

THE CITY OF CALGARY
TABULATION OF BYLAWS
TO BE PRESENTED TO THE COUNCIL OF THE CITY OF CALGARY
ON MONDAY, 2021 MARCH 22

BORROWING BYLAW INFORMATION

Bylaws	- 5B2021 & 6B2021
Purpose	- Bylaw 6B2021 is to amend Bylaw 9B2020 - To finance the Capital Budget adjustment to Program 872 by \$10.550M - Bylaw 5B2021 is to amend Bylaw 8B2020 - To reduce the borrowing authority of Bylaw 9B2018 to offset increase in Bylaw 9B2020
Borrowing Authority additions/(reductions)	- \$10.550 million, (\$10.550 million)
Term	- 10-20 years
Type of Debenture	- Self supported
Statutory References	- Municipal Government Act – Sections No.
Borrowing Authorization	- 251 & 258
Amendment & Repeal	- 191
Passing a bylaw	- 187

Enabling a borrowing

251(1) A municipality may only make a borrowing if the borrowing is authorized by a borrowing bylaw.

(2) A borrowing bylaw must set out

- (a) the amount of money to be borrowed and, in general terms, the purpose for which the money is borrowed;
- (b) the maximum rate of interest, the term and the terms of repayment of the borrowing;
- (c) the source or sources of money to be used to pay the principal and interest owing under the borrowing.

Section 258(1) applies to a borrowing made for the purpose of financing a capital property when the term of the borrowing exceeds 5 years. Borrowing bylaws authorized under this section require advertising.

Passing a bylaw:

Section 187 stipulates every proposed bylaw must have 3 distinct and separate readings. The readings of a bylaw must follow the legislated procedures set out in the MGA.

Amendment and repeal:

191(1) The power to pass a bylaw under this or any other enactment includes a power to amend or repeal the bylaw.

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CAPITAL PROGRAM INFORMATION

Council's Authorizing Documents

- C2020-1215

Business Unit/s and Capital Program/s

- Fleet Services, Program 872

AFFIRMATIVE VOTES REQUIRED

- Majority of members present

ADMINISTRATIVE COMMENTS

At the 2020 December 14 Combined Meeting of Council, Bylaws 8B2020 and 9B2020 were intended to only receive first readings as advertising is required prior to second and third readings of the Bylaws. However, three readings were given for Bylaws 8B2020 and 9B2020.

- What does this mean to Calgarians? The correction of an oversight provides clarity on the intent to finance the Capital Budget adjustment to Program 872 and allow for proper advertising of the Borrowing bylaws as stipulated in the *Municipal Government Act (MGA)*.
- Why does this matter? Pursuant to the *Municipal Government Act*, Borrowing Bylaws 8B2020 and 9B2020 require public notice activities after first reading by Council. In order to correct this oversight, Bylaws 8B2020 and 9B2020 should be repealed as they are invalid and the new Borrowing Bylaws 5B2021 and 6B2021 be given first reading and advertised pursuant to the *Municipal Government Act*.
- The oversight was discovered after the Bylaws were approved.
- Strategic Alignment to Council's Citizen Priorities: A well-run city

The Purpose of Bylaw 5B2021 and Bylaw 6B2021 is required for financing the Fleet Services capital budget adjustment for Program 872 "Support Facilities" \$10.550 million and Bylaw 5B2021 is required to approve the corresponding decrease to the original borrowing authority. As per C2020-1215, budget and funding for the facility is being transferred from Program 871 (Fleet Acquisitions) to Program 872 (Support Facilities). The approved combined budget requires a new borrowing bylaw for the revised borrowing purpose and term.

On 2021 February 08, Council gave first reading to Borrowing Bylaws 5B2021 and 6B2021. Pursuant to Section 231 of the Municipal Government Act, Borrowing Bylaws 5B2021 and 6B2021 were advertised in the Calgary Herald on 2021 February 11 and 18. The 15-day statutory deadline for a petition asking for a vote on the bylaws was 2021 March 08. The City Clerk is requested to report the status of the petition. If a valid petition for the bylaw has been received, Finance requests that the bylaw be withdrawn from the agenda and be submitted to a vote of the electors.

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FINANCIAL CAPACITY

Pursuant to the City's Debt Policy, total debt will not exceed 1.6 times revenue. The total debt service will not exceed 0.28 times revenue.

OTHER LEGISLATIVE REQUIREMENTS

Pursuant to MGA section 254, no municipality may acquire, remove, or start the construction or improvement of a capital property that is to be financed in whole or in part through a borrowing unless the borrowing bylaw that authorizes the borrowing is passed.

RECOMMENDATION

That Council give:

1. Bylaw 5B2021 & 6B2021 second and third reading

ATTACHMENTS

1. Bylaw 5B2021
2. Bylaw 6B2021