

TOWN OF DAYSLAND

BYLAW No. 2008-472

**A BORROWING BYLAW
OF THE TOWN OF DAYSLAND, IN THE PROVINCE OF ALBERTA
(hereinafter referred to as "the Municipality")**

THE PURPOSE OF THIS BYLAW IS TO AUTHORIZE THE COUNCIL OF THE MUNICIPALITY TO INCUR INDEBTEDNESS BY THE ISSUANCE OF DEBENTURE(S) IN THE AMOUNT OF \$560,000 FOR THE PURPOSE OF COMPLETING THE DAYSLAND ESTATES PHASE ONE SUBDIVISION DEVELOPMENT.

WHEREAS:

The Council of the Municipality has decided to proceed with a bylaw pursuant to Section 258 of the *Municipal Government Act* to authorize the financing, undertaking and completion of the **Daysland Estates phase one subdivision development**.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$560,000, and the Municipality estimates the following grants and contributions will be applied to the project:

Capital Reserves	\$0
Provincial Grants	\$0
Debenture(s)	\$560,000
Total Cost	\$560,000

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$560,000 for a period not to exceed **20 years**, from the Alberta Capital Finance Authority or another authorized financial option, 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 in excess of **30 years**.

The principal amount of the outstanding debt of the Municipality at December 31, 2007 is **\$1,380,250** and no part of the principal or interest is in arrears.

All required approvals for the project have been obtained and the project is in compliance with all *Acts* and *Regulations* of the Province of Alberta.

TOWN OF DAYSLAND

BYLAW No. 2008-472

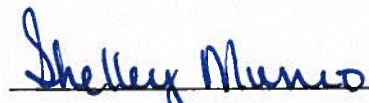
NOW, THEREFORE, THE COUNCIL OF THE MUNICIPALITY DULY ASSEMBLED, ENACTS AS FOLLOWS:

1. That for the purpose of constructing the Daysland Estates phase one subdivision development, the sum of Five-hundred-sixty-thousand DOLLARS (\$560,000) be borrowed from the Alberta Capital Finance Authority 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 **\$560,000** is to be paid by the Municipality at large.
2. The proper 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 Daysland Estates phase one subdivision development project.
3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely semi-annual or annual equal payments of combined principal and interest instalments not to exceed **twenty (20) years** calculated at a rate not exceeding the interest rate fixed by the Alberta Capital Finance Authority or another authorized financial institution on the date of the borrowing, and not to exceed **eight percent (8%)**.
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 THIS 11th DAY OF JUNE 2008.



Mayor



Chief Administrative Officer

TOWN OF DAYSLAND

BYLAW No. 2008-472

READ A SECOND TIME THIS _____ DAY OF _____ 2008.

READ A THIRD TIME THIS _____ DAY OF _____ 2008.

Mayor

Chief Administrative Officer