

**BYLAW NO. 1373-09**  
**OF THE TOWN OF VULCAN**  
**(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) in the amount of \$2,204,000.00 for the purpose of construction of a new sewage lagoon facility.

**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 completion of the sewage lagoon facility.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$6,610,558.00 and the Municipality estimates the following grants and contributions will be applied to the project:

Federal Grant	\$2,203,279.00
Provincial Grant	\$2,203,279.00
Debenture	\$2,204,000.00
Total Cost	\$6,610,558.00

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$2,204,000.00, for a period not to exceed 25 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 25 years.

The principal amount of the outstanding debt of the Municipality at December 31, 2008 is \$3,061,883.00 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:**

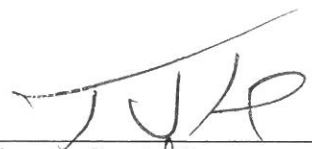
1. That for the purpose of constructing the new sewage lagoon facility the sum of TWO MILLION, TWO HUNDRED AND FOUR THOUSAND DOLLARS (2,204,000.00) be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debenture on the credit and security of the Municipality at large, of which amount the full sum of \$2,204,000.00 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 construction of the sewage lagoon facility.
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 TWENTY FIVE (25) 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. 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 DAY OF JULY 13, 2009.

READ A SECOND TIME THIS 24<sup>th</sup> DAY OF August 2009.

READ A THIRD TIME THIS DAY OF 24<sup>th</sup> August 2009.

  
Thomas Grant, Mayor

  
Alcide Cloutier, Chief Administrative Officer

**TOWN OF VULCAN SCHEDULE**  
**BORROWING BYLAW NO. 1373-09**

July 13, 2009	First Reading
July 22, 2009	Advertise – Week 1
July 29, 2009	Advertise – Week 2
July 30, 2009	Start of the 15 day petition period
August 14, 2009	End of the 15 day petition period
August 24, 2009	Second and Third Reading
August 25, 2009	Beginning of the 30 day for application to the Court of Queen's Bench to have the bylaw declared invalid
September 24, 2009	End of 30 day for application to the Court of Queen's Bench
December 15, 2009	Borrows from ACFA

## Alcide Cloutier

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**From:** Alcide Cloutier  
**Sent:** Sunday, August 09, 2009 5:22 PM  
**To:** 'Holly Carlson'  
**Subject:** RE: Reminder Notice to December Debenture Issue

**Attachments:** Borrowing Bylaw No. 1373-09.htm



Borrowing Bylaw  
No. 1373-09.ht...

Good morning,

Yes we intend to borrow \$2,204,000.00 in mid December to relocate our sewage lagoon.

Attached is the pertinent bylaw that received 1st reading on July 13th 2009.

I would appreciate your review of this bylaw.

Best regards

Alcide Cloutier  
Chief Administrative Officer  
Town of Vulcan  
Box 360,  
321, 2nd Street South  
Vulcan AB  
T0L 2B0

P: 403-485-2417  
C: 403-485-1767  
F: 403-485-2914

[www.town.vulcan.ab.ca](http://www.town.vulcan.ab.ca)

-----Original Message-----

From: Holly Carlson [mailto:Holly.Carlson@gov.ab.ca]  
Sent: Wednesday, August 05, 2009 1:08 PM  
Cc: Jackie Hui  
Subject: Reminder Notice to December Debenture Issue  
Importance: High

To the Shareholders of the Alberta Capital Finance Authority

ATTENTION: Chief Administrative Office/Manager/Treasurer/Director of Finance/CFO

We anticipate debenture funding around mid December 2009.

Please review attached "Reminder" notice to shareholders and advise ACFA only if you intend to borrow mid December 2009.

Kindest regards,  
Terrance S. Stroich, FCA  
President, ACFA

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*File with Bylaw.  
1373-09.*



August 4, 2009

**To the Shareholders of the  
Alberta Capital Finance Authority**

**Attention: Chief Administrative Officer/Manager/Treasurer**

**Re: Reminder**

Two issues have arisen regarding borrowing bylaws and compliance with the Alberta Capital Finance Authority's (ACFA) Lending Policy.

Borrowing bylaws must be *valid*, as defined in section 273 of the Municipal Government Act, at least 30-days prior to the borrowing date. The bylaw must allow for semi-annual repayment terms or it will require amendment and re-advertising. Borrowing bylaw formats have been included on the ACFA website at [www.acfa.gov.ab.ca](http://www.acfa.gov.ab.ca) for your information.

The following is an example of the process to ensure that a borrowing bylaw is valid if you intend to borrow December 15, 2009. The example assumes Council meets every other Tuesday, that the bylaw is for a term longer than 5 years, and that a sufficient petition is not received.

- September 1 - First reading
- September 4 - Advertised (Week 1)
- September 11 - Advertised (Week 2)
- September 12 - Start of 15-day petition period
- September 27 - End of 15-day petition period
- September 29 - Second and Third reading
- October 30 - Valid bylaw (if no application made to Court of Queen's Bench to have the bylaw declared invalid)
- December 15 - Borrows from ACFA

ACFA would like to request that all shareholders who intend to borrow mid December 2009, confirm their intention to borrow by specifying the dollar amount and term of the borrowing **no later than November 16, 2009**. Or please reply to this e-mail or telephone ACFA at (780) 427-9711. Provide your application and back-up documentation as soon as possible or no later than November 16, 2009. ACFA would be happy to review drafts or final by-laws prior to loan issuance to ensure compliance.

ACFA hopes this reminder will help facilitate your borrowing process and reduce the need to revise your borrowing bylaw(s).

Thank you for your attention.

Yours sincerely,  
(Original Signed by Terry Stroich)  
Terrance S. Stroich, FCA  
President