



**BYLAW NO. 006-2021
TOWN OF SMOKY LAKE
IN THE PROVINCE OF ALBERTA**

A Bylaw of the Municipality of the Town of Smoky Lake in the Province of Alberta to authorize Municipal Council to incur indebtedness in the amount of Six Hundred Thousand (\$600,000.00) dollars for the purpose of funding the Municipally Controlled Corporation to create a regional tourism corporation, as a joint venture with Smoky Lake County, to execute the Victoria District Economic Development Strategy Business Plan.

WHEREAS Section 251(1) of the Municipal Government Act, being Chapter M26 of the Revised Statutes of Alberta, 2000, and amendments thereto, provide that a municipality may only make a borrowing if the borrowing is authorized by a borrowing bylaw.

WHEREAS to authorize the borrowing of a principal sum of \$600,000.00 for the purpose of funding the Municipally Controlled Corporation for the purpose of creating a regional tourism corporation, as a joint venture with Smoky Lake County, to execute the Victoria District Economic Development Strategy Business Plan (hereinafter called the "Project").

WHEREAS the plans and specifications have been prepared, and the total cost of the Project is estimated to be \$600,000.00 and the Town of Smoky Lake estimates the following grants and contributions will be applied to the Project:

Capital Reserves	\$0
Provincial Grants	\$0
Debenture(s)	\$600,000.00
Total Cost	\$600,000.00

WHEREAS in order to complete the Project, it will be necessary for the Town of Smoky Lake to borrow up to the principal sum of \$600,000.00, for a period not to exceed Twenty (20) years, from the Alberta Capital Finance Authority or another authorized financial institution, by the issuance of a debenture or loan and on the terms and conditions referred to in this bylaw.

WHEREAS the estimated lifetime of the Project financed under this bylaw is equal to, or in excess of Twenty (20) years.

WHEREAS the principal amount of the outstanding debt of the Town of Smoky Lake at December 31, 2021 is \$388,324.00 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 TOWN OF SMOKY LAKE DULY ASSEMBLED, ENACTS AS FOLLOWS:

1. CITATION

- 1.1 This bylaw may be cited as the “2021 Municipal Borrowing Bylaw.”

2. PROVISIONS

- 2.1 That for the purpose of funding the Municipally Controlled Corporation for the purpose of creating a regional tourism corporation, as a joint venture with Smoky Lake County, to execute the Victoria District Economic Development Strategy Business Plan in the principal sum of SIX HUNDRED THOUSAND (\$600,000.00) DOLLARS be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by the way of debenture or loan on the credit and security of the Town of Smoky Lake, of which the full sum of \$600,000.00 is to be paid by the Town of Smoky Lake.
- 2.2 That the proper officers of the Town of Smoky Lake are hereby authorized to issue the debenture or loan on behalf of the Town of Smoky Lake for the amount and purpose as authorized by this bylaw, namely funding the Municipally Controlled Corporation.
- 2.3 That the Town of Smoky Lake 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 Twenty (20) 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 Seven (7) percent.
- 2.4 That the Town of Smoky Lake may levy and raise in each year municipal taxes sufficient to pay the indebtedness.
- 2.5 That the indebtedness shall be contracted on the credit and security of the Town of Smoky Lake.
- 2.6 That the net amount borrowed under the bylaw shall be applied only to the Project specified by this bylaw.

3. SEVERABILITY

- 3.1 If any section or sections of this Bylaw or parts thereof are found in any court or law to be illegal or beyond the power of Council to enact, such Section or Sections or parts thereof shall be deemed to be severable and all other Sections or parts of the Bylaw shall be deemed separate and independent therefrom and to be enacted as such.

4. EFFECTIVE DATE

4.1 This bylaw comes into effect on the date it is passed.

READ a FIRST time this 28th day of June 2021.

READ a SECOND time this ___ day of ___ 2021.

READ a THIRD and FINAL time this ___ day of ___ 2021.

**Hank Holowaychuk
Mayor**

**Adam Kozakiewicz
Chief Administrative Officer**