

**BYLAW 850-B-04-22
TOWN OF COALDALE
PROVINCE OF ALBERTA**

**BEING A BYLAW OF THE TOWN OF COALDALE
TO AUTHORIZE TO PERMIT THE BORROWING OF CERTAIN FUNDS
TO MEET CURRENT EXPENDITURES**

WHEREAS the Council of the Town of Coaldale (hereinafter call the “Municipality”) considers it necessary to borrow certain sums of money from time to time to meet current expenditures of the Municipality;

AND WHEREAS the provisions of Section 256 of the Municipal Government Act, S.A. 2000, permits the Council to borrow sums to meet current operating expenditures and obligations of the Municipality and provides for the granting of security therefore;

NOW THEREFORE, the Council of the Town of Coaldale in the Province of Alberta duly assembled, enacts as follows:

1. The Municipality do borrow from BMO Bank of Montreal, sums of money from time to time in the said financial year as required to meet current expenditures of the Municipality, provided that the total principal amount owed to BMO Bank of Montreal at any one time hereunder shall not exceed the sum of FOUR MILLION (\$4,000,000) DOLLARS.
2. The Mayor and Chief Financial Officer are hereby authorized for and on behalf of the Municipality:
 - a) to apply to BMO Bank of Montreal for the aforesaid loan to the Municipality; and
 - b) to obtain advances of monies from BMO Bank of Montreal by way of an overdraft on the Municipality’s account at BMO Bank of Montreal, or pursuant to promissory notes or other evidence on indebtedness, as may be permitted or required by BMO Bank of Montreal; and
 - c) to execute on behalf of the Municipality such bills, debentures, promissory notes or similar forms of obligation as BMO Bank of Montreal may require as evidence of security for all sums borrowed hereunder;
3. Notwithstanding and foregoing, the Mayor and Chief Financial Officer shall apply such part of the foregoing sum authorized to be borrowed in repayment of

previous borrowing of the Municipality such that all amounts borrowed for the purpose of financing operating expenditures and outstanding by the Municipality at any one time to BMO Bank of Montreal and to all other persons, firms and corporations shall not exceed the amount of taxed levied or estimated to be levied by the Municipality for the financial year.

4. All sums borrowed as aforesaid or so much thereof as from time to time remains unpaid shall bear interest at a rate of per annum equal to the Prime Lending Rate established from time to time by BMO Bank of Montreal, and such interest shall be calculated and be due and payable monthly.
5. All sums authorized to be borrowed hereunder, including interest, shall be due and payable in full within three years of each borrowing.
6. As security for payment of money borrowed hereunder, the Municipality hereby charges to and in favor of BMO Bank of Montreal the whole of the taxed levied or to be levied by the Municipality and all other money due or accruing due to the Municipality, and the Mayor and Chief Financial Officer of the Municipality are hereby authorized on behalf and in the name of the Municipality to execute and deliver to BMO Bank of Montreal such security documents as BMO Bank of Montreal may require in relation to the foregoing charge. The said charge shall be collateral to the obligation of the Municipality to repay with interest all sums borrowed from BMO Bank of Montreal and BMO Bank of Montreal shall not be bound to recover any such taxes, requisitions or other monies before being entitled to payment from the Municipality.
7. Borrowing Bylaw 803-B-02-21 is rescinded.
8. This bylaw shall come into full force and effect when this Bylaw has achieved third reading and is duly signed.

READ a FIRST time this 25th day of April, 2022, for Borrowing Bylaw 850-B-04-22.

Mayor – Jack Van Rijn
Motion: 154-2022

CAO – Kalen Hastings

READ a SECOND time this 25th day of April, 2022, for Borrowing Bylaw 850-B-04-22.

Mayor – Jack Van Rijn
Motion: 155-2022

CAO – Kalen Hastings

READ a THIRD and FINAL time this 9th day of May, 2022, for Borrowing Bylaw 850-B-04-22.

Mayor – Jack Van Rijn
Motion: 182-2022

CAO – Kalen Hastings