

**MUNICIPAL BORROWING BYLAW**  
**For the Purpose Specified in Sections 251 and 256 of the Municipal Government Act**

**BYLAW NO. 2020/1**

WHEREAS the Council of Red Deer County (hereinafter called the "Corporation") in the Province of Alberta, considers it necessary to borrow certain sums of money for the purpose of a revolving line of credit.

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 be authorized to borrow from Servus Credit Union ("Credit Union") up to the principal sum of \$25,000,000, from the date of passing of this bylaw to February 18, 2023, repayable upon demand at a rate of interest per annum not to exceed the Prime Lending Rate, less 0.50%, from time to time established by the Credit Union, and such interest will be calculated daily and due and payable monthly on the last day of each and every month.
2. The Chief Elected Officer and the Chief Administrative Officer are authorized for and on behalf of the Corporation:
  - (a) to apply to the Credit Union for the aforesaid loan to the Corporation and to arrange with the Credit Union for the amount, terms and conditions of the loan and security or securities to be given to the Credit Union;
  - (b) as security for any money borrowed from the Credit Union
    - (i) to execute promissory notes and other negotiable instruments or evidences of debt for such loans and renewals of all such promissory notes and other negotiable instruments or evidences of debts;
    - (ii) to give or furnish to the Credit Union all such securities and promises as the Credit Union may require to secure repayment of such loans and interest thereon; and
    - (iii) to execute all security agreements, hypothecations, debentures, charges, pledges, conveyances, assignments and transfers to and in favor of the Credit Union of all or any property, real or personal, moveable or immovable, now or hereafter owned by the Corporation or in which the Corporation may have any interest, and any other documents or contracts necessary to give or to furnish to the Credit Union the security or securities required by it.
3. The source or sources of money to be used to repay the principal and interest owing under the borrowing from the Credit Union are the whole of the taxes levied or to be levied by the Corporation, requisitions made or to be made by the Corporation, and all other money due or accruing due to the Corporation.
4. The amount to be borrowed and the term of the loan will not exceed any restrictions set forth in the Municipal Government Act.

5. In the event that the Municipal Government Act permits extension of the term of the loan and in the event the Council of the Corporation decides to extend the loan and the Credit Union is prepared to extend the loan, any renewal or extension, bill, debenture, promissory note, or other obligation executed by the officers designated in paragraph 2 hereof and delivered to the Credit Union will be valid and conclusive proof as against the Corporation 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 obligation, and the Credit Union will not be bound to inquire into authority of such officers to execute and deliver any such renewal, extension document or security.

6. Bylaw No. 2017/5 is hereby rescinded at the passing of this Bylaw.

7. This Bylaw comes into force on the final passing thereof.

**Certificate**

WE HEREBY CERTIFY that the foregoing resolution was duly passed by the Council of the Corporation therein mentioned at a duly and regularly constituted meeting thereof held on the 18<sup>th</sup> day of February, 2020, at which a quorum was present, as entered in the minutes of the said Council, and that the Bylaw has come into force and is still in full force and effect.

WITNESS our hands and the seal of the Corporation this 18<sup>th</sup> day of February, 2020.

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Chief Elected Official (Mayor)

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Chief Administrative Officer (County Manager)