

**BYLAW NO. 015-07
OF THE TOWN OF CHESTERMERE**

(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 capital leases in the amount of \$262,299 for the purpose of purchasing Public Works and Parks equipment.

WHEREAS:

The Council of the Municipality has decided to issue a by-law pursuant to Section 257 of the *Municipal Government Act* to authorize the financing, undertaking and completion of the purchase of a street sweeper, wood chipper and tractor.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$262,299 and the Municipality estimates the following grants and contributions will be applied to the project:

Capital Reserves	\$0
Provincial Grants	\$0
Capital Leases	\$262,299
Total Cost	\$262,299

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$262,299, for a period not to exceed five years, from an authorized financial institution, by the issuance of capital leases and on the terms and conditions referred to in this bylaw.

The estimated lifetime of the project financed under this by-law is equal to, or in excess of fifteen years.

The principal amount of the outstanding debt of the Municipality at December 31, 2006 is \$7,431,997 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:

1. That for the purpose of purchasing a street sweeper, wood chipper and tractor the sum of two hundred sixty two thousand two hundred ninety nine DOLLARS (\$262,299) be borrowed from an authorized financial institution by way of capital leases on the credit and security of the Municipality at large, of which amount the full sum of \$262,299 is to be paid by the Municipality at large.
2. The proper officers of the Municipality are hereby authorized to issue capital leases on behalf of the Municipality for the amount and purpose as authorized by this by-law, namely the purchase of a street sweeper, wood chipper and tractor.
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 a rate not exceeding the interest rate fixed by an authorized financial institution on the date of the borrowing, and not to exceed eleven (11) percent.
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 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 23 DAY OF JULY 2007.

READ A SECOND TIME THIS 23 DAY OF JULY 2007.

READ A THIRD TIME THIS 23 DAY OF JULY 2007.



(CHIEF ELECTED OFFICIAL)



(CHIEF ADMINISTRATIVE OFFICER)

SEAL