



BYLAW NO 1830

SHORT-TERM BORROWING

BEING A BYLAW OF KNEEHILL COUNTY, IN THE PROVINCE OF ALBERTA, TO AUTHORIZE THE SHORT-TERM BORROWING OF FUNDS, FROM TIME TO TIME, AS MAY BE NECESSARY TO MEET THE FINANCIAL OBLIGATIONS OF KNEEHILL COUNTY

WHEREAS, under the authority and pursuant to the provisions of the Municipal Government Act, Revised Statutes of Alberta, 2000, Chapter M-26, the Council may pass a bylaw to borrow money on a short-term basis for the financing of an operating expenditure and/or capital property expenditure; and

WHEREAS, it is deemed proper and expedient for the Council of Kneehill County to authorize the Reeve and Chief Administrative Officer or designate to borrow sums considered necessary to meet the current operating expenditures and capital obligations of the Corporation as per the approved annual budgets.

NOW THEREFORE, the Council of Kneehill County, hereinafter called the "Corporation", in the Province of Alberta, duly assembled, enacts as follows:

1. That the Council of the Corporation does authorize borrowing from Servus Credit Union a sum or sums not exceeding Two Million (\$2,500,000.00) Dollars, which the Council deems necessary to expend to meet the current operating expenditures and capital obligations of the Corporation, until such time taxes levied or to be levied therefore can be collected, or as grants can be received from the Province of Alberta or Government of Canada, and as the Corporation applies for and receives funds by way of issuance of long-term debenture, and to pay or agree to pay interest on the sum or sums so borrowed either in advance or at maturity, and in either case after maturity, at such rate as may be agreed upon from time to time between Council and Servus Credit Union.
2. That the sum or sums so borrowed be evidenced and secured by the promissory note or notes of the Reeve or Deputy Reeve and Chief Administrative Officer or designate of the Corporation given on its behalf, and the said Reeve or Deputy Reeve and Chief Administrative Officer or designate are hereby authorized and empowered to execute and give such promissory note or notes as may be required by Servus Credit Union and to determine and agree upon from time to time the rate of interest applicable to the amount of same borrowed hereunder, remaining from time to time outstanding.
3. That the Council of the Corporation does hereby pledge to Servus Credit Union security for the money borrowed hereunder, unpaid taxes and penalties on taxes assessed and/or levied by the Corporation in previous years together with penalties thereon and taxes assessed or to be assessed and/or to be levied for the current year and the following year,

equal only to the amount of used promissory note or notes including interest but not to exceed the sum of Two Million (\$2,500,000.00) Dollars.

- 4. The Corporation shall deposit in an account with the said Servus Credit Union the amount of said taxes, penalties and other designated revenues as collateral security for the money to be borrowed hereunder and interest thereon, and the sum shall be applied as necessary in payment of monies borrowed hereunder and interest thereon.
- 5. That the said Servus Credit Union shall not be restricted to the said taxes, penalties and other designated revenues for the payment of the monies borrowed as aforesaid, or to be bound to wait until such taxes, penalties and other designated revenues can be collected, or be required to see that the said taxes, penalties and other designated revenues are deposited as aforesaid.
- 6. That nothing herein contained shall waive, prejudicially affect or exclude any right, power, benefit or security by statute, common law or otherwise given to or implied in favour of the said Servus Credit Union.
- 7. This Bylaw shall come in effect upon third reading.

READ a first time on this 12th day of January, 2021.

READ a second time on this 12th day of January, 2021.

UNANMOUS permission for third reading given in Council on the 12th day of January, 2021.

READ a third time and final time of this 12th day of January, 2021.

January 21, 2021
Date Bylaw Signed

J. Wittstock
Reeve
Jerry Wittstock

Mike Haugen
Chief Administrative Officer
Mike Haugen