

BY-LAW NO. 16-2015
OF THE TOWN OF SLAVE LAKE

(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) not to exceed or up to \$3,000,000 for the purpose of constructing the Legacy Centre building.

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 financing, undertaking and completion of the Legacy Centre.

Plans and specifications have been prepared and the total cost of the project is estimated to be **\$19,828,614** and the Municipality estimates the following grants and contributions will be applied to the project:

Donations	\$ 9,163,114
Provincial Grants	\$ 7,665,500
Debenture	<u>\$ 3,000,000</u>
Total Cost	<u>\$19,828,614</u>

In order to complete the project it will be necessary for the Municipality to borrow up to the sum of \$3,000,000 for a period not to exceed 30 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 50 years.

The principal amount of the outstanding debt of the Municipality at December 31, 2014 is **\$31,050,524** 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:

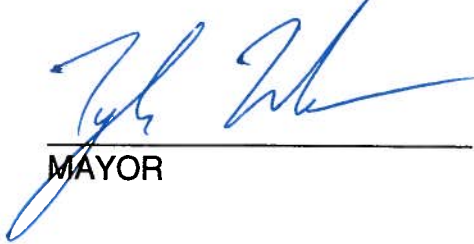
1. That for the purpose of constructing the Legacy Centre up to the sum of, and not to exceed, \$ THREE MILLION DOLLARS (\$3,000,000) be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debenture on the credit and security of the Municipality at large, of which amount the full sum of up to \$ THREE MILLION DOLLARS (\$3,000,000) 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 [Borrowing By-Law# 16-2015](#).
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 THIRTY (30) 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 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.
8. That this Bylaw comes into effect upon the date of its Third and Final Reading.

READ A FIRST TIME THIS 2 DAY OF JUNE 2015.


MAYOR

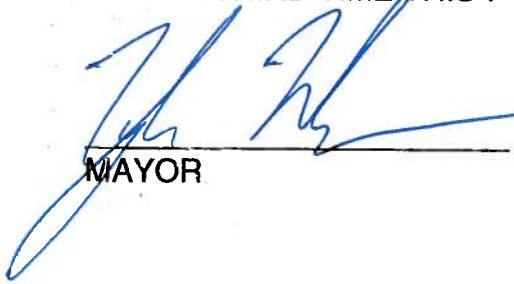

CHIEF ADMINISTRATIVE OFFICER

READ A SECOND TIME THIS 7 DAY OF JULY 2015.


MAYOR


CHIEF ADMINISTRATIVE OFFICER

READ A THIRD TIME THIS 7 DAY OF JULY 2015.


MAYOR


CHIEF ADMINISTRATIVE OFFICER

DEBT LIMIT WORKSHEET

APPENDIX C

Name of Municipality: **Town of Slave Lake**

Part 1

Calculation of Debt Limit as at **September 15, 2015**. (Calculation Time)

Total debt as at December 31, 2014 being the aggregate of (a)+(b)-(c):

(a) Principal balances outstanding on borrowings as defined in Section 241(a) of the <i>Municipal Government Act</i>	\$ 31,050,524	
(b) Principal outstanding at the calculation time on loans guaranteed by the municipality that are in good standing, plus the amount that the municipality is liable to pay at the calculation time on loans it has guaranteed that are not in good standing	_____	
Less:		
(c) Debt related to the Government Centre (2008 Ministerial Order L:015/08) Amounts recoverable from another municipality in respect of (a)+(b) above Sub-total	\$ (21,908,597) \$ (0)	
(d) Principal repayment of debt from Jan. 1, 2015 to calculation time	(867,285)	
(e) Early payout of debt (principal only) occurring from Jan. 1, 20 __ (current year) to calculation time	(_____)	
Plus:		
(f) Debt issued from Jan. 1, 2015 to calculation time	_____	
(g) Less amount recoverable from another municipality in respect of (f) if applicable	(_____)	
(h) Debt issue applied for under this By-law No. 16-2015	\$ 3,000,000	
Total debt for calculation of debt limit as at September 15th, 2015	\$ 11,274,642	(i)

Part 2

Total revenue as defined by Alberta Regulation No. 255/2000, for the year ended December 31, 2014, excluding government transfers for capital purposes and principal outstanding on loans made under MGA Section 265

	\$ 21,958,665	
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*Debt limit of 1.5 times revenue	\$ 32,937,998	(ii)
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*Note: Debt limit calculations for Regional Service Commissions:

- for public utility services - 2 times revenue
- for non-public utility services - .5 times revenue

Part 3

Calculation of Service on Debt Limit as at **September 15, 2015** (Calculation time)

Service on debt being the aggregate of:

(a)	Total payments of principal and interest on borrowing to Dec. 31 of the prior year required to be paid to ACFA between Jan. 1 and Dec. 31, 2015.	\$ 2,941,368
(b)	Total payments of principal and interest required to be paid on all other loans within 12 months from the calculation time (including demand loans)	_____
(c)	Pro-rata (Go to Part 5 Pro-rata Calculation) portion of principal and interest amount in respect of borrowing where no principal payments are required during the next 12 months	_____
(d)	Amount estimated to become due during the next 12 months as a result of guarantees referred to in Section 266 of the <i>Municipal Government Act</i> that are not in good standing	_____
Less:		
(e)	Amounts recoverable from another municipality in respect of (a)+(b)+(d) above	(_____)
(f)	Total payments of principal and interest on ACFA loans that matured between Jan. 1, 20____ (current year) and the calculation time	
	Debt service related to the Government Centre	\$ (2,114,054)
Plus:		
(g)	Annual payment of principal and interest payable on ACFA debt issued between Jan. 1, 2015 (current year) and the calculation time	_____
(h)	Less amount recoverable from another municipality in respect of (g)	(_____)
(i)	Annual payment of principal and interest payable on the debt issue under this By-law No. _____ (calculated at ACFA's current lending rate)	_____
	Total service on debt for calculation of service on debt limit	\$ 827,314 (iii)

Part 4

Total revenue as reported in the audited financial statements for the year ended December 31, 2014, excluding government transfers for capital purpose and principal outstanding on loans made under MGA Section 265

\$ 21,958,665

***Service on debt limit of .25 times revenue**

\$ 5,489,666 (iv)

- *Note:** Service on debt limit calculations for Regional Service Commissions:
- for public utility services - .35 times revenue
 - for non-public utility services - .1 times revenue- 5 -

Part 5 - Pro-Rata Calculation as at the calculation time (if required, i.e., if loan outstanding is more than 12 months)

This Part 5 is in reference to Part 3(c) if required. Pro-rata calculation includes, for example, a loan where only interest payments are required for a portion of the term

Pro-rata amount to be included in the debt service calculation being the aggregate of:

- (a) Principal balance outstanding at the calculation time on borrowings that do not require any principal payments during the next 12 months \$ _____
- Plus:**
- (b) Interest payments required from the calculation time to the end of the amortization period * _____
- Less:**
- (c) Amounts recoverable from another municipality in respect of (a) or (b) (_____)
- Equals:**
- (d) Total principal and interest from the calculation time to the end of the amortization period (a)+(b)-(c) _____
- (e) Number of months from the calculation time to the end of the amortization period _____
- Pro-rata amount equals (d) multiplied by 12 divided by (e):** \$ _____

* If the actual rate of interest under a borrowing is not known at the calculation time the current ACFA lending rates should be used

Debt Limit

Does total debt for calculation of debt limit (i) exceed debt limit (ii)? No

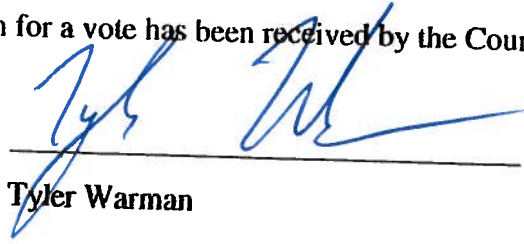
Does total service on debt (iii) exceed service on debt limit (iv)? No

If answer to either question is yes, please attach approval of the borrowing by the Minister of Municipal Affairs.

APPENDIX E

DECLARATION RE: PUBLICATION OF NOTICE OF PROPOSED BY-LAW

I, **Tyler Warman** of the **Town of Slave Lake**, in the Province of Alberta, do solemnly declare that pursuant to the provisions of Section 251 of the *Municipal Government Act*, R.S.A., 1994, the Council of the **Town of Slave Lake**, has given proper notice of intention dated **June 2nd, 2015** and **June 17th, 2015**, respecting By-law No. **16-2015** that 15 days after the last publication of the Notice have now elapsed and no sufficiently signed and valid petition for a vote has been received by the Council.



Tyler Warman

Mayor

****(Date)**

SEAL

****NOTE:** A petition may be presented on the 15th day after the last publication. Therefore, this declaration may only be signed on the 16th day after the last publication or any time thereafter.

APPENDIX F

DECLARATION RE: SUFFICIENCY OF PETITION

I, Tyler Warman, of the Town of Slave Lake, in the Province of Alberta, do solemnly declare that pursuant to the provisions of Section 393(2) of the *Municipal Government Act*, R.S.A., 1994, the Council of the Town of Slave Lake has received a sufficient petition proposing the construction of the project described in By-law No. 16-2015.

**(Date)



Tyler Warman

Mayor

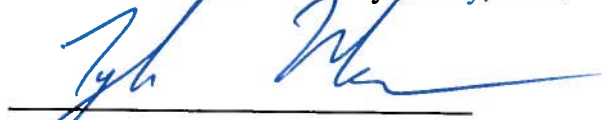
SEAL

CERTIFICATE OF FINAL READING

I, Tyler Warman, Mayor, of and on behalf of the Town of Slave Lake, in the Province of Alberta, hereby certify that By-law No. 16-2015 of the Town of Slave Lake was read and finally passed at a meeting of Council held on the 7th day of July, 2015 and was signed pursuant to Section 213 of the *Municipal Government Act*. Pursuant to Section 143 of the *Municipal Government Act*, there are 7 members of Council, including the Mayor. At the said meeting 5 members were present, 5 members voted in favour of presenting the by-law for third reading*, and, members voted in favour of the passing of the by-law.

I declare the provisions of the applicable Sections of the *Municipal Government Act* have been complied with.

DATED at the Government Centre of the Town of Slave Lake this 7th day of July, 2015.



Tyler Warman, Mayor

***NOTE:** **Pursuant to Section 187 of the *Municipal Government Act* Every by-law shall have 3 distinct and separate readings before it is finally passed, but not more than 2 readings of a by-law shall be had at any one council meeting unless the councillors present unanimously agree to consider 3rd reading**