

RE-FINANCING SEWAGE LAGOON UPGRADE PROJECT

BYLAW NO. 21-2020

OF THE TOWN OF SLAVE LAKE

(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 debenture(s) in the amount NOT TO \$7,293,000 for the purpose of refinancing existing debt in order to reduce debt financing costs of current asset and infrastructure loans.

WHEREAS:

The Council of the Municipality has decided to issue a by-law pursuant to Section 251 and 261 of the *Municipal Government Act* to authorize the re-financing of the current asset and infrastructure loans per the attached Schedule A.

Demand Loans held with current bank lender are at a lending rate of Royal Bank Prime plus 0 percent, refinancing of these specific loans will result in a debenture of \$7,293,000.

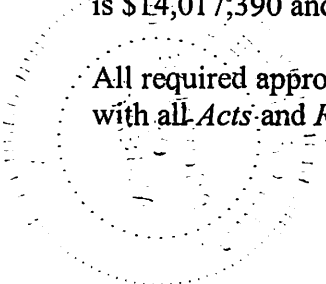
In order to reduce lending costs it will be necessary for the Municipality to borrow the sum of \$6,717,900 from the Federation of Canadian Municipalities and \$575,100 from the Alberta Capital Finance Authority by the issuance of debenture and on the terms and conditions referred to in this bylaw and Schedule A.

In order to reduce lending costs it will be necessary for the Municipality to borrow the sum of SIX MILLION SEVEN HUNDRED SEVENTEEN THOUSAND NINE HUNDRED DOLLARS (\$6,717,900), from the Federation of Canadian Municipalities & the Alberta Capital Finance Authority FIVE HUNDRED SEVENTY FIVE THOUSAND ONE HUNDRED DOLLARS (\$575,100), for a period not to exceed 240 months (20) years or another authorized financial institution, by the issuance of debentures and on the terms and conditions referred to in this bylaw.

The estimated lifetime of the project financed under this bylaw is equal to, or in excess of 480 months (45) years.

The principal amount of the outstanding debt of the Municipality at December 31, 2019 is \$14,017,390 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 refinancing existing debt in order to reduce financing costs on current asset and infrastructure related loans (per Schedule A), the sum of SIX MILLION SEVEN HUNDRED SEVENTEEN THOUSAND NINE HUNDRED DOLLARS (\$6,717,900) be borrowed from the Federation of Canadian Municipalities, FIVE HUNDRED SEVENTY FIVE THOUSAND ONE HUNDRED (\$575,100) be borrowed from the Alberta Capital Finance Authority by way of debenture on the credit and security of the Municipality at large, of which amount the full sum of \$7,293,00 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 the bylaw, namely the blank
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 240 months (20) years calculated at a rate not exceeding the interest rate fixed by the Federation of Canadian Municipalities and the Alberta Capital Finance Authority, on the date of the borrowing, and not to exceed FOUR PERCENT (4.0) percent.
4. The Municipality shall levy and raise in each year sufficient user and resident fees to pay the indebtedness.
5. The indebtedness shall be contracted on the credit and security of the Municipality.
6. The next amount borrowed under the bylaw shall be applied only for the purpose as specified by this bylaw.
7. This bylaw comes into force on the date it is passed.

READ A FIRST TIME THIS 04th DAY OF August 2020.

READ A SECOND TIME THIS 15th DAY OF September 2020.

READ A THIRD TIME THIS 15th DAY OF September 2020.



(CHIEF ELECTED OFFICIAL)



(CHIEF ADMINISTRATIVE OFFICER)



**BYLAW NO. 21-2020
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IN THE PROVINCE OF ALBERTA

SCHEDULE A

Loan A

Term: 3 years

Lender: Royal Bank of Canada

	Principal
Sewage Lagoon Project	\$7,001,781.31

The estimated lifetime of the asset in loan A financed under this bylaw are equal to, or in excess of 45 years.