

Town of Mayerthorpe  
Province of Alberta  
Canada.

## **BYLAW NO. 1194**

### **BEING A BYLAW OF THE TOWN OF MAYERTHORPE IN THE PROVINCE OF ALBERTA TO ESTABLISH BORROWING FOR MUNICIPAL CURRENT EXPENDITURES.**

**WHEREAS**, the Council of the Town of Mayerthorpe in the Province of Alberta, considers it necessary to borrow certain sums of money for the purpose of financing operating expenses; and

**WHEREAS**, Section 256 of the Municipal Government Act, Revised Statutes of Alberta, 2000, Chapter M-26 authorizes a municipality to make a borrowing for the purpose of financing operating expenditures, subject to certain conditions.

**Short Title:** This Bylaw may be referred to as the **OPERATING BORROWING BYLAW** of the Town of Mayerthorpe.

**NOW THEREFORE**, the Council of the Town of Mayerthorpe in the Province of Alberta, duly assembled, hereby enacts as follows:

1. The Municipality borrow from ATB Financial an Operating Overdraft up to the sum of EIGHT HUNDRED THOUSAND DOLLARS (\$800,000.00) repayable upon demand at a rate of interest per annum not to exceed the Prime Lending Rate plus one per cent, and such interest will be calculated daily and due and payable monthly on the last day of each and every month.
2. The Municipality establish a total Business Credit Card balance up to the sum of THIRTY-FIVE THOUSAND DOLLARS (\$35,000.00) repayable upon demand at a rate of interest per annum not to exceed the Prime Lending Rate plus two percent, and as such interest will be calculated daily and due and payable monthly as per the applicable due date.
3. The Chief Elected Officer and the Chief Administrative Officer are authorized for and on behalf of the Town of Mayerthorpe:
  - a) to apply to ATB Financial for the aforesaid loan to the Town of Mayerthorpe and to arrange with ATB Financial the amount, terms and conditions of the credit facilities and security or securities to be given to the ATB Financial;

- b) to obtain advance of monies from ATB Financial in the said financial year by way of an overdraft on the Municipality's account at ATB Financial or pursuant to promissory notes or other evidence of indebtedness, as may be permitted or required by ATB Financial; and
- c) to execute on behalf of the Municipality such bill, debentures, promissory notes, or similar forms of obligation as ATB Financial may require as evidence of and security for all sums borrowed hereunder;

and each document executed as foresaid shall be valid and binding upon the Municipality according to its tenor, and ATB Financial 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 Chief Elected Officer and the Chief Administrative Officer shall apply such part of the foregoing sum authorized to be borrowed in repayment of previous borrowings of the Municipality such that all amounts borrowed and outstanding by the Municipality at any one time to ATB Financial and to all other persons, firms and corporations shall not exceed the amount of the tax levied or estimated to be levied by the Municipality for the said financial year.
- 5. The amount to be borrowed and the term of the loan will not exceed any restrictions set forth in the Municipal Government Act.
- 6. In the event that the Council of the Municipality decides to extend the operating overdraft and the ATB Financial is prepared to extend the credit facilities, any renewal or extension, bill, debenture, promissory note, or other obligation executed by the officers designated in paragraph 3 hereof and delivered to ATB Financial will be valid and conclusive proof as against the Municipality of the decision of the Council to extend the credit facilities in accordance with the terms of such renewal or extension, bill, debenture, promissory note, or other obligation, and the ATB Financial will not be bound to inquire into the authority of such officers to execute and deliver any such renewal, extension document or security.
- 7. Should any provision of this bylaw be found to be invalid then such invalid provision shall be severed, and the remaining bylaw shall be maintained.
- 8. This Bylaw becomes effective upon third reading.

9. That Bylaw No. 1176 is hereby repealed.


Read a first time this 27<sup>th</sup> day of May 2024.

Read a second time this 10<sup>th</sup> day of June 2024.

Read a third time and duly passed this 10<sup>th</sup> day of June 2024.

A handwritten signature in black ink, appearing to read 'Janet Jabush', written over a horizontal line.

Janet Jabush, Mayor

A handwritten signature in black ink, appearing to read 'Christopher Leggett', written over a horizontal line.

Christopher Leggett, CAO