

BY-LAW NO. 53-01

PARKLAND COUNTY

**A BY-LAW OF PARKLAND COUNTY TO BORROW
MONEY TO MEET CURRENT OPERATING
EXPENDITURES AND OBLIGATIONS**

WHEREAS the Council of Parkland County (hereafter called the "Corporation") may consider it necessary to borrow sums of money from time to time 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 By-Law that:

- 1.0 The Corporation borrow from Capital City Savings and Credit Union, Limited. (hereinafter called the "Credit Union") such sums of money as may from time to time be required to meet current operating expenditures and obligations of the Corporation, provided the total principal amount owed the Credit Union at any time hereunder shall not exceed the sum of Five Million (\$5,000,000.00) Dollars.
- 2.0 The Corporation Chief Elected Official and Chief Administrative Officer or designates (hereinafter called the "Signing Authority"), be authorized for and on behalf of the Corporation:
 - a) to apply to the Credit Union for the aforesaid loan to the Corporation; and
 - b) execute on behalf of the Corporation such bills, debentures, promissory notes or similar forms of obligation as the Credit Union may require as evidence of and security for all sums borrowed hereunder;

and each document executed as aforesaid shall be valid and binding upon the Corporation according to its tenor, and the Credit Union shall never be bound to inquire whether such officers are observing the limitations on their authority as set forth in this By-Law.

- 3.0 Notwithstanding the foregoing, the Signing Authority shall apply such part of the foregoing sum authorized to be borrowed in repayment of previous borrowings of the Corporation such that all amounts borrowed and outstanding by the Corporation at any time to the Credit Union and to all other persons, firms or corporations shall not exceed the amount of the taxes levied or estimated to be levied by the Corporation for the current year.
- 4.0 All sums borrowed pursuant to Paragraph 1 hereof shall bear interest at the prime rate less one half percent (hereinafter called the "interest rate") charged by the Credit Union for advances in effect from time to time, any change in the said interest rate to become effective on the business day following the corresponding change in the interest rate charged by the Credit Union for advances, and such interest rate shall be calculated and due and payable monthly.

- 5.0 All sums authorized to be borrowed hereunder, shall be due and payable within one full year of the date of borrowing, unless hereafter extended by authority of the Council of the Corporation. Accrued interest to be paid monthly. The source of repayment of principal and interest will be through Municipal tax revenue.
- 6.0 As security for payment of money borrowed pursuant to Paragraph 1 hereof, the Council hereby pledges to the Credit Union 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 Corporation, and the whole of the taxes for the current year that are now or may become owing to the Corporation, but such security shall be collateral to the obligations of the Corporation to repay with interest all sums borrowed from the Credit Union, and the Credit Union shall not be bound to recover any such taxes or penalties before being entitled to payment from the Corporation.
- 7.0 In the event the Council of the Corporation decides to extend the said loan and the Credit Union are prepared to extend the said loan any renewal or extension bill, debenture, promissory note or other obligation executed by the Signing Authority in Paragraph 2 hereof and delivered to the Credit Union shall be valid and conclusive proof as against the Corporation of the decision of 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 shall never be bound to inquire into the authority of such officers to execute and deliver any such renewal or extension document.
- 8.0 By-Law No. 5-97 is hereby repealed.
- 9.0 This By-Law comes into force on the final passing thereof.

FIRST READING GIVEN THIS 27th DAY OF November, 2001.

SECOND READING GIVEN THIS 27th DAY OF November, 2001.

THIRD AND FINAL READING GIVEN THIS 27th DAY OF November, 2001.


MAYOR

ACTING 
COUNTY COMMISSIONER