



**Town of Gibbons**  
**Short-Term Mortgage Borrowing Bylaw No. ALT 1-25**

**A BYLAW OF THE TOWN OF GIBBONS, IN THE PROVINCE OF ALBERTA, FOR THE AUTHORITY TO INCUR INDEBTEDNESS BY THE ISSUANCE OF DEBENTURE IN THE AMOUNT OF \$2,500,000.00 FOR THE PURPOSE OF MORTGAGE LOAN**

**WHEREAS**, the Council of the Town of Gibbons has decided to issue a bylaw pursuant to Section 257 of the *Municipal Government Act* to authorize the financing of a Mortgage Loan on Block B, Plan 1756HW. Plans and specifications have been prepared, and the total cost of the project is estimated to be \$2,500,000.00 and the Municipality estimates the following contributions will be applied to the project:

Capital Reserves

\$0

Provincial Grants

Debentures

\$2,500,000

Total Costs

\$2,500,000

To complete the project, it will be necessary for the Municipality to borrow the sum of \$2,500,000.00 for a period not to exceed five (5) years from the Province of Alberta or another authorized financial institution, by the issuance of debentures and on the terms and conditions referred to in this bylaw.

The estimated lifetime of the project financed under this bylaw is equal to, or more than ten (10) years.

The principal amount of the outstanding debt of the Municipality on December 31, 2024, is \$7,890,633.95 and no part of the principal or interest is in arrears.

All required approvals for the project have been obtained and the project follows all Acts and Regulations of the Province of Alberta.

**NOW THEREFORE** under the authority of the *Municipal Government Act*, RSA 2000, Chapter M-26, the Council of the Town of Gibbons, in the Province of Alberta, duly assembled enacts as follows:

1. That for the purpose of the mortgage of the arena the sum of Two Million Five Hundred Thousand Dollars (\$2,500,000.00) be borrowed from Servus Credit Union or another authorized financial institution by way of debenture on the credit and security of the Municipality at large, of which amount the full sum of \$2,500,000.00 is to be paid by the Municipality at large.

2. The Chief Elected Officer, and the Interim Chief Administrative Officer are hereby authorized to issue debenture(s) on behalf of the Municipality for the amount and purpose as authorized by this bylaw, namely the Short-Term Bylaw ALT 1-25.
3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely semi-annual or annual equal payments of principal and monthly interest installments not to exceed five (5) years calculated at a rate not exceeding the interest rate fixed by the Province of Alberta, or another authorized financial institution, on the date of the borrowing, and not to exceed seven (7) percent.
4. The Municipality shall levy and raise in each year municipal taxes sufficient to pay the indebtedness.
5. The indebtedness shall be contracted on the credit and security of the Municipality.
6. The net amount borrowed under the bylaw shall be applied only to the project specified by this bylaw.
7. This bylaw comes into force on the date it is passed.

READ a first time on this 8th day of January 2025.

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\_\_\_\_\_  
Chief Elected Official

\_\_\_\_\_  
Interim Chief Administrative Officer

READ a second time on this 8th day of January 2025.

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\_\_\_\_\_  
Chief Elected Official

\_\_\_\_\_  
Interim Chief Administrative Officer

READ a third and final time on this 8th day of January 2025.

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\_\_\_\_\_  
Chief Elected Official

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Interim Administrative Officer