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**To:** Chair and Directors  
**From:** Christina Wards, Assistant Treasurer  
**Date:** January 12, 2010  
**Re:** Security Issuing By-Law

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A handwritten signature in black ink that reads "Wards".

*Signature*

## RECOMMENDATION

That "Security Issuing By-law No. 1880, 2010" be given all four readings.

## BACKGROUND

We have received all the necessary approvals. All documentation will be forwarded to the Ministry of Community and Rural Development upon adoption.

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January 28, 2010

A handwritten signature in black ink that reads "Kim Treach".

A handwritten signature in black ink that reads "Ted Boulton".

**PEACE RIVER REGIONAL DISTRICT**  
**By-Law No. 1880, 2010**

**B-2b**

A by-law to authorize the entering into of an agreement respecting financing between the Peace River Regional District and the Municipal Finance Authority of British Columbia

WHEREAS the Municipal Finance Authority of British Columbia (the "Authority") may provide financing of capital requirements for Regional Districts or for their member municipalities by the issue of debentures or other evidence of indebtedness of the Authority and lending the proceeds therefrom to the Regional District on whose request the financing is undertaken;

AND WHEREAS, under the provisions of Section 825 of the Local Government Act, the amount of borrowing authorized by each of the following loan authorization by-laws, the amount already borrowed under the authority thereof, the authorization to borrow remaining thereunder and the amount being issued under the authority thereof of this by-law is as follows:

| Regional District                 | L/A By-law Number | Purpose           | Amount of borrowing Authorized | Amount Already Borrowed | Borrowing Authority Remaining | Term of Issue | Amount of Issue |
|-----------------------------------|-------------------|-------------------|--------------------------------|-------------------------|-------------------------------|---------------|-----------------|
| Peace River                       | 1672              | Buick Creek Arena | \$2,315,000                    | 0                       | \$2,315,000                   | 20 years      | \$2,315,000     |
| Total Financing under Section 825 |                   |                   |                                |                         |                               |               | \$2,315,000     |
| Grand Total                       |                   |                   |                                |                         |                               |               | \$2,315,000     |

AND WHEREAS the Regional Board, by this by-law, hereby requests such financing shall be undertaken through the Authority:

NOW THEREFORE the Regional Board of the Peace River Regional District, in open meeting assembled, hereby enacts as follows:

1. The Authority is hereby requested and authorized to finance from time to time the aforesaid undertakings at the sole cost and on behalf of the Peace River Regional District up to, but not exceeding Two Million, Three Hundred and Fifteen Thousand (\$2,315,000) in lawful money of Canada (provided that the Regional District may borrow all or part of such amount in such currency as the Trustees of the Authority shall determine but the aggregate amount in lawful money of Canada and in Canadian Dollar equivalents so borrowed shall not exceed \$2,315,000 in Canadian Dollars) at such interest and with such discounts or premiums and expenses as the Authority may deem appropriate in consideration of the market and economic conditions pertaining.
2. Upon completion by the Authority of financing undertaken pursuant hereto, the Chair and Officer assigned the responsibility of financial administration of the Regional District, on behalf of the Regional District and under its seal shall, at such time or times as the Trustees of the Authority may request, enter into and deliver to the Authority one or more agreements, which said agreement or agreements shall be substantially in the form annexed hereto as Schedule 'A' and made part of this by-law (such Agreement or Agreements as may be entered into, delivered or substituted hereinafter referred to as the "Agreement") providing for payment by the Regional District to the Authority of the amounts required to meet the obligations of the Authority with respect to its borrowings undertaken pursuant hereto, which Agreement shall rank as debenture debt of the Regional District.

**January 28, 2010**

3. The Agreement in the form of Schedule 'A' shall be dated and payable in the principal amount or amounts of monies and in Canadian Dollars or as the Authority shall determine and subject to the Local Government Act, in such other currency or currencies as shall be borrowed by the Authority pursuant to Section 1 and shall set out the schedule of repayment of the principal amount together with interest on unpaid amounts as shall be determined by the Treasurer of the Authority.
4. The obligation incurred under the said Agreement shall bear interest from a date specified therein, which date shall be determined by the Treasurer of the Authority, and shall bear interest at a rate to be determined by the Treasurer of the Authority.
5. The Agreement shall be sealed with the seal of the Regional District and shall bear the signature of the Chair and the Officer assigned the responsibility of financial administration of the Regional District.
6. The obligations incurred under the said Agreement as to both principal and interest shall be payable at the Head Office of the Authority in Victoria and at such time or times as shall be determined by the Treasurer of the Authority.
7. During the currency of the obligations incurred under the said Agreement to secure borrowings in respect of:

- Buick Creek Arena Loan Authorization By-law No. 1672, 2006

the anticipated revenues accruing to the Regional District from the operation are at any time insufficient to meet the annual payment of interest and the repayment of principal in any year, there shall be requisitioned an amount sufficient to meet such insufficiency.

8. The Regional District shall provide and pay over to the Authority such sums as are required to discharge its obligations in accordance with the items of the Agreement, provided, however, that if the sums provided for in the Agreement are not sufficient to meet the obligations of the Authority, any deficiency in meeting such obligations shall be the liability of the Regional District to the Authority and the Regional District shall make due provision to discharge such liability.
9. The Regional District shall pay over to the Authority at such time or times as the Treasurer of the Authority so directs such sums are required pursuant to Section 15 of the Municipal Finance Authority Act to be paid into the Debt Reserve Fund established by the Authority in connection with the financing undertaken by the Authority on behalf of the Regional District pursuant to the Agreement.

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January 28, 2010

10. This by-law may be cited as "Security Issuing By-Law No. 1880, 2010."

READ A FIRST TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

READ A SECOND TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

READ A THIRD TIME this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

CERTIFIED a true and correct copy of  
"Security Issuing By-Law No. 1880,  
2010."

THE CORPORATE SEAL of the Peace  
River Regional District was hereto affixed  
in the presence of:

\_\_\_\_\_  
Fred Banham,  
Chief Administrative Officer

\_\_\_\_\_  
Karen Goodings, Chair

\_\_\_\_\_  
Fred Banham,  
Chief Administrative Officer

\_\_\_\_\_  
**January 28, 2010**

**SCHEDULE "A"**

**CANADA**

**PROVINCE OF BRITISH COLUMBIA**

**A G R E E M E N T**

The Peace River Regional District (the "Regional District") hereby promises to pay to the Municipal Finance Authority of British Columbia at its Head Office in Victoria, British Columbia (the "Authority") the sum of Two Million, Three Hundred and Fifteen Thousand Dollars (\$2,315,000) in lawful money of Canada, together with interest calculated semi-annually in each and every year during the currency of this Agreement; and payments shall be as specified in the table appearing on the reverse hereof commencing on the \_\_\_\_\_ day of \_\_\_\_\_, provided that in the event the payments of principal and interest hereunder are insufficient to satisfy the obligations of the Authority undertaken on behalf of the Regional District, the Regional District shall pay over to the Authority further sums as are sufficient to discharge the obligations of the Regional District to the Authority.

Dated at Dawson Creek, British Columbia, this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

IN TESTIMONY WHEREOF and under the Authority of By-Law No. 1880 cited as "Security Issuing By-Law No. 1880, 2010." This agreement is sealed with the Corporate Seal of the Peace River Regional District and signed by the Chair and the Officer assigned the responsibility of financial administration thereof.

\_\_\_\_\_  
Karen Goodings, Chair

\_\_\_\_\_  
Kim Frech, Chief Financial Officer

Pursuant to the Local Government Act, I hereby certify that this Agreement has been lawfully and validly made and issued and that its validity is not open to question on any grounds whatever in any of the Courts of the Province of British Columbia.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
Inspector of Municipalities

**January 28, 2010**