

Bylaw No. 987

BEING a Bylaw of the Town of Carstairs in the Province of Alberta, to authorize the temporary borrowing by bank loan in 2012.

WHEREAS, the Council of the Town of Carstairs, in the Province of Alberta, considers it necessary to borrow a sum of money to meet current operating expenditures and obligations of the Corporation.

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

1. The Corporation borrows not more than the sum of five hundred thousand (\$500,000.00) dollars from the ATB Financial Branch, Carstairs, Alberta for the purpose of meeting the current operating expenditures and obligations of the Corporation.
2. The Mayor and Chief Administrative Officer be hereby authorized for and on behalf of the Town of Carstairs,
 - a. To apply to the ATB Financial for the aforesaid loan to the Town of Carstairs and,
 - b. Execute on behalf of the Town of Carstairs such bills, debentures, promissory notes for similar forms or obligations that ATB Financial may require as evidence of and security for, all sums borrowed hereunder,

AND each such bill, debenture promissory note or obligation shall be valid and binding upon the Town of Carstairs according to its tenor, and ATB Financial shall never be bound to inquire whether such officers are observing limitations of their authority as set forth in this Bylaw.

3. **NOTWITHSTANDING THE FOREGOING**, the Mayor and Chief Administrative Officer shall apply such part of the foregoing sum authorized to be borrowed in repayment of previous borrowings of the Town of Carstairs such that all amounts borrowed and outstanding by the Town of Carstairs at any time to ATB Financial and to all other persons, firms and corporations shall not exceed the amount of taxes levied or estimated to be levied by the Town of Carstairs for the current year.
4. **ALL** sums borrowed pursuant to paragraph 2 hereof, shall bear interest at a rate per annum equal to the prime rate of interest charged by ATB Financial and advances in effect from time to time, any change in the prime rate charged by ATB Financial for advances and such interest shall be calculated and due and payable monthly.
5. **ALL** sums authorized to be borrowed hereunder, including interest, shall be due and payable in full no later than December 31 of the current year, unless hereafter extended by authority of the Council of the Town of Carstairs.
6. **AS** security for payment of money borrowed pursuant to paragraph one, hereof, the Council hereby pledges to ATB Financial the whole of the unpaid taxes and penalties on taxes assessed or levied in any prior years together with penalties thereon, that are owed to the Town of Carstairs and the whole of the taxes from the current year that are now or may become owing to the Town of Carstairs, but such security shall be collateral to the obligation of the Town of Carstairs to repay with interest all sums borrowed from ATB Financial and ATB Financial shall not be bound to recover any such taxes or penalties before being entitled to payment from the Town of Carstairs.
7. In the event the Council of the Town of Carstairs decided to extend the said loan, and ATB Financial is prepared to extend the said loan, any renewal or extension bill, debenture, promissory note or other obligations executed by the officers designated in paragraph two hereof and delivered to ATB Financial, shall be valid and conclusive proof as against the Town of Carstairs 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 obligations and ATB Financial shall not be bound to inquire into the authority of such officers to execute and deliver any such renewal or tension document.
8. This bylaw comes into force on the final passing thereof.

READ A FIRST TIME THIS 12TH DAY OF DECEMBER A.D., 2011.

READ A SECOND TIME THIS 12TH DAY OF DECEMBER A.D., 2011.

READ A THIRD AND FINAL TIME THIS 12TH DAY OF DECEMBER A.D., 2011.

Lance Colby, Mayor

Carl McDonnell, CAO