



**By-law No. 202/2018**

**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 \$675,000.00, for purpose of financing the purchase of lands for the investment of the future growth and development of the Town of Bentley.**

**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 for the purchase of the following lands;

**A. Meridian 5, Range 1, Township 40, Section 26, South West Quarter\**

All that portion lying north of the production easterly and westerly throughout of the south limit of Big Springs Avenue on Plan 4072HW containing 29.9 hectares (73.89 acres), more or less, excepting thereout:

	<u>Hectares</u>	<u>Acres (more or less)</u>
a) Plan 132U – subdivision	2.31	5.73
b) Plan 4072 HW – subdivision	2.75	6.80
c) All that portion bounded on the north by the north boundary of the said quarter section; on the east by a line drawn parallel to and perpendicularly distant 550 feet easterly from the west boundary of the said quarter section; on the west boundary and on the south by the north boundary of Plan 132, containing . . . . .	4.15	10.26
d) Plan 9924932 – subdivision	2.841	7.02
e) Plan 1521374 – subdivision	3.11	8.69

**EXCEPTING thereout all mines and minerals**

**(the un-subdivided lands)**

**B. Plan 1521374, Block 1, Lots 5 – 19, 22, 23, 25 – 34**

**C. Plan 1521374, Lots 1, 3 and 6**

**(the subdivided lands)**

**AND WHEREAS**, the Town of Bentley has made an offer to Northland Mortgage and Investment Corporation to purchase the above described lands and Northland Mortgage and Investment Corporation has agreed to sell the above described lands for the amount of Six Hundred and Seventy-five Thousand (\$675,000.00) Dollars;

**AND WHEREAS**, in order to complete the purchase of the above described lands, it will be necessary for the Town of Bentley to borrow the sum of Six Hundred and Seventy-five Thousand (\$675,000.00) 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.

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

The principal amount of the outstanding debt of the Town of Bentley at December 31, 2017 is \$664,181.00.

The debt limit of the Town of Bentley, at December 31, 2017, as defined by Alberta Regulation 255/00 and set out in the 2017 Audited Financial Statement of the Town of Bentley is as follows:

Total debt limit	\$3,771,381.00
Total debt	<u>664,181.00</u>
Amount of debt limit unused	\$3,107,200.00
Service limit of debt	\$ 628,563.00
Service on Debt	<u>224,426.00</u>
Amount of debt servicing limit unused	\$ 399,137.00

**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 purchase of the lands, above described, for the purpose of the future growth and development of the Town of Bentley, the sum of Six Hundred Seventy-five Thousand (\$675,000.00) 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 Six Hundred Seventy-five Thousand (\$675,000.00) 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 purchase land for the future growth and development of the Town of Bentley.
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.
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.
7. This by-law shall come into force on the date of the final reading thereof.

Read a first time this 9<sup>th</sup> day of October, 2018.

Read a second time this 9<sup>th</sup> day of October, 2018.

Read a third and final time this 9<sup>th</sup> day of October, 2018.

  
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Mayor Greg Rathjen

  
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Chief Administrative Officer  
Elizabeth Smart