

**TOWN OF BON ACCORD
BY-LAW 2012-08
BORROWING BY-LAW**

THIS BYLAW AUTHORIZES THE COUNCIL OF THE TOWN OF BON ACCORD TO INCUR INDEBTEDNESS BY THE ISSUANCE OF DEBENTURE(S) IN THE AMOUNT OF \$500,000 FOR THE PURPOSE OF IMPROVING THE TOWNS FRONTAGE.

WHEREAS:

The Council of the Town of Bon Accord 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 Town Frontage Rehabilitation (Gateway Project).

Plans and specifications have been prepared and the total cost of the project is estimated to be \$500,000 and the Municipality estimates the following grants and contributions will be applied to the project:

Capital Reserves	\$0
Provincial Grants	\$0
Debenture(s)	\$500,000
Total Cost	\$500,000

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$500,000, for a period not to exceed ten 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 twenty years.

No part of the principal or interest amounts of outstanding debt of the Municipality at December 31, 2011 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.

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

1. That for the purpose of improving the Town's frontage the sum of FIVE HUNDRED THOUSAND DOLLARS (\$500,000) 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 \$500,000 is to be paid 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 as authorized by this by-law, namely the By-Law 2012-08, Borrowing By-law.
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 ten (10) 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 three point five (3.5) per centum.
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.

This bylaw shall repeal Bylaw 2012-07 and shall come into force on the date it is passed.

READ A FIRST TIME THIS 20th DAY OF APRIL, 2012.

Mayor Randolph Boyd

Chief Administrative Officer Vicki Zinyk

**TOWN OF BON ACCORD
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READ A SECOND TIME THIS 20th DAY OF April, 2012.

Mayor Randolph Boyd

Chief Administrative Officer Vicki Zinyk

READ A THIRD TIME THIS 20th DAY OF APRIL, 2012.

Mayor Randolph Boyd

Chief Administrative Officer Vicki Zinyk