

BYLAW NO. 470-22
OF THE TOWN OF PONOKA

(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 \$10,000,000 for the purpose of purchasing the Ponoka Civic Centre property, including land and building, located at 5604-50 Street, Ponoka, AB.

WHEREAS:

The Council of the Municipality has decided to issue a bylaw pursuant to Section 258 of the *Municipal Government Act* to authorize the financing, undertaking and completion of the purchasing of the Ponoka Civic Centre property, including land and building, located at 5604-50 Street, Ponoka, AB (the “project”).

Plans and specifications have been prepared and the total cost of the project is estimated to be \$10,000,000 and the Municipality estimates the following grants and contributions will be applied to the project:

Provincial Grants	\$0
Debenture(s)	<u>\$10,000,000</u>
Total Cost	<u>\$10,000,000</u>

In order to complete the project, it will be necessary for the Municipality to borrow the sum of \$10,000,000, for a period not to exceed forty (40) years, from the Province of Alberta 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 bylaw is equal to, or in excess of fifty (50) years.

The principal amount of the outstanding debt of the Municipality at December 31, 2021 is \$14,080,177 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.

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

1. That for the purpose of purchasing the Ponoka Civic Centre property, including land and building, located at 5604-50 Street, Ponoka, AB the sum of TEN MILLION DOLLARS (\$10,000,000) be borrowed from the Province of Alberta 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 TEN MILLION DOLLARS (\$10,000,000) 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 bylaw, namely the purchase of the Ponoka Civic Centre property.
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 forty (40) years calculated at a rate not exceeding the interest rate fixed by the Province of Alberta 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 bylaw shall be applied only to the project specified by this bylaw.
7. This bylaw comes into force on the date it is passed.

First Reading:	July 12, 2022
Second Reading:	_____
Third Reading:	_____

MAYOR

CHIEF ADMINISTRATIVE OFFICER