



BYLAW NO. 2017-02

OF THE MUNICIPAL DISTRICT OF LESSER SLAVE RIVER

(hereinafter referred to as "the Municipality")

IN THE PROVINCE OF ALBERTA

This by-law authorizes the Council of the Municipality to incur indebtedness by the issuance of debenture(s) in the amount of \$2,600,000 for lending to the Lesser Slave Lake Regional Housing Authority to re-finance the housing authority's existing loan related to the capital costs of the Senior's Lodge in the Town of Slave Lake.

WHEREAS:

The Council of the Municipality has decided to issue a by-law pursuant to Section 258 of the *Municipal Government Act* to authorize the borrowing of funds for lending to the Lesser Slave Lake Regional Housing Authority for re-financing the capital costs of the Senior's Lodge situated on Lot 12A Plan 9925166 in the Town of Slave Lake.

The Senior's Lodge was constructed in 2011, the Lesser Slave Lake Regional Housing Authority's current loan is maturing on March 13, 2017 with a balance of approximately \$3,940,000 and the amount of financing required is estimated to be \$2,600,000 with the balance being provided by the Lesser Slave Lake Regional Housing Authority:

Cash from Housing Authority	1,440,000
Debenture(s)	<u>2,600,000</u>
Total Cost	\$3,940,000

In order to re-finance the project, it will be necessary for the Municipality to borrow the sum of \$2,600,000, for a period not to exceed 10 years, from the Alberta Capital Finance Authority or another authorized financial institution, by the issuance of debentures and on the terms and conditions referred to in this by-law.

The estimated lifetime of the project financed under this by-law is equal to, or in excess of 10 years.

The principal amount of the outstanding debt of the Municipality at December 31, 2015 is \$3,424,133 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 lending funds to the Lesser Slave Lake Regional Housing Authority for re-financing an existing loan for the capital costs of the Senior's Lodge the sum of TWO MILLION SIX HUNDRED THOUSAND DOLLARS (\$2,600,000) be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debenture on the credit and security of the Municipality at large, of which amount the full sum of \$2,600,000 is to be paid by the Municipality at large.
2. The proper officers of the Municipality are hereby authorized to issue debenture(s) on behalf of the Municipality for the amount and purpose as authorized by this by-law, namely the lending of the funds to the Lesser Slave Lake Housing Authority for re-financing the capital cost of the Senior's Lodge.
3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely semi-annual or annual equal payments of combined principal and interest instalments not to exceed TEN (10) years calculated at a rate not exceeding the interest rate fixed by the Alberta Capital Finance Authority or another authorized financial institution on the date of the borrowing, and not to exceed FIVE (5) percent.

4. The Municipality shall receive payments from Lesser Slave Lake Regional Housing Authority and/or 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 22nd day of February A.D., 2017

(REEVE)

Allen Dinnick
(CHIEF ADMINISTRATIVE OFFICER)

ADVERTISED the 8th day of March, A.D., 2017

ADVERTISED a second time the 15th day of March, A.D., 2017

READ A SECOND TIME this 12th day of April, A.D., 2017

READ A THIRD TIME this 12th day of April, A.D., 2017

[Signature]
(REEVE)

Allen Dinnick
(CHIEF ADMINISTRATIVE OFFICER)