

BYLAW NO. 16-03
OF THE COUNTY OF VERMILION RIVER

(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 a debenture to the Alberta Capital Financing Authority in the amount of \$245,000 for the purpose of financing the Vermilion and District Housing Foundation Lodge Expansion

WHEREAS:

The Council of the Municipality has decided to issue a by-law pursuant to Section 251 of the *Municipal Government Act* to authorize the financing for the purpose of financing the Vermilion and District Housing Foundation Lodge Expansion;

Plans and specifications have been prepared and the total cost of the project is estimated to be Twelve Million Two Hundred and Fifty Thousand Dollars (\$12,250,000);

The Council of the Municipality has estimated the following grants and contributions will be received or applied to the Project:

Provincial Grant	\$ 4,900,000
Federal Grant	\$ 4,900,000
Town of Vermilion Financing	\$ 980,000
Vermilion & District Housing Foundation	\$ 980,000
Town of Vermilion Financing	\$ 245,000
Vermilion & District Housing Foundation	\$ 245,000 ;

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The estimated lifetime of the project financed under this by-law is equal to, or in excess of twenty (20) years;

The Municipality will repay the indebtedness over a maximum period not to exceed twenty (20) years in semi-annual installments, with interest not exceeding six percent (6%), or the interest rate fixed from time to time by the Alberta Capital Financing Authority, payable semi-annually.

The principal amount of the outstanding debt of the Municipality at December 31, 2014 is \$2,011,528 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 the Vermilion & District Housing Foundation Lodge Expansion project the sum of Two Hundred and Forty Five Thousand Dollars (\$245,000) 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 \$245,000 is to be paid by the Municipality at large.

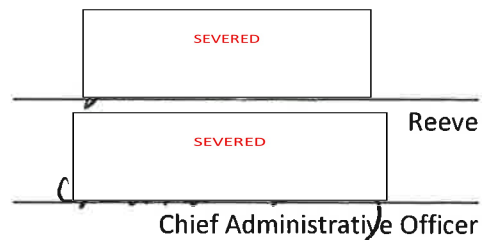
2. The proper officers of the Municipality are hereby authorized to issue debenture(s) on behalf of the Municipality for the amount and purpose as authorized by this by-law, namely 16-03, for the purpose of the Vermilion & District Housing Foundation Lodge Expansion project.
3. The Municipality shall 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 TEN (10) percent.
4. There shall be levied and raised in each year of the currency of the debenture, hereby authorized, a semi-annual charge against the Vermilion & District Housing Foundation that is sufficient to pay the principal and interest falling due in each such year and on each debenture issued pursuant to this Bylaw. In the event, the Vermilion & District Housing Foundation is unable to meet the payment there shall be levied and raised in each year of the currency of the debentures a levy on the assessed value of all lands and improvements shown on the assessment roll, sufficient to provide an annual tax adequate to pay the principal and falling due in such year on such debentures by the County at large. The said rates and taxes are collectible at the same time and in the same manner as other rates and taxes.
5. The said indebtedness is contracted on the credit and security of the Municipality at large.
6. The net amount realized by the issue of the loan under this Bylaw shall be applied only for the purpose for which the indebtedness was created.
7. This by-law comes into force on the date of third and final reading.

READ A FIRST TIME THIS 8th DAY OF March, 2016.

READ A SECOND TIME THIS 8th DAY OF March, 2016.

READ A THIRD TIME AND PASSED BY COUNCIL THIS 8th DAY OF March, 2016.

SIGNED BY THE REEVE AND CHIEF ADMINISTRATIVE OFFICER THIS 8th DAY OF March, 2016.



Reeve

Chief Administrative Officer