

**TOWN OF WAINWRIGHT  
BYLAW 2024 – 08**

A Bylaw of the Town of Wainwright in the Province of Alberta to authorize the borrowing of money for the purpose of financing operating expenditures.

WHEREAS, pursuant to the provisions of the Municipal Government Act, Revised Statutes of Alberta 2000, Chapter M-26, a municipality may make a borrowing if the borrowing is authorized by a borrowing bylaw; and

WHEREAS, the Council of the Town of Wainwright in the Province of Alberta considers it necessary to borrow certain sums of money from time to time to meet current expenditures of the municipality; and

NOW THEREFORE, pursuant to section 256 of the Municipal Government Act, Revised Statutes of Alberta 2000, Chapter M-26, the Council of the Town of Wainwright, in the Province of Alberta, duly assembled, hereby enacts as follows:

1. The Town may borrow from Bank of Montreal ("BMO") sums of money from time to time as required to meet current expenditures of the municipality, provided that the total principal amount owed to BMO at any one time hereunder shall not exceed the sum of two million dollars (\$2,000,000.00).
2. Any required borrowing shall take place during the five (5) year term from January 1, 2025 to December 31, 2029.
3. The proper officers of the Town are hereby authorized for and on behalf of the Town to:
  - (a) apply to BMO for the aforesaid loan to the Town; and
  - (b) obtain advance of monies from BMO by way of an Operating Demand Loan on the municipality's account at BMO or pursuant to promissory notes or other evidence of indebtedness, as may be permitted or required by BMO; and
  - (c) to execute on behalf of the Town such bills, debentures, promissory notes or similar forms of obligation as BMO may require as evidence of and security for all sums borrowed hereunder;

and each document executed as aforesaid shall be valid and binding upon the Town according to its tenor, and BMO shall never be bound to inquire whether such officers are observing the limitations on their authority as set forth in this Bylaw.

4. Notwithstanding the foregoing, the proper officers of the Town shall apply such part of the foregoing sum authorized to be borrowed in repayment of previous borrowings of the Town such that all amounts borrowed and outstanding by the Town at any one time to BMO and to all other persons, firms and corporations shall not exceed the debt limit of the Town as set out in the *Municipal Government Act* and subsequent regulations published thereto.

5. All sums up to two million dollars (\$2,000,000.00) 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, with the rate not to exceed ten percent (10%), established from time to time by BMO, and such interest shall be calculated, due and payable monthly.
6. All sums authorized to be borrowed hereunder, including interest, shall be due and payable in full no later than December 31<sup>st</sup>, 2029 unless hereafter extended by authority of the Council of the Town.
7. All sums borrowed hereunder, including interest, shall be repaid from the general revenue of the Town.
8. All security for payment of money borrowed hereunder, the Town hereby charges to and in favour of BMO the whole of the taxes levied or to be levied by the Town, requisitions made or to be made by the Town and all other money due or accruing due to the Town, and the proper officers of the Town are hereby authorized on behalf and in the name of the Town to execute and deliver to BMO such security documents as BMO may require in relation to the foregoing charge. The said charge shall be collateral to the obligation of the Town to repay with interest all sums borrowed from BMO and BMO shall not be bound to recover any such taxes, requisitions or other monies before being entitled to payment from the Town.
9. In the event the Council of the Town decided to extend the said loan and BMO is prepared to extend the said loan, any renewal or extension, bill, debenture, promissory note or other obligation executed by the proper officers and delivered to BMO shall be valid and conclusive proof as against the Town 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 BMO shall not be bound to inquire into the authority of such officers to execute and deliver any such renewals, extension document or security.
10. This Bylaw shall come into full force and effect upon passing of the third reading.

READ a first time in Council this 5<sup>th</sup> day of November, 2024.

  
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Mayor

  
\_\_\_\_\_  
Chief Administrative Officer

Advertised on the Town of Wainwright official website and on the bulletin board at the main entrance of the Town Hall.



READ a second time in Council this 19<sup>th</sup> day of November, 2024.

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Mayor

\_\_\_\_\_  
Chief Administrative Officer

READ a third time and final time in Council this 19<sup>th</sup> day of November, 2024.

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Mayor

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Chief Administrative Officer