

BY-LAW NO. 2020-08
MUNICIPAL BORROWING BY-LAW
OF THE TOWN OF TROCHU

(hereinafter referred to as “the Municipality”)

IN THE PROVINCE OF ALBERTA

This by-law authorizes the Council of the Municipality to incur indebtedness by the issuance of debenture(s) in the amount of \$2,700,000 for the purpose of expanding the sewage lagoon to address the current and future demands of the municipality while meeting the Provincial and Federal legislative requirements

WHEREAS: The Council of the Municipality has decided to issue a by-law pursuant to Section 258 of the *Municipal Government Act* to authorize the financing, undertaking and completion of the Lagoon Expansion project as described in the local improvement plan authorized by council.

AND WHEREAS: Plans and specifications have been prepared and the total cost of the project is estimated to be \$3,400,000 and the Municipality estimates the following contributions will be applied to the project:

Project	Estimated Cost	Grant Funding Received	Borrowing Funding
Lagoon Expansion	\$3,400,000	\$700,000	\$2,700,000

AND WHEREAS: In order to complete the project it will be necessary for the Municipality to borrow the sum of \$2,700,000, for a period not to exceed 30 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 by-law.

AND WHEREAS: The estimated lifetime of the project financed under this by-law is equal to, or in excess of 30 years.

AND WHEREAS: The principal amount of the outstanding debt of the Municipality at December 31, 2019 is \$835,824 and no part of the principal or interest is in arrears.

AND WHEREAS; after the borrowing of the amount hereby authorized to be borrowed, the Municipality will not have exceeded the debt limit established for the Municipality pursuant to the *Municipal Government Act*.

AND WHEREAS: All required approvals for the project have been obtained and the project is in compliance with all *Acts* and *Regulations* of the Province of Alberta.

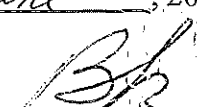
NOW, THEREFORE, THE COUNCIL OF THE MUNICIPALITY DULY ASSEMBLED, ENACTS AS FOLLOWS:

1. That for the purpose of completing the Lagoon Expansion project a sum not to exceed **TWO MILLION and SEVEN HUNDRED THOUSAND DOLLARS (\$2,700,000)** 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.
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 by-law, namely the Lagoon Expansion project.
3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely annual or semi-annual equal payments of combined principal and interest instalments not to exceed **THIRTY (30) 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 **EIGHT (8%) PERCENT**.
4. The indebtedness shall be contracted on the credit and security of the Municipality.
5. The net amount borrowed under the by-law shall be applied only to the project specified by this by-law.
6. This by-law comes into force on the date it is passed.

READ A FIRST TIME THIS 8th DAY OF June, 2020.

READ A SECOND TIME THIS 22nd DAY OF June, 2020.

READ A THIRD TIME THIS 22nd DAY OF June, 2020.


Barry Kletke - MAYOR


Carl Peterson - CAO