHEREAS, the principal amount of the outstanding debt of the City of Spruce Grove on December 31, 2023, is \$39,263,000 and no part of the principal or interest is in arrears;

AND WHEREAS, all required approvals for the project will be obtained and the project is in compliance with all Acts and Regulations of the Province of Alberta;

NOW THEREFORE, the Council for the City of Spruce Grove, duly assembled, hereby enacts as follows:

1. OPERATING EXPENDITURES BORROWING BYLAW

1.1 This bylaw is called "Operating Expenditures Borrowing Bylaw."

2. DEFINITIONS

2.1 "Borrowing Period" means the effective date of this bylaw until December 31, 2026.

2.2 "City" means the municipal corporation of the City of Spruce Grove in the Province of Alberta.

2.3 "City Manager" means the administrative head of the City of Spruce Grove.

2.4 "Council" means the Council of the City of Spruce Grove elected pursuant to the Local Authorities Election Act, R.S.A. 2000 c L-21, amended.

2.5 "Revolving Credit" means the revolving \$6,000,000 of on-demand credit authorized by this bylaw.

3. AUTHORIZATION

3.1 This bylaw authorizes the Council to incur indebtedness in an amount not to exceed \$6,000,000 of Revolving Credit to meet the City's operating expenditure needs.

4. BORROWING

4.1 The City may borrow from an authorized financial institution a sum not to exceed \$6,000,000 of Revolving Credit to meet the operating expenditure needs of the City until such time as the taxes levied or to be levied therefore can be collected in each fiscal year to repay any draws on the Revolving Credit.

(a) Interest on such revolving loans shall not exceed the authorized financial institution's prime interest rate per annum in effect from time to time.

4.2 The City Manager is authorized to:

(a) apply for a revolving line of credit, or similar credit instrument, not to exceed the principal limit set out in this bylaw;

(b) provide evidence of security for all amounts borrowed; and

(c) determine when to borrow money to pay operating expenditures.

4.3 The City shall levy and raise in each year tax rates sufficient to pay the principal and interest falling due on the indebtedness.

4.4 An amount borrowed under this bylaw, together with the unpaid principal of other borrowings made to finance operating expenditures, must not exceed the amount the City estimates will be raised in taxes in the year the borrowing is made.

4.5 The indebtedness shall be contracted on the credit and security of the City.

5. SEVERABILITY

5.1 Every provision of this bylaw is independent of all other provisions and if any provision is declared invalid by a Court, then the invalid provisions shall be severed and the remainder provisions shall remain valid and enforceable.

6. EFFECTIVE DATE

6.1 This bylaw shall come into force and effect when it receives third reading and is duly signed and shall remain in effect until the end of the Borrowing Period, or until superseded by a subsequent Operating Expenditures Borrowing Bylaw, whichever is sooner.

First Reading Carried	26 February 2024
Second Reading Carried	11 March 2024
Third Reading Carried	11 March 2024
Date Signed	11 March 2024

Mayor

City Clerk