

**MUNICIPALITY OF CROWSNEST PASS
IN THE PROVINCE OF ALBERTA**

BYLAW NO. 1010, 2018

BEING a bylaw of the Municipality of Crowsnest Pass to authorize a borrowing and establish a line of credit for the purpose of financing annual operating expenditures pursuant to Section 256 of the Municipal Government Act.

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 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 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 2018 by the Municipality is estimated to be the sum of \$7,605,330;

AND WHEREAS, the amount of the existing debt of the Municipality for operating expenditures as at July 10, 2018, is nil, and the borrowing of the amount authorized to be borrowed by this Bylaw will not cause the Municipality to exceed its debt limit;

NOW THEREFORE the Municipality of Crowsnest Pass, in Council duly assembled, enacts as follows:

PART 1 - BORROWING AUTHORIZATION

A: Line of Credit

1. The Municipality of Crowsnest Pass may borrow from Canadian Imperial Bank of Commerce (CIBC) sums of money from time to time to meet, until taxes are collected, the current operating expenditures of the Municipality, provided that the total principal sum owed to CIBC at any one time shall not exceed the sum of TWO MILLION (\$2,000,000) DOLLARS
2. All sums borrowed under this Bylaw shall be borrowed on the general credit and security of the Municipality at large.
3. The Chief Administrative Officer and Director of Finance of the Municipality are hereby authorized to:
 - a. Apply to CIBC to 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 CIBC may require as evidence of and security for all sums borrowed.

Interest Rate, Term and Terms of Repayment

4. All sums borrowed under this bylaw shall bear interest at a rate per annum not to exceed CIBC Prime Rate
5. All sums borrowed under this bylaw, including principal and interest, shall be due and payable in full annually by December 31st.

Repayment Source

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

B: Corporate Municipal Credit Card

7. That the Municipality may borrow from CIBC sums of money from time to time to complete operating expenditures for convenience purposes and where required by suppliers. Providing that the principal sum owed to CIBC at one time shall not exceed the sum of SEVENTY-FIVE THOUSAND (\$75,000) DOLLARS.
8. All sums borrowed under this Bylaw shall be borrowed on the general credit and security of the Municipality at large.
9. The Chief Administrative Officer and Director of Finance of the Municipality are hereby authorized to:
 - a. Apply to CIBC to 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 CIBC may require as evidence of and security for all sums borrowed.

Interest Rate, Term and Terms of Repayment

10. All sums borrowed under this bylaw shall bear interest at a rate per annum not to exceed CIBC's regular interest rate.
11. All sums borrowed under this bylaw, including principal and interest, shall be due and payable in full monthly.

Effective Date:

12. This bylaw becomes effective when it is passed.
13. This bylaw repeals bylaw 948, 2016.

READ a **first** time this 10th day of July 2018.

READ a **second** time this 10th day of July 2018.

READ a **third** and final time this 10th day of July 2018.

A handwritten signature in black ink that reads "Blair Painter".

Blair Painter
Mayor

A handwritten signature in blue ink that reads "Patrick Thomas".

Patrick Thomas
Chief Administrative Officer