

**MUNICIPAL DISTRICT OF BRAZEAU NO. 77**

**BY-LAW NO. 365-99**

**BEING A BY-LAW OF THE MUNICIPAL DISTRICT OF BRAZEAU NO. 77, IN THE PROVINCE OF ALBERTA, TO BORROW CERTAIN SUMS OF MONEY FROM TIME TO TIME TO MEET CURRENT EXPENDITURES OF THE MUNICIPALITY FOR ITS FINANCIAL YEAR COMMENCING JANUARY 1, 2000.**

**WHEREAS**, the amount of taxes levied or estimated to be levied for the current year by the Municipal District of Brazeau No. 77 (hereinafter called "the Municipality") for all purposes including ordinary current expenditures is the sum of nineteen million dollars (\$19,000,000);

**AND WHEREAS**, the Council of the Municipality deems it necessary to borrow and expend the sum of two million dollars (\$2,000,000) to meet the current expenditures and obligations of the Municipality until such time as the taxes levied or to be levied therefore can be collected;

**AND WHEREAS**, after the borrowing of the amount hereby authorized to be borrowed, the total borrowings outstanding to meet the current expenditures and obligations of the Municipality will not exceed the amount of taxes levied or estimated to be levied for the current year by the Municipality;

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

**THEREFORE THE COUNCIL FOR THE MUNICIPALITY HEREBY ENACTS** as follows:

1. That the Municipality does borrow from time to time from the Royal Bank of Canada (herein called the ABank@) either by way of direct loans from the Bank or (if so permitted by the Bank) by way of bankers= acceptances accepted by the Bank (or any combination thereof), a sum or sums not exceeding the aggregate amount of Two Million 00/100 Dollars (\$2,000,000.00) which the Council deems necessary for the purpose of meeting current expenditures and obligations of the Municipality until such time as the taxes levied or to be levied therefore can be collected, and agree to pay:
  - (a) interest on such direct 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 minus 1/4% per annum, as well after as before maturity, default and judgement, with interest on overdue interest at the same rate as the principal; and

*O.H.*  
*col*

- (b) stamping fees in respect of any such bankers= acceptances accepted by the Bank from time to time, at such rate or rates as may be agreed to from time to time by the Reeve and the Municipal Manager of the Municipality on behalf of the Municipality;

provided that, pursuant to Section 251 (2)(b) of the Municipal Government Act, neither the interest rate in respect of such direct loans nor the yield in respect of such bankers= acceptances (after giving effect to applicable stamping fees payable in respect thereof) shall in any event exceed a maximum rate of 30% per annum.

2. That the sum or sums so borrowed by the Corporation be payable on demand.
3. That the sum or sums so borrowed by the Municipality shall be evidenced and secured by a promissory note or notes of the Municipality or by such other agreements or instruments as may be required by the Bank.
4. That the source of money to be used to repay the money borrowed hereunder and interest thereon (and amounts payable in respect of such bankers= acceptances) shall include all amounts received by the Municipality by way of taxes and penalties on taxes assessed and/or levied by the Municipality in previous years together with penalties thereon, the whole of the taxes assessed or to be assessed and/or levied for the current year and all other revenues received by the Municipality from time to time from any source whatsoever and the Municipality shall deposit in an account with the Bank all of the amounts received by the Municipality by way of the said taxes, penalties and other revenues as collected and the same shall be applied as far as necessary to the repayment of moneys borrowed hereunder and interest and other amounts payable in respect thereof, but the Bank shall not be restricted to the said taxes, penalties and other revenues for the payment of the money borrowed as aforesaid, or be bound to wait for repayment of such money and interest and other amounts until such taxes, penalties and other revenues can be collected, or be required to see that the said taxes, penalties and other revenues are deposited as aforesaid.
5. That the Municipality do hereby charge all of the aforesaid taxes, penalties and other revenues as security for the repayment of the monies borrowed hereunder and interest and other amounts payable in respect thereof and enter into such agreements evidencing same as may be required by the Bank.
6. That the Reeve and Municipal Manager of the Municipality are hereby authorized to execute and deliver to the Bank, for and on behalf of the Municipality, such promissory note or notes, instruments and agreements as may be required by the Municipality to evidence the transactions provided for in this bylaw and upon the execution and delivery of any such promissory note or notes, instrument or agreement by the Reeve and Municipal Manager on behalf of the Municipality, such promissory note or notes, instrument or agreement shall conclusively be deemed to be the promissory note or notes, instrument or agreement authorized by this bylaw.

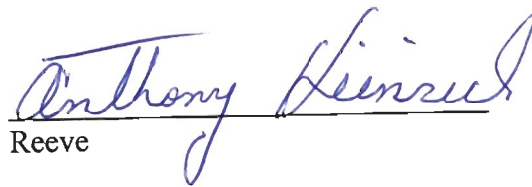
*A.H.*

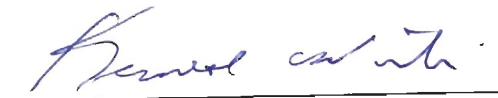
7. That nothing contained herein shall waive, prejudicially affect or exclude any right, power, benefit or security by statute, common law or otherwise given to or implied in favour of the said Bank.

**READ** a first time this 24<sup>th</sup> day of November, 1999.

**READ** a second time this 24<sup>th</sup> day of November, 1999.

**READ** a third time with the unanimous consent of the Councillors present and finally passed this 24<sup>th</sup> day of November, 1999.

  
Reeve

  
Municipal Manager