

BYLAW 763/17
TOWN OF ELK POINT #043

THIS BYLAW AUTHORIZES THE TOWN OF ELK POINT TO INCUR INDEBTEDNESS BY THE ISSUANCE OF DEBENTURE IN THE AMOUNT NOT TO EXCEED \$972,419.00 FOR THE PURPOSE OF REFINANCING EXISTING DEBT IN ORDER TO REDUCE DEBT FINANCING COSTS OF CURRENT ASSET (WATER RESERVOIR)

WHEREAS the Town of Elk Point has decided to issue a by-law pursuant to Section 261 of the Municipal Government Act to authorize the re-financing of current asset and infrastructure loan per the attached Schedule "A".

Demand Loans held with current bank lender are at a floating lending rate of Prime 2.7 percent, re-financing of this specific loan will result in a debenture of \$972,419.00.

In order to reduce lending costs it will be necessary for the Town of Elk Point to borrow the sum of \$972,419.00 from the Alberta Capital Finance Authority by the issuance of debenture not to exceed nine (9) years and on the terms of conditions referred to in this bylaw and Schedule "A".

The total amount of the outstanding debt of the Town of Elk Point as at December 31, 2016 is \$2,973,524.00.

NOW, THEREFORE, THE COUNCIL MEMBERS OF THE TOWN OF ELK POINT DULY ASSEMBLED, ENACTS AS FOLLOWS:

1. That for the purpose of refinancing existing debt in order to reduce financing costs on current assets (Water Reservoir) (per Schedule A), the total sum NINE HUNDRED AND SEVENTY TWO THOUSAND, FOUR HUNDRED AND NINETEEN DOLLARS is (\$972,419.00) to be borrowed from the Alberta Capital Finance Authority by way of debenture on the credit and security of the Town at large, of which amount the full sum NOT TO EXCEED \$972,419.00 is to be paid by the Town at large.
2. The proper officers of the Town are hereby authorized to issue debenture(s) on behalf of the town for the amount and purpose as authorized by this by-law, namely the refinancing of existing debt.
3. The Town shall repay the indebtedness according to the repayment structure in effect, namely semi-annual payments of combined principal and interest instalments not to exceed nine (9) years calculated at a rate not exceeding the interest rate determined by the Alberta Capital Finance Authority on the date of the borrowing, and not to exceed Two Point Seven (2.7) percent.
4. The Town shall requisition and raise in each year sufficient funds from taxes to pay the indebtedness.

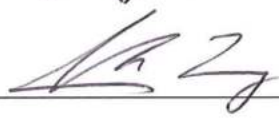
5. The indebtedness shall be contracted on the credit and security of the Town.
6. The net amount borrowed under the by-law shall be applied only for the purpose as specified by this by-law.
7. This by-law comes into force on the date it is passed.

Read for the **FIRST** time in Council this 26th day of June, 2017.

Mayor 

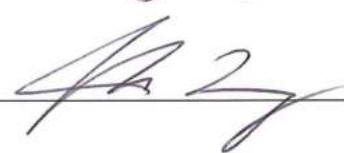
Chief Administrative Officer 


Read a **SECOND** time in Council this 24, day of July, 2017.

Mayor 

Chief Administrative Officer 

Read a **THIRD** and **FINAL** time in Council this 24, day of July, 2017.

Mayor 

Chief Administrative Officer 

SCHEDULE "A"

Loan A

Term: 9 Years

Payments: Semi Annual

	Principle
Water Reservoir	\$972,419.00
Total Principle:	\$972,419.00

The estimated lifetime of the assets in loan A financed under this by-law are equal to, or in excess of 25 years.