

BYLAW #2008-757
VILLAGE OF CARBON
(hereinafter referred to the "Municipality")
IN THE
PROVINCE OF ALBERTA

A BYLAW OF THE VILLAGE OF CARBON TO AUTHORIZE THE COUNCIL OF THE VILLAGE OF CARBON TO INCUR INDEBTEDNESS BY THE ISSUANCE OF DEBENTURE IN THE AMOUNT OF \$925,000 FOR THE PURPOSE OF SERVICING THE EAST SUBDIVISION PHASE I.

WHEREAS, pursuant to Section 258 of the Municipal Government Act, S.A. 2000, Chapter M-26, the Village of Carbon has authorized the financing, undertaking and completion of servicing the East Subdivision Phase I.

AND WHEREAS, the plans and specifications have been prepared and the total cost of the project is estimated to be \$1,495,000 and the Village of Carbon estimates the following contributions will be applied to the project:

Grant Funding (Municipal Sustainable Initiative):	\$420,000
Capital Reserves:	150,000
Debenture:	<u>925,000</u>
Total Cost:	\$1,495,000

AND WHEREAS, in order to complete the project it will be necessary for the Municipality to borrow the sum of \$925,000, for a period not to exceed 15 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.

AND WHEREAS, the estimated lifetime of the project financed under this bylaw is equal to, or in excess of 15 years.

AND WHEREAS, the principal amount of the outstanding debt of the Municipality at December 31, 2007 is \$143,763 and no part of the principal or interest is in arrears.


AND WHEREAS, 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.

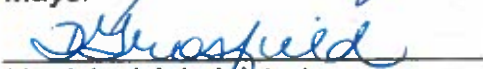
NOW THEREFORE, THE MUNICIPAL COUNCIL OF THE VILLAGE OF CARBON, in Council duly assembled enacts as follows:

1. That for the purpose of constructing services for the east subdivision Phase I the sum of NINE HUNDRED AND TWENTY-FIVE THOUSAND (\$925,000) 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, or which amount the full sum of \$925,000 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 construction of servicing the east subdivision.
3. The Municipality should repay the indebtedness according to the repayments structure in effect, namely semi-annual or annual equal payments of combined principal and interest installments not to exceed FIFTEEN (15) 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 Chief Elected Official and Chief Administrative Officer of the Municipality shall authorize a designated financial institution to make payments to the holder of the debentures, on such date and in such amounts as specified in the repayment schedule forming part of each debenture.

5. The Municipality shall levy and raise in each year municipal taxes sufficient to pay the indebtedness.
6. The indebtedness shall be contracted on the credit and security of the Municipality.
7. The net amount borrowed under the bylaw shall be applied only to the project specified by this bylaw.
8. This bylaw comes into force on the date it is passed.


READ A FIRST TIME this 8th day of September, 2008.

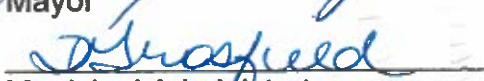


Mayor


Municipal Administrator

READ A SECOND TIME this 10th day of November, 2008.




Mayor


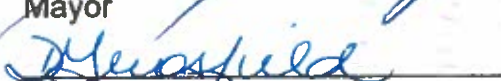
Municipal Administrator

Motion to proceed to third reading

CARRIED UNANIMOUSLY

READ A THIRD AND FINAL TIME this 10th day of November, 2008.



Mayor


Municipal Administrator

**PUBLIC NOTICE TO ELECTORS
of the
VILLAGE OF CARBON, PROVINCE OF ALBERTA**

Bylaw 2008-757 Borrowing Bylaw for servicing Phase I East Subdivision

Section 251 – The Municipal Government Act

TAKE NOTICE that the Council of the Village of Carbon, in the Province of Alberta, has given first reading to borrowing By-law 2008-757 which will, upon final passage and approval, authorize the proper officers of the said village to borrow monies from an authorized financial institution by way of debenture issue, to pay for the cost of constructing residential services for the East Subdivision Phase I within the limits of the said municipality;

The total cost of the aforesaid project amounts to \$1,495,000. After deducting from this cost the amount of \$420,000 to be received by way of grant funding and \$150,000 to be received by way of Capital Reserves, the net amount to be borrowed on the credit and security of the municipality at large by the issue of debentures is \$925,000. The debentures are to be repayable to the authorized financial institution in 15 (fifteen) equal consecutive annual installments of combined principal and interest, the semi annual interest not to exceed 10 per centum (10%), or the interest rate as fixed from time to time by the authorized financial institution.

NOW THEREFORE, NOTICE is hereby given by the Council of the Village of Carbon that, unless a petition of the electors for a vote on Bylaw #2008-757 is demanded, as provided for by the terms of Section 231 of the Municipal Government Act, the said Council may pass the said borrowing bylaw.

ALL PERSONS INTERESTED ARE HEREBY NOTIFIED and they are required to govern themselves accordingly.

DATED at the Village of Carbon, in the Province of Alberta this 8th day of September, 2008.

VILLAGE OF CARBON



PER: Debra Grosfield, Municipal Administrator

(Advertised October 15 & 22 in the Three Hills Capital.)