

TOWN OF CARDSTON REQUEST FOR DECISION FORM

MEETING DATE: March 12, 2024
SUBMITTED BY: Jeff Shaw

AGENDA ITEM #:

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| Subject | Draft Bylaw 1707: Borrowing Bylaw – Waste Water Treatment Facility |
| History of the Issue Including Previous Decisions | <p>This draft bylaw is intended to be the bylaw that approves the borrowing for the long term debt instrument for the waste water plant.</p> <p>NOTE: This will be uploaded prior to the meeting. There are a couple of details to still be worked out at the time of agenda preparation.</p> |
| Relevant Policy or Bylaw | <p>MGA</p> <p>Borrowing</p> <p>Borrowing bylaw</p> <p>251(1) A municipality may only make a borrowing if the borrowing is authorized by a borrowing bylaw.</p> <p>(2) A borrowing bylaw must set out</p> <p>(a) the amount of money to be borrowed and, in general terms, the purpose for which the money is borrowed;</p> <p>(b) the maximum rate of interest, expressed as a percentage, the term and the terms of repayment of the borrowing;</p> <p>(c) the source or sources of money to be used to pay the principal and interest owing under the borrowing.</p> <p>(3) A borrowing bylaw must be advertised.</p> <p>Debt limit</p> <p>252(1) No municipality may make a borrowing if the borrowing will cause the municipality to exceed its debt limit, unless the borrowing is approved by the Minister.</p> <p>(2) For the purposes of subsection (1), a borrowing made by a municipality to pay for costs associated with clean energy</p> <p>Use of borrowed money</p> <p>253(1) Money obtained by a municipality under a borrowing must be used for the purpose for which it is borrowed.</p> <p>(2) Money obtained by a municipality under a borrowing for the purpose of financing a capital property may be used for an operating purpose if the amount spent is available when it is needed for the capital property.</p> <p>Capital property</p> <p>254 No municipality may acquire, remove or start the construction or improvement of a capital property that is to be financed in whole or in part through a borrowing unless the</p> |

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| | borrowing bylaw that authorizes the borrowing is passed. |
| Public Consultation Undertaken or Required | A public hearing will be required. |
| Response Options and Implications of Options | While the exact number is not yet known, this allows Administration to proceed getting matters in order and putting out a competitive bid with financial institutions. |
| Costs and Potential Sources of Funding | None (yet) |
| Requested Action | Administration recommends first reading only of this bylaw. |



**TOWN OF CARDSTON
IN THE PROVINCE OF ALBERTA**

BYLAW 1707

**BORROWING BYLAW – WASTEWATER
TREATMENT PLANT**

TOWN OF CARDSTON IN THE PROVINCE OF ALBERTA

BYLAW 1707

BORROWING BYLAW – WASTEWATER TREATMENT PLANT

A BYLAW OF THE TOWN OF CARDSTON IN THE PROVINCE OF ALBERTA TO INCUR INDEBTEDNESS FOR THE UPGRADE AND RESTRUCTURE OF THE WASTEWATER TREATMENT PLAN

WHEREAS, the Council of the Municipality has decided to issue a bylaw pursuant to Sections 251 and 258 of the *Municipal Government Act* to authorize the financing, undertaking and completion of the upgrade and restructure of the Wastewater Treatment Plant;

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

- 1) That for the purpose of upgrading and restructuring the Wastewater Treatment Plant, the sum of eight million, one hundred and eighty million dollars (\$8,180,000.00) be borrowed from Alberta Capital Finance Authority or another authorized financial institution by way of debenture or loan on the credit and security of the Municipality at large.
- 2) The proper designated 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 upgrade and restructure of the Wastewater Treatment Plant.
- 3) The Municipality shall repay the indebtedness according to the repayment structure in effect, namely monthly, semi-monthly, semi-annual or annual payments of combined principal and interest installments not to exceed thirty (30) years calculated at a rate not exceeding the interest fixed by the Alberta Capital Finance Authority or another authorized financial institution on the date of the borrowing and not to exceed ten percent (10%).
- 4) There shall be levied and raised in each year of the currency of the borrowing a rate or rates to the Town sewer rates to provide payment adequate to pay the principal and interest falling due semi-annually. The said rates are collectible at the same time and in the same manner as other sewer rates. In the event of a deficiency, the Municipality shall levy and raise municipal taxes in each year sufficient to pay the indebtedness.
- 5) The indebtedness shall be contracted on the credit and security of the Municipality.
- 6) The net amount realized by the borrowing authorized under this bylaw shall be applied only for the purposes for which the indebtedness was created, as specified by this bylaw.

Received First Reading this [Click here to enter a date.](#)

Public Hearing held this [Click here to enter a date.](#)

Received Second Reading this [Click here to enter a date.](#)

Received Third & Final Reading this [Click here to enter a date.](#)

Signed by the Mayor and the Chief Administrative Officer this [Click here to enter a date.](#)

TOWN OF CARDSTON

MAYOR – *Maggie Kronen*

CHIEF ADMINISTRATIVE OFFICER – *Jeff Shaw*

FIRST READING



Loan Calculator

Print

Recalculation options

Type Blended Amortization

Term 30

Deferment NA

Recalculate Loan

Calculations based on:

Principal is \$8,180,000.00

Term is 30 Years

Loan Type is Blended

Deferred payments
NA

Interest rate of 5.29 %

| Payment # | Payment | Principal | Interest | Balance |
|-----------|--------------|--------------|--------------|----------------|
| 1 | \$273,459.56 | \$57,098.56 | \$216,361.00 | \$8,122,901.44 |
| 2 | \$273,459.56 | \$58,608.82 | \$214,850.74 | \$8,064,292.62 |
| 3 | \$273,459.56 | \$60,159.02 | \$213,300.54 | \$8,004,133.60 |
| 4 | \$273,459.56 | \$61,750.23 | \$211,709.33 | \$7,942,383.37 |
| 5 | \$273,459.56 | \$63,383.52 | \$210,076.04 | \$7,878,999.85 |
| 6 | \$273,459.56 | \$65,060.01 | \$208,399.55 | \$7,813,939.84 |
| 7 | \$273,459.56 | \$66,780.85 | \$206,678.71 | \$7,747,158.99 |
| 8 | \$273,459.56 | \$68,547.20 | \$204,912.36 | \$7,678,611.79 |
| 9 | \$273,459.56 | \$70,360.28 | \$203,099.28 | \$7,608,251.51 |
| 10 | \$273,459.56 | \$72,221.31 | \$201,238.25 | \$7,536,030.20 |
| 11 | \$273,459.56 | \$74,131.56 | \$199,328.00 | \$7,461,898.64 |
| 12 | \$273,459.56 | \$76,092.34 | \$197,367.22 | \$7,385,806.30 |
| 13 | \$273,459.56 | \$78,104.98 | \$195,354.58 | \$7,307,701.32 |
| 14 | \$273,459.56 | \$80,170.86 | \$193,288.70 | \$7,227,530.46 |
| 15 | \$273,459.56 | \$82,291.38 | \$191,168.18 | \$7,145,239.08 |
| 16 | \$273,459.56 | \$84,467.99 | \$188,991.57 | \$7,060,771.09 |
| 17 | \$273,459.56 | \$86,702.16 | \$186,757.40 | \$6,974,068.93 |
| 18 | \$273,459.56 | \$88,995.44 | \$184,464.12 | \$6,885,073.49 |
| 19 | \$273,459.56 | \$91,349.37 | \$182,110.19 | \$6,793,724.12 |
| 20 | \$273,459.56 | \$93,765.56 | \$179,694.00 | \$6,699,958.56 |
| 21 | \$273,459.56 | \$96,245.66 | \$177,213.90 | \$6,603,712.90 |
| 22 | \$273,459.56 | \$98,791.35 | \$174,668.21 | \$6,504,921.55 |
| 23 | \$273,459.56 | \$101,404.39 | \$172,055.17 | \$6,403,517.16 |
| 24 | \$273,459.56 | \$104,086.53 | \$169,373.03 | \$6,299,430.63 |
| 25 | \$273,459.56 | \$106,839.62 | \$166,619.94 | \$6,192,591.01 |
| 26 | \$273,459.56 | \$109,665.53 | \$163,794.03 | \$6,082,925.48 |
| 27 | \$273,459.56 | \$112,566.18 | \$160,893.38 | \$5,970,359.30 |
| 28 | \$273,459.56 | \$115,543.56 | \$157,916.00 | \$5,854,815.74 |
| 29 | \$273,459.56 | \$118,599.68 | \$154,859.88 | \$5,736,216.06 |
| 30 | \$273,459.56 | \$121,736.65 | \$151,722.91 | \$5,614,479.41 |
| 31 | \$273,459.56 | \$124,956.58 | \$148,502.98 | \$5,489,522.83 |
| 32 | \$273,459.56 | \$128,261.68 | \$145,197.88 | \$5,361,261.15 |
| 33 | \$273,459.56 | \$131,654.20 | \$141,805.36 | \$5,229,606.95 |
| 34 | \$273,459.56 | \$135,136.46 | \$138,323.10 | \$5,094,470.49 |

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|----------------|------------------------|-----------------------|-----------------------|----------------|
| 35 | \$273,459.56 | \$138,710.82 | \$134,748.74 | \$4,955,759.67 |
| 36 | \$273,459.56 | \$142,379.72 | \$131,079.84 | \$4,813,379.95 |
| 37 | \$273,459.56 | \$146,145.66 | \$127,313.90 | \$4,667,234.29 |
| 38 | \$273,459.56 | \$150,011.21 | \$123,448.35 | \$4,517,223.08 |
| 39 | \$273,459.56 | \$153,979.01 | \$119,480.55 | \$4,363,244.07 |
| 40 | \$273,459.56 | \$158,051.75 | \$115,407.81 | \$4,205,192.32 |
| 41 | \$273,459.56 | \$162,232.22 | \$111,227.34 | \$4,042,960.10 |
| 42 | \$273,459.56 | \$166,523.27 | \$106,936.29 | \$3,876,436.83 |
| 43 | \$273,459.56 | \$170,927.81 | \$102,531.75 | \$3,705,509.02 |
| 44 | \$273,459.56 | \$175,448.85 | \$98,010.71 | \$3,530,060.17 |
| 45 | \$273,459.56 | \$180,089.47 | \$93,370.09 | \$3,349,970.70 |
| 46 | \$273,459.56 | \$184,852.83 | \$88,606.73 | \$3,165,117.87 |
| 47 | \$273,459.56 | \$189,742.19 | \$83,717.37 | \$2,975,375.68 |
| 48 | \$273,459.56 | \$194,760.87 | \$78,698.69 | \$2,780,614.81 |
| 49 | \$273,459.56 | \$199,912.30 | \$73,547.26 | \$2,580,702.51 |
| 50 | \$273,459.56 | \$205,199.98 | \$68,259.58 | \$2,375,502.53 |
| 51 | \$273,459.56 | \$210,627.52 | \$62,832.04 | \$2,164,875.01 |
| 52 | \$273,459.56 | \$216,198.62 | \$57,260.94 | \$1,948,676.39 |
| 53 | \$273,459.56 | \$221,917.07 | \$51,542.49 | \$1,726,759.32 |
| 54 | \$273,459.56 | \$227,786.78 | \$45,672.78 | \$1,498,972.54 |
| 55 | \$273,459.56 | \$233,811.74 | \$39,647.82 | \$1,265,160.80 |
| 56 | \$273,459.56 | \$239,996.06 | \$33,463.50 | \$1,025,164.74 |
| 57 | \$273,459.56 | \$246,343.95 | \$27,115.61 | \$778,820.79 |
| 58 | \$273,459.56 | \$252,859.75 | \$20,599.81 | \$525,961.04 |
| 59 | \$273,459.56 | \$259,547.89 | \$13,911.67 | \$266,413.15 |
| 60 | \$273,459.56 | \$266,413.15 | \$7,046.41 | \$0.00 |
| Totals: | \$16,407,573.60 | \$8,180,000.00 | \$8,227,573.60 | |