



**By-law No. 211/2019**

**Town of Bentley, in the Province of Alberta**

**This by-law authorizes the Council of the Town of Bentley to incur an indebtedness by the issuance of a short term borrowing for the capital expenditure in the amount of \$512,000.00, for purpose of financing the completion of the servicing of Subdivision Plan 152-1374 for the investment of the future growth and development of the Town of Bentley.**

**WHEREAS**, the servicing of the lots contained within Town of Bentley Subdivision Plan 152-1374 has not been completed and the servicing of the said subdivision must be completed in order for the Town of Bentley to increase its population and property assessment base through the construction of residential housing,

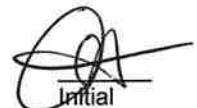
**AND WHEREAS**, the Council of the Town of Bentley has decided to issue a by-law, pursuant to Section 257 of the Municipal Government Act, Chapter M-26, Revised Statutes of Alberta, 2000, to authorize the financing of the completion of the servicing of Subdivision Plan 152-1374 consisting of

Lots 1 to 34, Block 1, Plan 152-1374 and  
Lots 1 to 6, Block 2, Plan 152-1374

**AND WHEREAS**, cost estimates obtained by the Town of Bentley indicate the estimated cost to complete the servicing of the above described lands will be \$672,000.00 and the Town has a credit on deposit in the amount of \$160,000.00, dedicated for the servicing of this Subdivision, leaving a balance of \$512,000.00 required to complete the servicing of the subdivision, above described,

**AND WHEREAS**, in order to complete the servicing of the above described land, it will be necessary for the Town of Bentley to borrow the sum of Five Hundred and Twelve Thousand (\$512,000.00) Dollars, for a period of five (5) years, from Servus Credit Union, by the issuance of a debenture and on the terms and conditions referred to in this by-law.

**AND WHEREAS**, The estimated lifetime of the purchase financed under this by-law is equal to or in excess of five (5) years.

  
Initial

**AND WHEREAS,** The principal amount of the outstanding debt of the Town of Bentley at December 31, 2018 is \$1,138,301.00.

The debt limit of the Town of Bentley, at December 31, 2018, as defined by Alberta Regulation 255/00 and set out in the 2018 Audited Financial Statement of the Town of Bentley is as follows:

Total debt limit	\$3,989,384.00
Total debt	<u>1,138,301.00</u>
Amount of debt limit unused	\$2,851,083.00
Service limit of debt	\$ 664,897.00
Service on Debt	<u>345,981.00</u>
Amount of debt servicing limit unused	\$ 318 916.00

**AND WHEREAS,** pursuant to Section 257 of the Municipal Government Act, a borrowing by-law for a term of five (5) years or less, that authorizes the borrowing, does not have to be advertised.

**NOW THEREFORE, THE COUNCIL OF THE TOWN OF BENTLEY, IN THE PROVINCE OF ALBERTA, DULY ASSEMBLED, ENACTS AS FOLLOWS:**

1. That for the purpose of financing the completion of the servicing of the land, as above described, for the purpose of the future growth and development of the Town of Bentley, the sum of Five Hundred and Twelve Thousand Dollars will be borrowed from Servus Credit Union for a period not to exceed five (5) years, by way of debenture on the credit and security of the Town of Bentley at large, of which the full sum of Five Hundred and Twelve Thousand (\$512,000.00) Dollars, is to be paid by the Town of Bentley at large.
2. The proper officers of the Town of Bentley are hereby authorized to issue the debenture on behalf of the Town of Bentley for the amount and purpose of this by-law, namely, to complete the servicing of Subdivision Plan 152-1374
3. The Town of Bentley shall repay the indebtedness according to the repayment structure, terms and interest rate, set from time to time, by the authorized financial institution, with an interest rate not to exceed 4 per cent.
4. The Town of Bentley shall levy and raise in each year, municipal taxes sufficient to pay the indebtedness. Payments may be accelerated through receipt of additional funds from other sources, such as lot sales.

  
Initial

5. The indebtedness shall be contracted on the credit and security of the Town of Bentley.
6. The net amount borrowed under this by-law shall be applied only to the project specified in this by-law. In the event the actual project costs are lower than the estimates, the surplus funds shall be applied towards the loan principal.
7. This by-law shall come into force on the date of the final reading thereof.

Read a first time this 28<sup>th</sup> day of May, 2019.

Read a second time this 28<sup>th</sup> day of May, 2019.

Read a third and final time this 28<sup>th</sup> day of May, 2019.



Mayor Greg Rathjen



Chief Administrative Officer  
Elizabeth Smart