

**TOWN OF TWO HILLS
IN THE PROVINCE OF ALBERTA
BY-LAW NO. 2012-921**

A BY-LAW OF THE TOWN OF TWO HILLS, IN THE PROVINCE OF ALBERTA, FOR THE PURPOSE OF AUTHORIZING THE MUNICIPAL COUNCIL OF THE TOWN OF TWO HILLS TO INCUR INDEBTEDNESS BY THE ISSUANCE OF DEBENTURES TO THE ALBERTA CAPITAL FINANCE AUTHORITY FOR FINANCING THE TOWN AND COUNTY COMMUNITY BUILDING.

WHEREAS The Council of the Town of Two Hills deems it expedient to issue a Bylaw pursuant to Section 251 of the Municipal Government Act to authorize the financing of the Town and County Community Building.

AND WHEREAS The plans, specifications and estimates for the project confirm the total cost of the said project is \$3,000,000.

AND WHEREAS The Council of the Town of Two Hills has estimated the following contribution will be received or applied to the project:

Debenture - Town of Two Hills	\$750,000
Debenture – County of Two Hills	\$750,000
Government of Alberta	<u>\$1,500,000</u>
	\$3,000,000

AND WHEREAS In order to construct and complete the said project, it will be necessary for the Town of Two Hills to borrow the sum of \$750,000 on the terms and conditions referred to in this Bylaw.

AND WHEREAS The Town of Two Hills will repay the indebtedness over a period of twenty (20) years in semi-annual installments, with interest not exceeding ten percent (10%), or the interest rate fixed from time to time by the Alberta Capital Finance Authority.

AND WHEREAS The amount of existing debenture debt of the Town of Two Hills as of December 31, 2011 is \$2,104,187 principal, no part of which is in arrears.

AND WHEREAS The estimated lifetime of the project financed under this Bylaw is equal to or in excess of (50) years.

AND WHEREAS The Council of the Town of Two Hills will ensure that all required approvals for the project will be obtained and the project will comply with the Acts and Regulations of the Province of Alberta.

NOW THEREFORE, the Council of the Town of Two Hills duly assembled enacts as follows:

1. That for the purpose of constructing a Town and County Community Building, the sum of Seven Hundred and Fifty Thousand Dollars, (\$750,000.00) be borrowed from Alberta Capital Finance Authority by way of debenture on the credit and security of the Town of Two Hills at large, of which the sum of \$750,000.00 is to be paid by the Town of Two Hills at large.
2. The debenture to be issued under this Bylaw shall not exceed the sum of Seven Hundred and Fifty Thousand Dollars, (\$750,000.00), and may be in any denomination not exceeding the amount authorized by the Bylaw and shall be dated having regard to the date of the borrowing.

3. The debenture shall bear interest during the currency of the debenture, at a rate not exceeding ten percent (10%), or the interest rate fixed from time to time by the Alberta Capital Finance Authority, per annum, payable semi-annually.
4. The debenture shall be issued in such manner that the principal and interest will be combined and be made payable in, as nearly as possible, equal semi-annually installments over a period of twenty (20) years.
5. The debenture shall be payable in lawful money of Canada at the Treasury Branch in the Town of Two Hills or at such other bank or financial institution as the Council may authorize as its banking agency during the currency of the debenture.
6. The Mayor and CAO of the Town of Two Hills shall authorize such bank or financial institution to make payments to the holder of the debenture, on such date and in such amounts as specified in the repayment schedule forming part of the debenture.
7. The debenture shall be signed by the Mayor and the CAO of the Town of Two Hills and the CAO shall affix the corporate seal of the municipality to the debenture.
8. The Town of Two Hills shall levy and raise in each year municipal taxes sufficient to pay the indebtedness.
9. The said indebtedness is contracted on the credit and security of the Town of Two Hills at large.
10. The net amount realized by the issue and sale of debentures issued under this Bylaw shall be applied only for the purpose for which indebtedness was created.
11. This Bylaw shall take effect on the day of the final passing thereof.

MOVED BY COUNCIL – That By-Law No. 2012-921 be given first reading this 24th day of August, 2012.

Mayor Elaine Sorochan

CAO Elsie Howanyk

MOVED BY COUNCIL – That By-Law No. 2012-921 be given second reading this day of , 2012.

Mayor Elaine Sorochan

CAO Elsie Howanyk

MOVED BY COUNCIL – That By-Law No. 2012-921 be given third and final reading this day of , 2012.

Mayor Elaine Sorochan

CAO Elsie Howanyk