

BORROWING BY-LAW 2022

**BEING A BY-LAW OF THE VILLAGE OF CLYDE
IN THE PROVINCE OF ALBERTA TO AUTHORIZE
A BORROWING MADE FOR THE PURPOSE OF
FINANCING OPERATING EXPENDITURES**

WHEREAS, under the provisions of Section 251 of the Municipal Government Act, Chapter M-26, R.S.A. 2000, and amendments thereto, the Council of the Village of Clyde (hereinafter referred to as the Village) may pass a by-law authorizing a borrowing made for the purpose of financing operating expenditures; and

WHEREAS, the Village considers it necessary to borrow certain sums of money for the purpose of a Revolving Loan to meet current expenditures and obligations for the year until such time as the taxes levied can be collected; and

WHEREAS, the amount of the taxes levied or estimated to be levied for the current year by the Village for the purpose aforesaid is the sum of THREE HUNDRED TEN THOUSAND DOLLARS (\$310,000.00); and

WHEREAS, THE Village deems it necessary to borrow the sum of THREE HUNDRED THOUSAND DOLLARS (\$300,000.00) for the purpose aforesaid; and

WHEREAS, THE Village deems it necessary to borrow the sum of TEN THOUSAND DOLLARS (\$10,000.00) for the purpose aforesaid; and

WHEREAS the amount of moneys authorized to be borrowed and outstanding will not exceed the amount of the taxes levied or estimated to be levied for the current year by the Village;

NOW THEREFORE, the Municipal Council of the Village of Clyde in the Province of Alberta, duly assembled, HEREBY ENACTS AS FOLLOWS:

1. The Village borrow from Alberta Treasury Branch ("ATB") up to the principal sum of THREE HUNDRED THOUSAND DOLLARS (\$300,000.00) on a Business Revolving Operating Line of Credit repayable upon demand at a rate of interest per annum not to exceed the Prime Lending Rate from time to time established by ATB, and such interest will be calculated daily and due and payable monthly on the last day of each and every month. The term of the loan to be January 1, 2022 – December 31, 2022.
2. The Village borrow from the Alberta Treasury Branch (ATB) up to the principal sum of TEN THOUSAND DOLLARS (\$10,000.00) on a corporate credit Mastercard, repayable upon demand at a rate of interest per annum as established by ATB. The term of the agreement to be January 1, 2022 – December 31, 2022.
3. The Chief Elected Official and the Chief Administrative Officer are authorized for and on behalf of the Village:
 - (a) to apply to ATB for the aforesaid loan to the Village and to arrange with ATB the amount, terms and conditions of the loan and securities to be given to ATB;
 - (b) as security for any money borrowed from ATB
 - (i) to execute promissory notes and other negotiable instruments or evidences of debt for such loans and renewals of all such promissory notes and other negotiable instruments or evidences of debts;
 - (ii) to give or furnish to ATB all such securities and promises as ATB may require to secure repayment of

such loans and interest thereon; and

- (iii) to execute all security agreements, hypothecations, debentures, charges, pledges, conveyances, assignments and transfers to and in favour of ATB of all or any property, real or personal, moveable or immovable, now or hereafter owned by the Village or in which the Village may have any interest, and any other documents or contracts necessary to give or to furnish to ATB the security or securities required by it.
- 4. The source or sources of money to be used to repay the principal and interest owing under the borrowing from ATB are General Taxes.
- 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 Municipal Government Act permits extension of the term of the loan and in the event the Council of the Village decides to extend the loan and ATB is prepared to extend the loan, any renewal or extension, bill, debenture, promissory note, or other obligation executed by the officers designated in Paragraph 2 hereof and delivered to ATB will be valid and conclusive proof as against the Village 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 ATB will not be bound to inquire into the authority of such officers to execute and deliver any such renewal, extension document or security.
- 7. The maximum interest payable on any debt borrowed is ten (10%) percent.
- 8. This by-law shall take full force and effect upon passage of third and final reading and upon signing in accordance with Section 213(3) of the Municipal Government Act, C.M-26, RSA 2000.

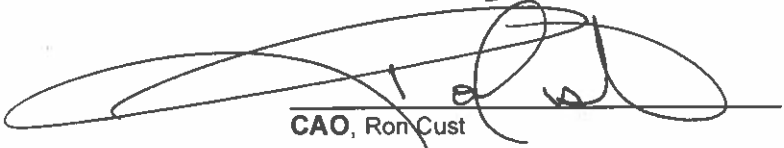
READ A FIRST TIME THIS 8th DAY OF November, 2021.

READ A SECOND TIME THIS 8th DAY OF November, 2021.

UNANIMOUS CONSENT FOR THIRD READING THIS 8th DAY OF November, 2021.

READ A THIRD TIME THIS 8th DAY OF November, 2021.


MAYOR, Charis Logan Aguirre


CAO, Ron Cust

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