

BY LAW NO. 475 - 95

**BEING A BY LAW OF THE TOWN OF FOX CREEK,
(Hereinafter referred to as the "municipality")
IN THE PROVINCE OF ALBERTA, TO AUTHORIZE
THE COUNCIL OF THE MUNICIPALITY TO INCUR
AN INDEBTEDNESS BY THE ISSUANCE OF A DEBENTURE
(the "debenture") TO THE ALBERTA MUNICIPAL
FINANCING CORPORATION FOR THE PURPOSE OF
BUILDING A TOWN ADMINISTRATION CENTRE.**

WHEREAS:

The Council of the Municipality has decided to issue a By Law pursuant to Sections 251 and 258 of the Municipal Government Act to authorize the financing, undertaking, and completing of a Town Administration Centre project.

The Municipality has made plans, specifications and estimates for the project and confirms the cost of the said project is \$505,990.00.

The Council of the Municipality has estimated the following grants and contributions will be received or applied to the project.

1. Canada/Alberta Infrastructure Program: \$ 196,104.00
2. Contributions from Operating Reserves: 8,500.00
3. Contributions from Capital Reserves: 31,755.00

In order to construct and complete the said project, it will be necessary for the municipality to borrow the sum of \$269,631.00 dollars (the "indebtedness") on the terms and conditions referred to in this By Law.

The Municipality will repay the indebtedness over a period of fifteen (15) years in annual instalments, with interest not exceeding fourteen (14.0%) per cent, or the interest rate fixed from time to time by the Alberta Municipal Financing Corporation, per annum, payable annually.

The amount of the existing debenture debt of the Municipality at December 31, 1994, is \$734,188.55, no part of which is in arrears.

The estimated lifetime of the project is 35 years.

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.

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

1. That for the purpose of financing, undertaking, and completing the development of a municipal administrative centre, the sum of TWO HUNDRED AND SIXTY NINE THOUSAND SIX HUNDRED AND THIRTY ONE (\$269,631.00) DOLLARS be borrowed from the Alberta Municipal Finance Corporation by way of debenture on the credit and security of the Municipality at large, of which amount the total sum is to be paid by the Municipality at large.
2. The debenture to be issued under this by - law shall not exceed the sum of TWO HUNDRED AND SIXTY NINE THOUSAND SIX HUNDRED AND THIRTY ONE (\$269,631.00) DOLLARS, and may be in any denomination not exceeding the amount authorized by this by - law and shall be dated having regard to the date of the borrowing.
3. The debenture shall bear interest during the currency of the debenture, at a rate not exceeding fourteen (14%) per cent, or the interest rate fixed from time to time by the Alberta Municipal Financing Corporation, per annum, payable annually.
4. The debenture shall be issued in such a manner that the principal and interest will be combined and made payable in, as nearly as possible, equal annual instalments over a period of fifteen (15) years, in accordance with Schedule "A" attached and forming a part of the debenture.
5. The debenture shall be payable in lawful money of Canada at the Canadian Imperial Bank of Commerce in the Town of Fox Creek or at such other bank or financial

institution as the Council of the municipality may authorize as its banking agency during the currency of the debenture.

6. The Chief Elected Official and Chief Administrative Officer of the Municipality shall authorize such bank or financial institution to make payments to the holder of the debenture, on such date and in such amounts as specified in the repayment schedule forming part of the debenture.

7. The debenture shall be signed by the Chief Elected Official and the Chief Administrative Officer of the Municipality and the Chief Administrative Officer shall affix the corporate seal of the Municipality to the debenture.

8. There shall be levied and raised in each year of the currency of the debenture a rate or rates on the assessed value of all lands and improvements shown on the assessment roll, sufficient to provide an annual tax adequate to pay the principal and interest falling due in such year on such debenture. The said rates and taxes are collectible at the same time and in the same manner as other rates and taxes.

9. The indebtedness is contracted on the credit and security of the Municipality at large.

10. The net amount realized by the issue and sale of the debenture authorized under this by - law shall be applied only for the purposes for which the indebtedness was created.

11. This by - law shall take effect on the day of final passing thereof.

READ A FIRST TIME in Council this 3rd day of April, A.D., 1995.

READ A SECOND TIME in Council this 1st day of May, A.D., 1995.

READ A THIRD TIME in Council and finally passed this 1st day of May, A.D., 1995.

CERTIFIED A TRUE COPY


CHIEF ELECTED OFFICIAL

SEAL


CHIEF ADMINISTRATIVE OFFICER

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SCHEDULE "A"

SCHEDULE OF DEBENTURE REPAYMENT

For the purpose of constructing a municipal administrative centre.

1. For a period of fifteen years, commencing in the year 1996, there shall be levied annually against the municipality at large, an amount determined by the following calculation:

Amount to be debentured:	\$269,631.00
Period of debenture:	15 years.
Applicable rate of interest:	9.00% per annum

Amortization factor:	124.05888
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Calculation of annual payment:

$\$269,631.00 \times 124.05888 / 1000 = \$33,450.12$

2. Total annual payment levied: \$33,450.12
3. Total payment (interest and principle) over the period of the debenture:

Principle:	\$269,631.00
Interest:	232,120.80

Total Payment: \$501,751.80