

**TOWN OF LACOMBE
BYLAW 337**

This bylaw authorizes the Council of the Municipality to incur indebtedness by the issuance of debentures in the amount of \$3,000,000 for the Renovation and Expansion of the Lacombe Memorial Centre.

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 Renovation and Expansion of the Lacombe Memorial Centre.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$7,000,000 and the Municipality estimates the following grants and contributions will be applied to the project:

Provincial Grants	\$1,725,000
Local Municipal Grants	\$500,000
Debenture Borrowing	\$3,000,000
Other Contributions and Services	\$1,775,000
Total Cost	\$7,000,000

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$3,000,000, 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 by-law is equal to, or in excess of 50 years.

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.

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 Renovation and Expansion of the Lacombe Memorial Centre the sum of Three Million Dollars (\$3,000,000.00) 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 \$3,000,000 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 (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 12th day of December 2005

GIVEN SECOND READING this 13th day of February 2006

GIVEN THIRD READING this 13th day of February 2006

Judy Gordon
Mayor

Robert Jenkins
Chief Administrative Officer

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