

**TOWN OF DAYSLAND**

**BYLAW No. 2009-479**

**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 BORROWING THE AMOUNT OF \$100,000 FOR THE PURPOSE OF PURCHASING EQUIPMENT.**

**WHEREAS:**

The Council of the Municipality has decided to proceed with a bylaw pursuant to Section 257 of the *Municipal Government Act, RSA* to authorize the financing of equipment.

Quotes have been received and the total cost of the equipment is estimated to be \$60,000, and the Municipality estimates the following and contributions will be applied to the project:

Capital Reserves	\$0
Provincial Grants	\$0
Borrowing	\$60,000
<b>Total Cost</b>	<b>\$60,000</b>

In order to complete the project it is necessary for the Municipality to borrow the sum of **\$60,000** for a period not to exceed **5 years**, from the Battle River Credit Union or another authorized financial institution on the terms and conditions referred to in this bylaw.

*J.P.* The estimated lifetime of the project financed under this bylaw is equal to, or in excess of **5 years**.

The principal amount of the outstanding debt of the Municipality at December 31, 2008 is **\$1,859,830** and no part of the principal or interest is in arrears.

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

# TOWN OF DAYSLAND

## BYLAW No. 2009-479

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

1. That for the purpose of purchasing a **tractor and a lawn mower**, the sum of not more than sixty-thousand DOLLARS (\$60,000) be borrowed from the Battle River Credit Union or another authorized financial option on the credit and security of the equipment as collateral, of which amount the sum of **\$60,000** is to be paid by the Municipality at large.
2. The proper officers of the Municipality are hereby authorized to undertake borrowing on behalf of the Municipality for the amount and purpose as authorized by this bylaw, namely the purchase of equipment.
3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely monthly payments of combined principal and interest instalments not to exceed **five (5) years** calculated at an open variable rate of **prime plus 2%** not exceeding the interest rate fixed by the Battle River Credit Union or another authorized financial option 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 equipment purchased.
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 25<sup>th</sup> DAY OF JUNE 2009.**

**READ A SECOND TIME THIS 25<sup>th</sup> DAY OF JUNE 2009.**

**AND WITH UNANIMOUS CONSENT,**

**READ A THIRD TIME THIS 25<sup>th</sup> DAY OF JUNE 2009.**

  
\_\_\_\_\_  
Mayor

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