

**TOWN OF MORINVILLE  
PROVINCE OF ALBERTA  
OPERATING BORROWING BYLAW  
Bylaw 6/2023  
Page 1**

A BYLAW OF THE TOWN OF MORINVILLE, IN THE PROVINCE OF ALBERTA, TO ESTABLISH OPERATING BORROWING AUTHORITY AND CONDITIONS OF BORROWING.

**WHEREAS**, Sections 251 and 256 of the *Municipal Government Act* authorizes municipalities to make a borrowing for the purpose of financing operating expenditures, subject to certain conditions;

**NOW THEREFORE**, the Municipal Council of the Town of Morinville, Alberta, duly assembled, hereby enacts as follows:

**1.0 BYLAW TITLE**

1.1 This Bylaw shall be cited as the "Operating Borrowing Bylaw".

**2.0 DEFINITIONS**

- 2.1 "Act" means the *Municipal Government Act, R.S.A. 2000, c. M-26* as may be amended from time to time or any legislation which replaces the Act and includes any regulation to the Act or to any replacement legislation;
- 2.2 "Borrowing or Borrowings" shall refer to any and all financing advanced pursuant to this Bylaw;
- 2.3 "Morinville" means the Town of Morinville;
- 2.4 "Council" means the duly elected officers of the Town of Morinville and the Chief Elected Officer;
- 2.5 "Lender" means a branch in Canada of a bank, credit union or a treasury branch from which Morinville borrows any money pursuant to this Bylaw;
- 2.6 "Prime Lending Rate" means the rate of interest per annum established and reported by the Lender to the Bank of Canada from time to time as the reference rate of interest for the determination of interest rates that the Lender charges to customers of varying degrees of credit worthiness in Canada for Canadian dollar loans made by it in Canada.

**3.0 AUTHORIZATION FOR BORROWING**

- 3.1 Pursuant to the provisions of Section 251 of the Act, Council hereby authorizes the Chief Administrative Officer (CAO), or the CAO's delegate to:
- a) Borrow from time to time from a Lender, by means of overdraft, promissory note, line of credit, credit card or similar forms of obligation, such money as may be required for the purpose of financing operating expenditures of the Town, subject to the conditions herein.

**4.0 CONDITIONS OF BORROWING**

- 4.1 The money obtained by Morinville from a borrowing shall be used for the purpose of financing operating expenditures.
- 4.2 The total amount borrowed shall not exceed \$1,500,000 outstanding at any one time.

**TOWN OF MORINVILLE  
PROVINCE OF ALBERTA  
OPERATING BORROWING BYLAW  
Bylaw 6/2023  
Page 2**

4.3 All borrowing shall be at a rate of interest, which does not exceed the Lender's Prime Lending Rate, provided that, in any event, the Prime Lending Rate does not exceed a maximum rate of interest of 20% percent.

4.4 The term of repayment for any one Borrowing shall be no more than one year from the date that the advance of such Borrowing is made.

4.5 Repayment of the principal and interest from a borrowing shall be from Morinville's general revenues.

**5.0 SECURITY**

5.1 All borrowings under this Bylaw shall be on the general credit and security of the Town at large.

**6.0 REVIEW**

6.1 This bylaw shall be reviewed annually as part of the annual budget process.

**7.0 EXPIRY**

7.1 This bylaw expires on December 31, 2025.

**8.0 SEVERABILITY**

8.1 If any Section or parts of this Bylaw are found in any court of law to be illegal or beyond the power of Council to enact, such Section or parts shall be deemed to be severable and all other Sections or parts of this Bylaw shall be deemed to be separate and independent there from and to be enacted as such.

**COMING INTO FORCE**

That this Bylaw shall come into full force and effect upon the final passing thereof.

Following third reading of this Bylaw, Bylaw 4/2018 is hereby rescinded.

READ a first time in Council this 14<sup>th</sup> day of February, 2023.

READ a second time in Council this 28<sup>th</sup> day of March, 2023.

READ a third time in Council and finally passed this 28<sup>th</sup> day of March, 2023.

**ORIGINAL SIGNED** \_\_\_\_\_

Simon Boersma  
Mayor

**ORIGINAL SIGNED** \_\_\_\_\_

~~Nate~~ Narayan  
Chief Administrative Officer