

**TOWN OF WAINWRIGHT  
BYLAW NO. 2021 - 04**

A Bylaw of the Town of Wainwright to guarantee the repayment of the Wainwright Golf Club's loan to the Encompass Credit Union.

WHEREAS under Section 264(2) of the *Municipal Government Act* a municipality may guarantee the repayment of a loan between a lender and a non-profit organization if Council feels that the money loaned or money obtained under the loan that is guaranteed will be used for a purpose that will benefit the municipality;

AND WHEREAS under Section 266 of the *Municipal Government Act* provides that a municipality may only guarantee the repayment of a loan between a lender and a non-profit organization if the guarantee is authorized by bylaw;

AND WHEREAS the Wainwright Golf Club proposes to borrow \$627,500.00 from the Encompass Credit Union;

AND WHEREAS in compliance with Section 268 of the *Municipal Government Act* the amount of the proposed loan guarantee does not cause the Town to exceed its debt limit;

AND WHEREAS prior to the second reading of this bylaw, notice of this bylaw was published at least once a week for 2 consecutive weeks in a newspaper or other publication circulating in the area in compliance with Section 606 of the *Municipal Government Act*;

NOW THEREFORE under the authority of Section 266 of the *Municipal Government Act* the Council of the Town of Wainwright, in the Province of Alberta, duly assembled, enacts as follows:

**1. PURPOSE AND APPLICATION**

- 1.1 That the Town of Wainwright act as guarantor for the loan from the Encompass Credit Union in the amount of \$627,500.00 to the Wainwright Golf Club.
- 1.2 That the total amount of \$627,500.00 consists of the current loan balance of \$300,172.92 and additional borrowing of \$327,327.08 for new revenue generating projects.
- 1.3 The rate of interest to be paid on the loan is the Encompass Credit Union's fixed rate of 4% per annum. Repayment terms for the loan are monthly payments of \$4,641.54 including principal and interest for a period of 60 months (5 years), with the amortization of 180 months (15 years).
- 1.4 If the Town is required to pay the principal and interest owing under the terms of the loan, the source of funds will be provided from the Town's General Revenue.

**2. REPEAL**

- 2.1 This bylaw shall repeal Bylaw 2020 – 01.

**3. EFFECTIVE DATE**

- 3.1 This bylaw will come into full force and effect upon passing of third (3<sup>rd</sup>) and final reading in accordance with Section 189 of the *Municipal Government Act*.

**READ a First Time in Council this 6<sup>th</sup> day of April , A.D., 2021.**

Brian Bethune

Mayor

Cedeh

Chief Administrative Officer

ADVERTISED the 9<sup>th</sup> and 16<sup>h</sup> days of April, 2021 in the *Wainwright Edge*.

READ a Second Time in Council this this 20<sup>th</sup> day of April, A.D., 2021.

Brian Bethune

Mayor

Cedeh

Chief Administrative Officer

READ a Third Time in Council and Finally Passed this this 20<sup>th</sup> day of April, A.D., 2021.

Brian Bethune

Mayor

Cedeh

Chief Administrative Officer