

**TOWN OF HARDISTY
BYLAW NO. 1154/10**

PROVINCE OF ALBERTA

**A BYLAW BEING ENACTED FOR THE PURPOSE OF BORROWING MONIES IN THE
AMOUNT OF \$100,000 FOR THE PURPOSES OF FINANCING THE PURCHASE OF ONE
NEW FIRE TRUCK**

WHEREAS Section 251 (1) of the Municipal Government Act provides that a municipality may only make a borrowing if the borrowing is authorized by a borrowing bylaw;

AND WHEREAS, Section 263 (1) of the Municipal Government Act provides for a borrowing made for the purpose of financing the cost of a local improvement to be funded in whole or in part by a local improvement tax;

AND WHEREAS, plans and specifications have been prepared and the total cost of the fire truck is \$280,356 and the Council of the Town of Hardisty has received confirmation of funding from the County of Flagstaff in the amount of \$125,000 and \$10,000 from Flint Hills, \$3,278 from Government of Alberta Municipal Sustainability Initiative leaving the remaining \$10 to be funded by the Town of Hardisty:

Fire Truck Purchase Price	\$280,356
Flagstaff County	-\$125,000
Flint Hills	-\$ 10,000
Municipal Sustainability	-\$ 43,278
Town general revenue	<u>-\$ 2,078</u>
Borrowing	\$100,000

In order to complete the project it will be necessary for the Town of Hardisty to borrow the sum of \$100,000, for a period not to exceed (5) five 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 20 years.

The principal amount of the outstanding debt of the Town of Hardisty at December 31st, 2008 is \$875,775.00 and not 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 Town of Hardisty, duly assembled, enacts the following:

1. That for the purpose of purchasing one new fire truck for the sum of One Hundred Thousand dollars (\$100,000) be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debenture on the credit and security of the Town of Hardisty at large.


2. The proper officers of the Town of Hardisty are hereby authorized to issue debentures on behalf of the Town of Hardisty for the amount and purpose as authorized by this by-law, namely the purchase of one new fire truck.
3. The Town of Hardisty 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 \$109,000.00 over 5 years calculated at a rate not exceeding the interest rate fixed by the Alberta Capital Authority or another authorized financial institution on the date of the borrowing, and not to exceed (3.0%) percent.
4. The Town of Hardisty shall levy and raise in each year taxes sufficient to pay the indebtedness.
5. The indebtedness shall be contracted on the credit and security of the Town of Hardisty.
6. The net amount borrowed under the by-law shall be applied only to the project specified by this by-law.
7. In the event that the Municipal Government Act permits extension of the term of the loan and in the event the Council for the Town of Hardisty decides to extend the loan and the authorized financial institution is prepared to extend the loan, any renewal or extension, bill, debenture, promissory note, or other obligation executed by the officers designated in paragraph 2 hereof and delivered to the authorized financial institution will be valid and conclusive proof as against the Town of Hardisty of the decision of the Council to extend the loan in accordance with the terms of such renewal or extension, bill, debenture, promissory note, or other obligation and the authorized financial institution will not be bound to inquire into the authority of such officers to execute and deliver any such renewal, extension document or security.

This Bylaw shall have force and take effect on the final reading thereof.

READ a first time this 24th day of February, A.D. 2010

READ a second time this 24th day of February, A.D. 2010

READ a third time this 24th day of February, A.D. 2010



Anita Miller, Mayor



Alan Parkin, CAO

