

(General Bylaw)

**BYLAW NO. 2018-01
OF THE TOWN OF RAINBOW LAKE**

(hereinafter referred to as "the Municipality")

IN THE PROVINCE OF ALBERTA

This bylaw authorizes the Council of the Municipality to incur indebtedness by the issuance of debenture(s) in the amount of \$1,500,000 for the purpose of construction of a new library.

WHEREAS:

The Council of the Municipality has decided to issue a bylaw pursuant to Section 258 of the *Municipal Government Act* to authorize the financing, undertaking and completion of the new library.

Plans and specifications will be prepared, and the total cost of the project is estimated to be \$1,500,000 and the Municipality estimates the following grants and contributions will be applied to the project:

Debenture(s)	\$1,500,000
Total Cost	\$1,500,000

In order to complete the project, it will be necessary for the Municipality to borrow the sum of \$1,500,000, for a period not to exceed 25 years, from the Alberta Capital Finance Authority or another authorized financial institution, by the issuance of debentures and on the terms and conditions referred to in this bylaw.

The estimated lifetime of the project financed under this bylaw is equal to, or in excess of 25 years.

The principal amount of the outstanding debt of the Municipality at December 31, 2017 is \$1,589,731.13 and no part of the principal or interest is in arrears.

All required approvals for the project will be obtained and the project will be in compliance with all *Acts* and *Regulations* of the Province of Alberta prior to any capital being spent on construction of the building. It is understood that a portion of the capital will need to be spent to develop plans and specifications.

**NOW, THEREFORE, THE COUNCIL OF THE MUNICIPALITY
DULY ASSEMBLED, ENACTS AS FOLLOWS:**

1. That for the purpose of constructing the new library the sum of ONE MILLION, FIVE HUNDRED DOLLARS (\$1,500,000) will be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debenture on the credit and security of the Municipality at large, of which amount the full sum of \$1,500,000 by the Municipality at large.
2. The proper officers of the Municipality are hereby authorized to issue debenture(s) on behalf of the Municipality for the amount and purpose as authorized by this bylaw, namely the construction of the new library.
3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely semi-annual or annual equal payments of combined principal and interest instalments not to exceed TWENTY FIVE (25) years calculated at a rate not exceeding the interest rate fixed by the Alberta Capital Finance Authority, or another authorized financial institution, on the date of the borrowing, and not to exceed TEN (10) percent.
4. The Municipality shall levy and raise in each year municipal taxes sufficient to pay the indebtedness.
5. The indebtedness shall be contracted on the credit and security of the Municipality.
6. The net amount borrowed under the bylaw shall be applied only to the project specified by this bylaw.
7. This bylaw comes into force on the date it is passed.

READ A FIRST TIME THIS ____ DAY OF ____ 20 ____

READ A SECOND TIME THIS ____ DAY OF ____ 20 ____

READ A THIRD TIME THIS ____ DAY OF ____ 20 ____

Michelle Farris, Mayor

T. Troy Jenkins, CAO

SEAL