



December 13, 2021

Borrowing for New Capital Projects

This public notice is to advise all members of the Williams Lake First Nation (WLFN) that Chief and Council intend direct WLFN administration to borrow funds from the First Nations Finance Authority (FNFA) in January 2022 for the purpose of adding additional capital assets under WLFN's oversight.

Pursuant to the WLFN Financial Administration Law (FAL), 15 days of notice must be provided, as well as an opportunity for members to attend the Council meeting in which the borrowed funds are approved.

The date of this Council meeting is Thursday, January 13, 2022, from 6:00 PM until 6:30 PM.

WLFN Financial Administration Law (FAL)

Section 55. Borrowing for New Capital Projects

- (1) The Council must establish policies or procedures or give directions respecting the means by which members of the First Nation must be informed about or involved in consideration of borrowing for new capital projects described in subsection 93(2).
- (2) The Council must post a public notice of each Council meeting when borrowing for new capital projects described in subsection 93(2) is presented for approval.
- (3) Members of the First Nation may attend that part of the Council meeting when the matters referred to in subsection (2) are being considered.

WLFN member feedback to Council can be submitted in the following ways:

1. WLFN registered members may submit feedback by email to Council prior to the Council meeting on January 13, 2022. Written comments or feedback can be submitted to maggie.berns@wlfn.ca or by mail:

Attention: Maggie Berns, Executive Assistant to the Chief/CAO
Williams Lake First Nation
2561 Quigli Drive
Williams Lake BC V2G 0B1.
2. Registered WLFN members may attend the regular Council meeting on January 13, 2022. Council meetings are currently being held in person at 315 Yorston Street, Williams Lake, BC, or virtually through Zoom. If you wish to provide comments directly to Council, you may attend in person or request Zoom coordinates to virtually attend the Council meeting on January 13, 2022, at 6:00 PM. Zoom coordinates can be obtained from maggie.berns@wlfn.ca.

Frequently Asked Questions

1. What is the nature of the loan, and what purpose are the funds being borrowed for?

Based on recommendations from staff, Chief and Council are determining to borrow up to \$4,300,000 from the First Nations Finance Authority (FNFA) to facilitate several capital purchases and projects.

The following capital projects are planned to advance and commence in 2022:

- Purchase of fee-simple property in the City of Williams Lake for the purposes of future development to align with WLFN's current housing strategy and economic development priorities.
- Additional funds for the final phase of development that will include an economic development project on the San Jose Indian Reserve (IR6) in the City of Williams Lake.
- Funds for the revitalization, beautification, development, and expansion of a vacant parcel of land recently purchased across from WLFN's downtown office building on Yorston Street.

2. What are the benefits to WLFN membership?

These exciting capital investments in WLFN's territory and on San Jose Indian Reserve (IR6) align with WLFN's current economic development strategy, housing strategy, and overall commitment to the assertion of title and rights in WLFN's traditional territory. Additionally, these capital acquisitions and new projects will assist in job creation, support urban housing, increase own-source revenue, and incubate additional economic opportunities. Given the strategic nature of these projects, limited public information can be shared. If you wish to learn specific details, please call one of the WLFN staff members listed at the end of this notice.

3. Is it risky to borrow from the First Nations Finance Authority (FNFA)?

WLFN became an eligible borrowing member with FNFA in 2014. The FNFA is a statutory not-for-profit organization without share capital, operating under the authority of the First Nations Fiscal Management Act, 2005. The FNFA's purposes are to provide First Nations governments investment options and capital planning advice and—perhaps most importantly, access to long-term loans with preferable interest rates.

The FNFA is not an agent of a Crown corporation and is governed solely by the First Nations communities that join as Borrowing Members. The advantages of joining the FNFA as a Borrowing Member are:

- Access to low rate, below bank prime, loans with repayment terms up to 30 years
- First Nations choose the repayment terms that work best for their budget
- FNFA loans do not require collateral
- FNFA loans can be used to refinance existing debt; and
- FNFA's interest rates and terms parallel those available to provincial and local governments.

WLFN currently has a strong financial position and has very limited debt, which allows us to take advantage of very low borrowing rates from FNFA. By strategically borrowing from FNFA, we can continue to earn interest on our remaining cash reserves, while being able to budget for important initiatives and programs that impact our membership.



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NOTICE

4. Who will oversee these capital projects?

These capital projects will be overseen jointly by the Williams Lake First Nation and Sugar Cane Development Corporation (SCDC) and are intended to commence in the 2022 fiscal year.

5. How will WLFN repay this loan?

FNFA allows WLFN to use an existing revenue stream from the Province of British Columbia called the “Forest & Range Consultation and Revenue Sharing Agreement” (FCRSA) to repay the loan. There will be no interruption to any WLFN program or service traditionally associated with this funding mechanism.

CONTACT INFO

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