

BYLAW NO. 2025-02
OF THE TOWN OF TROCHU
(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 A DEBENTURE(S) in the amount of up to Two Million, Seven Hundred Thousand Dollars (\$2,700,000.00) from the Province of Alberta, or other financial institution for the purpose of the subdivision, construction and installation of the roadways and civil infrastructure necessary to develop Phase 1 of the Northwest Subdivision.

WHEREAS the Council of the Municipality has decided to issue a bylaw pursuant to Section 258(1) of the *Municipal Government Act*, RSA 2000, Chapter M-26 (the "Act"), as amended, to authorize the financing, undertaking and completion of the development of Phase 1 of the Northwest Subdivision.

WHEREAS plans and specifications have been prepared, and the total cost of the project is estimated to be Six Million dollars (\$6,000,000.00), and the Municipality estimates the following grants and contributions will be applied to the project:

Provincial Grants \$1,500,000.00

Federal Grants \$ 1,800,000.00

Debentures \$ 2,700,000.00

Total \$ 6,000,000.00

WHEREAS: the estimated lifetime of the project financed under this bylaw is equal to, or in excess of forty (40) years; and

WHEREAS: the principal amount of the outstanding debt of the Municipality at December 31, 2023, is \$590,073.33 and no part of the principal or interest is in arrears; and

WHEREAS: Ministerial Order No. MSD-077/24, dated October 11, 2024, authorizes the Municipality to exceed its regulated debt limit and debt service limits to finance the construction of the Facility; 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 the subdivision, construction and installation of the roadways and civil services to develop Phase 1 of the Northwest Subdivision, the sum of up to TWO MILLION, SEVEN HUNDRED THOUSAND DOLLARS (\$2,700,000.00) be borrowed from the

Province of Alberta or another authorized financial institution by way of debenture, term loan, interim financing, credit facility, or a combination thereof, of which sum so borrowed is to be repaid 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 authorized by this Bylaw, namely, the subdivision, construction and installation of the roadways and civil infrastructure necessary to develop Phase 1 of the Northwest Subdivision.
3. The Municipality shall repay the indebtedness according to the repayment structure in the governing loan documents, but in any event over a term not to exceed Twenty-five (25) years with repayment terms not to exceed the Municipality's debt servicing limit.
4. The indebtedness shall bear an interest rate established in the loan documents on the date of borrowing, such interest not to exceed Ten Percent (10%) per annum.
5. The source or sources of money to be used to repay the principal and interest owing under the borrowing are:
 - The sale of lots and allocation of municipal taxes sufficient to pay the indebtedness.
6. The indebtedness shall be borrowed on the credit and security of the Municipality.
7. The net amount borrowed under the bylaw shall be applied only to the project specified by this bylaw.
8. This bylaw comes into force on the date it is passed.

READ A FIRST TIME THIS 10th DAY OF February, 2025.

READ A SECOND TIME THIS 10th DAY OF March, 2025.

READ A THIRD TIME THIS 10th DAY OF March, 2025.

X



Barry Kletke, (Mayor)

X



Carl Peterson, (CAO)