

BY-LAW 01/2002

A BY-LAW OF THE TOWN OF HIGH PRAIRIE, PROVINCE OF ALBERTA, AUTHORIZING COUNCIL TO INCUR AN INDEBTEDNESS BY THE ISSUANCE OF DEBENTURES (The "Debentures") TO THE ALBERTA MUNICIPAL FINANCING CORPORATION FOR THE PURPOSE OF PURCHASING A BUILDING TO BE USED AS THE MUNICIPAL LIBRARY AND COMMUNITY SERVICES BUILDING.

WHEREAS:

The Council of the Town of High Prairie decided to issue a by-law pursuant to Section 258 of the *Municipal Government Act* to authorize the financing, undertaking and purchase of a building to be used for a Municipal Library and Community Services Building. The Town of High Prairie made plans, specifications and estimates for the project and confirms the total cost of the said project is \$500,000.00.

In order to construct and complete the said project, it will be necessary for the Town to borrow the sum of \$500,000.00 (the "indebtedness") on the terms and conditions referred to in this By-law.

The Town will repay the indebtedness over a period of 20 years in annual installments, with interest not exceeding 8.5% 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 Town at December 31, 2001, is \$2,523,062.39, 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 MUNICIPAL COUNCIL OF THE TOWN OF HIGH PRAIRIE, IN THE PROVINCE OF ALBERTA, DULY ASSEMBLED, ENACTS AS FOLLOWS:

1. That for the purpose of the purchase of a building to be used as a Municipal Library and Community Services Building the sum of \$500,000.00 be borrowed from Alberta Municipal Financing Corporation by way of debenture on the credit and security of the Town at large, of which amount the sum of \$500,000.00 is to be paid by the Town of High Prairie at large.
2. The debentures to be issued under this by-law shall not exceed the sum of \$500,000.00 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 debentures shall bear interest during the currency of the debentures, at a rate not exceeding 8.5%, or the interest rate fixed from time to time by the Alberta Municipal Financing Corporation, per annum, payable annually.
4. The debentures shall be issued in such manner that the principal and interest will be combined and be made payable in, as nearly as possible, equal annual installments over a period of 20 years, in accordance with the schedule attached and forming a part of each debenture.
5. The debentures shall be payable in lawful money of Canada at the Royal Bank of Canada in the Town of High Prairie or at such other bank or financial institution as the Town may authorize as its banking agency during the currency of the debenture.
6. The Mayor and Town Manager of the Town of High Prairie shall authorize such bank or financial institution to make payments to the holder of the debentures, on such date and in such amounts as specified in the repayment schedule forming part of each debenture.
7. The debentures shall be signed by the Mayor and the Town Manager of the Town and the Town Manager shall affix the corporate seal of the Town to the debentures.
8. There shall be levied and raised in each year of the currency of the debentures 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 debentures. 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 Town of High Prairie at large.

10. The net amount realized by the issue and sale of debentures 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 the final passing thereof.

This By-Law shall come into force and effect upon third reading thereof.

READ a first time this 9th day of January, 2002

ADVERTISED in the South Peace News on January 16th and 23rd, 2002

READ a second time this 27th day of February, 2002

READ a third and final time this 27th day of February, 2002

DATED this 27th day of February, 2002.



Mayor Brodrick



Town Manager