

BYLAW NO. 834/08

A BYLAW OF THE TOWN OF RIMBEY, IN THE PROVINCE OF ALBERTA, TO AUTHORIZE THE MUNICIPAL COUNCIL TO INCUR AN INDEBTEDNESS ON BEHALF OF THE SAID TOWN TO THE ATB FINANCIAL BY THE ISSUANCE OF A LOAN FOR THE PURPOSE OF FINANCING THE INCREASED COST OF THE NORTHEAST LAGOON UPGRADE.

The Council of the Town of Rimbey has decided to issue a bylaw pursuant to Section 257 of the Municipal Government Act to authorize the financing of the increased cost of the Northeast Lagoon Upgrade.

Plans, specifications and estimates for the project have been made by ISL Engineering which confirms the total increased cost of said project is \$1,300,000:

It is estimated by the Council of the Town of Rimbey that the following will be applied to the project:

Alberta Municipal Water/Wastewater Partnership	\$800,000.00
Water & Sewer Capital Reserve	150,000.00

In order to construct and complete the project, it will be necessary to borrow the sum of \$350,000 for a period not to exceed 5 years, from ATB Financial by the issuance of a loan and on the terms and conditions referred to in this bylaw.

The Town of Rimbey will repay the indebtedness over a period of five (5) years in monthly installments, with interest set at prime percent per annum payable monthly;

The amount of equalized assessment in the municipality as last determined and fixed by the Assessment Equalization Board is \$169,890,832;

The amount of the existing debenture debt of the Town of Rimbey at December 31, 2007 is \$664,692, no part of which is in arrears;

The estimated lifetime of the project is equal to or in excess of fifteen (15) years;

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 MUNICIPAL COUNCIL OF THE TOWN OF RIMBEY, DULY ASSEMBLED, ENACTS AS FOLLOWS:

That for the purpose of financing the increased cost of the Northeast Lagoon Upgrade, the sum of THREE HUNDRED AND FIFTY DOLLARS (\$350,000) be borrowed from ATB Financial on the credit and security of the Town at large, of which amount the full sum of \$350,000 is to be paid by the Town at large.

The loan to be issued under this bylaw shall not exceed the sum of three hundred and fifty thousand dollars (\$350,000) and may be in any denomination not exceeding the amount authorized by this bylaw and shall be dated having regard to the date of borrowing;

The loan shall bear interest during the currency of the loan at a rate of prime percent per annum, payable monthly;

The loan shall be issued in such manner that the principal shall be payable in equal monthly installments and the accrued interest shall be payable on the first day of each month;

The loan shall be payable in lawful money of Canada at ATB Financial in the Town of Rimbey or at such other bank or financial institution as the Council may authorize as its banking agency during the currency of the loan;

The Mayor and the Town Manager of the Town of Rimbey shall authorize ATB Financial to make automatic withdrawal payments of the loans on the first day of each month in such amounts as specified in the bylaw;

The said loan shall be signed by the Mayor and the Town Manager of the Town of Rimbey and the Town Manager shall affix the corporate seal of the said Town of Rimbey;

There shall be levied and raised in each year of the currency of the loan a rate or rates 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 interest falling due in such year on such loan. The said rates and taxes are collectible at the same time and in the same manner as other rates and taxes;

The said indebtedness is contracted on the credit and security of the Town of Rimbey at large;

The net amount realized by the loan issued under this bylaw shall be applied only for the purposes for which the indebtedness was created;

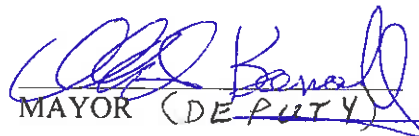
This bylaw shall take effect on the date of final passage thereof.

Read a first time in Council this 12 day of November, 2008

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UNANIMOUSLY AGREED to Present Bylaw 834/08 for Third & Final Reading.

Read a third time in Council this 12 day of November, 2008.


MAYOR (DEPUTY)


TOWN MANAGER