

RURAL MUNICIPALITY OF GIMLI

BY-LAW NO 16-0013

BEING A BY-LAW OF THE RURAL MUNICIPALITY OF GIMLI TO PROVIDE FOR THE EXPENDITURE AND BORROWING OF FUNDS FOR THE WATER TREATMENT AND DISTRIBUTION SYSTEM UPGRADE PROJECTS IN THE GIMLI URBAN CENTRE, THE GIMLI BUSINESS PARK, ASPEN PARK AND PELICAN BEACH.

WHEREAS *The Municipal Act*, S.M. 1996, c.58 provides, in part, as follows:

“172 In this Division,

“borrowing” means the borrowing of money, and includes

- (e) issuing debentures;

“174(1) A municipality may make a borrowing only if

- (a) the borrowing is authorized by a by-law passed in accordance with section 174.1; and
- (b) subject to subsection (2), the borrowing is set out as a debt obligation in the operating budget or capital budget or it is made to fund an expenditure authorized under subsection 169(5).”

“174.1(1) The council must give public notice before giving first reading to a borrowing by-law that authorizes the municipality to

- (a) issue debenture; and
- (b) use the money borrowed to fund a capital project that has been included in the financial plan adopted under section 162.”

AND WHEREAS the Council of the Rural Municipality of Gimli is of the opinion that the following project, being the Water Treatment and Distribution System Upgrade Projects in the Gimli Urban Centre, the Gimli Business Park, Aspen Park and Pelican Beach should be undertaken by the Municipality at a total cost of \$8,620,000.00;

AND WHEREAS the Rural Municipality of Gimli has secured grant funding from the new Building Canada Fund's Clean Water and Wastewater Fund in the amount of \$5,250,000.00 – Federal contribution in the amount of \$3,500,000.00 and Provincial contribution in the amount of \$1,750,000.00

AND WHEREAS in order to complete such undertakings, it will be necessary for the Rural Municipality of Gimli to borrow the sum of THREE MILLION THREE HUNDRED SEVENTY THOUSAND DOLLARS (\$3,370,000.00) as hereinafter provided, which is the amount of the debt intended to be created by this by-law;

AND WHEREAS the consecutive annual amounts, including principal and interest, required to be raised each year for 20 years, as hereinafter provided, for paying the principal and interest under this by-law are the amounts set out in Schedule “A1” and Schedule “A2” hereto;

AND WHEREAS the assessed value of the whole land chargeable under this by-law, according to the last revised assessment roll, is \$499,749,110;



AND WHEREAS the amount of the existing debenture debt of the Rural Municipality of Gimli is \$11,570,325.08 of which no portion of the principal or of the interest thereon is in arrears.

NOW THEREFORE the Council of the Rural Municipality of Gimli in special session assembled enacts as follows:

1. That the Rural Municipality of Gimli is hereby authorized and empowered to raise upon the credit of the municipality, funds not repayable within the current fiscal year by the borrowing of money in an amount not exceeding THREE MILLION THREE HUNDRED SEVENTY THOUSAND DOLLARS (\$3,370,000.00).
2. That the funds so raised shall be for the purpose of financing certain works as follows:
 - Water Treatment and Distribution System Upgrade Projects in the Gimli Urban Centre, the Gimli Business Park, Aspen Park and Pelican Beach
3. That the borrowing for the aforesaid project shall be issued by the Rural Municipality of Gimli in the Province of Manitoba, and shall be payable at the Royal Bank of Canada, in Selkirk, Manitoba and shall be dated the 1st day of January, A.D. 2018
4. That the said borrowing shall bear interest at a rate estimated for the time being at 5.0% per annum, and subject to any event to the authorization of The Municipal Board at the time of sale, and shall mature in accordance with the maturities set out in Schedule "A1" and Schedule "A2" hereto on the 1st day of January in each of the years 2019 to 2038, both inclusive.
5. That the issuance of borrowing shall be signed by the Mayor, or by some other person authorized by by-law to sign same, and by the Chief Administrative Officer of The Rural Municipality of Gimli and there shall be affixed thereto the corporate seal of the said municipality and the coupons, if any, attached thereto shall be signed by the Chief Administrative Officer whose signature thereon may be lithograph or other mechanical means.
6. That during the currency of the said borrowing, namely in each of the years 2019 to 2038, both inclusive, there shall be raised annually through a utility rate surcharge on all benefitting properties in the Gimli Urban Centre, the Gimli Business Park, Aspen Park and Pelican Beach an amount sufficient to meet 60% of the requirement for the principal and interest, as described below:

Location	REU'S	Debenture Payment	Annual Surcharge	Quarterly Surcharge
Amalgamated Utilities	1729	\$160,485.18	\$92.82	\$23.21

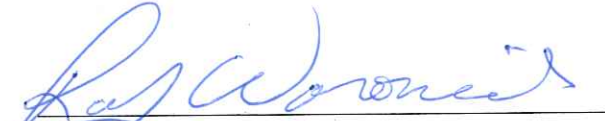
That during the currency of the said borrowing, namely in each of the years 2019 to 2038, both inclusive, there shall be raised annually by a special mill rate on all rateable property within the Rural Municipality of Gimli, an amount sufficient to meet 40% of the requirement for principal and interest.

7. That pursuant to subsection 174 (3) of *The Municipal Act*, pending the issue of the borrowing, the council of The Rural Municipality of Gimli may agree with a bank or person or borrow from the general funds of the municipality for temporary advances from time to time to meet expenditures incurred for the purpose aforesaid, and the total of such advances shall not exceed EIGHT MILLION SIX HUNDRED TWENTY THOUSAND DOLLARS (\$8,620,000.00).



DONE AND PASSED by a by-law of the Rural Municipality of Gimli in the Province of Manitoba this 13th day of April, 2017.

RURAL MUNICIPALITY OF GIMLI



Mayor

Chief Administrative Officer

Read a first time this 26th day of October, 2016
Read a second time this 8th day of February, 2017
Read a third time this 13th day of April, 2017



Rural Municipality of Gimli
Schedule "A1" to By-Law 16-0013
Amortization Table

Project: Water Treatment and Distribution System Upgrades - Utility Surcharge

Values	
Loan Amount	\$ 2,000,000.00
Annual Interest Rate	5.00 %
Loan Period in Years	20
Number of Payments Per Year	1
Start Date of Loan	1/1/2018
Optional Extra Payments	

Debenture Summary	
Scheduled Payment	\$ 160,485.17
Scheduled Number of Payments	20
Actual Number of Payments	
Total Early Payments	\$ -
Total Interest	\$ 1,209,703.49

Lender Name: Royal Bank of Canada

Pmt No.	Payment Date	Beginning Balance	d Payment	Payme nt	Paymen t	Principal	Interest	Balance
1	1/1/2019	\$ 2,000,000.00	\$ 160,485.17	\$ -	\$160,485.17	\$ 60,485.17	\$ 100,000.00	\$ 1,939,514.83
2	1/1/2020	1,939,514.83	160,485.17	-	160,485.17	63,509.43	\$ 96,975.74	1,876,005.39
3	1/1/2021	1,876,005.39	160,485.17	-	160,485.17	66,684.90	\$ 93,800.27	1,809,320.49
4	1/1/2022	1,809,320.49	160,485.17	-	160,485.17	70,019.15	\$ 90,466.02	1,739,301.34
5	1/1/2023	1,739,301.34	160,485.17	-	160,485.17	73,520.11	\$ 86,965.07	1,665,781.23
6	1/1/2024	1,665,781.23	160,485.17	-	160,485.17	77,196.11	\$ 83,289.06	1,588,585.12
7	1/1/2025	1,588,585.12	160,485.17	-	160,485.17	81,055.92	\$ 79,429.26	1,507,529.20
8	1/1/2026	1,507,529.20	160,485.17	-	160,485.17	85,108.71	\$ 75,376.46	1,422,420.48
9	1/1/2027	1,422,420.48	160,485.17	-	160,485.17	89,364.15	\$ 71,121.02	1,333,056.33
10	1/1/2028	1,333,056.33	160,485.17	-	160,485.17	93,832.36	\$ 66,652.82	1,239,223.98
11	1/1/2029	1,239,223.98	160,485.17	-	160,485.17	98,523.98	\$ 61,961.20	1,140,700.00
12	1/1/2030	1,140,700.00	160,485.17	-	160,485.17	103,450.17	\$ 57,035.00	1,037,249.83
13	1/1/2031	1,037,249.83	160,485.17	-	160,485.17	108,622.68	\$ 51,862.49	928,627.14
14	1/1/2032	928,627.14	160,485.17	-	160,485.17	114,053.82	\$ 46,431.36	814,573.33
15	1/1/2033	814,573.33	160,485.17	-	160,485.17	119,756.51	\$ 40,728.67	694,816.82
16	1/1/2034	694,816.82	160,485.17	-	160,485.17	125,744.33	\$ 34,740.84	569,072.49
17	1/1/2035	569,072.49	160,485.17	-	160,485.17	132,031.55	\$ 28,453.62	437,040.93
18	1/1/2036	437,040.93	160,485.17	-	160,485.17	138,633.13	\$ 21,852.05	298,407.81
19	1/1/2037	298,407.81	160,485.17	-	160,485.17	145,564.78	\$ 14,920.39	152,843.02
20	1/1/2038	152,843.02	160,485.17	-	160,485.17	152,843.02	\$ 7,642.15	0.00

RURAL MUNICIPALITY OF GIMLI
Schedule "A2" to By-law No. 16-0013
Amortization Table

Project: Water Treatment and Distribution System Upgrades - General Borrowing

Values	
Loan Amount	\$1,370,000.00
Annual Interest Rate	5.00 %
Loan Period in Years	20
Number of Payments Per Year	1
Start Date of Loan	1/1/2018
Payments	

Debenture Summary	
Scheduled Payment	\$ 109,932.34
Scheduled Number of Payments	20
Actual Number of Payments	
Total Early Payments	\$ -
Total Interest	\$ 828,646.89

Lender Name: Royal Bank of Canada

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance
1	1/1/2019	\$ 1,370,000.00	\$ 109,932.34	\$ -	\$ 109,932.34	\$ 41,432.34	\$ 68,500.00	\$ 1,328,567.66
2	1/1/2020	1,328,567.66	109,932.34	-	109,932.34	43,503.96	66,428.38	1,285,063.69
3	1/1/2021	1,285,063.69	109,932.34	-	109,932.34	45,679.16	64,253.18	1,239,384.53
4	1/1/2022	1,239,384.53	109,932.34	-	109,932.34	47,963.12	61,969.23	1,191,421.42
5	1/1/2023	1,191,421.42	109,932.34	-	109,932.34	50,361.27	59,571.07	1,141,060.14
6	1/1/2024	1,141,060.14	109,932.34	-	109,932.34	52,879.34	57,053.01	1,088,180.81
7	1/1/2025	1,088,180.81	109,932.34	-	109,932.34	55,523.30	54,409.04	1,032,657.50
8	1/1/2026	1,032,657.50	109,932.34	-	109,932.34	58,299.47	51,632.88	974,358.03
9	1/1/2027	974,358.03	109,932.34	-	109,932.34	61,214.44	48,717.90	913,143.59
10	1/1/2028	913,143.59	109,932.34	-	109,932.34	64,275.17	45,657.18	848,868.42
11	1/1/2029	848,868.42	109,932.34	-	109,932.34	67,488.92	42,443.42	781,379.50
12	1/1/2030	781,379.50	109,932.34	-	109,932.34	70,863.37	39,068.98	710,516.13
13	1/1/2031	710,516.13	109,932.34	-	109,932.34	74,406.54	35,525.81	636,109.59
14	1/1/2032	636,109.59	109,932.34	-	109,932.34	78,126.86	31,805.48	557,982.73
15	1/1/2033	557,982.73	109,932.34	-	109,932.34	82,033.21	27,899.14	475,949.52
16	1/1/2034	475,949.52	109,932.34	-	109,932.34	86,134.87	23,797.48	389,814.65
17	1/1/2035	389,814.65	109,932.34	-	109,932.34	90,441.61	19,490.73	299,373.04
18	1/1/2036	299,373.04	109,932.34	-	109,932.34	94,963.69	14,968.65	204,409.35
19	1/1/2037	204,409.35	109,932.34	-	109,932.34	99,711.88	10,220.47	104,697.47
20	1/1/2038	104,697.47	109,932.34	-	109,932.34	104,697.47	5,234.87	0.00