

**BYLAW NO. 407
OF THE CITY OF LACOMBE**

(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) or bank loan in the amount of \$1,043,000 (One million, forty-three thousand dollars) for the purpose of acquiring the land and building related to the property commonly known as the Alberta Provincial Building.

WHEREAS:

The Council of the Municipality has decided to issue a by-law pursuant to Section 258 of the *Municipal Government Act* to acquire the land and building related to the property with the legal description of Lots 17 to 20 inclusive, Block 1, Plan RN1, commonly known as the Alberta Provincial Building.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$1,043,000 and the Municipality estimates the following grants and contributions will be applied to the project:

Capital Reserves	\$0
Provincial Grants	\$0
Debenture(s)	<u>\$1,043,000</u>
Total Cost	\$1,043,000

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$1,043,000, for a period not to exceed 15 years, from the Alberta Capital Finance Authority or another authorized financial institution, by the issuance of debentures or bank loan 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 20 years.

The principal amount of the outstanding debt of the Municipality at December 31, 2014 is \$7,729,457 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 acquiring the land and building related to the property commonly known as the Alberta Provincial Building the sum of one million, forty-three thousand DOLLARS (\$1,043,000) be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debenture or bank loan on the credit and security of the Municipality at large, of which amount the full sum of \$1,043,000 is to be paid by the Municipality at large.
2. The proper officers of the Municipality are hereby authorized to issue debenture(s) or sign loan documents on behalf of the Municipality for the amount and purpose as authorized by this by-law, namely the acquisition of the land and building related to the property commonly known as the Alberta Provincial Building
3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely, monthly, semi-annual or annual payments of combined principal and interest instalments not to exceed fifteen (15) 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 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.

READ A FIRST TIME THIS 25th DAY OF MAY, 2015.

READ A SECOND TIME THIS 13th DAY OF JULY, 2015.

READ A THIRD TIME THIS 13th DAY OF JULY, 2015.

Original Signed
(MAYOR)

Original Signed
(CHIEF ADMINISTRATIVE OFFICER)

SEAL