

**BYLAW NO. 2016-616  
OF THE TOWN OF DAYSLAND**

(Hereinafter referred to as "the Municipality")

**IN THE PROVINCE OF ALBERTA**

**This bylaw authorizes the Council of the Municipality to incur indebtedness by the issuance of bridge financing in the amount of ONE HUNDRED EIGHTY-ONE THOUSAND DOLLARS (\$181,000.00) for the purpose of purchasing a Caterpillar model 140M Grader**

**WHEREAS:**

**The Council of the Municipality has decided to issue a by-law pursuant to Section 258 of the *Municipal Government Act* to authorize the financing, of purchasing a Caterpillar model 140M Grader.**

Specifications have been received and the total cost of the purchase is estimated to be ONE HUNDRED EIGHTY-ONE THOUSAND (\$181,000.00) and the Municipality estimates the following grants and contributions will be applied to the project:

Capital Reserves	NIL
Provincial Grants	\$181,000.
Interim Financing	\$181,000.
Total Cost	\$181,000.

In order to complete the purchase it will be necessary for the Municipality to borrow the sum of ONE HUNDRED EIGHTY-ONE THOUSAND DOLLARS (\$181,000.00), for a period not to exceed one (1) year, from an authorized financial institution, by the issuance of a loan and on the terms and conditions referred to in this bylaw.

The estimated lifetime of the equipment financed under this by-law is equal to, or in excess of TEN (10) years.

The principal amount of the outstanding debt of the Municipality at December 31, 2014 is ONE MILLION FOUR HUNDRED TEN THOUSAND EIGHT HUNDRED AND EIGHTY FIVE DOLLARS (\$1,410,885) 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.

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

*CSW*

1. That for the purpose of purchasing a Caterpillar model 140M Grader, the sum of ONE HUNDRED EIGHTY-ONE THOUSAND DOLLARS (\$181,000.00.00) be borrowed from an authorized financial institution by way of loan on the credit and security of the Municipality at large, of which amount the full sum of \$181,000.00 is to be paid by the Municipal Sustainability Initiative 2016 Capital grant.
2. The proper officers of the Municipality are hereby authorized to issue a loan on behalf of the Municipality for the amount and purpose as authorized by this by-law, namely the purchase of a Caterpillar model 140M Grader
3. The Municipality shall repay the indebtedness according to the repayment structure in effect at a rate not exceeding the interest rate fixed by an authorized financial institution on the date of the borrowing, and not to exceed FOUR (4) percent.
4. The Municipality shall apply the 2016 Municipal Sustainability Initiative (MSI) capital grant 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 by-law shall be applied only to the project specified by this by-law.
7. This by-law comes into force on the date it is passed.

READ A FIRST TIME THIS 25<sup>th</sup> DAY OF JANUARY, 2016.

READ A SECOND TIME THIS 25<sup>th</sup> DAY OF JANUARY, 2016.

READ A THIRD TIME THIS 25<sup>th</sup> DAY OF JANUARY 2016.



(CHIEF ELECTED OFFICIAL)



(CHIEF ADMINISTRATIVE OFFICER)