

THE MUNICIPAL BOARD OF MANITOBA
DECISION AND ORDER

DECISION DATE: April 5, 2022

Order No. E-22-062

File No. 22E7-0003

PANEL: Diane Stasiuk, Vice Chair
Tom Raine, Member

TOWN OF STONEWALL - BY-LAW NO. 02-22

The Town of Stonewall (the "Town") submits By-law No. 02-22 (the "Proposed By-law") under Section 176 of *The Municipal Act* for the Board's review and approval. The Proposed By-law was received on March 23, 2022.

The Proposed By-law attached as Appendix "A", authorizes the expenditure and borrowing of money for restoration of the limestone Kilns located on the municipal heritage site in Quarry Park in Stonewall.

The estimated cost is \$3,500,000.00. The Town is to receive funding from the Save the Kilns Committee fundraising in the amount of \$2,500,000.00 and from the Town of Stonewall General Operating Funds in the amount of \$500,000.00 and the balance of \$500,000.00 is to be debentured over a 20-year period at an estimated annual interest rate of 5.0%.

The annual debt payment of \$40,121.29 will be recovered by a special mill rate of 0.130 mills on all taxable and grant-in-lieu properties within the Town.

The financial data presented to the Board indicates that the Municipality presently has an Authorized Debt to Municipal Assessment Ratio of 2.99% and a Debt Charge to Current Revenue Ratio of 10.66%. If this Proposed By-law is approved, the ratios will increase to 3.16% and 11.15% respectively, which are within the Board's guidelines of 7% and 20%.

In dealing with the Proposed By-law, the Board must look at its duty which is set out in Section 64 of *The Municipal Board Act*, which states:

Duty of board

64 In dealing with an application the board shall consider

- (a) the nature of the work, undertaking, or object proposed;**
- (b) the necessity or expediency thereof;**
- (c) the financial position of the local authority; and**

(d) any other relevant matters;
and may refuse the application or require the local
authority to vary the application, or may grant the
application in whole or in part, or subject to conditions.

The Board is satisfied that the restoration of the limestone Kilns located on the municipal heritage site in Quarry Park in Stonewall is needed and that it is expedient to proceed with the project. The Board also is satisfied that the Municipality has the financial capacity to undertake the proposed borrowing and to manage its current debt.

The Board finds the Proposed By-law is reasonable.

THEREFORE, THE BOARD ORDERS THAT:

1. Town of Stonewall By-law No. 02-22 **BE APPROVED.**
2. A filing fee of \$50.00 be paid by the Town of Stonewall.

FOR THE MUNICIPAL BOARD

April 5, 2022
Date

Diane Stasiuk
Diane Stasiuk, Vice Chair

Shelley Jensen
Shelley Jensen, Secretary

TOWN OF STONEWALL
BY-LAW NO. 02-22

Being a By-law of the Town of Stonewall to provide for the expenditure and borrowing of funds for the restoration of the limestone Kilns located in Quarry Park in Stonewall, Manitoba.

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

"**borrowing by-law**" means a by-law referred to in clause 174(1)(a)."

"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 Town of Stonewall is of the opinion that the restoration of the limestone kilns located on the municipal heritage site in Quarry Park should be undertaken within the municipality;

AND WHEREAS in order to complete such undertakings, it will be necessary for the Town of Stonewall to borrow the sum of **\$500,000.00** 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 "A" hereto;

AND WHEREAS the assessed value of the whole land chargeable under this by-law, according to the last revised assessment roll, is **\$306,773,270.00**;

AND WHEREAS the amount of the existing debenture debt of the Town of Stonewall as of December 31, 2021 is **\$2,796,465.97**, of which no portion of the principal or of the interest thereon is in arrears;

NOW THEREFORE the Council of the Town of Stonewall in regular session assembled, enacts as follows:

1. THAT the Town of Stonewall 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 five hundred thousand dollars (**\$500,000.00**).
2. That the funds so raised shall be for the purpose of financing certain works as follows:
Restoration of the limestone kilns located on the municipal heritage site in Quarry Park, Stonewall, Manitoba
3. THAT the borrowing for the aforesaid project shall be issued by the Town of Stonewall in the Province of Manitoba, and shall be payable at the Sunova Credit Union in Stonewall, MB, and shall be dated the 1st day of June A.D. 2022.

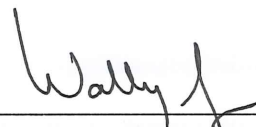
4. THAT the said borrowing shall bear interest at a rate estimated for the time being at 5.0% per annum, and subject in any event to the authorization of The Municipal Board at the time of sale, and shall mature in accordance with the maturities set out in Schedule "A" hereto on the 31st day of December in each of the years 2023 to 2042, both inclusive.
5. THAT the issuance of borrowings shall be signed by the Mayor and by the Chief Administrative Officer of the Town of Stonewall and there shall be affixed thereto the corporate seal of the said municipality.
6. THAT during the currency of the said borrowing; namely, in each of the years 2023 to 2042, both inclusive, there shall be raised annually by a special mill rate on all the rateable property within the Town of Stonewall, an amount sufficient to meet the requirement for principal and interest.
7. THAT pursuant to subsection 174(3)(d) of The Municipal Act, pending the issue of the borrowing, the council of the Town of Stonewall 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 five hundred thousand dollars (\$500,000.00).

DONE AND PASSED in Council assembled in the Town Hall, at the Town of Stonewall, in the Province of Manitoba, this 4th day of May, A.D., 2022.



MAYOR

APPROVED By Order No. E-22-062
of The Municipal Board
J. Jensen
Secretary



CHIEF ADMINISTRATIVE OFFICER

Read a first time this 2nd day of March, A.D., 2022.

Read a second time this 4th day of May, A.D., 2022.

Read a third time this 4th day of May, A.D., 2022.

TOWN OF STONEWALL			
Historic Kilns Restoration		Sold To:	
SCHEDULE - A TO BYLAW NO. 02-22			
Debenture Issue			
Term (Yrs):	20	Amount:	500,000.00
Date:	June 1, 2022	Rate (%):	5.0000
Payable:	December 31, 2023 - 2042	Annual Payment:	40,121.29
# of Days	578	Adjusted First Year's Payment:	55,439.78
		Adjusted Last Year's Payment:	40,121.45
MATURITY SCHEDULE			
Year	Interest	Principal	Balance
2023	40,318.49	15,121.29	484,878.71
2024	24,243.94	15,877.35	469,001.36
2025	23,450.07	16,671.22	452,330.14
2026	22,616.51	17,504.78	434,825.36
2027	21,741.27	18,380.02	416,445.34
2028	20,822.27	19,299.02	397,146.32
2029	19,857.32	20,263.97	376,882.35
2030	18,844.12	21,277.17	355,605.18
2031	17,780.26	22,341.03	333,264.15
2032	16,663.21	23,458.08	309,806.07
2033	15,490.30	24,630.99	285,175.08
2034	14,258.75	25,862.54	259,312.54
2035	12,965.63	27,155.66	232,156.88
2036	11,607.84	28,513.45	203,643.43
2037	10,182.17	29,939.12	173,704.31
2038	8,685.22	31,436.07	142,268.24
2039	7,113.41	33,007.88	109,260.36
2040	5,463.02	34,658.27	74,602.09
2041	3,730.10	36,391.19	38,210.90
2042	1,910.55	38,210.90	0.00
TOTALS	317,744.45	500,000.00	

31-Jan-22