

**TOWN OF WAINWRIGHT
BYLAW 2017 – 09**

A Bylaw of the Town of Wainwright in the Province of Alberta to Authorize the Borrowing of Money for the Purpose of Financing Operating and Capital Expenditures.

WHEREAS, The Council of the Town of Wainwright (hereafter called the "Corporation") in the Province of Alberta considers it necessary to borrow certain sums of money from time to time to meet current expenditures of the Corporation for its financial year commencing January 1st, 2018.

NOW THEREFORE, Pursuant to the provisions of the Municipal Government Act, it is hereby enacted by the Council of the Corporation as a Bylaw that:

1. The Corporation may borrow from Encompass Credit Union sums of money from time to time in the said financial year as required to meet current expenditures of the Corporation in the said financial year, provided that the total principal amount owed to Encompass Credit Union at any one time hereunder shall not exceed the sum of five million dollars (\$5,000,000.00).

2. The Mayor and the Chief Administrative Officer (CAO) are hereby authorized for and on behalf of the Corporation:

(a) to apply to Encompass Credit Union for the aforesaid loan to the Corporation; and

(b) to obtain advance of monies from Encompass Credit Union in the said financial year by way of an overdraft on the Corporation's account at Encompass Credit Union or pursuant to promissory notes or other evidence of indebtedness, as may be permitted or required by Encompass Credit Union; and

(c) to execute on behalf of the Corporation such bills, debentures, promissory notes or similar forms of obligation as Encompass Credit Union may require as evidence of and security for all sums borrowed hereunder;

3. Notwithstanding the foregoing, the Mayor and the CAO shall apply such part of the foregoing sum authorized to be borrowed in repayment of previous borrowings of the Corporation such that all amounts borrowed and outstanding by the Corporation at any one time to Encompass Credit Union and to all other persons, firms and corporations shall not exceed the debt limit of the Corporation as set out in the Municipal Government Act and subsequent regulations published thereto.

4. All sums up to five million dollars (\$5,000,000.00) borrowed as aforesaid or so much thereof as from time to time remains unpaid shall bear interest at a rate per annum equal to one-quarter percent (0.25%) below the Prime Lending Rate established from time to time by Encompass Credit Union, and such interest shall be calculated and due and payable monthly.

5. All sums authorized to be borrowed hereunder, including interest, shall be due and payable in full no later than December 31 of the said financial year, unless hereafter extended by authority of the Council of the Corporation.

6. All sums borrowed hereunder, including interest, shall be repaid from the general revenue of the Corporation.

7. As security for payment of money borrowed hereunder, the Corporation hereby charges to and in favour of Encompass Credit Union the whole of the taxes levied or to be levied by the Corporation, requisitions made or to be made by the Corporation and all other money due or accruing due to the Corporation, and the Mayor and CAO of the Corporation are hereby authorized on behalf and in the name of the Corporation to execute and deliver to Encompass Credit Union such security documents as Encompass Credit Union may require in relation to the foregoing charge. The said charge shall be collateral to the obligation of the Corporation to repay with interest all sums borrowed from Encompass Credit Union and Encompass Credit Union shall not be bound to recover any such taxes, requisitions or other monies before being entitled to payment from the Corporation.

8. In the event the Council of the Corporation decides to extend the said loan and Encompass Credit Union is prepared to extend the said loan, any renewal or extension, bill, debenture, promissory note or other obligation executed by the officers designated in paragraph 2 hereof and delivered to Encompass Credit Union shall be valid and conclusive proof as against the Corporation of the decision of the Council to extend the loan in accordance with the terms of such renewal or extension, bill, debenture, promissory note or other obligation, and Encompass Credit Union shall not be bound to inquire into the authority of such officers to execute and deliver any such renewal, extension document or security.

9. That this Bylaw shall take effect on the date of the Third and Final Reading

READ a first time this 20th day of November 2017.


MAYOR


CHIEF ADMINISTRATIVE OFFICER

READ a second time this 5th day of December 2017.


MAYOR


CHIEF ADMINISTRATIVE OFFICER

READ a first time this 5th day of December 2017.


MAYOR


CHIEF ADMINISTRATIVE OFFICER