

**TOWN OF LAMONT
BYLAW 14/23**



**BEING A BYLAW OF THE TOWN OF LAMONT IN THE PROVINCE OF ALBERTA,
FOR THE PURPOSE OF GIVING AN AUTHORIZATION OF BORROWING FOR
FINANCING OPERATING EXPENDITURES OF THE TOWN OF LAMONT**

WHEREAS Section 251 of the *Municipal Government Act*, R.S.A. 2000C.M.-26, and amendments thereto provides that a Council may only make a borrowing if the borrowing is authorized by a borrowing bylaw;

AND WHEREAS Section 256 of the *Municipal Government Act* provides that a municipality may make a borrowing for the purpose of financing operating expenditures of the municipality provided that the amount to be borrowed, together with the unpaid principal of the other borrowings made for this purpose, must not exceed the amount the municipality estimates will be raised in the taxes in the year the borrowing bylaw is made;

AND WHEREAS Section 256 of the *Municipal Government Act* further provides that a borrowing bylaw does not have to be advertised if the term of the borrowing does not exceed 3 years;

NOW THEREFORE the Council of the Town of Lamont, hereby enacts as follows:

1. BYLAW TITLE

- 1.1 This Bylaw is known as "The Borrowing Bylaw".

2. DEFINITIONS

- 2.1 Unless the context otherwise requires, or is otherwise defined herein, the words and phrases contained in this bylaw shall have the same meaning as in the MGA. For the purposes of this Bylaw:
- a. "Corporation" means the Town of Lamont.

3. BORROWING

- 3.1 The Corporation may borrow, for the purpose of financing operating expenses, from Servus Credit Union, up to the principal sum of \$800,000.00 repayable upon demand at a rate of interest per annum not to exceed the prime lending rate plus one percent and such interest will be calculated daily and due and payable monthly on the last day of each and every month.
- 3.2 The Corporation may borrow, for the purpose of purchasing, from Servus Credit Union Master Card by way of a Business No Fee Mastercard Credit Card, up to a maximum combined limit of \$35,000 to be shared

Two handwritten signatures in blue ink, one appearing to be "JP" and the other "KS".

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between two cards, as per Servus Credit Union Master Card terms and conditions agreement. The Mayor and the Chief Administrative Officer are authorized:

- i. to apply to Servus Credit Union for the aforesaid loan to the Corporation and to arrange with Servus Credit Union the amount, terms and conditions of the loan and securities to be given to Servus Credit Union;
- ii. as security for any money borrowed from Servus Credit Union:
 - a. to execute promissory notes and other negotiable instruments or evidence of debt for such loans and renewals of all such promissory notes and other negotiable instruments or evidences of debts;
 - b. to give or furnish to Servus Credit Union all such securities and promises as Servus Credit Union may require to secure payment of such loans and interest thereon; and
 - c. to execute all security agreements, hypothecations, debentures, charges, pledges, conveyances, assignments and transfers to and in favor of Servus Credit Union 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 an interest, and any other documents or contracts necessary to give or to furnish to Servus Credit Union the security or securities required by it.

3.3 The source or sources of money to be used to repay the principal and interest owing under the borrowing from Servus Credit Union are:

Monthly payments of interest to be debited from account 31349-607011531143

3.4 The amount to be borrowed and the term of the loan will not exceed any restrictions set forth in the *Municipal Government Act*.

3.5 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 Servus Credit Union is prepared to extend the loan, any renewal or extension, bill, debenture, promissory note, or other obligation executed by the officers designated in paragraph 4 hereof and delivered to Servus Credit Union will be valid and conclusive proof as

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against the Corporation of the decision of the Council to extend the loan in accordance with the terms or such renewal or extension, bill debenture, promissory note, or other obligation and Servus Credit Union will not be bound to inquire into the authority of such officers to execute and deliver any such renewal, extension document or security.

4. SEVERABILITY

4.1 If any portion of this Bylaw is declared invalid by a court of competent jurisdiction, the invalid portion shall be severed, and the remainder of the Bylaw is deemed valid.

5. TRANSITIONAL

5.1 That Bylaw 08/22 is hereby repealed.


6. EFFECTIVE DATE

6.1 That this Bylaw shall come into force and take effect upon the date of third reading and is duly signed.

READ A FIRST TIME THIS 12 DAY OF DECEMBER, 2023.

READ A SECOND TIME THIS 12 DAY OF DECEMBER, 2023.

READ A THIRD TIME AND PASSED THIS 12 DAY OF DECEMBER, 2023.



Mayor



Chief Administrative Officer

Dec 12, 2023

Date signed