

Town of Wembley
Bylaw 748

BEING A BYLAW OF THE TOWN OF WEMBLEY IN THE PROVINCE OF ALBERTA TO APPROVE BORROWING FOR MUNICIPAL CURRENT EXPENDITURES.

WHEREAS pursuant to section 251(1) of the Municipal Government Act, being Chapter M-26 of the Revised Statutes of Alberta, 2000, and amendments thereto, whereby a municipality may only make a borrowing if the borrowing is authorized by a borrowing bylaw;

AND WHEREAS pursuant to section 256 of the Municipal Government Act, being Chapter M-26 of the Revised Statutes of Alberta, 2000, and amendments thereto, whereby a municipality may pass a bylaw to authorize borrowing the purpose of financing operating expenditures;

AND WHEREAS pursuant to section 256 of the Municipal Government Act, being Chapter M-26 of the Revised Statutes of Alberta, 2000, and amendments thereto, any borrowings pursuant to this bylaw shall not exceed three (3) years, and therefore do not require advertising;

AND WHEREAS the Council of the Town of Wembley (hereinafter referred to as 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;

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

1. THAT the Corporation do borrow from Alberta Treasury Branches (hereinafter referred to as "Treasury Branches") up to the principal sum of \$600,000.00 (Six Hundred Thousand Dollars) repayable upon demand at a rate of interest per annum from time to time established by ATB, not to exceed 10%, and such interest shall be calculated daily and due and payable monthly on the last day of each and every month.
2. THAT the Chief Elected Officer and the Chief Administrative Officer are hereby authorized for and on behalf of the Corporation:
 - a) to apply to Treasury Branches for the aforesaid loan to the Corporation and arrange with Treasury Branches the amount, terms and conditions of the loan and security or securities to be given to Treasury Branches.
 - b) obtain advance of monies from Treasury Branches by way of an overdraft on the Corporation's account at a Treasury Branch or pursuant to promissory notes or other evidence of indebtedness, as may be permitted or required by Treasury Branches; and
3. to execute on behalf of the Corporation such bill, debentures, promissory notes or similar forms of obligation as Treasury Branches may require as evidence of and security for all sums borrowed hereunder;

and each document executed as foreshall be valid and binding upon the Corporation

according to its tenor, and Treasury Branches 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 Corporation such that all amounts borrowed and outstanding by the Corporation at any one time to Treasury Branches and to all other persons, firms and corporations shall not exceed the amount of the taxes levied or estimated to be levied by the Corporation for the said financial year.
5. All sums authorized to be borrowed hereunder, including interest, shall be due and payable in full no later than July 31st of each financial year.
6. As security for payment of money borrowed hereunder, the Corporation hereby charges to and in favour of Treasury Branches 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 Treasurer of the Corporation are hereby authorized on behalf and in the name of the Corporation to execute and deliver to Treasury Branches such security documents as Treasury Branches 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 Treasury Branches and Treasury Branches shall not be bound to recover any such taxes, requisitions or other monies before being entitled to payment from the Corporation.
7. In the event the Council of the Corporation decides to extend the said loan and Treasury Branches 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 Treasury Branches 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 Treasury Branches shall not be bound to inquire into the authority of such officers to execute and deliver such renewal or extension document.
8. That Bylaw 736 is hereby rescinded.
9. This Bylaw shall come into effect at the final passage thereof.

Read a first a first, second and by unanimous consent of all Councillors present a third and final time and finally passed this 14th day of February 2022 A.D.

(SIGNED)

Kelly Peterson, Mayor

(SIGNED)

Noreen Zhang, CAO



Municipal Borrowing Bylaw

For the Purpose Specified in Section _____ of the Municipal Government Act
Bylaw No. _____

WHEREAS the Council of _____
(hereinafter called the "Corporation") in the Province of Alberta, considers it necessary to borrow certain sums of money for the purpose of:

NOW THEREFORE pursuant to the provisions of the Municipal Government Act, it is hereby enacted by the Council of the Corporation as a By-law that:

1. The Corporation is hereby authorized to borrow from ATB Financial, ("ATB") up to the principal sum of \$_____ repayable upon demand and at a rate of interest per annum from time to time established by ATB, not to exceed 10% and such interest will be calculated daily and due and payable monthly on the last day of each and every month.

(Check whichever clause is applicable)

2. The borrowing is a term loan repayable on demand and the Corporation is required to make, _____ payments of \$_____ each, for a term of _____ years.
- The borrowing is a line of credit repayable on demand and the Corporation is required to pay accrued interest monthly.

3. The Chief Elected Officer and the Chief Administrative Officer are authorized for and on behalf of the Corporation:
- (a) to apply to ATB for the aforesaid loan to the Corporation and to arrange with ATB the amount, terms and conditions of the loan and security or 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 Corporation or in which the Corporation 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:

- 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 Corporation 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 3 hereof and delivered to ATB will 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 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. This Bylaw comes into force on the final passing thereof.

Certificate

WE HEREBY CERTIFY that the foregoing Bylaw was duly passed by the Council of the Corporation therein mentioned at a duly and regularly constituted meeting thereof held on the _____ day of _____, 20____ at which a quorum was present, as entered in the minutes of the said Council, and that the Bylaw has come into force and is still in full force and effect.

THIS Municipal Borrowing Bylaw, inclusive of its Certificate: (a) may be executed electronically; and (b) may be delivered by email, facsimile or other functionally-equivalent means.

WITNESS our hands and the seal of the Corporation this _____ day of _____, 20____

Chief Elected Official

(SIGNED)

Signature

Chief Administrative Officer

(SIGNED)

Signature



Completing Form 7115 - Municipal Borrowing Bylaw

Heading

Signing officers must complete the heading of the form ("Section ___ of the Municipal Government Act" or "Bylaw No. ___" to ensure they are aware of all conditions and restrictions set forth in the Municipal Government Act. Refer to clause 5 of form. Depending on the loan purpose, officers should enter the following section of the Municipal Government Act in this space.

- For Operating expenditures, enter section 256
- For Short-term capital borrowing, enter section 257
- For Long-term capital borrowing, enter section 258
- For Interim financing - capital projects, enter section 259
- For Special projects, enter section 260
- For Refinancing, enter section 261
- For Interim financing of joint project, enter section 262
- For Local improvements, enter section 263

Name of Municipality

- Enter legal name of municipality.

Loan Purpose

- Enter purpose of the loan in general terms.

Clause 1

- Loan Amount

Clause 2 - Line of Credit

- Delete the portion of Clause 2 that references term loans
- Ensure both officers signing the form initial the deletion

Clause 2 - Term Loan

- Delete the portions of Clause 2 that reference a line of credit
- Ensure both officers signing the form initial the deletion
- Enter: The frequency of principal payments. For example, monthly, quarterly, semi-annual, or annual.
- Enter: The payment amount. If payments are equalized, enter the equalized payment. If payments are principal plus interest, enter only the principal payment.
- The loan term should not exceed 1 year.

Clause 4 - Source of Repayment

Insert the source of repayment. Use the following guidelines:

- Operating Expenditures - For example, enter: taxes, reserves, or grants.
- Short-Term Capital Borrowing - For example, enter: business tax, property tax, well drilling equipment tax, reserves, or grants.
- Long-Term Capital Borrowing - For example, enter: business revitalization zone tax, reserves, or grants.
- Interim Financing - Capital Projects - Enter: payout from long-term capital loan.
- Special Works - For example, enter: special tax.
- Refinancing - For example, enter: property tax, business tax, reserves, or grants.
- Interim Financing of Joint Project - For example, enter: share of joint venture with _____ County.
- Local Improvements - For example, enter: local improvement tax.

Clause 5 - Compliance to Municipal Government Act: Interpretation

- The onus is on the municipality to comply with the Municipal Government Act and its regulations.
- ATB can rely on the bylaw 30 days after the municipality passed the bylaw provided that within that 30-day period:
 - no Court application has been filed to have the By-law declared invalid; or
 - if an application has been filed within the 30-day period, the application is dismissed without the further right of appeal.
- If a bylaw appears to be outside restrictions established by the Municipal Government Act, contact your lender, who will contact their Credit department for direction.

Certificate And Signing

- Officers must complete and sign the certificate on the date the meeting is held to pass the bylaw. :
- Execution of the form:
 - Signed by the Chief Elected Official
 - Signed by the Chief Administrative Officer
 - Sealed with the municipality's corporate seal
 - All signing parties must initial any changes.