

**Borrowing Bylaw 18-2021 – North of Yellowhead Offsite Utilities****Report Purpose**

To seek Council approval on second and third reading of Bylaw 18-2021 – Borrowing Bylaw, North of Yellowhead Offsite Utilities.

**Recommendations**

1. THAT Bylaw 18-2021, a bylaw to approve the incurrence of debt for North of Yellowhead Offsite Utilities, be given second reading.
2. THAT Bylaw 18-2021 be given third reading.

**Our Prioritized Strategic Goals**

Goal 1 - Build strong communities to support the diverse needs of residents

Goal 2 - Manage, invest and plan for sustainable municipal infrastructure

**Report**

On May 25, 2021 Council approved an amendment to the 2021 Capital Budget for the North of Yellowhead Offsite Utilities, which included a funding component of levy debt. The Municipal Government Act (MGA) indicates that a municipality may only make a borrowing if the borrowing is authorized by a borrowing bylaw, and all bylaws must be approved by Council and passed with three readings.

Approval of Borrowing Bylaw 18-2021 will enable the MGA regulation requirement to be met where a borrowing bylaw must be in place prior to the start of a capital project. This will enable the completion of the North of Yellowhead Offsite Utilities as approved by Council. The bylaw was advertised for the required petition period as per the MGA. No petition was received in response to the advertisements.

In relation to the debenture funding, the actual borrowing will occur after the expenditure has been incurred on the capital projects.

**Council and Committee History**

May 25, 2021	Council gave first reading to Bylaw 18-2021.
May 25, 2021	Council approved an amendment to the 2021 Capital Budget to construct the North of Yellowhead Water Transmission System, in the amount of \$13,000,000 to be funded \$13,000,000 by levy supported debenture (with interim financing from Utilities Reserves as required).
May 25, 2021	Council approved an amendment to the 2021 Capital Budget to construct the North of Yellowhead Wastewater Collection, in the amount of \$14,500,000 to be funded \$11,455,000 by levy supported debenture (with interim financing from Utilities Reserves as required) and \$3,045,000 from Utilities Reserves.
Nov 30, 2020	Council approved the 2021 Capital and Operating Budgets.

**Other Impacts**

**Policy:** FIN-001-025: Debt Management Policy, FIN-001-027: Tangible Capital Assets Financial Reporting, SER-012-011: Land Management Policy

**Legislative/Legal:** Sections 251 through 263 of the Municipal Government Act (MGA), R.S.A. 2000, c.M-26 govern municipal borrowing. Section 606 of the MGA sets out the requirements for advertising proposed bylaws.

**Interdepartmental:** Corporate Finance, Planning and Development Services, Transportation Planning and Engineering, Utilities

**Enclosure**

1 Bylaw 18-2021 – Borrowing Bylaw North of Yellowhead Offsite Utilities