

**MUNICIPAL DISTRICT OF PINCHER CREEK NO.9  
BYLAW NUMBER 1304-19**

**A BYLAW TO AUTHORIZE THE MUNICIPAL DISTRICT OF PINCHER CREEK  
NO. 9 TO BORROW FOR THE PURPOSE OF FINANCING OPERATING  
EXPENDITURES.**

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**WHEREAS**, pursuant to the *Municipal Government Act*, RSA, 2000, c.M-26, the Municipal District of Pincher Creek No. 9 (hereinafter called "the Corporation") wishes to authorize a borrowing in the nature of a revolving one million dollar (\$1,000,000) demand operating line of credit to meet the Corporation's operating expenditures over the period from the date of this Bylaw through to December 31, 2021 which is to be repaid as taxes are levied or to be levied over the borrowing period;

**AND WHEREAS**, the amount of taxes levied or estimated to be levied for the each of the fiscal years comprising the borrowing period is the sum of at least ten million dollars (\$10,000,000) per year;

**AND WHEREAS**, after borrowing the amount hereby authorized to be borrowed, the total borrowings to meet the Corporations' expenditures and obligations over each of the fiscal years comprising the borrowing period, will not exceed the amount of taxes levied or estimated to be levied over the borrowing period;

**AND WHEREAS**, after the borrowing of the amount hereby authorized to be borrowed, the Corporation will not have exceeded the debt limit established for the Corporation pursuant to the *Municipal Government Act*;

**NOW THEREFORE**, under the authority of the *Municipal Government Act*, the Council of the Municipal District of Pincher Creek No. 9, in the Province of Alberta, enacts as follows:

1. That the Corporation may borrow from Canadian Imperial Bank of Commerce (the "Bank") by way of direct revolving advances, a sum or sums by which the ultimate demand revolving debt of the Corporation to the Bank shall not exceed the principal amount of one million dollars (\$1,000,000), which the Council deems necessary for the purpose of meeting current annual operating expenditures and obligations of the Corporation for each of the fiscal years over the borrowing period until such time as the taxes levied or to be levied therefore can be collected in each fiscal year and paid to the Bank, and the Corporation agrees to pay:
  - a. interest on such revolving loans, or on so much thereof as remains from time to time unpaid, at the Bank's prime interest rate per annum in effect from time to time plus 0.000% per annum, as well as before maturity, default and judgment, with interest on overdue interest at the same rate as the principal;
  - b. any fees (including the fees to operate the Corporations' account maintained at the Bank); and,
  - c. pursuant to Section 251(2)(b) of the *Municipal Government Act*, the interest rate in respect of such direct revolving advances shall not in any event exceed a maximum rate of 5% per annum.
2. That the revolving sum or sums so borrowed by the Corporation be payable on demand, and will be paid in full on or before the end of the borrowing period or earlier if the Bank demand therefore is made.
3. That the source of money to be used to repay the money borrowed hereunder, inclusive of all principal, interest thereon and the other amounts, shall include all amounts now or hereafter received by the Corporation by way of taxes and penalties on taxes assessed and/or levied by the Corporation over the borrowing period.

4. That the sum or sums so borrowed by the Corporation pursuant to this bylaw may be evidenced and secured by a credit agreement between the Corporation and the Bank, the debits and credits made to the operating account maintained by the Corporation with the Bank, and by such other agreements, account authorities, ledgers, loan statements or instruments as may be required or maintained by the Bank.
5. That one Elected Official (The Reeve or Deputy Reeve) and one Unelected Official (The Chief Administrative Officer or Director of Finance) are authorized to deliver to the Bank for and on behalf of the Corporation, such account authorities, instruments and agreements, including credit agreements, as may be required by the Bank for the Corporation to avail and evidence the Corporations \$1,000,000 Revolving Operating Line of Credit with the Bank as provided for in this bylaw,
6. The amount to be borrowed and the term of the loan will not exceed any restrictions set forth in the *Municipal Government Act*.
7. This bylaw shall take effect on the date of the third and final reading and remain in effect until the end of the borrowing period.

READ a first time on this 14 day of May, 2019.

READ a second time on this 14 day of May, 2019.

READ a third time on this 14 day of May, 2019

  
Brian C. Hammond      Reeve

  
Chief Administrative Officer