

**BY-LAW NO. 1-2015
OF THE Town of Vermilion**

(hereinafter referred to as “the Municipality”)

IN THE PROVINCE OF ALBERTA

This by-law authorizes the Council of the Municipality to incur indebtedness by the issuance of debenture(s) in the amount of \$1,350,000 for the purchase of land and renovation for Protective Services.

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 renovation of the purchase of Lot 1A, Block 21, Plan 1221205 and Lot 6&7, Block 21, Plan 6647S (excepting thereout: the westerly fifty (50) feet throughout of Lot six (6) and the Westerly Sixty Two (62) feet throughout of Lot seven (7)).

Plans and specifications have been prepared and the total cost of the project is estimated to be \$1,350,000 and the Municipality estimates no grants and contributions will be applied to the project.

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$1,350,000, for a period not to exceed twenty 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 by-law.

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

The principal amount of the outstanding debt of the Municipality at December 31, 2014 is \$9,506,323 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 purchasing and renovating the said land Lot 1A, Block 21, Plan 1221205 and Lot 6&7, Block 21, Plan 6647S (excepting thereout: the westerly fifty (50) feet throughout of Lot six (6) and the Westerly Sixty Two (62) feet throughout of Lot seven (7)) the sum of One Million Three Hundred Fifty Thousand Dollars (\$1,350,000) 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 One Million Three Hundred Fifty Thousand dollars (\$1,350,000) 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 \$1,350,000.
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 instalments not to exceed twenty (20) 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 six (6) 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 IN COUNCIL THIS 6th DAY OF January, A.D. 2015.


Mayor


Town Manager

READ A SECOND TIME IN COUNCIL THIS 3RD DAY OF FEBRUARY, A.D. 2015


Mayor


Town Manager

READ A THIRD TIME IN COUNCIL THIS 3RD DAY OF FEBRUARY, A.D. 2015


Mayor


Town Manager

SEAL

This is a Certified True Copy