



Town of Bowden
Box 338, 2101 20th Ave
Bowden, Alberta, T0M 0K0

Town of Bowden – Province of Alberta BORROWING BYLAW 02 /2024

Whereas the Municipal Government Act, RSA2000, Chapter M-26 section 251 provides that a Municipality may only make a borrowing if the borrowing is authorized by a Borrowing Bylaw,

And whereas, the Municipal Government Act, RSA2000, Chapter M-26 sections 256(1), (2) & (3) provides that a Municipality may make a borrowing for the purpose of financing operating expenditures,

And whereas, the amount of taxes estimated to be levied for the year 2024 by the Town of Bowden for all purposes is estimated to be the sum of One Million, Four Hundred and Six Thousand, Six Hundred and Seventy-Six dollars, (\$1,406,676),

And whereas, the Municipal Council of the Town of Bowden deems it necessary to authorize the short-term borrowing for the sum of up to Two Hundred Thousand Dollars (\$200,000) to finance budgeted operating expenditures,

And whereas, the amount of borrowings made for the purpose of financing operating expenditures will not exceed the amount of taxes estimated to be levied for the year 2024 by the Town of Bowden,

Now therefore, the Municipal Council of the Town of Bowden hereby enacts as follows:

1 SHORT TITLE

This bylaw may be known as and cited as the "Borrowing Bylaw".

2 AGREEMENT

2.1 That the Municipal Council of the Town of Bowden borrow from ATB Financial up to the sum of Two Hundred Thousand Dollars (\$200,000) an "operating loan facility" to meet the operating expenditures and obligations of the Town of Bowden for the year 2024, and further agree to pay interest on the daily outstanding principal at "prime" minus 0.25% per annum, payable on the last day of each month.

2.2 That the Chief Elected Official and the Chief Administrative Officer of the Town of Bowden are authorized to:

- i. arrange with ATB Financial for the amount of a loan of \$200,000, and for the terms and conditions of the loan to be entered into agreement with ATB Financial,
- ii. as security for the loan, provide ATB Financial all such promissory notes as may be required to provide evidence of the debt,

iii. as security for the loan, provide ATB Financial all such securities as may be required to provide to secure repayment of the loan and interest thereon,

2.3 The source of money to be used to repay the principal and interest owing under this borrowing agreement are reserves, and revenues received from the collection of property taxes.

2.4 The facility is payable in full, on demand, by the Lender.

2.5 The amount to be borrowed and the term of the loan will not exceed the requirements set out within the Municipal Government Act.

3 BYLAW PRECEDENCE

This Bylaw supersedes and takes precedence over all previously passed bylaws that are referred to as the Borrowing Bylaw.

Bylaw **01 / 2023** and all amendments thereto are hereby repealed.

This bylaw will come into effect on the final day of passing and signature thereof.

Notes:

- 1 All references in this bylaw to an act, statute, regulation, or other bylaw refer to the current version of that enactment, as amended or replaced from time to time including all successor legislation.
- 2 This bylaw does not have to be advertised as per section 256(3) of the MGA.

Read a first time in open council this 26th day of February 2024,

Read a second time in open council this 26th day of February 2024,

and finally passed by unanimous consent of the Councillor's present.

Read a third time in open council this 26th day of February 2024,

Robb Stuart
Mayor

Rudy Friesen
Chief Administrative Officer