

TOWN OF ONOWAY
By-Law 733-17

A BYLAW TO BORROW TO MEET CURRENT OPERATING EXPENDITURES AND OBLIGATIONS FOR THE TOWN OF ONOWAY.

WHEREAS the Town of Onoway estimates the amount of taxes to be raised in 2017 will be **\$1,120,000.00;**

WHEREAS, the Council of the Corporation deems it necessary to borrow from time to time (on a revolving basis) during the said year a sum or sums not exceeding the maximum principal amount of ***Thirty Thousand Dollars (\$30,000.00)*** at any one time to meet the current operating expenditures and obligations of the Corporation incurred during the said year until such time as the taxes levied or to be levied therefore as aforesaid can be collected; and

WHEREAS, after the borrowing during the said year of the amount hereby authorized to be borrowed, the total loans outstanding at any one time to meet the current operating expenditures and obligations of the Corporation incurred during the said year will not exceed the amount of taxes levied or estimated to be levied for the said year by the Corporation;

NOW THEREFORE, under the authority of the Municipal Government Act, Revised Statutes of Alberta 2000 Chapter M-26, the Council of the Town of Onoway enacts as follows:

1. That the \$30,000.00 in authorized borrowing from Canadian Imperial Bank of Commerce (the "Bank"), is to include a sum or sums not exceeding the maximum principal amount of **Thirty Thousand Dollars (\$30,000.00)** for a corporate VISA account that the Council of the Corporation deems necessary to expend to meet current operating expenditures and obligations of the Corporation.
2. That the sum or sums so borrowed may be evidenced and secured by a promissory note or notes or similar forms of obligation executed by the Mayor and Treasurer on behalf of the Corporation and the same Mayor and Treasurer are hereby authorized and empowered to execute and give such promissory note or notes or similar forms of obligation on behalf of the Corporation as may be required by the Bank and to determine and agree upon from time to time the rate of interest applicable to the amount of the sums borrowed hereunder remaining from time to time outstanding.
3. That the Council of the Corporation do hereby pledge to the said Bank as security for payment of the money borrowed hereunder, the whole of the unpaid taxes and penalties on taxes assessed and/or levied by the Corporation in years prior to the said year together with penalties thereon, and the whole of the taxes assessed or to be assessed and/or levied or to be levied for the said year, and the Corporation shall deposit in a special account with the said Bank all of the said taxes, penalties and other designated revenues as collected, as collateral security for the money to be borrowed hereunder and interest thereon, but the said Bank shall not be restricted to the said taxes, penalties and other designated revenue for the payment of the money borrowed as aforesaid or be

bound to wait for repayment of such money and interest until such taxes, penalties and other designated revenue can be collected, or be required to see that the said taxes, penalties and other designated revenues are deposited as aforesaid.

4. 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 favor of the said Bank.
5. That Bylaw 718-15 is hereby rescinded on the passing of this bylaw.
6. That Bylaw 733-17 comes into full force and effect upon third reading.

Read a first time this 16th day of March, 2017.

Read a second time this 16th day of March, 2017.

Unanimous consent to proceed to third reading this 16th, day of March, 2017.

Read a third time and passed this 16th, day of March, 2017.



Mayor



Chief Administrative Officer