

**TOWN OF LACOMBE
BYLAW 333**

Authorizes the Council of the Town of Lacombe to incur indebtedness by the issuance of debentures in the amount of \$ 700,000 for the Purchase of an Aerial Fire Truck.

WHEREAS the Council of the Town of Lacombe (Municipality) has decided to issue a by-law pursuant to Section 258 of the Municipal Government Act R.S.A. 2000, c. M-26 to authorize the purchase of the Aerial Fire Truck; and

AND WHEREAS plans and specifications have been prepared and the total cost of the project is estimated to be \$969,944 and the Municipality estimates the following grants and contributions will be applied to the project:

Municipal Sponsorship Grant	\$150,000
Contributions from Others	<u>\$119,944</u>
Total Other Contributions	\$269,944

AND WHEREAS in order to complete the project it will be necessary for the Municipality to borrow the sum of \$ 700,000, 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.

AND WHEREAS the estimated lifetime of the project financed under this by-law is equal to, or in excess of 25 years.

AND WHEREAS the principal amount of the outstanding debt of the Municipality at December 31, 2004 is \$9,473,009 and no part of the principal or interest is in arrears.

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 TOWN OF LACOMBE IN THE PROVINCE OF ALBERTA DULY ASSEMBLED ENACTS AS FOLLOWS:

1. That for the purpose of purchasing an Aerial Fire Truck, the sum of Seven Hundred Thousand Dollars (\$ 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, of which amount the full sum of \$700,000 to be paid by the Municipality at large.
2. The proper officers of the Municipality are hereby authorized to issue debentures on behalf of the Municipality for the amount and purpose as authorized by this by-law, namely the Mayor and Chief Administrative Officer of the Municipality.
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 installments 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 Fourteen (14) 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 by-law shall be applied only to the project specified by this by-law.
7. This by-law comes into force on the date it is passed.

INTRODUCED AND GIVEN FIRST READING this 25th day of April, 2005, A.D.

GIVEN SECOND READING this 14th day of November, 2005, A.D.

GIVEN THIRD AND FINAL READING this 14th day of November, 2005, A.D.

Judy Gordon
Mayor

Robert Jenkins
Chief Administrative Officer

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