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April 17, 2019

**Re: Notification to Wasauksing Members/Citizens of Draft Wasauksing Borrowing Law 2019**

As per the Law Making Process in the Wasauksing First Nation Constitution, this letter serves as notification of our intent to approve the draft Wasauksing Borrowing Law 2019.

### **Background**

Wasauksing First Nation is part of a growing number of First Nations that have Financial Administration Laws and certified financial management systems and are borrowing members of the First Nations Finance Authority. The First Nation Finance Authority provides affordable and favorable long-term financing for First Nation projects.

The draft Wasauksing Borrowing Law 2019 is the mechanism to allow for Wasauksing First Nation to access a long-term loan in the amount of \$3,760,000 from the First Nations Finance Authority in order to construct a new Community Office and Gathering Facility and also to expand the Health Centre to accommodate for new services. The new community office building and gathering facility will replace the Employment and Training Centre building and also the OW Building. The total costs of both projects is \$5,184,387 with \$3,760,000 of the costs being financed over 30-years. The project(s) will be cost shared between Wasauksing First Nation departments and OLG.

The community building project and expanding our health services are both Strategic Plan community priorities and the gathering facility project scored third in recent OLG project voting.

### **Where to Find a Copy**

The draft Wasauksing Borrowing Law 2019 can be found at [www.wasauksing.ca](http://www.wasauksing.ca) and is also posted in the Wasauksing Administration Building bulletin board. Copies may also be requested at the Wasauksing First Nation Administration Office Reception or by emailing [ced@wasauksing.ca](mailto:ced@wasauksing.ca).

### **How to Submit Feedback**

Please send any comments or concerns in writing by May 6, 2019 at 4:00pm EST to the attention of Craig Brown, Chief Executive Director at [ced@wasauksing.ca](mailto:ced@wasauksing.ca).

## WASAUKSING

(COMMUNITY INFRASTRUCTURE)

### BORROWING LAW 2019 (Other Revenues)

#### WHEREAS:

- A. Under section 74(b) of the *First Nations Fiscal Management Act*, the Authority has as one of its mandates to secure for its borrowing members financing through the use of other revenues prescribed by regulation for purposes prescribed by regulation;
- B. The *Financing Secured by Other Revenues Regulations* made under section 142 of the Act prescribes other revenues and purposes for which such other revenues can be used to secure financing from the Authority and adapts and restricts the *First Nations Fiscal Management Act* for the purposes of section 74(b);
- C. The Act provides pursuant to section 5(1)(d) that the council of a First Nation may make laws respecting the borrowing of money from the Authority;
- D. The First Nation is a borrowing member of the Authority and has entered into a Borrowing Agreement with the Authority;
- E. The First Nation is in compliance with the Borrowing Agreement and the Act;
- F. The Council of the First Nation has determined that it is in the interests of the First Nation to use Other Revenues to secure financing for the Purpose, which is a purpose prescribed under the Act;
- G. The estimated cost of undertaking the Purpose is \$3,760,000.00;
- H. The Council of the First Nation deems it necessary to borrow the sum of \$3,760,000.00 from the Authority to finance all or a portion of the costs of the Purpose using the Other Revenues described in the Certificate of Calculation of Borrowing Capacity attached as Schedule "A" to this Law to secure the financing from the Authority;
- I. The First Nation has enacted a financial administration law under section 9(1)(a) of the Act, which law has been approved by the First Nations Financial Management Board;
- J. The First Nation estimates an annual total of \$750,000.00 will be paid into the Secured Revenues Trust Account by the Payor;
- K. The estimated amount of annual debt servicing costs in connection with the financing from the Authority is \$221,003.00 as certified by Chief Executive Director (Craig Brown), for the First Nation as set forth in the Certificate of Calculation of Borrowing Capacity attached as Schedule "A" to this Law;

under this Law; and

- M. The First Nation has obtained a Financial Performance Certificate from the First Nations Financial Management Board, a copy of which certificate is attached as Schedule "B" to this Law.

NOW THEREFORE the Council of the First Nation duly enacts as follows:

1. This Law may be cited as the *Wasauksing Borrowing Law - OR 2019*, whose purpose is Community Infrastructure
2. In this Law (including the recitals):

**"Act"** means the *First Nations Fiscal Management Act* and regulations as adapted by the *Financing Secured by Other Revenues Regulations* and any amendments thereto;

**"Authority"** means the First Nations Finance Authority established under the Act;

**"Borrowing Agreement"** means the borrowing agreement entered into between the Authority and the First Nation on 2014-01-28;

yyyy mm dd

**"Completion"** means in relation to the Purpose for which the Authority has provided financing to the First Nation, that the Authority, acting reasonably, is satisfied on the basis of documentation provided to the Authority by the First Nation that the Purpose has been implemented substantially as described in this Law:

**"Financial Performance Certificate"** means a certificate issued by the First Nations Financial Management Board under section 50(3) of the Act that the First Nation's financial performance is in compliance with the First Nations Financial Management Board standards;

**"Financing Secured by Other Revenues Regulations"** means the regulation made under section 142 of the Act that prescribes other revenues and purposes for which such other revenues can be used to secure financing from the Authority and adapts and restricts the Act for the purposes of section 74(b);

**"First Nation"** means Wasauksing (referred to as Wasauksing First Nation in the schedule to the *First Nations Fiscal Management Act*, S.C. 2005, c.9);

**"Interim Long Term Financing"** means financing provided by the Authority to the First Nation in anticipation of the inclusion and replacement of such financing in an issue of debt securities by the Authority by the earlier of (i) five years from the date on which the first advance of such Interim Long Term Financing is provided to the First Nation, or (ii) Completion of the Purpose;

**"Law"** means this borrowing law;

**"Other Revenues"** means the other revenues prescribed in the Act;

Authority, then after passage of this Law the First Nation and the Authority shall establish a Secured Revenues Trust Account in accordance with the Act and the Borrowing Agreement and a quorum of the members of Council are hereby authorized to execute the Secured Revenues Trust Account Management Agreement and the Notice of Secured Financing and the Chief plus the Chief Councillor are hereby authorized to execute such other documents or agreements on behalf of the First Nation, when requested by the Authority, as required in relation to the Secured Revenues Trust Account.

6. When from time to time the First Nation wishes to borrow all or a portion of the amount authorized under this Law, the Council shall pass a Security Issuing Council Resolution approving the borrowing of the specified amount and requesting that the Authority either include the requested amount as part of its next issue of debt securities or provide the specified amount by way of Interim Long Term Financing.
7. On completion by the Authority of the financing undertaken pursuant to this Law and the Security Issuing Council Resolution, the First Nation:
  - (a) shall execute and deliver to the Authority such Promissory Notes as are requested by the Authority; and
  - (b) hereby authorizes and directs the Chief plus the Chief Councillor to execute such Promissory Notes on behalf of the First Nation when requested by the Authority.
8. The First Nation shall in each fiscal year after a Promissory Note has been signed provide in its annual budget for payments of all amounts payable to the Authority during the fiscal year to which its annual budget applies.
9. The First Nation shall make payments to the Authority in accordance with the Act and the Borrowing Agreement.
10. The First Nation must repay the financing obtained from the issuance of debt securities by the Authority no later than 30 years from the date on which the Authority provided the first advance of such financing to the First Nation.
11. Unless pre-paid by the First Nation in accordance with its borrowing agreement with the Authority, the First Nation must repay the interim long-term financing to the Authority by replacing such financing with financing obtained from the issuance of debt securities by the Authority, no later than the earlier of
  - (a) five (5) years from the date on which the Authority provided the first advance of the interim long-term financing to the First Nation; or
  - (b) the date of Completion of the Purpose.
12. Where a provision in this Law is expressed in the present tense, the provision applies to the circumstances as they arise.
13. This Law shall be construed as being remedial and shall be given such fair, large and liberal

**SCHEDULE "A"**

**CERTIFICATE OF CALCULATION OF BORROWING CAPACITY**

DRAFT

**FINANCIAL PERFORMANCE CERTIFICATE ISSUED  
TO THE WASAUKSING FIRST NATION**

The First Nations Financial Management Board ("the Board") completed its review of the Wasauksing First Nation's Financial Performance for compliance with the *Financial Performance Standards* established under section 55 of the *First Nations Fiscal and Statistical Management Act* ("the Act"). On the basis of its review and after consideration of its findings, the Board is of the opinion and certifies that, as at March 31, 2012, the Wasauksing First Nation was in compliance with the *Financial Performance Standards*.

The Board has provided the Wasauksing First Nation with a Report and attached Schedule dated September 24, 2012 as required under section 50(2) of the Act and upon which the Board's opinion and certification is based.

This Certificate has been issued to the Wasauksing First Nation under section 50(3) of the Act solely for the purpose of enabling the Wasauksing First Nation to satisfy the requirements of the Act. It should not be used or relied upon by the Wasauksing First Nation or by any other person for any other purpose and the Board accepts no responsibility for any loss or damages resulting from any unauthorized use of or reliance on this Certificate.

This Certificate is issued on the **24th** day of **SEPTEMBER 2012**.

**First Nations Financial Management Board**