
REPORT NAME

Borrowing bylaw for the re-construction of three sections along Glen Park Road.

RECOMMENDATION

That Council gives first reading to Bylaw 06-25 authorizing long-term debenture borrowing, for up to \$6,680,000 for a term not to exceed 15 years, for the re-construction of Glen Park Road for the following sections:

- Between Range Road 263 and Highway 795
- Between Highway 778 to Highway 39
- Between Range Road 251 to Queen Elizabeth II Highway.

IMPLICATIONS

Reason: To authorize debenture borrowing for the re-construction of three sections along Glen Park Road

Authority: Pursuant to Part 8, Section(s) 231, 251, 252, 254, and 258 of the *Municipal Government Act* (MGA) which outline the municipalities authority to borrow funds. Alberta Regulation 255/2000.

Amount of funding required: Up to \$6,680,000

Funding source: Debenture borrowing (not to exceed 15 years)

BACKGROUND

As part of the 2025 interim budget approved on November 28, 2024, capital project (2025-RD-001) to re-construct Glen Park Road between the following sections:

- between Range Road 263 and Highway 795
- between Highway 778 and Highway 39

was approved using debenture as a funding source. In accordance with Section 254 of the MGA, a borrowing bylaw must be passed prior to the project starting.

On February 25, Council approved a resolution to add an additional section of Glen Park Road to the debenture borrowing. The additional section approved is between Range Road 251 to Queen Elizabeth II Highway.

In order to complete the project, Leduc County will apply to borrow up to \$6,680,000 for a period not to exceed 15 years from the Government of Alberta. The estimated lifetime of the project financed under the borrowing is 15 years.

Leduc County's debt limit is calculated at 1.5 times revenue, per the audited financial statements as of Dec. 31, 2023 the maximum debt limit is \$111,552,753 with \$70,744,114 available. Leduc County has utilized 37 per cent of their allowed debt limit and with the additional borrowing will be at 43 per cent percent of the limit. The principal amount of the outstanding debt as of Dec. 31, 2023 was \$40,808,639 and no part of the principal interest is in arrears.

Submitted by: Natasha Wice, CPA, CGA; B.Mgt; Director of Finance

Reviewed by: Renee Klimosko, CPA, CGA; Deputy County Manager

Date: 03/25/25



Recommendation to Council *Public*

The second and third readings are scheduled for April 22, 2025.

ATTACHMENTS

- Proposed Borrowing Bylaw 06-25