

AGENDA
REGULAR COUNCIL MEETING
Wednesday, May 15, 2024 @ 6:00 PM
Council Chambers, 1 Parklane Drive, Strathmore AB

Page

1. CALL TO ORDER

2. CONFIRMATION OF AGENDA

3. PUBLIC HEARING

4. PUBLIC COMMENTS

Members of the public are welcome to provide comments regarding items on the agenda in person during the Council meeting, virtually, or in writing. Should you wish to provide public comments virtually or in writing, please fill out the Request to Speak at a Council Meeting form that can be located on the Town's website and submit it to: lsadmin@strathmore.ca by the end of the day on the Sunday before the Council meeting. In order to ensure procedural fairness, Council requests that the public refrain from speaking on items that have been or will be heard through a public hearing process.

5. DELEGATIONS

Members of the public and community organizations are welcome to attend a Regular Council Meeting as a delegation to present an item to Town Council for consideration. If you are interested in attending as a delegation please fill out the Delegation Request form that can be located on the Town's website and submit it to: lsadmin@strathmore.ca by noon, seven (7) days before a Regular Council Meeting.

5.1. Delegation – Tour Alberta for Cancer

[Request for Decision - RFD-24-102 - Pdf](#)

3 - 7

6. CLOSED MEETING

6.1. Council Dialogue – Advice from officials – FOIP S. 24(1)(b)(i)

6.2. Advocacy Update – Advice from officials – FOIP S. 24(1)(a)

6.3. Medical Services – Advice from officials – FOIP S. 24(1)(a)

6.4. Council/CAO Dialogue – Advice from officials – FOIP S. 24(1)(b)(i)

7. CONSENT AGENDA

8.1 Regular Council Meeting Minutes – May 1, 2024

10.1 Alberta Municipalities Resolution 2024 – Alberta First Responders Radio Communications System Equipment Funding

10.2 Canadian Overnight Repo Rate Average (CORRA) Transition

10.3 Corporate Strategic Plan & Financial Plan Quarterly Report (Q4 2023)

10.4 Proclamation – World Family Doctor Day

12.1 Sacred Heart Church Dedication Mass Invitation

8. CONFIRMATION OF MINUTES

8.1. Regular Council Meeting Minutes – May 1, 2024

[Request for Decision - RFD-24-099 - Pdf](#)

8 - 16

9. BYLAWS

9.1. 2024 Property Tax Rate Bylaw No. 24-08

17 - 40

	Request for Decision - RFD-24-059 - Pdf	
9.2.	Urban Hen Bylaw 24-11	41 - 72
	Request for Decision - RFD-24-083 - Pdf	
10.	BUSINESS	
10.1.	Alberta Municipalities Resolution 2024 – Alberta First Responders Radio Communications System Equipment Funding	73 - 79
	Request for Decision - RFD-24-093 - Pdf	
10.2.	Canadian Overnight Repo Rate Average (CORRA) Transition	80 - 153
	Request for Decision - RFD-24-081 - Pdf	
10.3.	Corporate Strategic Plan & Financial Plan Quarterly Report – Q4 2023	154 - 181
	Request for Decision - RFD-24-077 - Pdf	
10.4.	Proclamation – World Family Doctor Day	182 - 187
	Request for Decision - RFD-24-104 - Pdf	
10.5.	Diversity, Equity, and Inclusion Declaration	188 - 192
	Request for Decision - RFD-24-096 - Pdf	
11.	COUNCILLOR INFORMATION & INQUIRIES	
11.1.	QUESTIONS BETWEEN COUNCILLORS AND COUNCIL STATEMENTS	
11.2.	BOARDS AND COMMITTEES REPORTS	
11.3.	QUESTION AND ANSWER PERIOD	
11.4.	ADMINISTRATIVE INQUIRIES	
11.5.	NOTICES OF MOTION	
	11.5.1. Racial Equality Review – Councillor Montgomery	193
	Notice of Motion - Racial Equality Review - May 15 2024	
12.	CORRESPONDENCE	
12.1.	Sacred Heart Church Dedication Mass Invitation	194
	Sacred Heart Church Dedication Mass Invitation Redacted	
13.	ADJOURNMENT	



Request for Decision

To: Council

Staff Contact: Claudette Thorhaug, Legislative Services Officer

Date Prepared: May 6, 2024

Meeting Date: May 15, 2024

SUBJECT: Delegation - Tour Alberta for Cancer

RECOMMENDATION: Information for Council.

STRATEGIC PRIORITIES:



Affordable
Housing



Climate
Resiliency



Community
Development



Community
Wellness



Economic
Development



Financial
Sustainability

HOW THE STRATEGIC PRIORITIES ARE MET:

Members of the public and community organizations are welcome to attend a Regular Council Meeting as a delegation to present an item to Town Council for consideration. Those interested can fill out the Request to Speak at a Council Meeting form that can be located on the Town's website and submit it to: lsadmin@strathmore.ca by noon seven (7) days before a Regular Council Meeting.

SUSTAINABILITY

ECONOMIC SUSTAINABILITY:

N/A

SOCIAL SUSTAINABILITY:

N/A

ENVIRONMENTAL SUSTAINABILITY:

N/A

IMPLICATIONS OF RECOMMENDATION:

GENERAL:

Krystal Clements has requested to speak to Council on behalf of *Tour Alberta for Cancer*.

ORGANIZATIONAL:

N/A

OPERATIONAL:

N/A

FINANCIAL:

N/A

POLICY:

N/A

IMPLEMENTATION:

N/A

BACKGROUND:

The Tour Alberta for Cancer Delegation submitted a Request to Speak at a Council Meeting form on February 29, 2024.

Tour Alberta for Cancer hosted a two day cycling event in Strathmore last July. They are coming back to the area again this year and would like an opportunity to thank the community as well as report on the impact of the event, both from a cancer care point of view, as well as an impact on the community report.

KEY ISSUE(S)/CONCEPT(S):

N/A

DESIRED OUTCOMES:

N/A

COMMUNICATIONS:

N/A

ALTERNATIVE ACTIONS/MOTIONS:

N/A

ATTACHMENTS:

[Attachment I: Request to Speak - Tour Alberta for Cancer Redacted](#)

Claudette Thorhaug, Legislative Services Officer

Approved
- 08 May
2024

Johnathan Strathdee, Manager of Legislative Services

Approved
- 09 May
2024

Kara Rusk, Director of Strategic, Administrative, and Financial Services

Approved
- 09 May
2024

Kevin Scoble, Chief Administrative Officer

Approved
- 10 May
2024



Request to Speak at a Council Meeting

Residents are welcome to speak during the public comments or public hearing portion of Council meetings. In order to speak, please complete the information below. Confirmation of your request with access details for the meeting will be sent to the email address you provide.

Please note that if you are speaking on behalf of another person, the person will need to complete and submit an Authorization on Someone's Behalf Form.

Speaker's Information	
Name: Krystal Clements	
Phone: Sec. 17, FOIP	Email: krystal.clements@albertacancer.ca
Address: Sec. 17, FOIP	
Speaking on Behalf of a Group? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Agenda Information	
Agenda Topic: Alberta Cancer Foundation Cycling event in Strathmore for the second year	
<input type="checkbox"/> Public Comments	<input type="checkbox"/> Public Hearing
Meeting Date: Anytime time July	

Public Hearing	
<input type="checkbox"/> In Support	<input type="checkbox"/> In Opposition

Additional Comments
<p>Please provide a brief summary of the item that you wish to speak about.</p> <p>We hosted a two day cycling event in Strathmore last year in July and we are coming back again this year and would like an opportuntiy to thank the community as well as report on the impact of the event, both from a cancer care point of view as well as impact on the community report.</p>

 Applicant Signature	Sec. 17, FOIP Date
	February 29, 2024

FOIP Disclaimer: Personal information required within the Town of Strathmore application forms are collected under the authority of sections 33(a) and (c) of the *Freedom of Information and Protection of Privacy* (FOIP) Act. This personal information will be used to process your application(s). Should you have any questions related to the collection or disclosure of your personal information, please contact the Legislative Services division for the Town of Strathmore at 403.934.3133.



Request for Decision

To: Council

Staff Contact: Veronica Anderson, Legislative Services Officer

Date Prepared: May 1, 2024

Meeting Date: May 15, 2024

SUBJECT: Regular Council Meeting Minutes - May 1, 2024

RECOMMENDATION: THAT Council adopt the May 1, 2024 Regular Council Meeting Minutes as presented in Attachment I.

STRATEGIC PRIORITIES:



Affordable
Housing



Climate
Resiliency



Community
Development



Community
Wellness



Economic
Development



Financial
Sustainability

HOW THE STRATEGIC PRIORITIES ARE MET:

N/A

SUSTAINABILITY

ECONOMIC SUSTAINABILITY:

N/A

SOCIAL SUSTAINABILITY:

N/A

ENVIRONMENTAL SUSTAINABILITY:

N/A

IMPLICATIONS OF RECOMMENDATION:

GENERAL:

Pursuant to Section 208(1)(iii) of the *Municipal Government Act*, the minutes of the May 1, 2024 Regular Council Meeting are given to Council for adoption.

ORGANIZATIONAL:

N/A

OPERATIONAL:

N/A

FINANCIAL:

N/A

POLICY:

N/A

IMPLEMENTATION:

N/A

BACKGROUND:

N/A

KEY ISSUE(S)/CONCEPT(S):

N/A

DESIRED OUTCOMES:

N/A

COMMUNICATIONS:

Once signed, the May 1, 2024 Regular Council Meeting Minutes will be posted on the Town's website.

ALTERNATIVE ACTIONS/MOTIONS:

1. Council may adopt the recommended motion.

2. Council may provide further direction regarding the Regular Council Meeting Minutes.

ATTACHMENTS:

[Attachment I: REGULAR COUNCIL - 01 May 2024 - Minutes](#)

Claudette Thorhaug, Legislative Services Officer

Approved
- 07 May
2024

Johnathan Strathdee, Manager of Legislative Services

Approved
- 09 May
2024



MINUTES

REGULAR COUNCIL MEETING

6:00 PM - Wednesday, May 1, 2024

Council Chambers, 1 Parklane Drive, Strathmore AB

COUNCIL PRESENT: Mayor Pat Fule, Deputy Mayor Melissa Langmaid, Councillor Debbie Mitzner, Councillor Jason Montgomery (virtual), Councillor Denise Peterson, Councillor Richard Wegener, and Councillor Brent Wiley (virtual)

STAFF PRESENT: Kevin Scoble (Chief Administrative Officer), Jamie Dugdale (Director of Infrastructure, Operations, and Development Services), Mark Pretzlaff (Director of Community and Protective Services), Kara Rusk (Director of Strategic, Administrative, and Financial Services), and Johnathan Strathdee (Manager of Legislative Services)

1. **CALL TO ORDER**

Mayor Fule called the May 1, 2024 Regular Council Meeting to order at 6:02 p.m.

1.1. **Traditional Land Acknowledgement for the First Meeting in May (litainsimopi)**

We honour all the many First Nations, Métis, and Inuit whose footsteps have marked these lands for centuries. We acknowledge that the ancestral and traditional lands on which we gather are Land of the Blackfoot Confederacy and Treaty 7 territory, a traditional meeting ground for many Indigenous peoples, and in particular our neighbors, Siksika Nation on whose traditional territory we work, live, and play, and on whose traditional territory we stand and where Strathmore resides.

2. **CONFIRMATION OF AGENDA**

Resolution No. 085.05.24

Moved by Councillor Langmaid

THAT Council adopt the May 1, 2024 Regular Council Meeting Agenda as presented.

FOR: Mayor Fule, Councillor Langmaid, Councillor Mitzner, Councillor Montgomery, Councillor Peterson, Councillor Wegener, and Councillor Wiley

AGAINST: None.

CARRIED

3. **PUBLIC HEARING**

3.1. **Land Use Bylaw Amending Bylaw No. 24-03 (15 Bayside Place)**

Mayor Fule opened the Public Hearing for Bylaw No. 24-03, being a bylaw to amend Land Use Bylaw No. 14-11 at 6:04 p.m.

Kate Bakun presented the Bylaw on behalf of Administration.

The following individuals spoke in favor of the bylaw:

- Raj Toor

The following individuals spoke in opposition to the bylaw:

- Mark Ducheminsky
- Wayne Keeling

No individuals spoke as people affected by the bylaw.

The Town received written submissions for the bylaw from:

- Hiransh Popat
- Mark Ducheminsky

Mayor Fule closed the Public Hearing for Bylaw No. 24-03, being a bylaw to amend Land Use Bylaw No. 14-11 at 6:32 p.m.

4. **PUBLIC COMMENTS**

None.

5. **DELEGATIONS**

None.

6. **CONSENT AGENDA**

Resolution No. 086.05.24

Moved by Councillor Peterson

THAT Council adopt the recommendations of the following agenda reports by an omnibus motion:

7.1 Regular Council Meeting Minutes – April 17, 2024

9.3 May 2024 Committee of the Whole Meeting – Change of Start Time

9.4 Proclamation – National Public Works Week 2024

10.2.1 Wheatland Housing Management Body Minutes – February 15, 2024

10.2.2 Wheatland Housing Management Body Minutes – March 5, 2024

FOR: Mayor Fule, Councillor Langmaid, Councillor Mitzner, Councillor Montgomery, Councillor Peterson, Councillor Wegener, and Councillor Wiley

AGAINST: None.

CARRIED

7. CONFIRMATION OF MINUTES

7.1. Regular Council Meeting Minutes – April 17, 2024

The following motion was adopted by the consent agenda:

THAT Council adopt the April 17, 2024 Regular Council Meeting Minutes as presented in Attachment I.

Resolution No. 087.05.24

Moved by Councillor Peterson

THAT Council take a 5-minute recess.

FOR: Mayor Fule, Councillor Langmaid, Councillor Mitzner, Councillor Peterson, Councillor Wegener, and Councillor Wiley

AGAINST: Councillor Montgomery

CARRIED

Mayor Fule reconvened the May 1, 2024 Regular Council Meeting at 7:00 pm.

8. BYLAWS

8.1. Land Use Bylaw Amending Bylaw No. 24-03 (15 Bayside Place)

Resolution No. 088.05.24

Moved by Councillor Peterson

THAT Council give Second Reading to Bylaw No. 24-03, being a Bylaw to amend the Land Use Bylaw No. 14-11.

FOR: Mayor Fule, Councillor Langmaid, Councillor Mitzner, Councillor Montgomery, Councillor Peterson, Councillor Wegener, and Councillor Wiley

AGAINST: None.

CARRIED

Resolution No. 089.05.24

Moved by Councillor Peterson

THAT Council give Third Reading to Bylaw No. 24-03, being a Bylaw to amend the Land Use Bylaw No. 14-11.

FOR: Mayor Fule, Councillor Langmaid, Councillor Mitzner, Councillor Montgomery, Councillor Peterson, Councillor Wegener, and Councillor Wiley

AGAINST: None.

CARRIED

8.2. Land Use Bylaw Amending Bylaw No. 24-07 (62 Lakeside Blvd.)**Resolution No. 090.05.24**

Moved by Councillor Langmaid

THAT Council give First reading to Bylaw No. 24-07, being a bylaw to amend Land Use Bylaw No. 14-11.

AND THAT Council direct Administration to schedule a Public Hearing for Bylaw No. 24-07 on June 05, 2024 at 6:00 p.m. in Council Chambers.

FOR: Mayor Fule, Councillor Langmaid, Councillor Mitzner, Councillor Montgomery, Councillor Peterson, Councillor Wegener, and Councillor Wiley

AGAINST: None.

CARRIED

9. BUSINESS**9.1. Asset Management Program Update****9.2. Drought Plan 2024****9.3. May 2024 Committee of the Whole Meeting – Change of Start Time**

The following motion was adopted by the consent agenda:

THAT Council change the start time for the May 8, 2024, Committee of the Whole meeting from 6:00 p.m. to 5:30 p.m.

9.4. Proclamation – National Public Works Week 2024

The following motion was adopted by the consent agenda:

THAT Council proclaim May 19 – 25, 2024 as National Public Works Week in the Town of Strathmore.

10. COUNCILLOR INFORMATION & INQUIRIES

10.1. QUESTIONS BETWEEN COUNCILLORS AND COUNCIL STATEMENTS

None.

10.2. BOARD AND COMMITTEE REPORTS

10.2.1. Wheatland Housing Management Body Minutes – February 15, 2024

10.2.2. Wheatland Housing Management Body Minutes – March 5, 2024

10.3. QUESTION AND ANSWER PERIOD

None.

10.4. ADMINISTRATIVE INQUIRIES

None.

10.5. NOTICES OF MOTION

None.

11. CORRESPONDENCE

None.

12. CLOSED MEETING

Resolution No. 091.05.24

Moved by Councillor Langmaid

THAT Council move In Camera to discuss items related to section 24(1)(b)(i) of the *Freedom of Information and Protection of Privacy Act* at 8:02 p.m.

FOR: Mayor Fule, Councillor Langmaid, Councillor Mitzner, Councillor Montgomery, Councillor Peterson, Councillor Wegener, and Councillor Wiley

AGAINST: None.

CARRIED

12.1. **Board and Committee Matter – Advice from officials – FOIP S. 24(1)(b)(i)**

12.2. **Resolution Request – Advice from officials – FOIP S. 24(1)(b)(i)**

12.3. **Council/CAO Dialogue – Advice from officials – FOIP S. 24(1)(b)(i)**

Resolution No. 092.05.24

Moved by Councillor Wegener

THAT Council move out of Camera at 9:40 p.m.

FOR: Mayor Fule, Councillor Langmaid, Councillor Mitzner, Councillor Montgomery, Councillor Peterson, Councillor Wegener, and Councillor Wiley

AGAINST: None.

CARRIED

13. **ADJOURNMENT**

Mayor Fule adjourned the May 1, 2024 Regular Council Meeting at 9:40 p.m.

Mayor

Director of Strategic, Administrative,
and Financial Services



Request for Decision

To: Council

Staff Contact: Leana Ashbacher, Senior Manager of Financial Services

Date Prepared: May 7, 2024

Meeting Date: May 15, 2024

SUBJECT: 2024 Property Tax Rate Bylaw No. 24-08

RECOMMENDATION: THAT Council amend the 2024 Operating Budget by increasing the transfer from the Financial Stabilization Reserve by \$130,000 to offset the increase in the Education Requisition.

THAT Council give First Reading to Bylaw No. 24-08, being the 2024 Property Tax Rate Bylaw.

THAT Council give Second Reading to Bylaw No. 24-08, being the 2024 Property Tax Rate Bylaw.

THAT Council give unanimous consent to give third and final reading to Bylaw No. 24-08, being the 2024 Property Tax Rate Bylaw.

THAT Council give Third Reading to Bylaw No. 24-08, being the 2024 Property Tax Rate Bylaw.

STRATEGIC PRIORITIES:



Affordable
Housing



Climate
Resiliency



Community
Development



Community
Wellness



Economic
Development



Financial
Sustainability

HOW THE STRATEGIC PRIORITIES ARE MET:

The Property Tax Rate Bylaw is developed through the direction of the 2024 Operating Budget, which builds on Council's financial strategy of stable tax increases, reduction of the

Town's debt, and building financial reserves. The Town's taxes help fund the balance of Council's strategic priorities as well.

SUSTAINABILITY

ECONOMIC SUSTAINABILITY:

The Property Tax Rate Bylaw generates municipal revenue that supports programs and services that contribute to economic sustainability.

SOCIAL SUSTAINABILITY:

The Property Tax Rate Bylaw generates municipal revenue that supports programs and services that contribute to social sustainability.

ENVIRONMENTAL SUSTAINABILITY:

The Property Tax Rate Bylaw generates municipal revenue that supports programs and services that contribute to environmental sustainability.

IMPLICATIONS OF RECOMMENDATION:

GENERAL:

The Property Tax Rate Bylaw is guided by the Town's 2024 Operating and Capital Budgets. The 2024 budgets were built to provide a property tax increase that is below the annual rate of inflation (CPI) for Calgary, Alberta. Finding cost efficiencies in the 2024 budget provided the Town the opportunity minimize inflationary impacts on the community.

ORGANIZATIONAL:

The organizational implications are related to the development of this report and the bylaw.

OPERATIONAL:

There are no operational implications from the passing of this bylaw.

FINANCIAL:

The Property Tax Rate Bylaw impacts the Town's capital projects and the operational programs and services provided to residents and businesses. Raising too little tax revenue could impact the programs and services provided to the community or delay capital infrastructure investment and renewal. Collecting too much property tax could place a financial burden on residents and businesses and curb investment in the community. Finding a balance point for current and future tax revenue is important for the entire community.

POLICY:

The *Municipal Government Act* requires each municipality to levy property taxes annually to raise the revenue that is needed for municipal expenditures and for the annual non-municipal requisitions (education, seniors housing and designated industrial properties).

IMPLEMENTATION:

Once the Property Tax Rate Bylaw is passed by Council, Administration will prepare the 2024 property tax bills. These bills will be mailed to property owners during the last week of May with a due date of June 30, 2024. Any delay in the passing of the Property Tax Rate Bylaw beyond the May 15 Regular Council Meeting could push the mailing date and the property tax due date beyond the dates referenced above.

BACKGROUND:

Council passed the 2024 Operating and Capital Budgets on December 6, 2023. At the time, the annual property tax increase was forecast to be 5.2 percent for both residential and non-residential (commercial) property.

The senior's housing requisition received from the Wheatland Housing Management Board ended up being an increase 15.2% over the 2023 requisition. The 2023 senior's housing requisition of \$244,454 is \$38,454 above the budget estimate of \$206,000.

The 2024 education requisition received from the Provincial Government in March ended up being a 6.2 percent increase or \$5.95 million. The amount of education requisition is \$250,000 above the estimate of \$5.7 million used in the 2024 operating budget.

Administration had previously overestimated the education requisition, which was transferred to reserves. Therefore, Administration is recommending that the difference be funded from reserves, which is the intention and use of this specific allocation. By funding the education requisition by the 2023 over estimated education levy which Council transferred to reserves in 2023, the total tax increase will be 5.9 percent, which is a slight increase due to increased requisitions.

Forecasted Budget Amount	% of Total Tax	Actual Requisition	% of Total Tax	Variance	% Change
School Requisitions \$5,702,000	1.3%	\$5,953,657	2.3%	\$251,657	
Seniors Requisitions \$206,000 - Operational \$0 - Capital (Reserves)	(2.3%)	\$145,154 \$99,298	15.2%		

Total	\$244,452	\$38,452
Requisitions Grand Total		
\$5,908,000	\$6,198,109	\$290,109

Council requested that the overall tax increase be equal for our residential and non-residential tax rates.

In order to keep our municipal tax consistent between our residential and non-residential, we have adjusted our tax ratio split from 1.28 to 1.43. This split is still below the provincial average of 1.50 split.

KEY ISSUE(S)/CONCEPT(S):

The key issue for Council's consideration is whether it wishes to:

- 1) Approve the use of reserves to offset the increased education requisition; and
- 2) Approve the Tax Rate Bylaw as presented.

DESIRED OUTCOMES:

The passing of the Property Tax Rate Bylaw will provide the Town the authority to levy annual property taxes. The dollars collected from the property tax rates will support local municipal programs, projects, and services, and support provincial education and the Wheatland Housing Management Board.

COMMUNICATIONS:

Once the Property Tax Rate Bylaw is passed, the 2024 property tax bills will be prepared and mailed to all property owners in the community. Along with the tax bills, information will be provided to property owners in regards to the 2024 Operating and Capital Budgets. The property tax notices will also provide information on the Town's monthly Tax Installment Payment Program (TIPPS) and the Town's new Tax Arrears Payment Plan (TAPP).

ALTERNATIVE ACTIONS/MOTIONS:

1. Council could adopt the recommended motions (adopting Bylaw No. 24-08).
2. Council could adopt Bylaw 24-13 (presented in Attachment II).
3. Council could provide further direction to Administration and schedule a special council meeting.

ATTACHMENTS:

[Attachment I: Bylaw 24-08 Property Tax Bylaw - Option 5.9%](#)
[Attachment II: Bylaw 24-13 Property Tax Bylaw - Option 5.6%](#)

[Attachment III: 2024 Tax Levy Calculation for Property Tax Bylaw May 15](#)
[Attachment IV: 2024 Tax Rate Bylaw Presentation](#)

Leana Ashbacher, Senior Manager of Financial Services	Approved - 23 Apr 2024
Kara Rusk, Director of Strategic, Administrative, and Financial Services	Approved - 25 Apr 2024
Johnathan Strathdee, Manager of Legislative Services	Approved - 25 Apr 2024
Kevin Scoble, Chief Administrative Officer	Approved - 10 May 2024



BYLAW NO. 24-08
OF THE TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA

BYLAW NO. 24-08
TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA

**BEING A BYLAW TO AUTHORIZE THE RATES OF TAXATION TO BE LEVIED
 AGAINST ASSESSABLE TAXABLE PROPERTY WITHIN THE TOWN OF
 STRATHMORE FOR THE 2024 TAXATION YEAR.**

WHEREAS, the Town of Strathmore has prepared, and adopted detailed estimates of the municipal revenue and expenditures as required at the Council meeting held on December 6, 2023; and

WHEREAS, the estimated municipal expenditures (excluding non-cash items) set out in the annual budget for the Town of Strathmore for 2024 is \$37,704,700 for operating and \$7,014,000 for capital;

WHEREAS, the estimated municipal revenues from all sources other than property taxation is \$ 21,691,800; and the balance of \$16,012,900 is to be raised by general municipality property taxation; and

WHEREAS, the requisitions for non-municipal purposes are:

Alberta School Foundation Fund (ASFF) (Public)

Residential and Farmland	\$4,338,953
--------------------------	-------------

Non-Residential	\$1,154,901
-----------------	-------------

Christ the Redeemer Catholic School Division (CRSD) (Separate)

Residential and Farmland	\$418,902
--------------------------	-----------

Non-Residential	\$40,901
-----------------	----------

Total Education Property Tax Requisition	\$5,953,657
--	-------------

2023 Under/(Over) Levy	\$5,516
------------------------	---------

Total Education Levy	\$5,959,173
-----------------------------	--------------------

Provincial Designated Industrial Property	\$5,039
--	----------------

Wheatland Housing Management Board	\$244,454
------------------------------------	-----------



BYLAW NO. 24-08
OF THE TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA

2023 Under/(Over) Levy	(\$1,113)
Total Wheatland Housing Levy	<u>\$243,341</u>

AND WHEREAS the Council of the Municipality is required to levy on the assessed value of all property, tax rate sufficient to meet the estimated expenditures and requisitions.

AND WHEREAS the Council is authorized to sub-classify assessed property, and to establish different rates of taxation in respect to each sub-class of property, subject to the *Municipal Government Act*, R.S.A 2000 Chapter M-26; and

AND WHEREAS the assessed value of all property in the Town of Strathmore as shown on the 2023 assessment roll is:

Residential & Farmland	\$2,067,562,160
Non-Residential	370,196,350
Residential (O/C-135/2010)	15,127,240
Non-Residential (O/C-135/2010)	4,272,480
Farmland (O/C-135/2010)	268,330
Machinery & Equipment (O/C-135/2010)	238,160
Total Assessment	<u>\$2,457,664,720</u>
 Designated Industrial Property (DIP)	 <u>\$62,694,460</u>

Now Therefore, the Council of the Town of Strathmore, duly assembled, hereby enact as follows:

1. SHORT TITLE

1.1. This Bylaw may be cited as the "2024 Property Tax Rate Bylaw".

2. LEVY RATES OF TAXATION

That the Chief Administrative Officer is hereby authorized to levy the following rates of taxation on the assessed value of all property shown on the assessment roll of the Town of Strathmore:



BYLAW NO. 24-08
OF THE TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA

General Municipal	Tax Levy	Assessment	Tax Rate
Residential/Farmland	\$12,678,291	\$2,068,312,160	6.132
Non-Residential	3,250,694	372,496,350	8.781
Residential (O/C-135/2010)	44,134	15,127,240	2.918
Non-Residential (O/C-135/2010)	33,092	4,272,480	7.746
Farmland (O/C-135/2010)	3,618	268,330	13.482
Machinery & Equipment (O/C-135/2010)	1,845	238,160	7.746
General Municipal Total	\$16,011,674	\$2,457,664,720	
Alberta School Foundation Fund			
Residential/Farmland	\$4,241,953	\$1,903,928,699	2.228
Non-Residential	1,117,896	324,404,025	3.446
Residential (O/C-135/2010)	35,791	15,127,240	2.366
Non-Residential (O/C-135/2010)	15,466	4,272,480	3.620
Farmland (O/C-135/2010)	635	268,330	2.366
Sub-Total	\$5,411,741	\$2,248,000,774	
Christ the Redeemer Catholic School Division			
Residential/Farmland	\$364,575	\$163,633,461	2.228
Non-Residential	37,485	10,877,955	3.446
Sub-Total	\$402,060	\$174,511,416	
Education Total	\$5,813,806	\$2,422,512,190	
Wheatland Housing Management Board	\$243,409	\$2,458,668,560	0.099
Designated Industrial Property (DIP) Requisition	\$4,796	\$62,694,460	0.0765

That the minimum amount payable per property for general municipal purposes shall be \$50.00 (estimate revenue of \$7,000).

3. SEVERABILITY

If any provision of this bylaw is found to be illegal or beyond the power of Council to enact, or otherwise invalid, such section shall be deemed to be severable from all other sections of this bylaw.

READ A FIRST TIME this _____ day of _____, 2024



BYLAW NO. 24-08
OF THE TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA

READ A SECOND TIME this ____ day of _____, 2024

READ A THIRD AND FINAL TIME this ____ day of _____, 2024

MAYOR

DIRECTOR OF STRATEGIC, ADMINISTRATIVE & FINANCIAL SERVICES



BYLAW NO. 24-13
OF THE TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA

BYLAW NO. 24-13
TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA

**BEING A BYLAW TO AUTHORIZE THE RATES OF TAXATION TO BE LEVIED
AGAINST ASSESSABLE TAXABLE PROPERTY WITHIN THE TOWN OF
STRATHMORE FOR THE 2024 TAXATION YEAR.**

WHEREAS, the Town of Strathmore has prepared, and adopted detailed estimates of the municipal revenue and expenditures as required at the Council meeting held on December 6, 2023; and

WHEREAS, the estimated municipal expenditures (excluding non-cash items) set out in the annual budget for the Town of Strathmore for 2024 is \$37,704,700 for operating and \$7,014,000 for capital;

WHEREAS, the estimated municipal revenues from all sources other than property taxation is \$ 21,691,800; and the balance of \$16,012,900 is to be raised by general municipality property taxation; and

WHEREAS, the requisitions for non-municipal purposes are:

Alberta School Foundation Fund (ASFF) (Public)

Residential and Farmland	\$4,338,953
--------------------------	-------------

Non-Residential	\$1,154,901
-----------------	-------------

Christ the Redeemer Catholic School Division (CRSD) (Separate)

Residential and Farmland	\$418,902
--------------------------	-----------

Non-Residential	\$40,901
-----------------	----------

Total Education Property Tax Requisition	\$5,753,657
--	-------------

2023 Under/(Over) Levy	\$5,516
------------------------	---------

Total Education Levy	\$5,959,173
-----------------------------	--------------------

Provincial Designated Industrial Property	\$5,039
--	----------------

Wheatland Housing Management Board	\$244,454
------------------------------------	-----------



BYLAW NO. 24-13
OF THE TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA

2023 Under/(Over) Levy	(\$1,113)
Total Wheatland Housing Levy	<u>\$243,341</u>

AND WHEREAS the Council of the Municipality is required to levy on the assessed value of all property, tax rate sufficient to meet the estimated expenditures and requisitions.

AND WHEREAS the Council is authorized to sub-classify assessed property, and to establish different rates of taxation in respect to each sub-class of property, subject to the *Municipal Government Act*, R.S.A 2000 Chapter M-26; and

AND WHEREAS the assessed value of all property in the Town of Strathmore as shown on the 2023 assessment roll is:

Residential & Farmland	\$2,067,562,160
Non-Residential	370,196,350
Residential (O/C-135/2010)	15,127,240
Non-Residential (O/C-135/2010)	4,272,480
Farmland (O/C-135/2010)	268,330
Machinery & Equipment (O/C-135/2010)	238,160
Total Assessment	<u>\$2,457,664,720</u>
 Designated Industrial Property (DIP)	 <u>\$62,694,460</u>

Now Therefore, the Council of the Town of Strathmore, duly assembled, hereby enact as follows:

1. SHORT TITLE

1.1. This Bylaw may be cited as the "2024 Property Tax Rate Bylaw".

2. LEVY RATES OF TAXATION

That the Chief Administrative Officer is hereby authorized to levy the following rates of taxation on the assessed value of all property shown on the assessment roll of the Town of Strathmore:



BYLAW NO. 24-13
OF THE TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA

General Municipal	Tax Levy	Assessment	Tax Rate
Residential/Farmland	\$12,678,291	\$2,068,312,160	6.132
Non-Residential	3,250,694	372,496,350	8.781
Residential (O/C-135/2010)	44,134	15,127,240	2.918
Non-Residential (O/C-135/2010)	33,092	4,272,480	7.746
Farmland (O/C-135/2010)	3,618	268,330	13.482
Machinery & Equipment (O/C-135/2010)	1,845	238,160	7.746
General Municipal Total	\$16,011,674	\$2,457,664,720	
Alberta School Foundation Fund			
Residential/Farmland	\$4,188,643	\$1,903,928,699	2.200
Non-Residential	1,103,947	324,404,025	3.403
Residential (O/C-135/2010)	35,791	15,127,240	2.366
Non-Residential (O/C-135/2010)	15,466	4,272,480	3.620
Farmland (O/C-135/2010)	635	268,330	2.366
Sub-Total	\$5,344,482	\$2,248,000,774	
Christ the Redeemer Catholic School Division			
Residential/Farmland	\$359,944	\$163,633,461	2.200
Non-Residential	37,018	10,877,955	3.403
Sub-Total	\$397,012	\$174,511,416	
Education Total	\$5,741,498	\$2,422,512,190	
Wheatland Housing Management Board	\$243,409	\$2,458,668,560	0.099
Designated Industrial Property (DIP) Requisition	\$4,796	\$62,694,460	0.0765

That the minimum amount payable per property for general municipal purposes shall be \$50.00 (estimate revenue of \$7,000).

3. SEVERABILITY

If any provision of this bylaw is found to be illegal or beyond the power of Council to enact, or otherwise invalid, such section shall be deemed to be severable from all other sections of this bylaw.

READ A FIRST TIME this _____ day of _____, 2024



BYLAW NO. 24-13
OF THE TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA

READ A SECOND TIME this ____ day of _____, 2024

READ A THIRD AND FINAL TIME this ____ day of _____, 2024

MAYOR

DIRECTOR OF STRATEGIC, ADMINISTRATIVE & FINANCIAL SERVICES

Summary of Options

1. Transfer from Reserves/Change to Non-Res/Res Split	
Overall tax increase	5.9%
Municipal	
Res	6.7%
Non Res	6.7%
Overall	5.9%
Transfer from Reserves	\$130,000
2. Transfer from Reserves/Change to Non-Res/Res Split	
Overall tax increase	5.6%
Municipal	
Res	6.7%
Non Res	6.7%
Overall	5.6%
Transfer from Reserves	\$202,100

TOWN OF STRATHMORE

2024 TAX LEVY

		2024 Budget		2024 Tax Rate Bylaw	
Description	Assessment Class	2024 Original Tax Levy	Original Levy Change	2024 Revised Tax Levy	Revised Levy Change
Municipal Taxes					
	Residential & Farmland	\$12,727,630	6.7%	\$12,726,043	6.7%
	Non-Residential	\$3,285,989	6.7%	\$3,285,631	6.7%
		\$16,013,619	6.7%	\$16,011,674	6.7%
Education Taxes					
	Residential & Farmland	\$4,474,544	1.6%	\$4,746,856	4.1%
	Residential & Farmland Reserve Transfer	\$0		(\$103,900)	
	Subtotal: Residential and Farmland	\$4,474,544		\$4,642,956	
	Non-Residential	\$1,227,128	1.6%	\$1,196,950	4.3%
	Non-Residential Reserve Transfer	\$0		(\$26,100)	
	Subtotal: Non-Residential Reserve Transfer	\$1,227,128		\$1,170,850	
		\$5,701,672	1.6%	\$5,813,806	3.6%
Seniors Housing Taxes					
	Residential & Farmland & Non-Residential	\$206,000	-2.3%	\$243,400	-3.4%
	Reserve Transfer	\$0		\$0	
		\$206,000	-2.3%	\$243,400	15.4%
Designated Industrial Properties (DIP)					
	DIP - Non-Residential	\$4,702	-0.3%	\$4,796	1.7%
		\$4,702	-0.3%	\$4,796	1.7%
Total Taxes					
	Residential & Farmland	\$17,412,876	5.2%	\$17,612,399	7.9%
	Non-Residential	\$4,517,819	5.2%	\$4,456,481	3.3%
	DIP - Non-Residential	\$4,702	-0.3%	\$4,796	1.7%
		\$21,926,049	5.2%	\$22,073,676	5.9%

TOWN OF STRATHMORE

2024 TAX LEVY

		2024 Budget		2024 Tax Rate Bylaw	
Description	Assessment Class	2024 Original Tax Levy	Original Levy Change	2024 Revised Tax Levy	Revised Levy Change
Municipal Taxes					
	Residential & Farmland	\$12,727,630	6.7%	\$12,726,043	6.7%
	Non-Residential	\$3,285,989	6.7%	\$3,285,631	6.7%
		\$16,013,619	6.7%	\$16,011,674	6.7%
Education Taxes					
	Residential & Farmland	\$4,474,544	1.6%	\$4,746,565	4.1%
	Residential & Farmland Reserve Transfer	\$0		(\$161,500)	
	Subtotal: Residential and Farmland	\$4,474,544		\$4,585,065	
	Non-Residential	\$1,227,128	1.6%	\$1,197,033	4.3%
	Non-Residential Reserve Transfer	\$0		(\$40,600)	
	Subtotal: Non-Residential Reserve Transfer	\$1,227,128		\$1,156,433	
		\$5,701,672	1.6%	\$5,741,498	2.3%
Seniors Housing Taxes					
	Residential & Farmland	\$171,636	-2.3%	\$206,214	17.4%
	Non-Residential	\$34,420	-2.3%	\$37,195	4.4%
		\$206,056	-2.3%	\$243,409	15.4%
Designated Industrial Properties (DIP)					
	DIP - Non-Residential	\$4,702	-0.3%	\$4,796	1.7%
		\$4,702	-0.3%	\$4,796	1.7%
Total Taxes					
	Residential & Farmland	\$17,378,512	5.2%	\$17,517,322	7.9%
	Non-Residential	\$4,552,239	5.2%	\$4,479,259	3.3%
	DIP - Non-Residential	\$4,702	-0.3%	\$4,796	1.7%
		\$21,926,049	5.2%	\$22,001,377	5.6%



Strathmore

RURAL REIMAGINED



Town of Strathmore Property Tax Rate Bylaw



Residential and Commercial Total Tax Increase – 5.9% average

- ❑ Municipal Tax - \$16.012 million
- ❑ Education Tax – \$5.814 million
- ❑ Seniors Housing Tax - \$243 thousand
- ❑ Total Tax - \$22.0073 million
- ❑ Funding Requisitions from Reserves - \$130 thousand

TOWN OF STRATHMORE

2024 TAX LEVY

		2024 Budget		2024 Tax Rate Bylaw	
Description	Assessment Class	2024 Original Tax Levy	Original Levy Change	2024 Revised Tax Levy	Revised Levy Change
Municipal Taxes					
	Residential & Farmland	\$12,727,630	6.7%	\$12,726,043	6.7%
	Non-Residential	\$3,285,989	6.7%	\$3,285,631	6.7%
		\$16,013,619	6.7%	\$16,011,674	6.7%
Education Taxes					
	Residential & Farmland	\$4,474,544	1.6%	\$4,746,856	4.1%
	Residential & Farmland Reserve Transfer	\$0		(\$103,900)	
	Subtotal: Residential and Farmland	\$4,474,544		\$4,642,956	
	Non-Residential	\$1,227,128	1.6%	\$1,196,950	4.3%
	Non-Residential Reserve Transfer	\$0		(\$26,100)	
	Subtotal: Non-Residential Reserve Transfer	\$1,227,128		\$1,170,850	
		\$5,701,672	1.6%	\$5,813,806	3.6%
Seniors Housing Taxes					
	Residential & Farmland & Non-Residential	\$206,000	-2.3%	\$243,400	-3.4%
	Reserve Transfer	\$0		\$0	
		\$206,000	-2.3%	\$243,400	15.4%
Designated Industrial Properties (DIP)					
	DIP - Non-Residential	\$4,702	-0.3%	\$4,796	1.7%
		\$4,702	-0.3%	\$4,796	1.7%
Total Taxes					
	Residential & Farmland	\$17,412,876	5.2%	\$17,612,399	7.9%
	Non-Residential	\$4,517,819	5.2%	\$4,456,481	3.3%
	DIP - Non-Residential	\$4,702	-0.3%	\$4,796	1.7%
		\$21,926,049	5.2%	\$22,073,676	5.9%



2024 ASSESSMENT& TAX COMPARISON - RESIDENTIAL PROPERTY 5.9%

	2023					2024					Assessment Increase	Tax Increase
	Tax Rate	6.614	2.432	0.097	9.143	Tax Rate	6.132	2.228	0.099	8.459		
	Assessment	Municipal Tax	Education Tax	Seniors Tax	Tax Amount	Assessment	Municipal Tax	Education Tax	Seniors Tax	Tax Amount		
Ratepayer #1	\$413,950	\$2,738	\$1,007	\$40	\$3,785	\$508,000	\$3,115	\$1,132	\$50	\$4,297	22.7%	13.5%
Ratepayer #2	\$495,150	\$3,275	\$1,204	\$48	\$4,527	\$582,000	\$3,569	\$1,297	\$58	\$4,923	17.5%	8.7%
Ratepayer #3	\$354,590	\$2,345	\$862	\$34	\$3,242	\$403,000	\$2,471	\$898	\$40	\$3,409	13.7%	5.1%
Ratepayer #4	\$181,550	\$1,201	\$442	\$18	\$1,660	\$196,000	\$1,202	\$437	\$19	\$1,658	8.0%	-0.1%
Ratepayer #5	\$294,690	\$1,949	\$717	\$29	\$2,694	\$328,000	\$2,011	\$731	\$32	\$2,775	11.3%	3.0%
Ratepayer #6	\$530,260	\$3,507	\$1,290	\$51	\$4,848	\$663,000	\$4,066	\$1,477	\$66	\$5,608	25.0%	15.7%
Ratepayer #7	\$544,850	\$3,604	\$1,325	\$53	\$4,982	\$661,000	\$4,053	\$1,473	\$65	\$5,591	21.3%	12.2%
Ratepayer #8	\$540,110	\$3,572	\$1,314	\$52	\$4,938	\$640,000	\$3,924	\$1,426	\$63	\$5,414	18.5%	9.6%
Ratepayer #9	\$294,200	\$1,946	\$715	\$29	\$2,690	\$350,000	\$2,146	\$780	\$35	\$2,961	19.0%	10.1%
Ratepayer #10	\$471,910	\$3,121	\$1,148	\$46	\$4,315	\$548,000	\$3,360	\$1,221	\$54	\$4,636	16.1%	7.4%
Average Ratepayer	\$368,600	\$2,438	\$896	\$36	\$3,370	\$428,700	\$2,629	\$955	\$42	\$3,626	16.3%	7.6%

Residential and Commercial Total Tax Increase – 5.6% average

- ❑ Municipal Tax - \$16.012 million
- ❑ Education Tax – \$5.741 million
- ❑ Seniors Housing Tax - \$243 thousand
- ❑ Total Tax - \$22.002 million
- ❑ Funding Requisitions from Reserves - \$202 thousand

TOWN OF STRATHMORE

2024 TAX LEVY

		2024 Budget		2024 Tax Rate Bylaw	
Description	Assessment Class	2024 Original Tax Levy	Original Levy Change	2024 Revised Tax Levy	Revised Levy Change
Municipal Taxes					
	Residential & Farmland	\$12,727,630	6.7%	\$12,726,043	6.7%
	Non-Residential	\$3,285,989	6.7%	\$3,285,631	6.7%
		\$16,013,619	6.7%	\$16,011,674	6.7%
Education Taxes					
	Residential & Farmland	\$4,474,544	1.6%	\$4,746,565	4.1%
	Residential & Farmland Reserve Transfer	\$0		(\$161,500)	
	Subtotal: Residential and Farmland	\$4,474,544		\$4,585,065	
	Non-Residential	\$1,227,128	1.6%	\$1,197,033	4.3%
	Non-Residential Reserve Transfer	\$0		(\$40,600)	
	Subtotal: Non-Residential Reserve Transfer	\$1,227,128		\$1,156,433	
		\$5,701,672	1.6%	\$5,741,498	2.3%
Seniors Housing Taxes					
	Residential & Farmland	\$171,636	-2.3%	\$206,214	17.4%
	Non-Residential	\$34,420	-2.3%	\$37,195	4.4%
		\$206,056	-2.3%	\$243,409	15.4%
Designated Industrial Properties (DIP)					
	DIP - Non-Residential	\$4,702	-0.3%	\$4,796	1.7%
		\$4,702	-0.3%	\$4,796	1.7%
Total Taxes					
	Residential & Farmland	\$17,378,512	5.2%	\$17,517,322	7.9%
	Non-Residential	\$4,552,239	5.2%	\$4,479,259	3.3%
	DIP - Non-Residential	\$4,702	-0.3%	\$4,796	1.7%
		\$21,926,049	5.2%	\$22,001,377	5.6%



2024 ASSESSMENT& TAX COMPARISON - RESIDENTIAL PROPERTY 5.6%

	2023					2024					Assessment Increase	Tax Increase
	Tax Rate	6.614	2.432	0.097	9.143	Tax Rate	6.132	2.200	0.099	8.431		
	Assessment	Municipal Tax	Education Tax	Seniors Tax	Tax Amount	Assessment	Municipal Tax	Education Tax	Seniors Tax	Tax Amount		
Ratepayer #1	\$413,950	\$2,738	\$1,007	\$40	\$3,785	\$508,000	\$3,115	\$1,118	\$50	\$4,283	22.7%	13.2%
Ratepayer #2	\$495,150	\$3,275	\$1,204	\$48	\$4,527	\$582,000	\$3,569	\$1,280	\$58	\$4,907	17.5%	8.4%
Ratepayer #3	\$354,590	\$2,345	\$862	\$34	\$3,242	\$403,000	\$2,471	\$887	\$40	\$3,398	13.7%	4.8%
Ratepayer #4	\$181,550	\$1,201	\$442	\$18	\$1,660	\$196,000	\$1,202	\$431	\$19	\$1,652	8.0%	-0.4%
Ratepayer #5	\$294,690	\$1,949	\$717	\$29	\$2,694	\$328,000	\$2,011	\$722	\$32	\$2,765	11.3%	2.6%
Ratepayer #6	\$530,260	\$3,507	\$1,290	\$51	\$4,848	\$663,000	\$4,066	\$1,459	\$66	\$5,590	25.0%	15.3%
Ratepayer #7	\$544,850	\$3,604	\$1,325	\$53	\$4,982	\$661,000	\$4,053	\$1,454	\$65	\$5,573	21.3%	11.9%
Ratepayer #8	\$540,110	\$3,572	\$1,314	\$52	\$4,938	\$640,000	\$3,924	\$1,408	\$63	\$5,396	18.5%	9.3%
Ratepayer #9	\$294,200	\$1,946	\$715	\$29	\$2,690	\$350,000	\$2,146	\$770	\$35	\$2,951	19.0%	9.7%
Ratepayer #10	\$471,910	\$3,121	\$1,148	\$46	\$4,315	\$548,000	\$3,360	\$1,206	\$54	\$4,620	16.1%	7.1%
Average Ratepayer	\$368,600	\$2,438	\$896	\$36	\$3,370	\$428,700	\$2,629	\$943	\$42	\$3,614	16.3%	7.2%



Request for Decision

To: Council

Staff Contact: Mark Pretzlaff, Director of Community and Protective Services

Date Prepared: April 15, 2024

Meeting Date: May 15, 2024

SUBJECT: Urban Hen Bylaw 24-11

RECOMMENDATION: THAT Council give First Reading to Bylaw No. 24-11, being the Urban Hen Bylaw.

THAT Council give Second Reading to Bylaw No. 24-11, being the Urban Hen Bylaw.

THAT Council give Unanimous Consent to proceed with Third and Final Reading to Bylaw No. 24-11, being the Urban Hen Bylaw.

THAT Council give Third and Final Reading to Bylaw No. 24-11, being the Urban Hen Bylaw.

STRATEGIC PRIORITIES:



Affordable
Housing



Climate
Resiliency



Community
Development



Community
Wellness



Economic
Development



Financial
Sustainability

HOW THE STRATEGIC PRIORITIES ARE MET:

As part of its Strategic Plan, Council has prioritized the maintenance, protection, and improvement of Community Wellness services that support optimum lifestyles for residents of Strathmore.

The Urban Hen bylaw introduced urban agriculture to the residents of the Town of Strathmore, enabling residents to raise food for their families while ensuring adequate regulations are in place to meet the basic needs of the hens while protecting them from predators and disease.

SUSTAINABILITY

ECONOMIC SUSTAINABILITY:

N/A

SOCIAL SUSTAINABILITY:

N/A

ENVIRONMENTAL SUSTAINABILITY:

N/A

IMPLICATIONS OF RECOMMENDATION:

GENERAL:

This program has been operating for two years with limited impact on residents and minimal impact on Administration.

ORGANIZATIONAL:

None as this program has been operating for two years with minimal impact for Administration.

OPERATIONAL:

N/A

FINANCIAL:

Currently, there is limited impact with only five (5) hen licenses; however, this revenue could increase if the program transitions out of the pilot project phase.

POLICY:

The existing bylaw was established as a two year pilot project. Administration has since identified some enforcement mechanisms and general penalties that would aid with the management of this bylaw.

For this reason, Administration would recommend some changes to the existing bylaw (e.g. penalty for unlicensed hens).

IMPLEMENTATION:

With Council's approval of the revised bylaw, the Town's website will be updated to include the revised bylaw and communications will be developed to ensure the public is aware that the program is continuing.

BACKGROUND:

In May 2022, Council approved the Urban Hen bylaw (22-08) which introduced, regulated and controlled the keeping of hens as urban agriculture within the Town of Strathmore.

As part of the development of this bylaw, Administration compared similar bylaws from other municipalities such as Innisfail, Lacombe, Vancouver, Wood Buffalo, and St. Albert.

Since its inception, Administration has issued five (5) hen licenses with several additional inquiries in 2023 and responded to three (3) potential bylaw infractions.

- Chicken coop attached to fence
- Exceeding maximum number of hens allowed
- Loose hen

Each of these infractions were investigated and compliance was gained through education. Lastly, there have been no appeals.

KEY ISSUE(S)/CONCEPT(S):

The existing bylaw was established as a two-year pilot project and before it goes into full effect, Administration has identified some enforcement mechanisms and general penalties that should be added to the bylaw to ensure better regulation.

Changes to the bylaw consisted of updating the section numbers on the penalties chart and adding text and penalty for "unlicensed hen".

DESIRED OUTCOMES:

The desired outcome is for Council to approve the revised bylaw, as presented.

COMMUNICATIONS:

With Council's approval of the revised bylaw, the Town's website will be updated to include the revised bylaw as well as key messaging to ensure the public is aware that the program is continuing.

ALTERNATIVE ACTIONS/MOTIONS:

1. Council may make a motion to amend the Bylaw.
2. Council may defer discussion on the Bylaw to a future Committee of the Whole Meeting

ATTACHMENTS:

[Attachment I: Urban Hen Bylaw No. 24-11](#)

[Attachment II: 22-08 - Urban Hen Bylaw \(ID 64841\)](#)

Claudette Thorhaug, Legislative Services Officer

Approved
- 09 May
2024

Johnathan Strathdee, Manager of Legislative Services

Approved
- 09 May
2024

Kevin Scoble, Chief Administrative Officer

Approved
- 10 May
2024



BYLAW NO. 24-11
OF THE TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA

BYLAW NO. 24-11
THE TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA

**A BYLAW OF THE TOWN OF STRATHMORE IN THE PROVINCE OF ALBERTA TO
 REGULATE THE KEEPING OF CHICKENS IN AN URBAN AREA.**

WHEREAS pursuant to Section 7 of the *Municipal Government Act* the council of a municipality may pass bylaws for municipal purposes respecting: the safety, health and welfare of people and the protection of people and property; wild and domestic animals and activities in relation to them; and the enforcement of bylaws;

AND WHEREAS pursuant to Section 8 of the *Municipal Government Act*, the council of a municipality may, in a bylaw, regulate or prohibit and to provide for a system of licenses, permits and approvals.

NOW THEREFORE, the Council of the Town of Strathmore, in the Province of Alberta, hereby enacts as follows:

1. SHORT TITLE

1.1 This Bylaw may be cited as the "Urban Hen Bylaw"

2. PURPOSE

2.1 The purpose of this bylaw is to regulate and control the keeping of hens as urban agriculture within the Town of Strathmore.

3. DEFINITIONS

3.1 In this Bylaw, unless the context otherwise requires:

- a) "Act" means the Municipal Government Act, Revised Statutes of Alberta 2000, Chapter M-26 and amendments thereto;
- b) "Adjoining Neighbour" means an owner or occupant of a property that is contiguous to a Subject Property along a common property line. If the Subject Property is located on a corner lot, an Adjoining Neighbour includes an owner or occupant of property that is adjacent to the Subject Property across a rear lane, but not across a street;
- c) "Animal Health Act" means Statutes of Alberta 2007, Chapter A-40.2;

- d) "Chief Administrative Officer" means the person holding the office of Chief Administrative Officer of the Town of Strathmore;
- e) "Coop" means a fully enclosed weather proof structure with an attached outdoor enclosure having a bare earth or vegetated floor for urban hens to roam not exceeding 10 meters square in a floor area and no more than 2 meters in height;
- f) "Coop Run" means a securely enclosed structure intended for the keeping of Hens;
- g) "Council" means the Council of the Town of Strathmore;
- h) "Hen" means a domesticated female chicken that is at least four (4) months old;
- i) "Hen Keeper" means a person having any right of custody, control or possession of a Hen;
- j) "Hen License" means a license issued under this bylaw that authorizes the keeping of hens on a specific property within an Urban area within the Town;
- k) "Licensing Authority" means the Chief Administrative Officer or a person appointed by the Chief Administrative Officer to issue Hen Licenses;
- l) "Nest box" means a box within a Coop for the nesting of Hens;
- m) "Peace Officer" means a police officer or member of a police service under the *Police Act*, R.S.A. 2000, c. P-17, or a Peace Officer appointed pursuant to the *Peace Officer Act*, S.A. 2006, c. P-3.5; or a person appointed as a bylaw enforcement officer pursuant to the *Municipal Government Act*, R.S.A. 2000, c. M-26;
- n) "Premises Identification (PID) Number" means a nine-character combination of numbers and letters issued by the Province of Alberta pursuant to the provisions of the *Animal Health Act* to owners of livestock;
- o) "Rooster" means a domesticated male chicken;
- p) "Sell" means to exchange or deliver for money or its equivalent;
- q) "Subject Property" means a lot or parcel of land in respect of which a Hen License is sought or has been issued;

- r) "Temporary Caregiver" means a person who has been authorized by the Hen Keeper to provide care to their Hens in the event the Hen Keeper is temporarily unable to do so;
- s) "Town" means the Town of Strathmore, a municipal corporation in the Province of Alberta, and where the context so requires, means the area of land within the corporate boundaries thereof;
- t) "Urban Area" means lands located within the Town on which agricultural operations, including but not limited to the keeping of livestock are neither a permitted or discretionary use under the Bylaws of the Town;
- u) "Urban Hen" means a hen that is at least 16 weeks of age.
- v) "Violation Tag" means a notice that alleges a bylaw offence and provides a person the opportunity to pay an amount to the Town in lieu of prosecution for the offence; and
- w) "Violation Ticket" means a violation ticket as defined in the *Provincial Procedures Act*, R.S.A. 2000, c. P-34.

4. PROHIBITIONS

4.1 In an Urban Area, no person shall:

- a) Keep a Rooster; or
- b) Keep a Hen, other than an Urban Hen for which a valid Hen License has been issued.

5. URBAN HEN LICENSE

5.1 A person may apply to keep a minimum of two (2) and a maximum of four (4) urban hens by:

- a) Submitting a completed Hen License application, in the form prescribed by the Licensing Authority Officer, including;
- b) Paying a Hen License fee prescribed in Schedule A to this bylaw which is due and payable at the time of the application, prior to approval and annually thereafter;
- c) Any other information reasonably required by the Licensing Authority, including but not limited to:
 - i. The name, address and contact information of the person who will be the Hen Keeper and of any person who may act as a Temporary Caregiver;

-
- ii. A copy of a Certificate of Title for the Subject Property issued by the Land Titles;
 - iii. Written permission to keep hens on the Subject Property, from the registered owner of the Subject Property as shown on the Certificate of Title, if the Hen Keeper is not the registered owner.
 - d) A site plan including a drawing that shows the location of the Coop and Coop Run dimensions and associated setbacks from the Coop and Coop Run to the side and rear property lines
 - e) Evidence that the proposed Hen Keeper has experience or training from a source approved by administration.
 - f) A copy of the Premises Identification (PID) Number applicable to Subject Property.
- 5.2 At the time of application for a Hen License, the applicant must demonstrate to the satisfaction of the Licensing Authority that all Adjoining Neighbours have been notified of the intent to apply for a Hen License on the Subject Property. Neighbour notification letter is attached as Schedule "C" in this Bylaw. If an adjoining property of the Subject Property is undeveloped or developed but otherwise vacant, the applicant is not required to notify that adjoining property.
- 5.3 A Hen License does not take effect until:
- a) The Licensing Authority is satisfied all provisions in Section 6.1 and 6.2 have been met; and
 - b) The appeal period referenced in Section 7.2 has expired, if no appeal was received during the appeal period; or
 - c) The Appeal Committee has made a decision on any appeal and that decision upholds the issuance of the Hen License, with or without conditions.
- 5.4 A Hen License is valid only for the period of January 1 to December 31 in the year for which the license is issued.
- 5.5 Hen License fees shall not be reduced or prorated no matter the month of purchase or total number of urban hens.
- 5.6 A Hen License is not transferable from one person to another or from one property to another.
- 5.7 A person to whom a Hen License has been issued shall produce the license at the demand of the Licensing Authority or a Peace Officer.
- 5.8 The Licensing Authority may refuse to grant or renew a Hen License for the following reasons:
- a) The applicant or license holder does not meet or has ceased to meet

the requirements of this bylaw;

- b) The applicant or license holder:
 - i. Provides false information or misrepresents any fact or circumstances to the Licensing Authority or Peace Officer;
 - ii. Fails to pay any fee required by this Bylaw or any applicable Bylaw;
 - iii. Fails to pay a fine imposed by a court for a contravention of this Bylaw or any other applicable Bylaw related to the keeping of Urban Hens;
 - iv. An applicant for or holder of a Hen License has been convicted of any offence involving abuse, mistreatment or negligent treatment or keeping of animals;
 - v. An applicant has previously been the holder of a Hen License that was revoked for non-compliance with this bylaw, or in respect of which an order has been made under section 645 of the *Municipal Government Act*;
 - vi. Has not complied with all other Provincial and Federal regulations for the keeping of livestock; or
- c) In the opinion of the Licensing Authority based on reasonable grounds it is in the public interest to do so.

6. APPEAL

6.1 An appeal lies from a decision of the Licensing Authority to:

- a) Issue a Hen License, if the appellant is an Adjoining Neighbour;
- b) Impose conditions on a Hen License, if the appellant is the person who applied for the Hen License or is an Adjoining Neighbour;
- c) Refuse a Hen License, if the appellant is the person who applied for the Hen License; or
- d) Revoke a Hen License, if the appellant is the holder of the Hen License that was revoked.

6.2 An appeal under section 7.1 must be in writing, addressed to the Chief Administrative Officer, and must be received not later than fourteen (14) days after the decision appealed from is issued.

6.3 An Adjoining Neighbour may appeal under clause 7.1 (a) or 7.1 (b) of this bylaw only if the grounds of appeal are:

- a) That the keeping of hens on the Subject Property is likely to have a materially adverse effect on the health of the Adjoining Neighbour or of a person living in the premises of the Adjoining Neighbour;



BYLAW NO. 24-11
OF THE TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA

-
- b) A reason or factor listed in clauses 6.8 (a), 6.8 (b) (i),(ii),(iv) or (v) of this bylaw.
 - 6.4 As soon as reasonably practicable and in any event not more than 14 days after receiving a notice of appeal the Chief Administrative Officer must appoint an Appeal Committee for the purpose of hearing the appeal, and apart from appointing the Appeal Committee and providing it with administrative support the Chief Administrative Officer shall not be involved in the appeal process.
 - 6.5 The Appeal Committee shall consist of 3 members none of whom is an employee or Council Member of the Town and that Administration may appoint members as deemed appropriate. In the case of an appeal from an adjoining member alleging the likelihood of a material adverse health effect, the Chief Administrative Officer must also make reasonable efforts to appoint the appeal committee a licensed and practicing veterinarian and a licensed and practicing physician.
 - 6.6 The Appeal Committee shall schedule the hearing of the appeal within 30 days after notice of appeal.
 - 6.7 Subject to the requirements of this bylaw the Appeal Committee members shall from among themselves choose a Chair and may establish a procedure consistent with principles of natural justice for the hearing of the appeal.
 - 6.8 The Appeal Committee shall provide its decision in writing, with reasons, within 7 business days of the hearing of the appeal. The Appeal Committee may:
 - a) Uphold the decision of the Licensing Authority;
 - b) Vary the decision of the Licensing Authority, including imposing conditions on a Hen License that differ from any conditions imposed by the Licensing Authority; or
 - c) Overturn the decision of the Licensing Authority.
 - 6.9 The decision of the Appeal Committee is final and binding and is not subject to appeal to a Court.

7. RESPONSIBILITIES OF A HEN KEEPER

- 7.1 A Hen Keeper must:
 - a) Obtain a Premises Identification (PID) under the Premises Identification Regulation in the *Animal Health Act* and submit a copy to the Town.

- b) Follow biosecurity procedures recommended by the Canadian Food Inspection Agency to reduce potential for disease outbreak.
- c) The term "Hen License" refers to an Owner's licensed hen, used under this bylaw that authorizes the keeping of hens on a specific property within an Urban area within the Town.

7.2 Hen Keepers, owners of a Subject Property, and Temporary Caregivers must:

- a) Provide each urban hen with food, unfrozen water, shelter, adequate light, ventilation, warmth, veterinary care, and opportunities for essential behaviors such as scratching, dustbathing, roosting, pecking and socializing with their own kind;
- b) Keep each Hen in a secured area at all times;
- c) Keep the Coop secured from sunset on any given day to sunrise the following day;
- d) Provide warmth to the Hens through heat lamps, wall insulation, poly-sheeting, seedling heat mat, or other means;
- e) Construct and maintain the Coop to prevent a rodent from harboring underneath or within it or within its walls, and to prevent access to the coop by any other animal;
- f) Ensure that Hens are kept in the Coop with all opening, such as doors and windows, secured in such a manner that will not allow predators to enter;
- g) Maintain the Coop in good repair and sanitary conditions, and free from vermin and noxious or offensive smells and substances;
- h) Store feed in a fully enclosed, non-penetrable container;
- i) Keep food and water containers in the Coop;
- j) Remove leftover feed, trash and manure in a timely manner;
- k) Store manure within a fully enclosed container, and store no more than three (3) cubic feet of manure at any time;
- l) Remove all other manure not used for composting or fertilizing and dispose of such in accordance with Town Bylaws;
- m) Place all urban hen related waste in a compostable bag and not loose in the organic carts;
- n) Place all urban hen related waste in a secure location on site until collection day;

- o) Ensure Hens are slaughtered or euthanized at an appropriate location or facility, not on the Subject Property;
- p) Dispose of the carcass of a Hen deceased by natural causes, by double bagging and bringing it to a veterinarian, farm, abattoir, or other operation that is lawfully permitted to dispose of Hens;
- q) Take Hens to a veterinarian, farm, abattoir, or other operation if Hens are no longer wanted;
- r) Keep Hens in a cage only when actively transporting the Hen; and
- s) Keep Hens for personal use only, and not sell eggs, manure, meat, or any other products derived from Hens.

8. COOP REQUIREMENTS

8.1 A Hen Keeper must:

- a) Provide each Hen with at least 0.37 square meters of interior floor area, and at least 0.92 square meters of Coop Run outdoor area, within the Coop;
- b) Provide a minimum of one (1) Nest box for every three (3) Hens; and
- c) Ensure the Coop meets the requirements in the Land Use Bylaw regarding an accessory building.

8.2 Coops must meet the setbacks in the Land Use Bylaw and an accessory building can not block side yard access.

8.3 Coops cannot be located in a Utility Right of Way or an Overland Drainage Right of Way.

8.4 Only one (1) Coop per property shall be permitted.

8.5 The maximum lot coverage of all structures on a property, including a Coop, must comply with the Land Use Bylaw.

8.6 The Licensing Authority and Development Authority has the authority to impose additional site-specific conditions.

9. GENERAL REGULATIONS FOR HEN KEEPERS

9.1 Hen keeping is permitted under and in accordance with this bylaw.

- 9.2 This bylaw applies to the activity of Hen keeping for personal use only. The commercial sale of Hens or Hen products is not permitted.
- 9.3 This Bylaw enables the keeping of Hens within the confines of a fenced property and does not permit Hens to be sheltered within a residential dwelling unit.
- 9.4 Each Hen must be a minimum of 4 months (16 weeks) old when acquired for keeping under a Hen License.
- 9.5 This bylaw does not exempt a person from complying with any Federal or Provincial law or regulation, other Town bylaw, or any requirement of any lawful permit, order, or license.

10. ENFORCEMENT

- 10.1 The Licensing Authority or a Peace Officer has the right to access any Subject Property to inspect for compliance with this bylaw.
- 10.2 Where a Peace Officer has reasonable grounds to believe that a Hen Keeper has contravened any provision of this Bylaw the Peace Officer may serve the Hen Keeper a Municipal Ticket allowing payment of the specified penalty as set out in Schedule "B" of this Bylaw.
- 10.3 Should a hen keeping site, Coop, or Hen Keeper be found to be non-compliant with this Bylaw at any time, enforcement action may be taken including without limitation: issuing a Municipal Violation Tag or Violation Ticket, revocation of a Hen License or issuance of a Stop Order under Section 645 of the *Municipal Government Act*.
- 10.4 Should Hens and/or a Coop be ordered to be removed, all costs and associated expenditures related to the removal shall be the responsibility of the property owner.
- 10.5 In the event of the revocation of a Hen Licensee, the Licensee will be given fourteen (14) days to rehome the Hens.
- 10.6 No person shall hinder, interrupt, or cause to be hindered any employee of the Town or its contractors, servant, agents, or workers, in the exercise of the powers or duties as authorized or required in the Urban Hen Bylaw.

11. OFFENCES AND PENALTIES

- 11.1 A person who contravenes any provision of this Bylaw is guilty of an offence.

11.2 A person who is guilty of an offence is liable to a fine in an amount not less than \$115.00 as set out in Schedule "B" of this Bylaw.

11.3 A person who is guilty of an offence under this Bylaw is liable to a specified penalty of \$230.00 as set out in Schedule "B" of this Bylaw.

12. CONTINUING OFFENCE

12.1 In the case of an offence that is of a continuing nature, a contravention of a provision of this bylaw constitutes a separate offence with respect to each day, or part of a day, during which the contravention continues. A person guilty of such an offence is liable to a fine in an amount not less than that established by this Bylaw for each such separate offence.

13. MUNICIPAL VIOLATION TAG

13.1 A Peace Officer may issue, with respect to an offence under this Bylaw, a Municipal Violation Tag specifying the fine amount established by this Bylaw.

13.2 Where a Municipal Violation Tag is issued, the fine amount indicated thereon may be paid within the time limited on the Tag for payment, and if paid in full and on time no prosecution will be initiated.

14. VIOLATION TICKET

14.1 A Peace Officer may issue, with respect to an offence under this bylaw, a Violation Ticket specifying the fine amount established by this bylaw.

14.2 Where a Violation Ticket specifies a fine amount, a voluntary payment equal to the specified fine amount may be made as directed on the Violation Ticket.

15. STRICT LIABILITY OFFENCE

15.1 It is the intention of Council that all offences created by this Bylaw be interpreted to be strict liability offences.

16. SEVERABILITY

16.1 Every provision of this Bylaw is independent of all other provisions and if any provision of this Bylaw is declared invalid for any reason by a Court of competent jurisdiction, all other provisions of this Bylaw shall remain valid and enforceable.



BYLAW NO. 24-11
OF THE TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA

17. REPEAL EFFECTIVE DATE

17.1 Bylaw 22-08 is hereby repealed.

17.2 This Bylaw shall come into force and effect upon receiving third and final reading and being signed.

READ A FIRST TIME this ____ day of _____, 2024.

READ A SECOND TIME this ____ day of _____, 2024.

READ A THIRD AND FINAL TIME this ____ day of _____, 2024.

MAYOR

CHIEF ADMINISTRATIVE OFFICER

SCHEDULE "A"
FEES

Fee Description	Fee
Hen License Fee	
Hen Licenses are valid for one (1) year following the date of issuance	\$50.00

SCHEDULE "B"
PENALTIES FOR VIOLATIONS

Section	Offence	Minimum Penalty (in lieu of prosecution)	Specified Penalty
4.1 (a)	Rooster within Town Boundaries	\$115.00	\$230.00
6.1	Own more than four (4) hens or permit more than four (4) in one Subject Property	\$115.00	\$230.00
8.1 (c)	Unlicensed hen	\$115.00	\$230.00
8.2 (b)	Hens running at Large	\$115.00	\$230.00
8.2 (g)	Fail to maintain coop in an enclosed sanitary condition / good repair	\$115.00	\$230.00
8.2 (k)	Waste not stored in an enclosed structure or container	\$115.00	\$230.00
8.2 (o)	Slaughter of Hens on property	\$115.00	\$230.00
8.2 (p)	Unlawful disposal of deceased hens	\$115.00	\$230.00
8.2 (s)	Meat or eggs produced from the keeping of hens sold commercially	\$115.00	\$230.00
9.1 (a)	Coop fails to meet size	\$115.00	\$230.00
9.1 (b)	Enclosure requirements,	\$115.00	\$230.00
9.2	Coop not located properly on the subject property	\$115.00	\$230.00

**OF THE TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA****Schedule "C"
Hen License: Neighbour Notification Letter**

Town of Strathmore Municipal Enforcement
1 Parklane Drive Box 2280, Strathmore AB, T1P 1K2
Phone: 403-934-3133
Email: municipal-enforcement@strathmore.ca

**HEN LICENSE
NEIGHBOUR NOTIFICATION LETTER**

Please fill out this form and return it to the applicant by _____.
Date

I, _____,
Name of Applicant

of _____,
Address

will be applying to the Town of Strathmore to keep hens in my rear yard. As part of the application process, I must demonstrate notification of my application for a Hen License to all adjoining neighbours. Bylaw 24-11 regulates the keeping of hens in urban areas, and can be reviewed on the Town's website.

I have attempted to notify my neighbour. ☐ Yes ☐ No

Signature: _____ Date: _____

NEIGHBOUR TO COMPLETE THE FOLLOWING SECTION

Neighbour's Name: _____

Phone Number: _____

Address: _____

Are you the Registered Owner? ☐ Yes ☐ No

I have been informed that my neighbour is making an application to the Town of Strathmore for a Hen License. ☐ Yes ☐ No

Signature: _____ Date: _____

**BYLAW NO. 22-08
THE TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA****A BYLAW OF THE TOWN OF STRATHMORE IN THE PROVINCE OF ALBERTA TO
REGULATE THE KEEPING OF CHICKENS IN AN URBAN AREA.**

WHEREAS pursuant to Section 7 of the *Municipal Government Act* the council of a municipality may pass bylaws for municipal purposes respecting: the safety, health and welfare of people and the protection of people and property; wild and domestic animals and activities in relation to them; and the enforcement of bylaws;

AND WHEREAS pursuant to Section 8 of the *Municipal Government Act*, the council of a municipality may, in a bylaw, regulate or prohibit and to provide for a system of licenses, permits and approvals.

NOW THEREFORE, the Council of the Town of Strathmore, in the Province of Alberta, hereby enacts as follows:

1. SHORT TITLE

1.1 This Bylaw may be cited as the "Urban Hen Bylaw"

2. PURPOSE

2.1 The purpose of this bylaw is to regulate and control the keeping of hens as urban agriculture within the Town of Strathmore.

3. DEFINITIONS

3.1 In this Bylaw, unless the context otherwise requires:

- a) "Act" means the Municipal Government Act, Revised Statutes of Alberta 2000, Chapter M-26 and amendments thereto;
- b) "Adjoining Neighbour" means an owner or occupant of a property that is contiguous to a Subject Property along a common property line. If the Subject Property is located on a corner lot, an Adjoining Neighbour includes an owner or occupant of property that is adjacent to the Subject Property across a rear lane, but not across a street;
- c) "Animal Health Act" means Statutes of Alberta 2007, Chapter A-40.2;

- d) "Chief Administrative Officer" means the person holding the office of Chief Administrative Officer of the Town of Strathmore;
- e) "Coop" means a fully enclosed weather proof structure with an attached outdoor enclosure having a bare earth or vegetated floor for urban hens to roam not exceeding 10 meters square in a floor area and no more than 2 meters in height;
- f) "Coop Run" means a securely enclosed structure intended for the keeping of Hens;
- g) "Council" means the Council of the Town of Strathmore;
- h) "Hen" means a domesticated female chicken that is at least four (4) months old;
- i) "Hen Keeper" means a person having any right of custody, control or possession of a Hen;
- j) "Hen License" means a license issued under this bylaw that authorizes the keeping of hens on a specific property within an Urban area within the Town;
- k) "Licensing Authority" means the Chief Administrative Officer or a person appointed by the Chief Administrative Officer to issue Hen Licenses;
- l) "Nest box" means a box within a Coop for the nesting of Hens;
- m) "Peace Officer" means a police officer or member of a police service under the *Police Act*, R.S.A. 2000, c. P-17, or a Peace Officer appointed pursuant to the *Peace Officer Act*, S.A. 2006, c. P-3.5; or a person appointed as a bylaw enforcement officer pursuant to the *Municipal Government Act*, R.S.A. 2000, c. M-26;
- n) "Premises Identification (PID) Number" means a nine-character combination of numbers and letters issued by the Province of Alberta pursuant to the provisions of the *Animal Health Act* to owners of livestock;
- o) "Rooster" means a domesticated male chicken;
- p) "Sell" means to exchange or deliver for money or its equivalent;
- q) "Subject Property" means a lot or parcel of land in respect of which a Hen License is sought or has been issued;

- r) "Temporary Caregiver" means a person who has been authorized by the Hen Keeper to provide care to their Hens in the event the Hen Keeper is temporarily unable to do so;
- s) "Town" means the Town of Strathmore, a municipal corporation in the Province of Alberta, and where the context so requires, means the area of land within the corporate boundaries thereof;
- t) "Urban Area" means lands located within the Town on which agricultural operations, including but not limited to the keeping of livestock are neither a permitted or discretionary use under the Bylaws of the Town;
- u) "Urban Hen" means a hen that is at least 16 weeks of age.
- v) "Violation Tag" means a notice that alleges a bylaw offence and provides a person the opportunity to pay an amount to the Town in lieu of prosecution for the offence; and
- w) "Violation Ticket" means a violation ticket as defined in the *Provincial Procedures Act*, R.S.A. 2000, c. P-34.

4. PROHIBITIONS

4.1 In an Urban Area, no person shall:

- a) Keep a Rooster; or
- b) Keep a Hen, other than an Urban Hen for which a valid Hen License has been issued.

5. PILOT PROGRAM REGULATIONS

5.1 The length of the Urban Hen Pilot Program shall be two (2) years, effective June 1, 2022.

- a) Participants must acknowledge the Pilot Program as a trial.
- b) Should the Pilot Program not result in the implementation of a formal Municipal Urban Hen program, participants will have ninety (90) days from the end of the Pilot Program to re-home urban hens.

- c) Should the pilot program not result in implementation of a formal Municipal Urban Hen program, the annual Hen keeper license fee will not be prorated.

6. URBAN HEN LICENSE

6.1 A person may apply to keep a minimum of two (2) and a maximum of four (4) urban hens by:

- a) Submitting a completed Hen License application, in the form prescribed by the Licensing Authority Officer, including;
- b) Paying a Hen License fee prescribed in Schedule A to this bylaw which is due and payable at the time of the application, prior to approval and annually thereafter;
- c) Any other information reasonably required by the Licensing Authority, including but not limited to:
 - i. The name, address and contact information of the person who will be the Hen Keeper and of any person who may act as a Temporary Caregiver;
 - ii. A copy of a Certificate of Title for the Subject Property issued by the Land Titles;
 - iii. Written permission to keep hens on the Subject Property, from the registered owner of the Subject Property as shown on the Certificate of Title, if the Hen Keeper is not the registered owner.
- d) A site plan including a drawing that shows the location of the Coop and Coop Run dimensions and associated setbacks from the Coop and Coop Run to the side and rear property lines
- e) Evidence that the proposed Hen Keeper has experience or training from a source approved by administration.
- f) A copy of the Premises Identification (PID) Number applicable to Subject Property.

6.2 At the time of application for a Hen License, the applicant must demonstrate to the satisfaction of the Licensing Authority that all Adjoining Neighbours have been notified of the intent to apply for a Hen License on the Subject Property. If an adjoining property of the Subject Property is undeveloped or developed but otherwise vacant, the applicant is not required to notify that adjoining property.

-
- 6.3 A Hen License does not take effect until:
- a) The Licensing Authority is satisfied all provisions in Section 6.1 and 6.2 have been met; and
 - b) The appeal period referenced in Section 7.2 has expired, if no appeal was received during the appeal period; or
 - c) The Appeal Committee has made a decision on any appeal and that decision upholds the issuance of the Hen License, with or without conditions.
- 6.4 A Hen License is valid only for the period of January 1 to December 31 in the year for which the license is issued.
- 6.5 Hen License fees shall not be reduced or prorated no matter the month of purchase or total number of urban hens.
- 6.6 A Hen License is not transferable from one person to another or from one property to another.
- 6.7 A person to whom a Hen License has been issued shall produce the license at the demand of the Licensing Authority or a Peace Officer.
- 6.8 The Licensing Authority may refuse to grant or renew a Hen License for the following reasons:
- a) The applicant or license holder does not meet or has ceased to meet the requirements of this bylaw;
 - b) The applicant or license holder:
 - i. Provides false information or misrepresents any fact or circumstances to the Licensing Authority or Peace Officer;
 - ii. Fails to pay any fee required by this Bylaw or any applicable Bylaw;
 - iii. Fails to pay a fine imposed by a court for a contravention of this Bylaw or any other applicable Bylaw related to the keeping of Urban Hens;

- iv. An applicant for or holder of a Hen License has been convicted of any offence involving abuse, mistreatment or negligent treatment or keeping of animals;
 - v. An applicant has previously been the holder of a Hen License that was revoked for non-compliance with this bylaw, or in respect of which an order has been made under section 645 of the *Municipal Government Act*;
 - vi. Has not complied with all other Provincial and Federal regulations for the keeping of livestock; or
- c) In the opinion of the Licensing Authority based on reasonable grounds it is in the public interest to do so.

7. APPEAL

- 7.1 An appeal lies from a decision of the Licensing Authority to:
- a) Issue a Hen License, if the appellant is an Adjoining Neighbour;
 - b) Impose conditions on a Hen License, if the appellant is the person who applied for the Hen License or is an Adjoining Neighbour;
 - c) Refuse a Hen License, if the appellant is the person who applied for the Hen License; or
 - d) Revoke a Hen License, if the appellant is the holder of the Hen License that was revoked.
- 7.2 An appeal under section 7.1 must be in writing, addressed to the Chief Administrative Officer, and must be received not later than fourteen (14) days after the decision appealed from is issued.
- 7.3 An Adjoining Neighbour may appeal under clause 7.1 (a) or 7.1 (b) of this bylaw only if the grounds of appeal are:
- a) That the keeping of hens on the Subject Property is likely to have a materially adverse effect on the health of the Adjoining Neighbour or of a person living in the premises of the Adjoining Neighbour; or
 - b) A reason or factor listed in clauses 6.8 (a), 6.8 (b) (i),(ii),(iv) or (v) of this bylaw.
- 7.4 As soon as reasonably practicable and in any event not more than 14 days after receiving a notice of appeal the Chief Administrative Officer must appoint an Appeal Committee for the purpose of hearing the appeal, and

apart from appointing the Appeal Committee and providing it with administrative support the Chief Administrative Officer shall not be involved in the appeal process.

- 7.5 The Appeal Committee shall consist of 3 members none of whom is an employee or Council Member of the Town and that Administration may appoint members as deemed appropriate. In the case of an appeal from an adjoining member alleging the likelihood of a material adverse health effect, the Chief Administrative Officer must also make reasonable efforts to appoint the appeal committee a licensed and practicing veterinarian and a licensed and practicing physician.
- 7.6 The Appeal Committee shall schedule the hearing of the appeal within 30 days after notice of appeal.
- 7.7 Subject to the requirements of this bylaw the Appeal Committee members shall from among themselves choose a Chair and may establish a procedure consistent with principles of natural justice for the hearing of the appeal.
- 7.8 The Appeal Committee shall provide its decision in writing, with reasons, within 7 business days of the hearing of the appeal. The Appeal Committee may:
 - a) Uphold the decision of the Licensing Authority;
 - b) Vary the decision of the Licensing Authority, including imposing conditions on a Hen License that differ from any conditions imposed by the Licensing Authority; or
 - c) Overturn the decision of the Licensing Authority.
- 7.9 The decision of the Appeal Committee is final and binding and is not subject to appeal to a Court.

8. RESPONSIBILITIES OF A HEN KEEPER

- 8.1 A Hen Keeper must:
 - a) Obtain a Premises Identification (PID) under the Premises Identification Regulation in the *Animal Health Act* and submit a copy to the Town.

- b) Follow biosecurity procedures recommended by the Canadian Food Inspection Agency to reduce potential for disease outbreak.
- 8.2 Hen Keepers, owners of a Subject Property, and Temporary Caregivers must:
- a) Provide each urban hen with food, unfrozen water, shelter, adequate light, ventilation, warmth, veterinary care, and opportunities for essential behaviors such as scratching, dustbathing, roosting, pecking and socializing with their own kind;
 - b) Keep each Hen in a secured area at all times;
 - c) Keep the Coop secured from sunset on any given day to sunrise the following day;
 - d) Provide warmth to the Hens through heat lamps, wall insulation, poly-sheeting, seedling heat mat, or other means;
 - e) Construct and maintain the Coop to prevent a rodent from harboring underneath or within it or within its walls, and to prevent access to the coop by any other animal;
 - f) Ensure that Hens are kept in the Coop with all opening, such as doors and windows, secured in such a manner that will not allow predators to enter;
 - g) Maintain the Coop in good repair and sanitary conditions, and free from vermin and noxious or offensive smells and substances;
 - h) Store feed in a fully enclosed, non-penetrable container;
 - i) Keep food and water containers in the Coop;
 - j) Remove leftover feed, trash and manure in a timely manner;
 - k) Store manure within a fully enclosed container, and store no more than three (3) cubic feet of manure at any time;
 - l) Remove all other manure not used for composting or fertilizing and dispose of such in accordance with Town Bylaws;
 - m) Place all urban hen related waste in a compostable bag and not loose in the organic carts;
 - n) Place all urban hen related waste in a secure location on site until collection day;

- o) Ensure Hens are slaughtered or euthanized at an appropriate location or facility, not on the Subject Property;
- p) Dispose of the carcass of a Hen deceased by natural causes, by double bagging and bringing it to a veterinarian, farm, abattoir, or other operation that is lawfully permitted to dispose of Hens;
- q) Take Hens to a veterinarian, farm, abattoir, or other operation if Hens are no longer wanted;
- r) Keep Hens in a cage only when actively transporting the Hen; and
- s) Keep Hens for personal use only, and not sell eggs, manure, meat, or any other products derived from Hens.

9. COOP REQUIREMENTS

9.1 A Hen Keeper must:

- a) Provide each Hen with at least 0.37 square meters of interior floor area, and at least 0.92 square meters of Coop Run outdoor area, within the Coop;
- b) Provide a minimum of one (1) Nest box for every three (3) Hens; and
- c) Ensure the Coop meets the requirements in the Land Use Bylaw regarding an accessory building.

9.2 Coops must meet the setbacks in the Land Use Bylaw and an accessory building can not block side yard access.

9.3 Coops cannot be located in a Utility Right of Way or an Overland Drainage Right of Way.

9.4 Only one (1) Coop per property shall be permitted.

9.5 The maximum lot coverage of all structures on a property, including a Coop, must comply with the Land Use Bylaw.

9.6 The Licensing Authority and Development Authority has the authority to impose additional site-specific conditions.

10. GENERAL REGULATIONS FOR HEN KEEPERS

10.1 Hen keeping is permitted under and in accordance with this bylaw.

- 10.2 This bylaw applies to the activity of Hen keeping for personal use only. The commercial sale of Hens or Hen products is not permitted.
- 10.3 This Bylaw enables the keeping of Hens within the confines of a fenced property and does not permit Hens to be sheltered within a residential dwelling unit.
- 10.4 Each Hen must be a minimum of 4 months (16 weeks) old when acquired for keeping under a Hen License.
- 10.5 This bylaw does not exempt a person from complying with any Federal or Provincial law or regulation, other Town bylaw, or any requirement of any lawful permit, order, or license.

11. ENFORCEMENT

- 11.1 The Licensing Authority or a Peace Officer has the right to access any Subject Property to inspect for compliance with this bylaw.
- 11.2 Where a Peace Officer has reasonable grounds to believe that a Hen Keeper has contravened any provision of this Bylaw the Peace Officer may serve the Hen Keeper a Municipal Ticket allowing payment of the specified penalty as set out in Schedule "B" of this Bylaw.
- 11.3 Should a hen keeping site, Coop, or Hen Keeper be found to be non-compliant with this Bylaw at any time, enforcement action may be taken including without limitation: issuing a Municipal Violation Tag or Violation Ticket, revocation of a Hen License or issuance of a Stop Order under Section 645 of the *Municipal Government Act*.
- 11.4 Should Hens and/or a Coop be ordered to be removed, all costs and associated expenditures related to the removal shall be the responsibility of the property owner.
- 11.5 In the event of the revocation of a Hen Licensee, the Licensee will be given fourteen (14) days to rehome the Hens.
- 11.6 No person shall hinder, interrupt, or cause to be hindered any employee of the Town or its contractors, servant, agents, or workers, in the exercise of the powers or duties as authorized or required in the Urban Hen Bylaw.

12. OFFENCES AND PENALTIES

- 12.1 A person who contravenes any provision of this Bylaw is guilty of an offence.

12.2 A person who is guilty of an offence is liable to a fine in an amount not less than \$115.00 as set out in Schedule "B" of this Bylaw.

12.3 A person who is guilty of an offence under this Bylaw is liable to a specified penalty of \$230.00 as set out in Schedule "B" of this Bylaw.

13. CONTINUING OFFENCE

13.1 In the case of an offence that is of a continuing nature, a contravention of a provision of this bylaw constitutes a separate offence with respect to each day, or part of a day, during which the contravention continues. A person guilty of such an offence is liable to a fine in an amount not less than that established by this Bylaw for each such separate offence.

14. MUNICIPAL VIOLATION TAG

14.1 A Peace Officer may issue, with respect to an offence under this Bylaw, a Municipal Violation Tag specifying the fine amount established by this Bylaw.

14.2 Where a Municipal Violation Tag is issued, the fine amount indicated thereon may be paid within the time limited on the Tag for payment, and if paid in full and on time no prosecution will be initiated.

15. VIOLATION TICKET

15.1 A Peace Officer may issue, with respect to an offence under this bylaw, a Violation Ticket specifying the fine amount established by this bylaw.

15.2 Where a Violation Ticket specifies a fine amount, a voluntary payment equal to the specified fine amount may be made as directed on the Violation Ticket.

16. STRICT LIABILITY OFFENCE

16.1 It is the intention of Council that all offences created by this Bylaw be interpreted to be strict liability offences.

17. SEVERABILITY

17.1 Every provision of this Bylaw is independent of all other provisions and if any provision of this Bylaw is declared invalid for any reason by a Court of competent jurisdiction, all other provisions of this Bylaw shall remain valid and enforceable.

18. REVIEW OF BYLAW

18.1. This Bylaw will be reviewed prior to June 1, 2024.

18.2. Section 5 (Pilot Program Regulations) of this bylaw will be repealed on June 1, 2024.

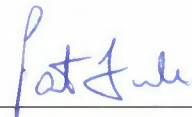
19. EFFECTIVE DATE

19.1 This Bylaw shall come into force and effect upon receiving third and final reading and being signed.

READ A FIRST TIME this 4th day of May, 2022.

READ A SECOND TIME this 4th day of May, 2022.

READ A THIRD AND FINAL TIME this 18th day of May, 2022.



MAYOR

DIRECTOR OF STRATEGIC, ADMINISTRATIVE
AND FINANCIAL SERVICES

**SCHEDULE "A"
FEES**

Fee Description	Fee
Hen License Fee	
Hen Licenses are valid for one (1) year following the date of issuance	\$50.00

SCHEDULE "B"
PENALTIES FOR VIOLATIONS

SECTION	Offence	Minimum Penalty (in lieu of prosecution)	Specified Penalty
4 (a)	Rooster within Town Boundaries	\$115.00	\$230
5.1	Keeping more than 4 Hens	\$115.00	\$230
8.1 (a), (b)	Coop fails to meet size / enclosure requirements	\$115.00	\$230
8.1 (c)	Coop not located properly on subject property	\$115.00	\$230
7.2 (b)	Hens running at Large	\$115.00	\$230
7.2 (g)	Fail to maintain coop in an enclosed sanitary condition / good repair	\$115.00	\$230
7.2 (k)	Waste not stored in an enclosed structure or container	\$115.00	\$230
7.2 (s)	Meat or eggs produced from the keeping of hens sold commercially	\$115.00	\$230
7.2 (o)	Slaughter of Hens on property	\$115.00	\$230
7 (p)	Unlawful disposal of deceased hens	\$115.00	\$230



Request for Decision

To: Council

Staff Contact: Johnathan Strathdee, Manager of Legislative Services

Date Prepared: April 25, 2024

Meeting Date: May 15, 2024

SUBJECT: **Alberta Municipalities Resolution 2024 - Alberta First Responders Radio Communications System Equipment Funding**

RECOMMENDATION: THAT Council approve the draft Alberta Municipalities resolution entitled *Alberta First Responders Radio Communications System Equipment Funding* as presented in Attachment I.

AND THAT Council direct Administration to coordinate with the Village of Rockyford to second the resolution presented in Attachment I.

AND THAT Council direct Administration to submit the resolution entitled *Alberta First Responders Radio Communications System Equipment Funding*, as presented in Attachment I, for consideration at the 2024 Alberta Municipalities Convention.

STRATEGIC PRIORITIES:



Affordable
Housing



Climate
Resiliency



Community
Development



Community
Wellness



Economic
Development



Financial
Sustainability

HOW THE STRATEGIC PRIORITIES ARE MET:

The Town of Strathmore prioritizes Community Wellness as a part of its strategic plan – putting emphasis on the value of the health of residents, and focusing on the maintenance, protection, and improvement of services that support optimum lifestyles. With a population of nearly

15,000 it is imperative that additional available safety measures be accessed, not only by the Town, but extending to the surrounding communities.

SUSTAINABILITY

ECONOMIC SUSTAINABILITY:

N/A

SOCIAL SUSTAINABILITY:

If this resolution goes forward to Alberta Municipalities and is supported, it will ensure that the Province is encouraged to provide funding to smaller communities to support the Alberta First Responders Radio Communications System Equipment, which smaller communities often cannot afford but is critical for life safety and other purposes during first responder calls and emergencies.

ENVIRONMENTAL SUSTAINABILITY:

N/A

IMPLICATIONS OF RECOMMENDATION:

GENERAL:

Alberta First Responders Radio Communications System Equipment is critical for life safety and other purposes during first responder calls and emergencies.

ORGANIZATIONAL:

N/A

OPERATIONAL:

N/A

FINANCIAL:

The financial implications are limited to staff time needed to write this report and submit the resolution to Alberta Municipalities (ABMunis). There will be costs for those Councillors who attend the convention to speak in support should this proposed resolution be passed by Council.

POLICY:

Council has not put forward a similar resolution previously.

IMPLEMENTATION:

Should this proposed resolution be supported, Administration will work to have the motion seconded by XXX. A final package containing the resolution number of both approving municipalities will be submitted to the Alberta Municipalities prior to the May 31st deadline.

BACKGROUND:

Alberta Municipalities represents over 260 municipal governments and their vision is to be a “change agent that enables municipalities to be a fully engaged order of government with the capacity to build thriving communities.”

As a part of their vision, Alberta Municipalities conducts a resolution process that allows members to identify common issues and solutions that will empower their board of directors to advocate to federal and provincial governments. The purpose of the Resolutions policy (‘the Policy’) is to establish a clear and consistent process for resolutions that aligns with ABmunis broader advocacy initiatives.

Resolutions must be submitted by May 31st of each year and be accompanied by the minutes of the moving and seconding Councils.

Resolutions may be sponsored by:

- a. A single Member’s council.
- b. The councils of a group of Members.
- c. The Board.

The sponsor of a resolution is deemed to have moved the resolution and is referred to as the “mover”.

Each resolution must be seconded based on the following requirements:

- a. Resolutions sponsored by a single Member must be seconded by another Member’s council, subject to section 10.
- b. All group sponsored resolutions are deemed to be seconded, subject to section 10.
- c. Board sponsored resolutions only require the seconder to be identified when the resolution is moved on the floor.

The mover(s) and seconder(s) shall represent at least two (2) of the following categories of population.

- a. Less than 2,500 population
- b. 2,501 to 10,000 population
- c. Greater than 10,000 population

A municipality’s population is based on Alberta Municipal Affairs’ Official Population List as of two (2) years prior to the resolution year.

For 2024:

The proposed resolution, as seen in Attachment I, is to advocate that the Government of Alberta provide financial support for municipalities so that every community in the province can afford access to the Alberta First Responders Radio Communications System.

The high cost of equipment required to be a part of this critical emergency system can be a barrier. While Strathmore is able to fund our participation, some of our neighbours cannot – leaving a gap in potential emergency response.

Note that “emergency response telephone systems” are an eligible cost under the new Local Government Fiscal Framework Capital funding program, it could be argued that municipalities use their LGFF Capital. That said, we are looking to understand the scope of municipalities that are not on AFRRCS, as a high number could indicate it as a separate need.

Council was presented the first draft of the proposed Alberta First Responders Radio Communications System Equipment Funding resolution during the April 10, 2024 Committee of the Whole.

During the discussion it was requested that Administration:

- Consider asking WADEMSA for a letter of support.
- Consider reaching out to RMA for a letter of support.
- Ensure other municipalities are prepared to support at the Fall convention.
- Ensure we have other options for a potential seconder.
- Have speaking notes prepared that support the experience Strathmore has in this area and why it is so important.

As a follow-up:

Administration has updated (in red) the attached resolution to expand on the experience Strathmore has in this area and further highlight the importance of ensure equipment to access the system is available to all communities in the province.

In speaking with Alberta Municipalities, they don't encourage the practice of including letters of support with resolution submissions, because it adds to the length of the Resolution Book and they try to keep it as concise as possible for readability. As an alternative, when our representative presents the resolution on the floor at Convention, they can speak to what other organizations have expressed support. We only have two minutes to present the resolution, so remarks will be brief.

KEY ISSUE(S)/CONCEPT(S):

Administration is seeking Council's direction on whether they would like to proceed with approving this draft resolution and submitting to Alberta Municipalities for consideration during the Fall 2024 convention.

DESIRED OUTCOMES:

THAT Council approve the draft Alberta Municipalities resolution entitled *Alberta First Responders Radio Communications System Equipment Funding* as presented in Attachment I.

AND THAT Council direct Administration to coordinate with the Village of Rockyford to second the resolution presented in Attachment I.

AND THAT Council direct Administration to submit the resolution entitled *Alberta First Responders Radio Communications System Equipment Funding*, as presented in Attachment I, for consideration at the 2024 Alberta Municipalities Convention.

COMMUNICATIONS:

N/A

ALTERNATIVE ACTIONS/MOTIONS:

1. Council may propose changes.
2. Council may recommend no further action.

ATTACHMENTS:

[Attachment I: Proposed 2024 Resolution - Alberta First Responders Radio Communications System Equipment Funding](#)

Veronica Anderson, Legislative Services Officer

Approved
- 09 May
2024

Johnathan Strathdee, Manager of Legislative Services

Approved
- 09 May
2024

Kevin Scoble, Chief Administrative Officer

Approved
- 10 May
2024

Alberta First Responders Radio Communications System Equipment Funding

Moved by: The Town of Strathmore
Seconded by: TBD

WHEREAS A provincewide radio system helps first-responders, such as police, fire, and ambulance, coordinate to improve safety and response times.

WHEREAS it is the province's mission to provide quality, cost effective, secure, reliable, accessible land mobile radio communications supporting all Alberta first responders.

WHEREAS the Alberta First Responders Radio Communications System (AFRRCS) is a two-way radio network launched in 2016 to be used by first responders in municipal, provincial and First Nations agencies across the province.

WHEREAS the Alberta First Responders Radio Communications System was designed to allow agencies to share talk groups, allowing inter-agency communications to be achieved in a powerful fashion.

WHEREAS not all municipalities have access to the Alberta First Responders Radio Communications System due to a lack of available funds for equipment.

IT IS THEREFORE RESOLVED THAT Alberta Municipalities advocate for the Government of Alberta to provide financial support for municipalities with a population of less than 3000, and for regional groups; to obtain equipment necessary to participate in the Alberta First Responders Communications System (AFRRCS).

BACKGROUND:

The Alberta First Responders Radio Communications System (AFRRCS) is the provincewide radio system that helps first-responders, such as police, fire, and ambulance, coordinate to improve safety and response times.

AFRRCS Operations, Maintenance and Sustainability (OMS) is responsible for the maintenance of the system and network to allow communications encompassing 335 sites and over 33,000 devices. The system is monitored 24/7, 365 days a year by the System Control Centre (SCC). **There has been substantial provincial investment to build the infrastructure of the system across the province, while encouraging all relevant stakeholders to participate to achieve complete inter-operability Alberta-wide.**

First responder agencies are eligible to use the system on a no-cost basis. Approved secondary responders are permitted to use the system with a yearly fee. This does not include the expense of equipment, which can cost \$5,000 to \$15,000 per radio unit. (As a comparison, a larger community like

Strathmore required a \$250,000 investment to furnish the number of radios required to support the detachment.)

The system has been operational since July 2016, but not all provincial municipalities are current participants due to the investment required in the radios needed to access the system. **Unfortunately, the outlay of dollars for these radios is cost intrusive to many budgets in towns, villages and counties with vast space and smaller populations.**

The Town of Strathmore prioritizes Community Wellness as a part of its strategic plan – putting emphasis on the value of the health of residents, and focusing on the maintenance, protection, and improvement of services that support optimum lifestyles. Alberta has one of the largest and fastest growing populations in the country and Strathmore has seen its share of growth. With a population of nearly 15,000 it is imperative that additional available safety measures be accessed, not only by the Town, but extending to the surrounding communities. It is these smaller community partners who should not be overlooked, as everyone works together to contribute to the safety of Albertans. Those wearing the same uniform should be afforded the same access to communication systems to achieve the greatest benefit. It puts residents at a disadvantage and overall risk when not all villages, towns, and smaller municipalities in the province share in the amazing tool that is the Alberta First Responders Radio Communications System. **Strathmore has extensive firsthand experience in the challenges faced with communications when working together with neighbouring municipalities to respond to major incidents along Highway 1 who are not all on the same system. These learnings highlight the importance of these tools.**

Alberta Municipalities has advocated for collaboration between communities, and putting everyone on an equal footing with access to use of core resources that pertain to the safety and well-being of Albertans should be considered.

The proposal before Alberta Municipalities' members is to advocate that the Government of Alberta provide financial support for the purposes of obtaining the required resources, in the form of emergency service radios, to access the AFRRCS.

The proposed action would be in alignment with the Government of Alberta's mission to support rural economic development. Smaller communities building their support systems serves to deliver on this by having the same advantages as larger urban centres.

The health and safety of all Albertans is a priority and ensuring that the delivery of care by those first responders who know their communities best – through access to cost effective, secure, reliable, accessible land mobile radio communications benefits everyone.



Request for Decision

To: Council

Staff Contact: Leana Ashbacher, Senior Manager of Financial Services

Date Prepared: April 10, 2024

Meeting Date: May 15, 2024

SUBJECT: Canadian Overnight Repo Rate Average (CORRA) Transition

RECOMMENDATION: THAT Council authorize the CAO and the Mayor to sign the new debt agreement as presented in Attachment III.

STRATEGIC PRIORITIES:



Affordable
Housing



Climate
Resiliency



Community
Development



Community
Wellness



Economic
Development



Financial
Sustainability

HOW THE STRATEGIC PRIORITIES ARE MET:

This item is an update to loan agreement, which has a minimal impact as it relates to the financial sustainability strategic priority.

SUSTAINABILITY

ECONOMIC SUSTAINABILITY:

Having a solid financial position helps allow the Town to be financially stable and take advantage of future economic opportunities.

SOCIAL SUSTAINABILITY:

A strong financial position allows the Town to maintain the social programs and services it offers to residents and businesses.

ENVIRONMENTAL SUSTAINABILITY:

A strong financial position allows the Town to deliver on his objectives relating to environmental sustainability.

IMPLICATIONS OF RECOMMENDATION:

GENERAL:

In order to have a current debt agreement continue with CIBC with the CDOR Cessation and CORRA transition, the Town is required to sign new debt agreement documentation.

ORGANIZATIONAL:

Limited to staff time to execute the agreement.

OPERATIONAL:

N/A

FINANCIAL:

There is no change to any of our debt management (i.e swaps) as they will not be unwound/cancelled.

POLICY:

N/A

IMPLEMENTATION:

Should Council approve, Administration with work with Mayor and CAO to sign the agreement.

BACKGROUND:

As the Town has a number of Debts that are handled through SWAPs we need to AMEND our agreement with CIBC so we in alignment with the regulatory expectations set by the Office of the Superintendent of Financial Institutions (OSFI) for the banks it regulates, CDOR (Canadian Dollar Offered Rate) and BA (bankers' acceptance)-linked contracts must be transitioned (using fallbacks or amendments) in an orderly and timely manner, and the recommended methodology for replacing CDOR and BAs has been designed to preserve economic equivalence for borrowers.

In our context, an Interest Rate Swap is a contract between the Town of Strathmore and our lender CIBC to exchange a series of interest rate payments on our existing CIBC loans. Swaps are used for the loans we receive because that they allow us, and the bank, to reduce the risk of changes in interest rates during the term of the loan (i.e. the Interest Rate Swap “fixes” our and CIBC’s exposure to market interest rate changes during the term).

CDOR Cessation and CORRA Transition

What is CDOR cessation?

- A benchmark interest rate used by major global banks for short-term loans
- Similar to other floating rate indexes globally, like US LIBOR (London Interbank Offered Rate), CDOR has begun the process of being replaced by a "Risk Free Rate" index called CORRA (the Canadian Overnight Repo Rate Average)
 - The recommendation to cease CDOR by the Canadian Alternative Reference Rate (CARR) committee is aimed at ensuring that Canada's interest rate benchmarks are robust, transparent and resilient going forward and that they comply with the international expectations for such benchmarks, including certain principles for benchmarks published by the International Organization of Securities Commissions.
- New Credit Agreements, even if funded by BA /CDOR, will contain multiple references to the transition of the benchmark to CORRA
- CDOR itself will be published until June 28, 2024, at which point it will cease. In this interim period, you can continue to use CDOR for both loans and swaps as the swaps are designed to be risk reducing for you (you are seeking to establish a fixed rate).
- At this point, only daily compounding CORRA is available. This index has been published since 1997.
- We anticipate that a Term CORRA index will exist as well, however that will not happen until this fall (Q3 2023)
- On or before CDOR cessation in June 2024, all instruments, including loans and derivatives, will be migrated over to the new index (overnight or term CORRA)

Impact on existing BA loans and swaps referencing CDOR

- BA/CDOR swaps will NOT be unwound/ cancelled; rather these swaps will be AMENDED to reflect the appropriate replacement benchmark index
- Industry guidance is to transition these linked loans and swaps to the same new floating index at the same time to avoid cash flow mismatches
- **Interest Rate Swaps and related hedging structures remain important and useful risk management tools for our borrowers, a fact not diminished by the pending interest rate benchmark transition**

KEY ISSUE(S)/CONCEPT(S):

With the CDOR Cessation and CORRA Transition the Town is required to sign new debt agreement documentation.

DESIRED OUTCOMES:

The recommendation is that Council authorize the CAO and the Mayor to sign the new agreement.

COMMUNICATIONS:

N/A

ALTERNATIVE ACTIONS/MOTIONS:

- Refer this matter to a Committee of the Whole for discussion
- Pay out all of our Debt that is held with CIBC.

ATTACHMENTS:

[Attachment I: carr-call-action-cdor-ba-borrowers](#)

[Attachment II: credit-agreement-letter \(04APR24\) Redacted](#)

[Attachment III: CIBC Town of Strathmore Credit Agreement \(ID 67053\) Redacted](#)

Leana Ashbacher, Senior Manager of Financial Services

Approved
- 22 Apr
2024

Kara Rusk, Director of Strategic, Administrative, and Financial Services

Approved
- 02 May
2024

Johnathan Strathdee, Manager of Legislative Services

Approved
- 07 May
2024

Kevin Scoble, Chief Administrative Officer

Approved
- 10 May
2024

Call to action for CDOR/BA borrowers

Background

The Canadian Dollar Offered Rate (CDOR), a key benchmark interest rate for Canadian dollar-denominated loans and other financial products, is set to cease publication by June 28, 2024, by its designated administrator Refinitiv Benchmark Services (UK) Limited. The cessation of the CDOR rate will also bring about the end of Bankers' Acceptance rate ('BA') based lending. The industry recommended fallback rates for CDOR loans are the Canadian Overnight Repo Rate Average ('CORRA') published by the [Bank of Canada](#) and/or the Term CORRA rates published by [CanDeal](#). Considering this critical juncture in the Canadian financial landscape, it is imperative to transition your loan agreements (including any associated swaps) to a CORRA-based reference rate, or other alternative reference rate as agreed with your lenders before June 28, 2024.

Action Required Before June 28, 2024

In line with the [regulatory expectations set by the Office of the Superintendent of Financial Institutions \(OSFI\)](#) for the banks it regulates, CDOR and BA-linked contracts must be transitioned (using fallbacks or amendments) in an orderly and timely manner, and the recommended methodology for replacing CDOR and BAs has been designed to preserve economic equivalence for borrowers.

It is recommended that borrowers address their CDOR and/or BA linked contract(s) as soon as possible, whether at the annual review or through a stand-alone amendment by June 28, 2024, at the latest. Regarding the latter, you should coordinate with your relationship manager to initiate necessary amendments. If you need to preserve hedge accounting effectiveness for loans that are hedged with interest rate derivatives, it will be important that both instruments are transitioned in synchronicity. Note that delays in transitioning these after June 28, 2024, may result in fallbacks to Prime rate, or other disruptions in the contract execution such as the inability to calculate interest.

Reference Materials

We understand that navigating this transition can be challenging. To aid you during this period, we encourage you to review CARR's recommended best practices document found [here](#), and to register for an upcoming PWC Webinar "*Changing lanes: The road ahead post CDOR and BAs*" on February 29, 2024, where industry experts will share valuable insights. For more information, visit [here](#) to register. You may also submit general questions on the CDOR transition to the CARR Working Group at CARR-WG@bankofcanada.ca

About CARR

Canada established CARR, a working group sponsored by the Canadian Fixed-Income Forum, to coordinate Canadian interest rate benchmark reform. CARR's mission is to ensure Canada's interest rate benchmark regime is robust, resilient, and effective in the years ahead. Over the remaining transition period, CARR will continue to support the transition from CDOR to CORRA as a key financial benchmark.

Visit CARR's [webpage](#), found on the Bank of Canada's website, for up-to-date information on the transition, including all of CARR's key documents, and to sign-up to receive email updates from CARR.



CREDIT AGREEMENT LETTER

[REDACTED]
 [REDACTED] Sec. 17, FOIP [REDACTED]
 [REDACTED]
 [REDACTED]

April 4, 2024

Town of Strathmore
1 Parklane Drive
P.O. Box 2280
Strathmore, AB
T1P 1K2

Attention: Mr. Pat Fule, Mr. Kevin Scoble, and Ms. Kara Rusk

Dear Pat, Kevin, and Kara:

Re: Credit Facility

Canadian Imperial Bank of Commerce ("CIBC") is pleased to establish the following credit facility in favour of the Town of Strathmore (the "Borrower"):

Credit Facility A: Demand instalment loan ([REDACTED] Sec 23(1)(a), FOIP)

Loan Amount:

\$1,133,333.00

Purpose:

This loan is to be used to allow for the purchase/construction of a Recreation Field House.

Description and rate:

A non revolving loan available as follows:

- For Continuing Legacy B/As: Canadian dollar B/As. CIBC's stamping fee for B/As will be calculated at 0.65% per annum. B/As will only be available until the earlier of the following (the "B/A Conversion Date"): (a) the Borrower electing to convert its B/A's to CORRA Loans by five (5) Business Days' prior written notice to CIBC, (which election once made, shall be irrevocable), (b) written notice by CIBC to the Borrower that CIBC has determined that the circumstance set out in Section 8.7 of the attached Schedule A has occurred or exists, and (c) June 28, 2024. On the maturity of each B/A occurring on or after the B/A Conversion Date, such B/A shall be automatically converted to a Term CORRA Loan under this Agreement with a CORRA Period of one (1) month (or as determined by the Borrower and CIBC (in its discretion), a Daily Compounded CORRA Loan alternative may be made available to the Borrower). For certainty, on and after the BA Conversion Date, no further B/As (including the rollover of existing B/As) will be available to the Borrower and all requests for new B/As of any tenor shall be deemed to be requests for new Term CORRA Loans with a CORRA Period of one (1) month (or as determined by the Borrower and CIBC (in its discretion), a Daily Compounded CORRA Loan alternative may be made available to the Borrower).

- For New CORRA Loans or effective from and after the B/A Conversion Date, Canadian dollar Term CORRA Loans. Interest on Term CORRA Loans will be calculated at the Term CORRA Rate for each applicable CORRA Period plus 0.94547% (calculated as CORRA Adjustment of 29.547 basis points + Spread of 65 basis points) per annum.
- For New CORRA Loans or effective from and after the B/A Conversion Date, At the sole discretion of CIBC from time to time with respect to each request by the Borrower, Canadian dollar Daily Compounded CORRA Loans. Interest on Daily Compounded CORRA Loans will be calculated at the Daily Compounded CORRA Rate plus 0.94547% (calculated as CORRA Adjustment of 29.547 basis points + Spread of 65 basis points) per annum. Interest will be calculated daily on the outstanding principal balance and payable monthly/quarterly as provided in Section 10.2 of Schedule A attached to this letter.

Repayment:

All amounts under this loan are repayable immediately on demand by CIBC. Prior to the time that any such demand is made, and without prejudice to CIBC's right to require immediate payment, the Borrower shall repay this loan as follows:

For Existing Term Instalment Loans by way of B/As which will convert to CORRA Loans: 6 regular semi-annual payments of \$66,666.67 each. From and after the BA Conversion Date, accrued interest is payable at the end of each CORRA Period monthly.

A Term CORRA Loan may only be repaid on the expiry of its CORRA Period and Daily Compounded CORRA Loans may only be repaid on an interest payment date or the maturity or final payment date.

Subject to the prepayment provisions in Schedule A to this Agreement, the Borrower shall have the option to repay any principal amount under this Credit at any time, provided that Term CORRA Loans may be repaid only at the end of a CORRA Period, an interest payment date or the maturity or final payment date, and B/As may be repaid only on their maturity. Any such optional repayment will be applied to the instalments specified above in the inverse order of their maturity.

Option:

At maturity the Borrower shall have the option to notionally fix the market rate, by way of interest rate swap, the interest rate on the Instalment Loan for a period of up to 5 years.

Credit Facility B: Demand instalment loan (Loan # Sec 23(1)(a), FOIP)

Loan Amount:

\$2,025,000.00

Purpose:

This loan is to be used to allow for Purchasing of Land and Building for Municipal Purposes, Capital Improvements to the Aquatic Centre, Lambert Centre, Construction to Pathways, and Downtown Street improvements.

Description and rate:

A non revolving loan available as follows:

- For Continuing Legacy B/As: Canadian dollar B/As. CIBC's stamping fee for B/As will be calculated at 0.65% per annum. B/As will only be available until the earlier of the following (the "B/A Conversion Date"): (a) the Borrower electing to convert its B/A's to CORRA Loans by five (5) Business Days' prior written notice to CIBC, (which election once made, shall be irrevocable), (b) written notice by CIBC to the Borrower that CIBC has determined that the circumstance set out in Section 8.7 of the attached Schedule A has occurred or exists, and (c) June 28, 2024. On the maturity of each B/A occurring on or after the B/A

Conversion Date, such B/A shall be automatically converted to a Term CORRA Loan under this Agreement with a CORRA Period of one (1) month (or as determined by the Borrower and CIBC (in its discretion), a Daily Compounded CORRA Loan alternative may be made available to the Borrower). For certainty, on and after the BA Conversion Date, no further B/As (including the rollover of existing B/As) will be available to the Borrower and all requests for new B/As of any tenor shall be deemed to be requests for new Term CORRA Loans with a CORRA Period of one (1) month (or as determined by the Borrower and CIBC (in its discretion), a Daily Compounded CORRA Loan alternative may be made available to the Borrower).

- For New CORRA Loans or effective from and after the B/A Conversion Date, Canadian dollar Term CORRA Loans. Interest on Term CORRA Loans will be calculated at the Term CORRA Rate for each applicable CORRA Period plus 0.94547% (calculated as CORRA Adjustment of 29.547 basis points + Spread of 65 basis points) per annum.
- For New CORRA Loans or effective from and after the B/A Conversion Date, At the sole discretion of CIBC from time to time with respect to each request by the Borrower, Canadian dollar Daily Compounded CORRA Loans. Interest on Daily Compounded CORRA Loans will be calculated at the Daily Compounded CORRA Rate plus 0.94547% (calculated as CORRA Adjustment of 29.547 basis points + Spread of 65 basis points) per annum. Interest will be calculated daily on the outstanding principal balance and payable monthly/quarterly as provided in Section 10.2 of Schedule A attached to this letter.

Repayment:

All amounts under this loan are repayable immediately on demand by CIBC. Prior to the time that any such demand is made, and without prejudice to CIBC's right to require immediate payment, the Borrower shall repay this loan as follows:

For Existing Term Instalment Loans by way of B/As which will convert to CORRA Loans: 6 regular semi-annual payments of \$75,000.00 each. From and after the BA Conversion Date, accrued interest is payable at the end of each CORRA Period monthly.

A Term CORRA Loan may only be repaid on the expiry of its CORRA Period and Daily Compounded CORRA Loans may only be repaid on an interest payment date or the maturity or final payment date.

Subject to the prepayment provisions in Schedule A to this Agreement, the Borrower shall have the option to repay any principal amount under this Credit at any time, provided that Term CORRA Loans may be repaid only at the end of a CORRA Period, an interest payment date or the maturity or final payment date, and B/As may be repaid only on their maturity. Any such optional repayment will be applied to the instalments specified above in the inverse order of their maturity.

Option:

At maturity the Borrower shall have the option to notionally fix the market rate, by way of interest rate swap, the interest rate on the Instalment Loan for a period of up to 10 years.

Credit Facility C: Demand instalment loan (Loan # Sec 23(1)(a), FOIP)

Loan Amount:

\$2,325,000.00

Purpose:

This loan is to be used to allow for Purchasing of Land and Building for Municipal Purposes, Capital Improvements to the Aquatic Centre, Lambert Centre, Construction to Pathways, and Downtown Street improvements.

Description and rate:

A non revolving loan available as follows:

- For Continuing Legacy B/As: Canadian dollar B/As. CIBC's stamping fee for B/As will be calculated at 0.65% per annum. B/As will only be available until the earlier of the following (the "B/A Conversion Date"): (a) the Borrower electing to convert its B/A's to CORRA Loans by five (5) Business Days' prior written notice to CIBC, (which election once made, shall be irrevocable), (b) written notice by CIBC to the Borrower that CIBC has determined that the circumstance set out in Section 8.7 of the attached Schedule A has occurred or exists, and (c) June 28, 2024. On the maturity of each B/A occurring on or after the B/A Conversion Date, such B/A shall be automatically converted to a Term CORRA Loan under this Agreement with a CORRA Period of one (1) month (or as determined by the Borrower and CIBC (in its discretion), a Daily Compounded CORRA Loan alternative may be made available to the Borrower). For certainty, on and after the BA Conversion Date, no further B/As (including the rollover of existing B/As) will be available to the Borrower and all requests for new B/As of any tenor shall be deemed to be requests for new Term CORRA Loans with a CORRA Period of one (1) month (or as determined by the Borrower and CIBC (in its discretion), a Daily Compounded CORRA Loan alternative may be made available to the Borrower).
- For New CORRA Loans or effective from and after the B/A Conversion Date, Canadian dollar Term CORRA Loans. Interest on Term CORRA Loans will be calculated at the Term CORRA Rate for each applicable CORRA Period plus 0.94547% (calculated as CORRA Adjustment of 29.547 basis points + Spread of 65 basis points) per annum.
- For New CORRA Loans or effective from and after the B/A Conversion Date, At the sole discretion of CIBC from time to time with respect to each request by the Borrower, Canadian dollar Daily Compounded CORRA Loans. Interest on Daily Compounded CORRA Loans will be calculated at the Daily Compounded CORRA Rate plus 0.94547% (calculated as CORRA Adjustment of 29.547 basis points + Spread of 65 basis points) per annum. Interest will be calculated daily on the outstanding principal balance and payable monthly/quarterly as provided in Section 10.2 of Schedule A attached to this letter.

Repayment:

All amounts under this loan are repayable immediately on demand by CIBC. Prior to the time that any such demand is made, and without prejudice to CIBC's right to require immediate payment, the Borrower shall repay this loan as follows:

For Existing Term Instalment Loans by way of B/As which will convert to CORRA Loans: 10 regular semi-annual payments of \$75,000.00 each. From and after the BA Conversion Date, accrued interest is payable at the end of each CORRA Period monthly.

A Term CORRA Loan may only be repaid on the expiry of its CORRA Period and Daily Compounded CORRA Loans may only be repaid on an interest payment date or the maturity or final payment date.

Subject to the prepayment provisions in Schedule A to this Agreement, the Borrower shall have the option to repay any principal amount under this Credit at any time, provided that Term CORRA Loans may be repaid only at the end of a CORRA Period, an interest payment date or the maturity or final payment date, and B/As may be repaid only on their maturity. Any such optional repayment will be applied to the instalments specified above in the inverse order of their maturity.

Option:

At maturity the Borrower shall have the option to notionally fix the market rate, by way of interest rate swap, the interest rate on the Instalment Loan for a period of up to 10 years.

Credit Facility D: Demand instalment loan (Loan # Sec 23(1)(a), FOIP)

Loan Amount:

\$4,559,015.00

Purpose:

This loan is to be used to allow for the purpose of Water Utility Main Replaces, and Upgrades Within the Water Utility Main Replacements, and Upgrades Within the Water Distribution System and Waste Water Collection System at Various Locations Within the Town of Strathmore, Along with Equipment Replacements and Upgrades Within The Waste Water Treatment Plant. Strathmore Commons Enhancements Including Pathways, Landscape Features and Amenities.

Description and rate:

A non revolving loan available as follows:

- Canadian dollar loans. Interest on Canadian dollar loans will be calculated at the Prime Rate less 0.50% per annum.
- For Continuing Legacy B/As: Canadian dollar B/As. CIBC's stamping fee for B/As will be calculated at 0.65% per annum. B/As will only be available until the earlier of the following (the "B/A Conversion Date"): (a) the Borrower electing to convert its B/A's to CORRA Loans by five (5) Business Days' prior written notice to CIBC, (which election once made, shall be irrevocable), (b) written notice by CIBC to the Borrower that CIBC has determined that the circumstance set out in Section 8.7 of the attached Schedule A has occurred or exists, and (c) June 28, 2024. On the maturity of each B/A occurring on or after the B/A Conversion Date, such B/A shall be automatically converted to a Term CORRA Loan under this Agreement with a CORRA Period of one (1) month (or as determined by the Borrower and CIBC (in its discretion), a Daily Compounded CORRA Loan alternative may be made available to the Borrower). For certainty, on and after the BA Conversion Date, no further B/As (including the rollover of existing B/As) will be available to the Borrower and all requests for new B/As of any tenor shall be deemed to be requests for new Term CORRA Loans with a CORRA Period of one (1) month (or as determined by the Borrower and CIBC (in its discretion), a Daily Compounded CORRA Loan alternative may be made available to the Borrower).
- For New CORRA Loans or effective from and after the B/A Conversion Date, Canadian dollar Term CORRA Loans. Interest on Term CORRA Loans will be calculated at the Term CORRA Rate for each applicable CORRA Period plus 0.94547% (calculated as CORRA Adjustment of 29.547 basis points + Spread of 65 basis points) per annum.
- For New CORRA Loans or effective from and after the B/A Conversion Date, At the sole discretion of CIBC from time to time with respect to each request by the Borrower, Canadian dollar Daily Compounded CORRA Loans. Interest on Daily Compounded CORRA Loans will be calculated at the Daily Compounded CORRA Rate plus 0.94547% (calculated as CORRA Adjustment of 29.547 basis points + Spread of 65 basis points) per annum. Interest will be calculated daily on the outstanding principal balance and payable monthly/quarterly as provided in Section 10.2 of Schedule A attached to this letter.

Repayment:

All amounts under this loan are repayable immediately on demand by CIBC. Prior to the time that any such demand is made, and without prejudice to CIBC's right to require immediate payment, the Borrower shall repay this loan as follows:

For Existing Term Instalment Loans by way of B/As which will convert to CORRA Loans: 10 regular semi-annual payments of \$147,065.00 each. From and after the BA Conversion Date, accrued interest is payable at the end of each CORRA Period monthly.

A Term CORRA Loan may only be repaid on the expiry of its CORRA Period and Daily Compounded CORRA Loans may only be repaid on an interest payment date or the maturity or final payment date.

Subject to the prepayment provisions in Schedule A to this Agreement, the Borrower shall have the option to repay any principal amount under this Credit at any time, provided that Term CORRA Loans may be repaid only at the end of a CORRA Period, an interest payment date or the maturity or final payment date, and B/As

may be repaid only on their maturity. Any such optional repayment will be applied to the instalments specified above in the inverse order of their maturity.

Option:

At maturity the Borrower shall have the option to notionally fix the market rate, by way of interest rate swap, the interest rate on the Instalment Loan for a period of up to 10 years.

Credit Facility E: Demand instalment loan (Loan # Sec 23(1)(a), FOIP)

Loan Amount:

\$1,175,261.00

Purpose:

This loan is to be used to allow for the purpose of upgrades within the Water Distribution System. Improvements to the Waste Water Collection System and Upgrades to the lift Stations at Various Locations within the Town of Strathmore. Equipment Replacement within Waste Water Treatment Plant and Storm Water Pond Outfall Upgrades.

Description and rate:

A non revolving loan available as follows:

- Canadian dollar loans. Interest on Canadian dollar loans will be calculated at the Prime Rate less 0.50% per annum.
- For Continuing Legacy B/As: Canadian dollar B/As. CIBC's stamping fee for B/As will be calculated at 0.65% per annum. B/As will only be available until the earlier of the following (the "B/A Conversion Date"): (a) the Borrower electing to convert its B/A's to CORRA Loans by five (5) Business Days' prior written notice to CIBC, (which election once made, shall be irrevocable), (b) written notice by CIBC to the Borrower that CIBC has determined that the circumstance set out in Section 8.7 of the attached Schedule A has occurred or exists, and (c) June 28, 2024. On the maturity of each B/A occurring on or after the B/A Conversion Date, such B/A shall be automatically converted to a Term CORRA Loan under this Agreement with a CORRA Period of one (1) month (or as determined by the Borrower and CIBC (in its discretion), a Daily Compounded CORRA Loan alternative may be made available to the Borrower). For certainty, on and after the BA Conversion Date, no further B/As (including the rollover of existing B/As) will be available to the Borrower and all requests for new B/As of any tenor shall be deemed to be requests for new Term CORRA Loans with a CORRA Period of one (1) month (or as determined by the Borrower and CIBC (in its discretion), a Daily Compounded CORRA Loan alternative may be made available to the Borrower).
- For New CORRA Loans or effective from and after the B/A Conversion Date, Canadian dollar Term CORRA Loans. Interest on Term CORRA Loans will be calculated at the Term CORRA Rate for each applicable CORRA Period plus 0.94547% (calculated as CORRA Adjustment of 29.547 basis points + Spread of 65 basis points) per annum.
- For New CORRA Loans or effective from and after the B/A Conversion Date, At the sole discretion of CIBC from time to time with respect to each request by the Borrower, Canadian dollar Daily Compounded CORRA Loans. Interest on Daily Compounded CORRA Loans will be calculated at the Daily Compounded CORRA Rate plus 0.94547% (calculated as CORRA Adjustment of 29.547 basis points + Spread of 65 basis points) per annum. Interest will be calculated daily on the outstanding principal balance and payable monthly/quarterly as provided in Section 10.2 of Schedule A attached to this letter.

Repayment:

All amounts under this loan are repayable immediately on demand by CIBC. Prior to the time that any such demand is made, and without prejudice to CIBC's right to require immediate payment, the Borrower shall repay this loan as follows:

For Existing Term Instalment Loans by way of B/As which will convert to CORRA Loans: 11 regular semi-annual payments of \$53,420.97 each. From and after the BA Conversion Date, accrued interest is payable at the end of each CORRA Period monthly.

A Term CORRA Loan may only be repaid on the expiry of its CORRA Period and Daily Compounded CORRA Loans may only be repaid on an interest payment date or the maturity or final payment date.

Subject to the prepayment provisions in Schedule A to this Agreement, the Borrower shall have the option to repay any principal amount under this Credit at any time, provided that Term CORRA Loans may be repaid only at the end of a CORRA Period, an interest payment date or the maturity or final payment date, and B/As may be repaid only on their maturity. Any such optional repayment will be applied to the instalments specified above in the inverse order of their maturity.

Option:

At maturity the Borrower shall have the option to notionally fix the market rate, by way of interest rate swap, the interest rate on the Instalment Loan for a period of up to 5 years.

Credit Facility F: Demand Hedging Facility**Credit Limit:**

USD \$1,696,000.00

Purpose:

This Facility is to be used for foreign currency requirements.

Description:

You may, at our discretion, enter into one or more spot, forward or other foreign exchange rate transactions with us and/or CIBC World Markets. Your ability to make use of this Facility will depend upon your outstanding obligations under such transactions, as determined by us. This is a demand Facility.

Repayment:

On demand and in accordance with any of our standard form foreign exchange contract documentation or such other documentation applicable to the foreign exchange contract.

Fees:

As advised by CIBC World Markets and in accordance with any documentation applicable to the foreign exchange contract

Documentation:

As advised by CIBC World Markets.

Conditions:

As indicated in any applicable documentation governing the foreign exchange contract. You will not enter into any hedging agreement unless it is entered into for proper business or financial purposes in connection with conducting your business and it is entered into for purposes of hedging commodities, currencies or interest rate risks associated with outstanding indebtedness created, incurred or assumed by you. For greater certainty, you agree not to enter into any hedging agreements for speculative purposes of any kind whatsoever.

Credit Facility G: Term instalment loan (Loan # Sec 23(1)(a), FOIP)

Loan Amount:

\$170,000.00

Purpose:

This loan is to be used for construction of a pathway and 125 metres of Edgeview Road adjoining the George Freeman School in Strathmore, Alberta.

Description and rate:

A non revolving loan available as follows:

- Canadian dollar loans. Effective December 7, 2022 the Interest will be calculated at the fixed rate of 6.028% per year for a 24 month term amortized over 72 months from the date the Facility is advanced.

Last Regular Scheduled Payment Date:

July 20, 2024

Repayment:

All amounts under this loan are repayable immediately on demand by CIBC. Prior to the time that any such demand is made, and without prejudice to CIBC's right to require immediate payment, the Borrower shall repay this loan as follows:

- 5 regular annual principal payments of CDN\$34,000.00 each, plus accrued interest payable annually.
- The next and last regular instalment payment is due on July 20, 2024 plus any outstanding principal and interest and any other amount due but unpaid with respect to this Facility is due on the Last Regular Scheduled Payment Date.

Credit Facility J: Term instalment loan (Loan # Sec 23(1)(a), FOIP)

Loan Amount:

\$934,000.00

Purpose:

This loan is to be used for the purpose of interim funding of the Alberta Municipal Sustainability Initiative Grant from the Province of Alberta.

Description and rate:

A non revolving loan available as follows:

- Canadian dollar loans. Effective December 7, 2022 the Interest will be calculated at the fixed rate of 6.012% per year for a 24 month term amortized over 29 months from the date the Facility is advanced.

Last Regular Scheduled Payment Date:

May 28, 2025

Repayment:

All amounts under this loan are repayable immediately on demand by CIBC. Prior to the time that any such demand is made, and without prejudice to CIBC's right to require immediate payment, the Borrower shall repay this loan as follows:

- 2 regular annual principal payments of CDN \$467,000.00 each, plus accrued interest payable annually.
- The last regular instalment payment is due on May 28, 2025 plus any outstanding principal and interest and any other amount due but unpaid with respect to this Facility is due on the Last Regular Scheduled Payment Date.

Credit Facility K: Demand instalment loan (Loan Sec 23(1)(a), FOIP)**Loan Amount:**

\$614,542.00

Purpose:

This loan is to be used to allow for the purpose of water and sewer line replacements at various locations within the Town of Strathmore, storm water outfall improvements at Strathmore Lakes, waste water system and equipment replacements and upgrades within the waste water treatment plant and roadway improvements - Westmount Drive and Highway One

Description and rate:

A non revolving loan available as follows:

- Canadian dollar loans. Interest on Canadian dollar loans will be calculated at the Prime Rate less 0.50% per annum.
- For Continuing Legacy B/As: Canadian dollar B/As. CIBC's stamping fee for B/As will be calculated at 0.65% per annum. B/As will only be available until the earlier of the following (the "B/A Conversion Date"): (a) the Borrower electing to convert its B/A's to CORRA Loans by five (5) Business Days' prior written notice to CIBC, (which election once made, shall be irrevocable), (b) written notice by CIBC to the Borrower that CIBC has determined that the circumstance set out in Section 8.7 of the attached Schedule A has occurred or exists, and (c) June 28, 2024. On the maturity of each B/A occurring on or after the B/A Conversion Date, such B/A shall be automatically converted to a Term CORRA Loan under this Agreement with a CORRA Period of one (1) month (or as determined by the Borrower and CIBC (in its discretion), a Daily Compounded CORRA Loan alternative may be made available to the Borrower). For certainty, on and after the BA Conversion Date, no further B/As (including the rollover of existing B/As) will be available to the Borrower and all requests for new B/As of any tenor shall be deemed to be requests for new Term CORRA Loans with a CORRA Period of one (1) month (or as determined by the Borrower and CIBC (in its discretion), a Daily Compounded CORRA Loan alternative may be made available to the Borrower).
- For New CORRA Loans or effective from and after the B/A Conversion Date, Canadian dollar Term CORRA Loans. Interest on Term CORRA Loans will be calculated at the Term CORRA Rate for each applicable CORRA Period plus 0.94547% (calculated as CORRA Adjustment of 29.547 basis points + Spread of 65 basis points) per annum.
- For New CORRA Loans or effective from and after the B/A Conversion Date, At the sole discretion of CIBC from time to time with respect to each request by the Borrower, Canadian dollar Daily Compounded CORRA Loans. Interest on Daily Compounded CORRA Loans will be calculated at the Daily Compounded CORRA Rate plus 0.94547% (calculated as CORRA Adjustment of 29.547 basis points + Spread of 65

basis points) per annum. Interest will be calculated daily on the outstanding principal balance and payable monthly/quarterly as provided in Section 10.2 of Schedule A attached to this letter.

Repayment:

All amounts under this loan are repayable immediately on demand by CIBC. Prior to the time that any such demand is made, and without prejudice to CIBC's right to require immediate payment, the Borrower shall repay this loan as follows:

For Existing Term Instalment Loans by way of B/As which will convert to CORRA Loans: 7 regular annual payments of \$79,009.87 each and an 8th and final payment in the amount of \$61,472.46. From and after the BA Conversion Date, accrued interest is payable at the end of each CORRA Period monthly.

A Term CORRA Loan may only be repaid on the expiry of its CORRA Period and Daily Compounded CORRA Loans may only be repaid on an interest payment date or the maturity or final payment date.

Subject to the prepayment provisions in Schedule A to this Agreement, the Borrower shall have the option to repay any principal amount under this Credit at any time, provided that Term CORRA Loans may be repaid only at the end of a CORRA Period, an interest payment date or the maturity or final payment date, and B/As may be repaid only on their maturity. Any such optional repayment will be applied to the instalments specified above in the inverse order of their maturity.

Option:

At maturity the Borrower shall have the option to notionally fix the market rate, by way of interest rate swap, the interest rate on the Instalment Loan for a period of up to 10 years.

Security

All Credits are provided on an unsecured basis.

Covenants

Cross Default:

Without prejudice to our rights in respect of any Facility that is repayable on demand, a default of the terms and conditions of any credit facilities granted by any creditor (including without limitation CIBC) to you or any of your subsidiaries will constitute a default of the terms and conditions of these Facilities and CIBC will have the right to immediately demand repayment of all Facilities under this Letter.

Cross Default Borrower:

Town of Strathmore

Material Change:

A material change is an adverse change in a borrowers business, including change in business and its operations, property, conditions (financial or otherwise), prospects or the ability to fulfill obligations under the credit agreement and or security to which it is a party will constitute a default under these Facilities and CIBC will have the right to immediately demand repayment of all Facilities under this Letter.

Material Adverse Effect:

Without prejudice to our rights in respect of any Facility that is repayable on demand, if a Material Adverse Effect has occurred, this will constitute a default under these Facilities and CIBC will have the right to immediately demand repayment of all Facilities under this Letter.

Conditions precedent

In addition to the documentation specified in section 5.1 of Schedule A hereto, the obligation of CIBC to make available any Credit is subject to CIBC's receipt of the following, in form and substance satisfactory to CIBC:

Borrowing By-Law:

By-Laws from Town of Strathmore evidencing authority to enter into the credit facilities outlined herein and providing the new authorized Limit for the Town of Strathmore.

- Bylaw 16-21
- Bylaw 16-12
- Bylaw 18-16
- Bylaw 19-11
- Bylaw 19-20
- Bylaw 20-08
- Bylaw 20-09
- Bylaw 21-12

Debt/Debt Service Limits:

In accordance with the Alberta Municipal Government Act, the debit limit and debt service limits of the borrower shall remain at all times in compliance with current bylaws: 16-21; 16-12; 18-16; 19-11; 19-20; 20-08; 20-09; and, 21-12.

ISDA:

International Swaps and Derivatives Association ("ISDA") Master Agreement shall be received prior to entering into any interest rate swaps.

Reporting requirements

The Borrower will provide to CIBC:

- Within 180 days after the end of each fiscal year, the audited unconsolidated financial statements of the Borrower for such year, prepared in accordance with Canadian Public Sector Account Standards.

Other provisions

Schedule A:

The attached Schedule A, which contains certain additional provisions applicable to the Credits, and certain definitions, forms part of this Agreement. If there is a conflict or inconsistency between the provisions of this letter agreement and Schedule A, the provisions of this letter agreement shall govern.

Notice of borrowing:

Whenever the Borrower desires to obtain any amount under a Credit (other than by way of a permitted overdraft), it will give to CIBC irrevocable prior written notice as specified in Schedule A hereto.

Notice of repayment:

Whenever the Borrower desires to make one or more repayments under one or more Credits in an aggregate amount exceeding \$10,000,000 (or the equivalent in any other currency) on any day, it will give to CIBC irrevocable prior written notice as specified in Schedule A hereto.

Interest on excess amounts:

The interest rate applicable to any outstanding amount under a Credit which is in excess of the limit of such Credit shall be the Interest Rate Applicable to Credit Limit Excesses specified in Schedule A hereto.

Interest on overdue amounts:

Interest on overdue amounts is payable as specified in Schedule A hereto.

Interest payment dates:

Except with respect to interest on amounts in default, which is payable on demand, or as otherwise specified herein or in Schedule A hereto, interest and fees will be calculated and payable monthly in arrears on such day in each month as CIBC requires.

Authorized debits:

The Borrower authorizes CIBC to debit its Operating Account for any interest, fees or other amounts that are payable by the Borrower to CIBC with respect to the Credits, as and when such amounts are payable.

Communications:

Any communication or notice to be given with respect to the Credits may be effectively given by delivering the same at the addresses set out on the signature page hereof, or by sending the same by facsimile, e-mail or prepaid registered mail to the parties at such addresses. Any notice so mailed will be deemed to have been received on the tenth day next following the mailing thereof, provided that postal service is in normal operation during such time. Any facsimile or e-mail notice will be deemed to have been received on transmission if sent on a Business Day and, if not, on the next Business Day following transmission. Either party may from time to time notify the other party, in accordance with this section, of any change of its address which thereafter will be the address of such party for all purposes of the Credits.

Replacements:

This letter supersedes and replaces all prior discussions, letters and agreements (if any) describing the terms and conditions of any credit facility established by CIBC in favour of the Borrower.

Please indicate your acceptance of these terms by signing below and returning the enclosed copy to our attention no later than May 7, 2024.

Yours truly,

CANADIAN IMPERIAL BANK OF COMMERCE

By:  **Sec. 17, FOIP**
Name: 
Authorized Signatory

Please indicate your acceptance of these terms by signing below and returning the enclosed copy to our attention no later than May 7, 2024.

TOWN OF STRATHMORE

By: _____
name:
Title:

By: _____
name:
title:

Signed this _____ day of _____, 2024.



SCHEDULE A – ADDITIONAL DEFINITIONS AND PROVISIONS

1. General

- 1.1. **Use of funds, returns.** The Borrower will use the Credits only for the purposes specified in this Agreement. The Borrower may not at any time exceed the limit of any Credit, and CIBC may, without notice to the Borrower, return any item that, if paid, would result in the limit of any Credit being exceeded. If, on the other hand, CIBC in its sole discretion elects to pay any such item, the Borrower will pay to CIBC immediately the amount by which the limit of the applicable Credit has been exceeded.
- 1.2. **Notice of failure.** The Borrower will promptly notify CIBC of the occurrence of any failure to perform or observe any of its covenants in this Agreement.
- 1.3. **Confidentiality.** The terms of this Agreement are confidential between the Borrower and CIBC, and accordingly the Borrower will not disclose the contents of this Agreement to anyone except its professional advisors.
- 1.4. **Applying money received.** At any time that the Borrower has failed (beyond any period of grace permitted by CIBC) to perform or observe any of its covenants in this Agreement, all moneys received by CIBC from the Borrower or from any Security may be applied on such parts of the Borrower's liabilities to CIBC as CIBC may determine.
- 1.5. **Right of set off.** At any time that the Borrower has failed (beyond any period of grace permitted by CIBC) to perform or observe any of its covenants in this Agreement, CIBC is authorized at any time to set off and apply any deposits held by it and any other amounts owed by it to or for the credit of the Borrower against any and all of the obligations of the Borrower with respect to the Credits, irrespective of whether or not CIBC has made any demand and even though any such obligations may not yet be due and payable.
- 1.6. **Registration of security.** Security will be registered or filed in all jurisdictions and in all offices as CIBC considers necessary or advisable from time to time to create, perfect or protect any Lien created thereby.
- 1.7. **Expenses.** The Borrower will reimburse CIBC for all fees and out of pocket expenses (including fees and expenses of CIBC's solicitors and of any other experts and advisors hired by CIBC) incurred in preparing, registering and renewing any Security, in responding to requests from the Borrower for waivers, amendments and other matters, in enforcing CIBC's rights under this Agreement or any Security, and in discharging any Security.
- 1.8. **Further information requirements.** The Borrower will provide such further information about its business and its Subsidiaries as is reasonably requested by CIBC from time to time, and such information shall be in a form acceptable to CIBC.
- 1.9. **Consent to release information.** CIBC may from time to time give any credit or other information about the Borrower to, or receive such information from, (i) any financial institution, credit reporting agency, rating agency or credit bureau, (ii) any person, firm or corporation with whom the Borrower may have or proposes to have financial dealings, and (iii) any person, firm or corporation in connection with any dealings the Borrower has or proposes to have with CIBC. The Borrower agrees that CIBC may use that information to establish and maintain the Borrower's relationship with CIBC and to offer any services as permitted by law, including services and products offered by CIBC's Subsidiaries when it is considered that this may be suitable to the Borrower.

- 1.10. **Instructions by fax, phone and e-mail.** The Borrower may deliver, and CIBC may accept, instructions by fax, telephone (including cellular phone) and internet e-mail ("Electronic Communication"), according to CIBC-approved procedures, which procedures may be limited to particular types of communications or services. Unless the Borrower expressly indicates otherwise, the Borrower agrees that CIBC may also communicate with the Borrower by e-mail or fax. This may include (i) CIBC sending confidential information to the Borrower, at the Borrower's request; or (ii) the Borrower sending confidential information to CIBC. An Electronic Communication may not be a secure means of communication and the Borrower assumes responsibility for the risks of using Electronic Communications including, without limitation, the possibility that an Electronic Communication is: intercepted by or sent to an unauthorized person, misunderstood, lost, delayed, or not received by CIBC at all. CIBC is entitled to rely upon any Electronic Communication from or purporting to be from the Borrower, as if such instructions were given in writing. However, CIBC may choose not to act upon an Electronic Communication if it believes that the Electronic Communication is unauthorized, incorrect or unclear. CIBC shall not be liable for, and the Borrower will indemnify and save CIBC harmless from, any claims, losses, damages, liabilities and expenses that CIBC incurs (other than those due to CIBC's gross negligence or wilful misconduct) including among other things all legal fees and expenses, arising from CIBC acting or declining to act on any of your Electronic Communications given under this Agreement. This indemnity is in addition to any other indemnity or assurance against loss provided by you to CIBC under this Agreement or otherwise.
- 1.11. **Further assurances.** The Borrower will from time to time promptly upon request by CIBC do and execute all such acts and documents as may be reasonably required by CIBC to give effect to the Credits and the Security, and to any transfer pursuant to section 1.15 of this Schedule.
- 1.12. **Insurance.** The Borrower will keep all its assets and property insured (to the full insurable value) against loss or damage by fire and all other risks usual for similar property and for any other risks CIBC may reasonably require. If CIBC requests, these policies will include a loss payable clause (and with respect to mortgage security, a mortgagee clause) in favour of CIBC. As further security, the Borrower assigns all insurance proceeds to CIBC. The Borrower will provide to CIBC either the policies themselves or adequate evidence of their existence. If any insurance coverage for any reason stops, CIBC may (but shall have no obligation to) insure the property. Finally, the Borrower will notify CIBC immediately of any loss or damage to any of its property.
- 1.13. **Environmental.** The Borrower will, and will ensure that each of its Subsidiaries will, carry on its business, and maintain its assets and property in accordance with all applicable environmental, health and safety laws and regulations. If there occurs or occurred in the past any release, deposit, discharge or disposal of any substance that may cause any environmental harm or adverse environmental effect or that is or may be regulated by any law for the protection of the environment, human health or safety, (collectively, a "Discharge") in connection with the business or property of the Borrower or any of its Subsidiaries, and as a result CIBC suffers any third party claim, legal obligation, loss, expense or damage whatsoever, the Borrower will reimburse CIBC, its directors, officers, employees and agents for any and all losses, damages, fines, costs and other amounts that result (including amounts spent conducting any necessary environmental assessments or investigations or defending any third party claims or proceedings, government demands or orders). If CIBC asks, the Borrower will defend any third party claims or proceedings, investigations or prosecutions brought against CIBC or any of its directors, officers, employees and agents in connection with any Discharge. The Borrower's obligation under this section continues even after all Credits have been repaid and this Agreement has terminated.
- 1.14. **Waiver.** No delay on the part of CIBC in exercising any right or privilege will operate as a waiver thereof, and no waiver of any failure or default will operate as a waiver thereof unless made in writing and signed by an authorized officer of CIBC, or will be applicable to any other failure or default.
- 1.15. **Assignment.** CIBC may assign, sell or participate (herein referred to as a "transfer") all or any part of its rights and obligations under all or any of the Credits to any third party, and the Borrower agrees to

sign any documents and take any actions that CIBC may reasonably require in connection with any such transfer. Upon completion of the transfer, the third party will have the same rights and obligations under this Agreement as if it were a party to it, with respect to all rights and obligations included in the transfer. The Borrower may not assign any of its rights or obligations under any of the Credits. The Borrower agrees that CIBC may disclose any information (including, without limitation, any personal information) relating to such Credits (including any personal guarantee) to such third party, or its agents, any assignee of such third party, any service provider (as defined below), or any prospective assignee, purchaser or participant. Personal information includes all information provided by a principal of the Borrower or a guarantor of the Borrower's debt or other information obtained by CIBC in connection with the Borrower's credit application and/or the Agreement, and any ongoing information and documentation about the Borrower, any guarantor of the Borrower's debt, or the Credits, to the extent required by the third party, its agent or assignee, or any service provider, to enable such person to administer the Credits and exercise its rights thereunder. "Service Provider" means a person or entity that has been engaged in connection with the servicing, maintenance, collection or operation of the Credits or the provision of services or benefits to the Borrower and/or any guarantor of the Borrower's debt (including loyalty programs). The Borrower may not assign any of its rights or obligations under any of the Credits.

- 1.16. **Application to Subsidiaries.** The Borrower will ensure that each of its Subsidiaries complies with sections 1.11, 1.12 and 1.13 of this Schedule, as if the references to the Borrower therein were references to each such Subsidiary.
- 1.17. **Governing law.** This Agreement shall be governed by the laws of the Province of Alberta, and the Borrower submits itself to the jurisdiction of any competent federal or provincial court in such jurisdiction.
- 1.18. **Counterparts.** This Agreement and any amendment to this Agreement may be executed in one or more counterparts and may be delivered by facsimile, .pdf or other similar electronic transmission, and all of such counterparts shall constitute originals and the same agreement. The words "executed", "execution", "signed", "signature", and words of like import in this Agreement and the other loan documents, shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based record keeping system, as the case may be, to the extent permitted under, and as provided for in, any applicable law.
- 1.19. **Certain definitions.** In this Agreement the following terms have the following meanings: "Affiliate" means, with respect to any person, any other person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such person, and includes any person in like relation to an Affiliate. A person shall be deemed to control another person if the first person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the other person, whether through the ownership of voting securities, by contract or otherwise.

"Agreement" means the attached letter agreement between CIBC and the Borrower, including this Schedule and any other Schedules thereto, as the same may be amended or supplemented from time to time.

"Business Day" means (i) with respect to any amount denominated in Canadian dollars and all matters pertaining thereto, any day excluding Saturday, Sunday and any day which is a legal holiday in Toronto, Canada; (ii) with respect to any amount denominated in US dollars (except as provided below) and all matters pertaining thereto, any day excluding Saturday, Sunday or any day which is a legal holiday in New York, U.S.A. or Toronto, Canada, and (iii) with respect to any SOFR Loan and all matters pertaining thereto, any day excluding Saturday, Sunday or any day which is a legal holiday in New York, U.S.A. or Toronto, Canada and also excluding any day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“Compliance Certificate” means an Officer’s Certificate stating, as of the applicable date, (i) that the Borrower is not in default of the observance or performance of any of its covenants in this Agreement (or describing any default then existing), (ii) that all representations and warranties contained in this Agreement are true and accurate as if made on and as of such date (or describing any thereof that are not then true and accurate), (iii) the particulars and calculation of all financial covenants of the Borrower contained in this Agreement, and (iv) where applicable, the amount and particulars of calculation of Receivable Value, Inventory Value and Priority Claims, and the resulting maximum available amount and undrawn amount of any Credit, as of such date. Unless otherwise prescribed by CIBC, a Compliance Certificate shall be substantially in the form attached to this Schedule A.

“GAAP” means those accounting principles which are recognized as being generally accepted in Canada from time to time as set out in the handbook published by the Canadian Institute of Chartered Accountants. If the Borrower, or the party to which references to GAAP are intended to apply, has adopted International Financial Reporting Standards (“IFRS”), then the applicable references in this Agreement to GAAP or Generally Accepted Accounting Principles may be interpreted to mean IFRS, but only if CIBC has consented to such change.

“Investment” means, with respect to any person, any direct or indirect investment in or purchase or other acquisition of the securities of or any equity interest in any other person, any loan or advance to, or arrangement for the purpose of providing funds or credit to (excluding extensions of trade credit in the ordinary course of business in accordance with customary commercial terms), or capital contribution to, any other person, or any purchase or other acquisition of all or substantially all of the property of any other person.

“Lien” includes without limitation a mortgage, charge, lien, security interest or encumbrance of any sort on any property or asset, and includes conditional sales contracts, title retention agreements, capital trusts and capital leases.

“Loan” means any advance of moneys made by CIBC to the Borrower under this Agreement and, where the context permits or requires, includes Bankers Acceptances, Letters of Credit, equipment leases, credit cards and all other forms of credit provided by CIBC to the Borrower under this Agreement.

“Loan Document” means this Agreement, the Security and all other deeds, certificates, instruments, agreements and other documents delivered to or obtained by CIBC in connection with any of the foregoing but for the purposes of Sections 11 and 13 of this Schedule shall exclude Swap Agreements.

“Material Adverse Effect” means a material adverse effect on the business, property, condition (financial or otherwise) or prospects of the Borrower and its Subsidiaries, considered as a whole, or a material adverse effect on the ability of any of the Borrower and its Subsidiaries to perform its obligations under any of this Agreement and the Security to which it is a party.

“Normal Course Lien” means, at any time, the following:

- i. Liens for taxes not overdue, or which are being contested if adequate reserves with respect thereto are maintained by the Borrower and its Subsidiaries in accordance with GAAP and the enforcement of any related Lien is stayed;
- ii. undetermined or inchoate Liens arising in the ordinary course of business which relate to obligations not overdue or a claim for which has not been filed or registered pursuant to applicable law;
- iii. carriers’, warehousemens’, mechanics’, materialmens’, repairmens’, construction or other similar Liens arising in the ordinary course of business which relate to obligations not overdue;
- iv. easements, rights of way, restrictions and other similar encumbrances incurred in the ordinary course of business which, in the aggregate, are not substantial in amount, and which do not in

any case materially detract from the value of the property subject thereto or interfere with the ordinary conduct of the business of the Borrower or its Subsidiaries;

- v. zoning and building by-laws and ordinances and municipal by laws and regulations so long as the same are complied with;
- vi. statutory Liens incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation;
- vii. the reservations and exceptions contained in, or implied by statute in, the original disposition from the Crown and grants made by the Crown of interests so reserved or excepted;
- viii. Liens created by the Security; and
- ix. Liens in respect of which CIBC has given its specific written consent.

"Officer's Certificate" means a certificate, in form satisfactory to CIBC, signed by a senior officer of the Borrower.

"Operating Account" means a Canadian dollar account or US dollar account or such other account, in each case as is agreed upon by the Borrower and CIBC from time to time for the purposes hereof.

"Priority Claims" means, at any time, any liability of any of the Borrower and its Subsidiaries that ranks, in right of payment in any circumstances, equal to or in priority to any liability of the Borrower or such Subsidiary to CIBC, and may include unpaid wages, salaries and commissions, unremitted source deductions for vacation pay, arrears of rent, unpaid taxes, amounts owed in respect of worker's compensation, amounts owed to unpaid vendors who have a right of repossession, and amounts owing to creditors which may claim priority by statute or under a Purchase Money Lien.

"Purchase Money Lien" means any Lien which secures a Purchase Money Obligation permitted by this Agreement, provided that such Lien is created not later than 30 days after such Purchase Money Obligation is incurred and does not affect any asset other than the asset financed by such Purchase Money Obligation.

"Purchase Money Obligation" means any Debt (including without limitation a capitalized lease obligation) incurred or assumed to finance all or any part of the acquisition price of any asset acquired by any of the Borrower and its Subsidiaries or to finance all or any part of the cost of any improvement to any asset of any of the Borrower and its Subsidiaries, provided that such obligation is incurred or assumed prior to or within 30 days after the acquisition of such asset or the completion of such improvement and does not exceed the lesser of the acquisition price payable by the Borrower or such Subsidiary for such asset or improvement and the fair market value of such asset or improvement; and includes any extension, renewal or refunding of any such obligation so long as the principal amount thereof outstanding on the date of such extension, renewal or refunding is not increased.

"Security" means, collectively, all of the items of security held by CIBC for the indebtedness and liabilities, or any part or parts thereof, of the Borrower to CIBC.

"Subsidiary" of any person means any other person of which shares or other equity units having ordinary voting power to elect a majority of the board of directors or other individuals performing comparable functions, or which are entitled to or represent more than 50% of the owners' equity or capital or entitlement to profits, are owned beneficially or controlled, directly or indirectly, by any one or more of such first person and the Subsidiaries of such first person, and shall include any other person in like relationship to a Subsidiary of such first person.

"Swap Agreement" means any arrangement or transaction between the Borrower (or any predecessor or Affiliate of the Borrower) and CIBC (or any Affiliate) which is an interest rate swap transaction, basis swap, forward interest rate transaction, commodity swap, interest rate option, forward foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency interest rate swap transaction, currency option or any other similar

transaction (including any option with respect to any of such transactions or arrangements) designed to protect or mitigate against risks in interest, currency exchange or commodity price fluctuations.

2. Interest rates; payments; calculations

2.1. **Interest Rates.** Interest is payable with respect to:

- i. excess amounts (provided that nothing herein shall be deemed to imply that the Borrower is entitled to obtain any such excess amount, or that the limit of a Credit is to be increased in any circumstance) above the limit of a Credit or a part of a Credit, as described in section 2.4 of this Schedule,
- ii. amounts that are not paid when due, at the Interest Rate Applicable to Credit Limit Excesses, and
- iii. any other amounts, at the rate specified in this Agreement.

2.2. **Variable interest.** Each variable interest rate provided for in this Agreement will change automatically, without notice, whenever the Prime Rate, the US Base Rate, applicable Bankers Acceptance Yield, applicable CORRA Rate, or applicable SOFR Rate, as the case may be, changes.

2.3. **Payment of interest.** Interest is calculated on the applicable balance at the end of each day. Interest is payable in arrears once a month on the day required by CIBC, unless otherwise specified in this Agreement.

2.4. **Interest Rate Applicable to Credit Limit Excesses.** To determine whether the Interest Rate Applicable to Credit Limit Excesses is to be charged, the following rules apply:

- a. The Interest Rate Applicable to Credit Limit Excesses will be charged on the amount that exceeds the limit of any particular Credit.
- b. If there are several parts of a Credit, the Interest Rate Applicable to Credit Limit Excesses will be charged if the limit of a particular part is exceeded. For example, if Credit A's limit is \$250,000, and the limit of one part of Credit A is \$100,000 and the limit of that part is exceeded by \$25,000, the Interest Rate Applicable to Credit Limit Excesses will be charged on that \$25,000 excess, even if the total amount outstanding under Credit A is less than \$250,000.
- c. To determine if the limit of a Credit has been exceeded, any amounts in a currency other than the currency in which the limit is designated will be converted into that currency, as described in section 2.11 of this Schedule.

2.5. **Interest on Overdue Amounts.** Except as otherwise specified herein, if any principal is not paid when due, such overdue principal will bear interest (as well after as before judgement), payable on demand, at the interest rate applicable to such principal prior to default, and interest will be payable on overdue interest (as well after as before judgement) at the same rate as is applicable to the related principal. If any amount is not paid by the Borrower when due and there is no interest otherwise applicable to such amount specified herein, such overdue amount will bear interest (as well after as before judgement), payable on demand, at a rate per annum equal at all times to the Prime Rate plus 5% (in the case of any such amount payable in Canadian dollars) or the US Base Rate plus 5% (in the case of any such amount payable in US dollars) from the date of non payment until paid in full.

2.6. **Reductions of Limit of Credits.** On or prior to each date on which the limit of any Credit is reduced, the Borrower will repay such outstanding amounts thereunder, if any, as are necessary so that, after giving effect to the repayment, the total of all amounts outstanding under such Credit does not exceed the limit as so reduced.

2.7. **Payments.** Except as otherwise expressly provided in this Schedule "A", if any payment is due on a day other than a Business Day, such payment will be due on the next Business Day.

- 2.8. **CIBC's pricing policy.** The fees, interest rates and other charges for the Borrower's banking arrangements with CIBC are dependent upon each other. Accordingly, if the Borrower cancels or does not follow through with, in the manner originally contemplated, any of these arrangements, CIBC reserves the right to require payment by the Borrower of increased or added fees, interest rates and charges as a condition of the continuation of the Borrower's banking arrangements.
- 2.9. **Calculations.** The following terms apply to all calculations under the Credits:
- CDOR, Federal Funds Rate, Bankers' Acceptance Yield, any CORRA Rate, any SOFR Rate, Prime Rate and US Base Rate shall be determined by CIBC if and whenever such determination is required for the purpose of this Agreement, and such determination by CIBC shall be conclusive evidence of such rate.
 - Except as provided in the next sentence, all interest and fees hereunder shall be computed on the basis of the actual number of days elapsed divided by 365. Interest on each SOFR Loan shall be computed on the basis of the actual number of days elapsed divided by 360. Any such applicable interest rate, expressed as an annual rate of interest for the purpose of the Interest Act (Canada), shall be equivalent to such applicable interest rate multiplied by the actual number of days in the calendar year in which the same is to be determined and divided by 365 or 360, as the case may be.
 - In calculating interest or fees payable hereunder for any period, unless otherwise specifically stated, the first day of such period shall be included and the last day of such period shall be excluded.
- 2.10. **CIBC's Records.** CIBC's loan accounting records will provide conclusive evidence of all terms and conditions of the Credits such as principal loan balances, interest calculations, and payment dates.
- 2.11. **Foreign Currency Conversion.** If it is necessary for any purpose relating to the Credits that an amount denominated in a currency other than Canadian dollars be expressed in or equated to an amount of Canadian dollars (such as, for example, to determine whether amounts denominated in US dollars that are outstanding under a Credit which has a limit specified in Canadian dollars exceed the limit of such Credit so as to make applicable the Interest Rate Applicable to Credit Limit Excesses), the applicable amount of Canadian dollars shall be determined by CIBC in accordance with its normal practice.
- 2.12. **Deemed Re Investment Principle.** For the purpose of the *Interest Act* (Canada) and any other purpose, the principle of deemed re-investment of interest is not applicable to any calculation under this Agreement, and the rates of interest and fees specified in this Agreement are intended to be nominal rates and not effective rates or yields.
- 2.13. **Certain Definitions.** If and whenever required for the purpose of this Agreement, the following terms have the following definitions:
- "CDOR" means, for any day, the average of the annual discount rates for bankers' acceptances denominated in Canadian dollars of certain banks named in Schedule 1 to the Bank Act (Canada) for a specified term and face amount that appears on the CDOR page of the Reuters Screen as of 10:00 a.m. on such day (or, if such day is not a Business Day, as of 10:00 a.m. on the next preceding Business Day).
- "Federal Funds Rate" means, for any day, an annual interest rate equal to the weighted average of the rates on overnight United States federal funds transactions with members of the Federal Reserve System arranged by United States federal funds brokers, as published for such day (or, if such day is not a business day in New York, for the next preceding business day in New York) by the Federal Reserve Bank of New York, or for any such business day on which such rate is not so published, the arithmetic average of the quotations for such day on such transactions received by CIBC from three United States federal funds brokers of recognized standing selected by it.

“Interest Rate Applicable to Credit Limit Excesses” means the annual interest rate generally established by CIBC from time to time for the purpose of calculating interest on overdrafts in accounts maintained with CIBC in Canada.

“Prime Rate” means a fluctuating annual interest rate equal at all times to the greater of (i) the reference rate of interest (however designated) of CIBC for determining interest chargeable by it on loans in Canadian dollars made in Canada and (ii) 1.05% per annum above the Term CORRA Rate for a CORRA Period of one (1) month from time to time.

“Prime Loan” means a loan with respect to which interest is calculated under this Agreement for the time being by reference to the Prime Rate.

“US Base Rate” means a fluctuating annual interest rate equal at all times to the greater of (i) the reference rate of interest (however designated) of CIBC for determining interest chargeable by it on loans in US dollars made in Canada, and (ii) 3/4 of 1% per annum above the Federal Funds Rate from time to time.

3. Notice of borrowing; notice of repayment; overdrafts

- 3.1. **Notice of Borrowing.** Whenever the Borrower desires to obtain any amount under a Credit (other than a loan by way of a permitted overdraft), it will give to CIBC irrevocable prior written notice (a “Notice of Borrowing”) specifying the Credit under which such amount is to be obtained and the particulars of such amount including the term of any Bankers’ Acceptances, the term of any CORRA Period or SOFR Period, the particulars of all maturing Bankers’ Acceptances in the case of a rollover or conversion of Bankers’ Acceptances, and the Business Day on which such amount is to be obtained. No amount shall be obtained if the term thereof or any CORRA Period or SOFR Period applicable thereto would mature beyond any scheduled repayment or reduction date for the applicable Credit and all or any part of such amount will be required to be repaid on such date. The amount to be obtained under any Credit at any time shall not exceed the undisbursed amount of that Credit at such time. CIBC will not be obliged to make available at any time SOFR Loans in an aggregate amount less than US \$1,000,000 or CORRA Loans in an aggregate amount less than \$500,000. A notice requesting any loan in an amount exceeding \$10,000,000 (other than a CORRA Loan) or US \$10,000,000 (other than a SOFR Loan) must be given not later than 10:00 a.m. on the Business Day preceding the applicable borrowing date; a notice requesting any Bankers’ Acceptances in an amount exceeding \$10,000,000 must be given not later than 10:00 a.m. on the second Business Day preceding the applicable borrowing date; a notice requesting any Term CORRA Loan of any amount must be given not later than 10:00 am on the third Business Day preceding the applicable borrowing date; a notice requesting any Daily Compounded CORRA Loan of any amount must be given not later than 10:00 am on the second Business Day preceding the applicable borrowing date; and a notice requesting any SOFR Loan of any amount must be given not later than 10:00 a.m. on the third Business Day preceding the applicable borrowing date.
- 3.2. **Notice of Repayment.** Whenever the Borrower desires to make any repayment or repayments under one or more of the Credits in an aggregate amount exceeding \$10,000,000 (or an equivalent amount in any other currency) on any day, it will give to CIBC irrevocable written notice specifying the particulars of such repayment not later than 10:00 a.m. on the Business Day preceding the applicable repayment date.
- 3.3. **Overdrafts.** If the Borrower is entitled under any Credit to obtain loans in Canadian dollars or US dollars by way of overdraft, the debit balance in the Borrower’s applicable Operating Account from time to time will be deemed to be a loan in Canadian dollars or US dollars, as the case may be, outstanding to the Borrower under such Credit and bearing interest as set out in this Agreement for loans in such currency under such Credit. If at any time the Borrower is a party to a cash concentration arrangement with CIBC, the amount of any overdraft from time to time in the Canadian dollar or US dollar concentration account of the Borrower established pursuant to such arrangement will also be deemed to be a loan in Canadian dollars or US dollars, as applicable, outstanding to the

Borrower under the applicable Credit and bearing interest as set out above on the basis of the Prime Rate or the US Base Rate, as the case may be.

4. Indemnities and Illegality

- 4.1. **Reserve Indemnity.** If subsequent to the date of this Agreement any change in or introduction of any applicable law, or compliance by CIBC with any request or directive by any central bank, superintendent of financial institutions or other comparable authority, shall subject CIBC to any tax with respect to the Credits or change the basis of taxation of payments to CIBC of any amount payable under the Credits (except for changes in the rate of tax on the overall net income of CIBC), or impose any capital maintenance or capital adequacy requirement, reserve requirement or similar requirement with respect to the Credits, or impose on CIBC, any other condition or restriction, and the result of any of the foregoing is to increase the cost to CIBC of making or maintaining the Credits or any amount thereunder or to reduce any amount otherwise received by CIBC under the Credits, CIBC will promptly notify the Borrower of such event and the Borrower will pay to CIBC such additional amount calculated by CIBC as is necessary to compensate CIBC for such additional cost or reduced amount received. A certificate of CIBC as to any such additional amount payable to it and containing reasonable details of the calculation thereof shall be conclusive evidence thereof.
- 4.2. **Currency Indemnity.** Interest and fees hereunder shall be payable in the same currency as the principal to which they relate. Any payment on account of an amount payable in a particular currency (the "proper currency") made to or for the account of CIBC in a currency (the "other currency") other than the proper currency, whether pursuant to a judgement or order of any court or tribunal or otherwise and whether arising from the conversion of any amount denominated in one currency into another currency for any purpose, shall constitute a discharge of the Borrower's obligation only to the extent of the amount of the proper currency which CIBC is able, in the normal course of its business within one Business Day after receipt by it of such payment, to purchase with the amount of the other currency so received. If the amount of the proper currency which CIBC is able to purchase is less than the amount of the proper currency due to CIBC, the Borrower shall indemnify and save CIBC harmless from and against any loss or damage arising as a result of such deficiency.
- 4.3. **Tax Indemnity.** All payments by the Borrower under this Agreement shall be made free and clear of, and without reduction for or on account of, any present or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, other than taxes imposed on the overall net income of CIBC or franchise taxes, taxes on doing business or taxes measured by the capital or net worth of CIBC (collectively "Excluded Taxes"), now or hereafter imposed, levied, collected, withheld or assessed by any country or any political subdivision thereof (collectively "Taxes"); provided, however, that if any Taxes are required to be withheld from any interest or other amount payable to the CIBC hereunder, the amount so payable to the CIBC shall be increased to the extent necessary to yield to CIBC, on a net basis after payment of all Taxes and after payment of all Excluded Taxes imposed by any relevant jurisdiction on any additional amounts payable under this section, interest or any such other amount payable hereunder at the rate or in the amount specified in this Agreement. The Borrower shall be fully liable and responsible for and shall, promptly following receipt of a request from CIBC, pay to CIBC any and all sales, goods and services taxes payable under the laws of Canada or any political subdivision thereof with respect to any and all goods and services made available hereunder to the Borrower by CIBC, and such taxes shall be included in the definition of "Taxes" for all purposes hereof. Whenever any Taxes are payable by the Borrower, as promptly as possible thereafter it shall send to CIBC, a certified copy of an original official receipt showing payment thereof. If the Borrower fails to pay any Taxes when due or fails to remit to CIBC as aforesaid the required documentary evidence thereof, the Borrower shall indemnify and save harmless CIBC from any incremental taxes, interest, penalties or other liabilities that may become payable by CIBC or to which CIBC may be subjected as a result of any such failure. A certificate of CIBC as to the amount of any such taxes, interest or penalties and containing reasonable details of the calculation thereof shall be *prima facie* evidence thereof.

- 4.4. **Default Indemnity.** The Borrower shall indemnify and save harmless CIBC from all claims, demands, liabilities, damages, losses, costs, charges and expenses, including any loss or expense arising from interest or fees payable by CIBC to lenders of funds obtained by it in order to make or maintain any amount under the Credits and any loss or expense incurred in liquidating or re-employing deposits from which such funds were obtained, which may be incurred by CIBC as a consequence of (i) default by the Borrower in the payment when due of any amount hereunder or the occurrence of any other default relative to any of the Credits, (ii) default by the Borrower in obtaining any amount after the Borrower has given notice hereunder that it desires to obtain such amount, (iii) default by the Borrower in making any optional repayment of any amount after the Borrower has given notice hereunder that it desires to make such repayment, or (iv) the repayment by the Borrower of any CORRA Loan or SOFR Loan otherwise than on the expiration of any applicable CORRA Period, SOFR Period, interest payment date or maturity or final payment date, as the case may be, or the repayment of any loan on which interest is payable at a fixed annual rate otherwise than on the expiration of the fixed interest rate period applicable thereto, or the repayment of any other amount otherwise than on any specified maturity date thereof. A certificate of CIBC as to any such loss or expense and containing reasonable details of the calculation thereof shall be prima facie evidence thereof.
- 4.5. **Material Change in Financial Markets.** If any material change has occurred, or would reasonably be expected to occur, in the financial, banking or capital markets generally in Canada (as determined by CIBC in good faith in its discretion) and the effect of which is to (or would reasonably be expected to) reduce the rate of return on CIBC's capital from, or increase the cost to CIBC of, making or maintaining any Credit or any amount thereunder or reduce any amount otherwise received by CIBC under any Credit, then CIBC will promptly notify the Borrower of such event or circumstances and the Borrower will pay to CIBC such additional amount calculated by CIBC as is necessary to compensate CIBC for such reduction in rate of return, additional cost or reduced amount received. A certificate of CIBC as to any such additional amount payable to it and containing reasonable details of the calculation thereof shall be conclusive evidence thereof.
- 4.6. **Illegality.** If CIBC determines that any applicable law has made it unlawful, or that any domestic or foreign court or government or governmental authority has asserted that it is unlawful, for CIBC or its applicable lending office to make, maintain or fund Loans whose interest is determined by reference to any applicable CORRA Rate or SOFR Rate, or to determine or charge interest rates based upon any applicable CORRA Rate or SOFR Rate, then, upon written notice thereof by CIBC to the Borrower, (a) any obligation of CIBC to make or maintain the affected CORRA Loans or SOFR Loans, as the case may be, and any right of the Borrower to borrow or continue the affected CORRA Loans, or SOFR Loans, as the case may be, shall be suspended, and (b) unless otherwise specified in the notice to the Borrower, the interest on each affected CORRA Loan or SOFR Loan, as the case may be, shall forthwith cease to be calculated on the basis of the applicable CORRA Rate or SOFR Rate, as the case may be, and shall commence to be calculated (i) in the case of an affected CORRA Loan, on the basis of the Prime Rate (or, if the affected CORRA Rate is a term CORRA Rate, then at the discretion of CIBC, a daily CORRA Rate) or (ii) in the case of an affected SOFR Loan, on the basis of the US Base Rate (or if the affected SOFR Rate is a term SOFR Rate, then at the discretion of CIBC, a daily SOFR Rate). The Borrower will not be entitled to obtain any affected CORRA Loan or SOFR Loan, as the case may be, from, or maintain any existing affected CORRA Loan or SOFR Loan, as the case may be, with, CIBC so long as any such condition shall continue to exist, and any Loan that would otherwise have been made or maintained (x) in the case of an affected CORRA Loan, shall instead be made or maintained as a Loan in Canadian Dollars bearing interest on the basis of the Prime Rate (or, if the affected CORRA Rate is a term CORRA Rate, then at the discretion of CIBC, a daily CORRA Rate) or (y) in the case of an affected SOFR Loan, shall instead be made or maintained as a Loan in US Dollars bearing interest on the basis of the US Base Rate (or if the affected SOFR Rate is a term SOFR Rate, then at the discretion of CIBC, a daily SOFR Rate). Upon any such conversion of an affected CORRA Loan or SOFR Loan, the Borrower shall also pay any additional amounts required pursuant to Section 11.3 or 13.3 of this Schedule.

5. Conditions precedent

5.1. Conditions precedent to the initial amount

CIBC shall not be obliged to make available the initial amount under the Credits unless:

- a. CIBC shall have received the Security, which shall have been duly registered and filed as required hereby.
- b. CIBC shall have received such financial and other information relating to the Borrower and its Subsidiaries, and any guarantor, as it shall have reasonably requested.
- c. CIBC shall have received confirmation of all insurance maintained by the Borrower and its Subsidiaries, and such insurance shall comply with the requirements of this Agreement.
- d. The Borrower shall have paid to CIBC all fees and other amounts which shall have become due and payable by it to CIBC on or prior to the initial borrowing date.
- e. The following documents in form, substance and execution acceptable to CIBC shall have been delivered to CIBC:
 - i. a certified copy of the constating documents and by laws of each of the Borrower and its Subsidiaries, and of each corporate guarantor, and of all corporate proceedings taken and required to be taken by each of them to authorize the execution and delivery of such of this Agreement and the Security to which it is a party and the performance of the transactions by it contemplated therein;
 - ii. a certificate of incumbency for each of the Borrower and its Subsidiaries, and for each corporate guarantor, setting forth specimen signatures of the persons authorized to execute such of this Agreement and the Security to which it is a party;
 - iii. such legal opinions addressed to CIBC relative to the Borrower, this Agreement and the Security as CIBC may require; and
 - iv. such other documents relative to this Agreement and the transactions contemplated herein as CIBC may reasonably require.

5.2. Conditions precedent to all amounts

CIBC shall not be obliged to make available any amount under the Credits unless:

- a. CIBC shall have received any applicable Notice of Borrowing.
- b. On the applicable borrowing date the Borrower shall not have failed to observe or perform any of its covenants in this Agreement, and the Borrower shall have delivered to CIBC, if so requested by CIBC, an Officers' Certificate to such effect.
- c. The representations and warranties contained in this Agreement shall be true on and as of the applicable borrowing date with the same effect as if such representations and warranties had been made on and as of the applicable borrowing date, and the Borrower shall have delivered to CIBC, if so requested by CIBC, an Officers' Certificate to such effect.
- d. All other conditions specified herein, to the extent not previously satisfied for any reason, other shall have been satisfied.
- e. In respect of any amount that would result in the aggregate amount outstanding under the Credits being increased, there shall not have occurred subsequent to the date of last annual financial statements of the Borrower, in the opinion of CIBC, any event which (individually or with any other events) has had, or which has a reasonable possibility of having, a Material Adverse Effect.

6. Representations and warranties

- 6.1. **Representations and warranties.** To induce CIBC to establish and maintain the Credits, the Borrower represents and warrants as follows:
- a. Each of the Borrower and its Subsidiaries has all necessary power and authority to own its property, to carry on the business carried on by it, to enter into and perform its obligations under such of this Agreement and the Security to which it is a party, and in the case of the Borrower to obtain amounts under the Credits. Each of the Borrower and its Subsidiaries is in compliance with all applicable laws except to the extent that the failure to comply therewith would not, in the aggregate, have, or reasonably be expected to have, a Material Adverse Effect.
 - b. The Borrower has taken all action necessary to be taken to authorize the execution and delivery of and the performance of its obligations under this Agreement and the Security, and the obtaining of amounts under the Credits. Except as has been obtained and is in full force and effect, no consent, waiver or authorization of, or filing with or notice to, any person is required to be obtained in connection with the execution and delivery of and the performance by each of the Borrower and its Subsidiaries of its obligations under this Agreement and the Security, or the obtaining by the Borrower of amounts under the Credits. This Agreement and the Security have been duly executed and delivered by each of the Borrower and its Subsidiaries as are parties thereto, and constitute the legal, valid and binding obligation of each of them enforceable in accordance with their terms.
 - c. The execution and delivery by the Borrower and its Subsidiaries of this Agreement and the Security and the performance by them of their obligations thereunder, and the obtaining by the Borrower of amounts under the Credits, will not conflict with or result in a breach of any applicable law, and will not conflict with or result in a breach of or constitute a default under, or permit the termination of, or cause any material right of any of the Borrower and its Subsidiaries to be adversely affected under, any of the provisions of its constating documents or by laws or any agreement, permit, instrument, judgement, injunction or other contractual obligation to which it is a party or by which it is bound, or result in the creation or imposition of any Lien (other than the Security) upon any of its property or assets.
 - d. Except as disclosed in writing by the Borrower to CIBC prior to the date of this Agreement with specific reference to this paragraph or, with respect to events occurring subsequent to the date of this Agreement, as the Borrower has otherwise disclosed in writing to CIBC with specific reference to this paragraph, there is no action, suit or proceeding (whether or not purportedly on behalf of any of the Borrower and its Subsidiaries) pending or, to the knowledge of the Borrower, threatened, against or affecting any of its Borrower and its Subsidiaries before any court or before or by any governmental department, commission or agency, in Canada or elsewhere, or before any arbitrator or board, and none of the Borrower and its Subsidiaries is in default with respect to any order or award of any arbitrator or government department, commission or agency.
 - e. The Borrower has delivered to CIBC a true and complete copy of its most recent financial statements, and such financial statements present fairly the financial position of the Borrower, in accordance with GAAP, as of the date thereof and for the fiscal period then ended. All financial statements of the Borrower delivered by the Borrower to CIBC after the date of this Agreement will present fairly the financial position of the Borrower, in accordance with GAAP, as of the dates thereof and for the fiscal periods then ended.
 - f. Since the date of the most recent financial statements of the Borrower delivered to CIBC, there has occurred no event which (individually or with any other events) has had, or which may reasonably be expected to have, a Material Adverse Effect. The Borrower has not failed to observe or perform (beyond any period of grace permitted by CIBC) any of its covenants in this Agreement.

- g. Except as disclosed in writing by the Borrower to CIBC prior to the date of this Agreement with specific reference to this paragraph, to the best knowledge of the Borrower, (i) the business carried on and the property owned or used at any time by any of the Borrower and its Subsidiaries and their respective predecessors (including the lands owned or occupied by any of them and the waters on or under such lands) have at all times been carried on, owned or used in compliance with all environmental laws; (ii) none of the Borrower and its Subsidiaries is subject to any proceeding alleging the violation of any environmental law, and no part of its business or property is the subject of any proceeding to evaluate whether remedial action is needed as a result of the release from or presence of any hazardous substance on any lands owned or occupied by it; (iii) there are no circumstances that could reasonably be expected to give rise to any civil or criminal proceedings or liability regarding the release from or presence of any hazardous substance on any lands used in or related to the business or property of any of the Borrower and its Subsidiaries or on any lands on which any of the Borrower and its Subsidiaries has disposed or arranged for the disposal of any materials arising from the business carried on by it, or regarding the violation of any environmental law by any of the Borrower and its Subsidiaries or by any other person for which it is responsible; (iv) all hazardous substances disposed of, treated or stored on lands owned or occupied by any of the Borrower and its Subsidiaries have been disposed of, treated and stored in compliance with all environmental laws; (v) there are no proceedings and there are no circumstances or material facts which could give rise to any proceeding in which it is or could be alleged that any of the Borrower and its Subsidiaries is responsible for any domestic or foreign clean up or remediation of lands contaminated by hazardous substances or for any other remedial or corrective action under any environmental laws; (vi) each of the Borrower and its Subsidiaries has maintained all environmental and operating documents and records relating to its business and property in the manner and for the time periods required by any environmental laws and has never had conducted an environmental audit of its business or property; and (vii) the Borrower is not aware of any pending or proposed change to any environmental law which would render illegal or materially adversely affect its business or property.
- h. No representation or warranty made by the Borrower herein or in any other document furnished to CIBC from time to time contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make the statements herein or therein, in light of the circumstances under which they are made, not misleading. All projections and pro forma information delivered to CIBC from time to time by the Borrower were prepared in good faith based on assumptions believed by the Borrower to be reasonable at the time of delivery. There is no fact known to the Borrower on the date of this Agreement which has had, or which has a reasonable possibility of having, a Material Adverse Effect.

- 6.2. **Survival.** All representations and warranties contained in this Agreement shall survive the execution and delivery of this Agreement and the obtaining of amounts under the Credits, and the delivery of each Notice of Borrowing and the obtaining of any amount under any Credit shall constitute a reaffirmation on and as of such delivery date and such borrowing date, in each case by reference to the then existing facts and circumstances, of all representations and warranties contained in this Agreement.

7. Financial covenants

- 7.1. **Calculation.** All financial covenants will be calculated including the Borrower and its Subsidiaries on a consolidated basis, and each amount derived from the Borrower's profit and loss statement shall be calculated as the total of such amount during the Borrower's four most recently completed fiscal quarters (or, if agreed upon by CIBC in its sole discretion, during the Borrower's most recently completed fiscal year), as shown in the Borrower's most recent financial statements delivered to CIBC.
- 7.2. **Certain definitions.** In this Agreement the following terms have the following meanings:

“Adjusted Debt Service Ratio” means, for any period, the ratio of the sum of (i) EBITDA for such period, (ii) all management bonuses and similar payments deducted in the calculation of such EBITDA but not paid out during such period (and with respect to which the entitlement to receive payment thereof has been postponed in a manner satisfactory to CIBC) and (iii) all management bonuses and similar payments deducted in the calculation of such EBITDA and paid out during such period, and which have then been loaned back to the Borrower during such period by way of Postponed Debt, to Debt Service Requirements all calculated on a consolidated basis.

“Capitalization” means Debt plus Shareholders’ Equity plus minority interest.

“Cash Interest Coverage Ratio” means the ratio of EBITDA to Interest Expense calculated on a consolidated basis.

“Current Assets” means assets that would be shown as current assets on a consolidated balance sheet of the Borrower prepared in accordance with GAAP, and would include such assets as cash, accounts receivable, inventory and other assets that are likely to be converted into cash, sold, exchanged or expended in the normal course of business within one year or less, but shall exclude for the purpose of this definition all amounts due from Affiliates.

“Current Liabilities” means liabilities that would be shown as current liabilities on a consolidated balance sheet of the Borrower prepared in accordance with GAAP, and would include such liabilities as Debt that is or will become payable within one year or one operating cycle, whichever is longer, accounts payable, accrued expenses and deferred revenue. For clarification purposes, only scheduled principal repayments of CIBC demand instalment loans will be included as Debt rather than the entire balance.

“Current Ratio” means the ratio of Current Assets to Current Liabilities.

“Debt” means, with respect to any person, (i) an obligation of such person for borrowed money, (ii) an obligation of such person evidenced by a note, bond, debenture or other similar instrument, (iii) an obligation of such person for the deferred purchase price of property or services, excluding trade payables and other accrued current liabilities incurred in the ordinary course of business in accordance with customary commercial terms, (iv) a capitalized lease obligation of such person, (v) a guarantee, indemnity, or financial support obligation of such person, determined in accordance with GAAP, (vi) an obligation of such person or of any other person secured by a Lien on any property of such person, even though such person has not otherwise assumed or become liable for the payment of such obligation, (vii) an obligation arising in connection with an acceptance facility or letter of credit issued for the account of such person, or (viii) a share in the capital of such person that is redeemable by such person either at a fixed time or on demand by the holder of such share (valued at the maximum purchase price at which such person may be required to redeem, repurchase or otherwise acquire such share).

“Debt to Capitalization” means the ratio of all Debt of the Borrower and its Subsidiaries on a consolidated basis, to Capitalization.

“Debt to EBITDA Ratio” means the ratio of all Debt of the Borrower and its Subsidiaries, to EBITDA all calculated on a consolidated basis.

“Debt Service Ratio” means the ratio of EBITDA to Debt Service Requirements on a consolidated basis.

“Debt Service Requirements” means (i) all permanent principal payments in respect of Debt made or required to be made during such period, (ii) Interest Expense for such period, and (iii) all dividends paid during such period on all preferred shares of the Borrower. For clarification purposes, only scheduled principal payments of CIBC demand instalment loans will be included in i) rather than the entire balance.

“Debt to Equity Ratio” means the ratio of all Debt of the Borrower and its Subsidiaries on a consolidated basis, to Shareholders’ Equity.

“Debt to Tangible Net Worth Ratio” means the ratio of all Debt of the Borrower and its Subsidiaries on a consolidated basis, to Tangible Net Worth.

“EBIT” means, for any period, Net Income for such period plus all amounts deducted in the calculation thereof on account of Interest Expense and income taxes.

“EBITDA” means, for any period, Net Income for such period plus all amounts deducted in the calculation thereof on account of Interest Expense, income taxes, depreciation and amortization.

“Effective Tangible Net Worth” means the sum of (i) Shareholders’ Equity less all amounts due from Affiliates and all Intangibles, and (ii) Postponed Debt.

“Intangible” includes without limitation such personal property as goodwill; copyrights, patents and trademarks; franchises; licences, leases; research and development costs; and deferred development costs.

“Interest Expense” means, for any period, the aggregate amount accrued (whether or not payable or paid) during such period in accordance with GAAP on account of (i) interest expense including amortization of debt discount and debt issuance costs, capitalized interest, standby fees, commissions, discounts and other fees and charges owed with respect to letters of credit and bankers’ acceptances and (ii) the interest expense components of all capitalized lease obligations.

“Net Income” means, for any period, the consolidated net income (loss) of the Borrower for such period, calculated in accordance with GAAP.

“Postponed Debt” means any Debt for borrowed money of any of the Borrower and its Subsidiaries that is incurred at such time as no failure by the Borrower to perform or observe any of its covenants in this Agreement is continuing or would be created by the incurrence thereof (to be evidenced by pro forma financial statements delivered to CIBC) and which has the following attributes: (i) no principal thereof is repayable so long as any amount is owed by the Borrower to CIBC (or until such earlier date as CIBC may agree upon in writing), (ii) no covenant with respect to such Debt is more onerous than or in addition to the covenants specified herein, and (iii) all rights of the holder of such Debt are postponed and subordinated to all rights of CIBC under or in respect of the Credits pursuant to a subordination agreement containing payment and non payment default standstills and other provisions satisfactory in form and substance to CIBC.

“Restricted Payments” means any payment by any person (i) of any dividends on any of its shares, (ii) on account of the purchase, redemption or other acquisition of any of its shares or any rights to acquire any such shares, or any other distribution in respect of any of its shares, (iii) of any principal, interest or other amount in respect of any Postponed Debt, or (iv) by way of gift or other gratuity or in an amount exceeding an arms length amount to any of its shareholders or affiliates or to any director or officer thereof.

“Senior Debt” means all Debt of the Borrower and its Subsidiaries, less all Postponed Debt.

“Senior Debt to EBITDA Ratio” means the ratio of Senior Debt to EBITDA on a consolidated basis.

“Senior Debt to Effective Tangible Net Worth Ratio” means the ratio of all Senior Debt of the Borrower and its Subsidiaries on a consolidated basis, to Effective Tangible Net Worth.

“Shareholders’ Equity” means the amount which would, in accordance with GAAP, then be included as shareholders’ equity on a consolidated balance sheet of the Borrower.

“Tangible Net Worth” means Shareholders’ Equity less all amounts that would be included on a consolidated balance sheet of the Borrower as amounts owed by any Affiliate of the Borrower or as Intangibles.

“Total Liabilities to Tangible Net Worth Ratio” means the ratio of all amounts that would be included as liabilities on a consolidated balance sheet of the Borrower, to Tangible Net Worth.

“Unfunded Capital Expenditures” means capital expenditures that are not specifically financed with long term Debt.

“Working Capital” means the excess of Current Assets over Current Liabilities.

8. Bankers' Acceptances

- 8.1. **Power of Attorney.** To facilitate the issuance of Bankers' Acceptances under the Credits, the Borrower appoints CIBC to execute, endorse and deliver on behalf of the Borrower drafts in the form or forms prescribed by CIBC for bankers' acceptances denominated in Canadian dollars (each such executed draft which has not yet been accepted by CIBC is referred to herein as a “Draft”). Each Bankers' Acceptance executed and delivered by CIBC on behalf of the Borrower as provided herein shall be binding upon the Borrower as if it had been executed and delivered by a duly authorized officer or officers of the Borrower.
- 8.2. **Drafts.** Notwithstanding the above section, the Borrower will from time to time provide to CIBC if so required by CIBC an appropriate number of Drafts drawn by the Borrower upon CIBC and payable and endorsed as specified by CIBC. The dates, maturity dates and face amounts of all Drafts delivered by the Borrower shall be left blank, to be completed by CIBC as required. All such Drafts shall be held by CIBC subject to the same degree of care as if they were such Lender's own property. CIBC will, upon written request by the Borrower, advise the Borrower of the number and designations, if any, of the Drafts of the Borrower then held by it. CIBC shall not be liable for its failure to accept a Draft as required hereby if the cause of such failure is, in whole or in part, due to the failure of the Borrower to provide appropriate Drafts to CIBC on a timely basis.
- 8.3. **Term and amount.** The term of all Bankers' Acceptances issued pursuant to any Notice of Borrowing must be identical. Each Bankers' Acceptance shall be in a face amount of \$100,000 or any whole multiple thereof, and the aggregate face amount of Bankers' Acceptances issued pursuant to any Notice of Borrowing must not be less than \$•. Each Bankers' Acceptance will be dated the date on which it is issued, and will be for a term of one, two, or three months or such other period as may be agreed to by CIBC.
- 8.4. **Calculation of fee.** The fee for any Bankers' Acceptance will be calculated, at the rate specified, on the basis of the face amount and term of such Bankers' Acceptance.
- 8.5. **Payment of fee.** Upon acceptance of a Draft the Borrower will pay to CIBC the related fee specified in this Agreement, and to facilitate payment CIBC will be entitled to deduct and retain for its own account the amount of such fee from the amount to be paid by CIBC to the Borrower as the purchase price for the resulting Bankers' Acceptance.
- 8.6. **Purchase by CIBC.** Each Bankers' Acceptance will be purchased by CIBC for a price which produces a yield thereon equal to the Bankers' Acceptance Yield then in effect. Such price will be credited by CIBC to the applicable Operating Account.
- 8.7. **No market.** If CIBC determines in good faith, which determination will be conclusive and binding on the Borrower, and so notifies the Borrower, that there does not exist at the applicable time a normal market in Canada for the purchase and sale of bankers' acceptances, then notwithstanding any other provision hereof any obligation of CIBC to purchase Bankers' Acceptances will be suspended until CIBC determines that such market does exist and gives notice thereof to the Borrower, and any Notice of Borrowing requesting Bankers' Acceptances will be deemed to be a Notice of Borrowing requesting Loans in Canadian dollars in a similar aggregate principal amount.
- 8.8. **Payment on maturity.** On the maturity of each Bankers' Acceptance the Borrower will pay to CIBC, for the account of the holder of such Bankers' Acceptance, Canadian dollars in an amount equal to the face amount of such Bankers' Acceptance. The obligation of the Borrower to make such payment

is absolute and unconditional, and will not be prejudiced by the fact that the holder of any such Bankers' Acceptance is CIBC. No days of grace may be claimed by the Borrower for the payment at maturity of any Bankers' Acceptance. If the Borrower does not make such payment, the amount of such payment shall be deemed to be a loan in Canadian dollars made to the Borrower by CIBC and payable on demand. The Borrower hereby confirms the application of the proceeds of such loan in payment of the liability of the Borrower with respect to the related Bankers' Acceptance.

- 8.9. **Cash collateralization.** If any Bankers' Acceptance is outstanding at any time that an Event of Default occurs, the Borrower will forthwith upon demand by CIBC pay to CIBC, for the account of the holder of such Bankers' Acceptance, Canadian dollars in an amount equal to the face amount thereof. Such funds shall be held by CIBC for payment of the liability of the Borrower in respect of such Bankers' Acceptance on the maturity thereof.
- 8.10. **Signatures on Drafts.** The signature of any duly authorized officer of the Borrower on a Draft may be mechanically reproduced in facsimile or other electronic form acceptable to CIBC, and all Drafts bearing such facsimile or electronic signature shall be binding upon the Borrower as if they had been manually signed by such officer, notwithstanding that such person whose manual, facsimile or electronic signature appears on such Draft may no longer hold office at the date thereof or at the date of acceptance of such Draft by CIBC or at any time thereafter.
- 8.11. **Undisbursed Credit.** For the purpose of calculating the undisbursed amount of any Credit and for any other relevant provision of this Agreement, the amount constituted by any Bankers' Acceptance shall be the face amount thereof.
- 8.12. **Certain definitions.** In this Agreement the following terms shall have the following meanings:
- "Bankers' Acceptance" or "B/A" means a Draft which has been accepted by CIBC pursuant to a Credit.
- "Bankers Acceptance Yield" means, with respect to any Bankers' Acceptance to be purchased by CIBC at any time, the annual yield resulting from the price at which CIBC is offering to purchase at such time bankers' acceptances accepted by it having a term identical to such Bankers' Acceptance and in a comparable face amount to the Bankers' Acceptances to be purchased by CIBC from the Borrower at such time.
- "face amount" means, with respect to any Bankers' Acceptance, the principal amount thereof payable on the maturity thereof.

9. Instalment Loans

- 9.1. **Instalment Loans.** The following terms apply to each Instalment Loan:
- a. **Non revolving Loans.** Unless otherwise stated in this Agreement, any Instalment Loan is non revolving. This means that any principal repayment is not available to be re borrowed, and permanently reduces the amount of such Instalment Loan.
 - b. **Floating Rate Instalment Loans.** Floating Rate Instalment Loans may have either (i) blended payments or (ii) payments of fixed principal amounts, plus interest, as described below:
 - i. **Blended payments.** If a Floating Rate Instalment Loan has blended payments, the amount of the monthly payments is fixed for the term of such Loan, but the interest rate will vary with changes in the Prime Rate, US Base Rate, Bankers Acceptance Yield, any CORRA Rate, or any SOFR Rate (as the case may be). If the applicable Prime Rate, US Base Rate, Bankers Acceptance Yield, CORRA Rate, or SOFR Rate (as the case may be) during any month is lower than it was at the outset, a larger portion of the monthly payment will be allocated to principal and as a result such Loan may be repaid prior to its original maturity. If, however, the applicable Prime Rate, US Base Rate, Bankers Acceptance Yield, CORRA Rate, or SOFR Rate (as the case may be) is higher than it was at the outset, the amount of principal

that is repaid will be reduced, and as a result there may remain principal outstanding on the original maturity date.

- ii. **Payments of principal plus interest.** If a Floating Rate Instalment Loan has specified principal payments, in addition to interest, such principal payments are due on each specified payment date. The interest payment is also due on the same date, and will usually be a different amount each month due to the reducing balance of the Loan, the number of days in the month, and changes in the applicable Prime Rate, US Base Rate, Bankers Acceptance Yield, CORRA Rate, or SOFR Rate (as the case may be) during the month and from month to month.
- c. **Prepayment.** Unless otherwise specified in this Agreement:
 - i. all or part of a Floating Rate Instalment Loan may be prepaid at any time without penalty; and
 - ii. all (but not part) of a Fixed Rate Instalment Loan may be prepaid provided that the Borrower also pays to CIBC, on the prepayment date, any amount determined by CIBC pursuant to clause 4.4(iv) of this Schedule.
- d. **Demand of Fixed Rate Instalment Loans.** Upon demand for payment of a Fixed Rate Instalment Loan the Borrower will pay to CIBC the prepayment fee specified in clause 10.1(c)(ii) above.
- e. **Certain definitions.** In this Agreement the following terms have the following meanings:

“Fixed Rate Instalment Loan” means an Instalment Loan with respect to which interest is payable at a fixed annual rate of interest (as opposed to being payable on the basis of the Prime Rate, the US Base Rate, Bankers Acceptance Yield, any CORRA Rate, or any SOFR Rate (as the case may be)).

“Floating Rate Instalment Loan” means an Instalment Loan with respect to which interest is payable on the basis of the Prime Rate, the US Base Rate, Bankers Acceptances Yield, any CORRA Rate, or any SOFR Rate (as the case may be).

“Instalment Loan” means a loan that is repayable either in fixed instalments of principal, plus interest, or in blended instalments of both principal and interest, and that (notwithstanding any such specified instalments) is repayable on demand by CIBC at any time if so specified in this Agreement.

10. CORRA and CORRA Loans

- 10.1. **Selection of CORRA Periods for Term CORRA Loans** The Borrower shall select a CORRA Period for each Term CORRA Loan made or to be made available to it by telephone notice (to be confirmed the same day in writing) or Electronic Communication received by CIBC not later than 10:00 a.m. on the third Business Day prior to the commencement of such CORRA Period. The first CORRA Period for each Term CORRA Loan will commence on (and include) the date of advance of such Term CORRA Loan, and each CORRA Period occurring thereafter for such Term CORRA Loan will commence on (and include) the last day of the immediately preceding CORRA Period for such Term CORRA Loan. Notwithstanding the foregoing:
- a. If CIBC has not received due notice of renewal of the CORRA Period for any outstanding Term CORRA Loan in accordance with the first sentence of this section, such Term CORRA Loan will be automatically converted on the expiry of such existing CORRA Period to a further Term CORRA Loan with a CORRA Period of the same tenor, or at the discretion of CIBC converted on the expiry of such existing CORRA Period to a Daily Compounded CORRA Loan or a Loan bearing interest on the basis of the Prime Rate and notice of which is given to the Borrower;
 - b. The last day of each CORRA Period shall be a Business Day and if not, the Borrower shall be deemed to have selected a CORRA Period the last day of which is the first Business Day following the last day of the CORRA Period selected by the Borrower, unless such first Business Day is in a succeeding calendar month, in which case, the last day of such CORRA Period shall be the immediately preceding Business Day;

- c. all CORRA Periods in effect at any time must end on not more than five different days.

10.2. Calculations and Interest Payment Dates. The following terms apply to all CORRA Loan calculations:

- a. The applicable CORRA Rate shall be determined by CIBC if and whenever such determination is required for the purpose of this Agreement, and such determination by CIBC shall be conclusive evidence of such rate. Each change in the applicable CORRA Rate shall apply automatically to change the applicable interest rate without notice to the Borrower.
- b. Interest on each CORRA Loan shall be computed on a daily basis upon the outstanding principal amount of such CORRA Loan as of the applicable date of determination for the actual number of days elapsed divided by 365.
- c. Interest on each Term CORRA Loan is payable in arrears on the last day of each CORRA Period applicable thereto.
- d. Interest on each Daily Compounded CORRA Loan is payable in arrears once a month (or such other period as may be agreed between the Borrower and CIBC) on the day required by CIBC, unless otherwise specified in this Agreement; provided that if any such date would be a day other than a Business Day, such date shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such date shall be the next preceding Business Day.

10.3. Prepayment. The Borrower shall provide to CIBC at least five (5) days prior written notice of any prepayment of a CORRA Loan and shall pay to CIBC all breakage costs suffered or incurred by CIBC if any Term CORRA Loan is repaid on a date other than the last day of its then current CORRA Period or if any Daily Compounded CORRA Loan is repaid on a date other than its interest payment date or maturity or final payment date, in each case as determined and calculated by CIBC in accordance with its customary practice.

10.4. Default. If, at any time there exists any failure by the Borrower (beyond any period of grace permitted by CIBC) to perform or observe any of its covenants in this Agreement, then, at the option of CIBC, (a) the Borrower will not be entitled to borrow any further CORRA Loans and all outstanding Notices of Borrowing for any CORRA Loan shall be deemed to be a request for a Loan in Canadian dollars in the same amount bearing interest on the basis of the Prime Rate, (b) in the case of all then outstanding Term CORRA Loans, on the last day of their respective then current CORRA Periods, the interest thereon shall cease to be calculated hereunder on the basis of the applicable CORRA Rate, and shall commence to be calculated on the basis of the Prime Rate, and (c) in the case of all then outstanding Daily Compounded CORRA Loans, on their immediately following interest payment date the interest thereon shall cease to be calculated on the basis of the applicable CORRA Rate and shall commence to be calculated on the basis of the Prime Rate.

10.5. Failure of CORRA. If at any time:

- a. CIBC determines (which determination shall be conclusive and binding absent manifest error) for any reason that CORRA or any applicable CORRA Rate cannot be determined pursuant to the definition thereof; or
- b. CIBC determines for any reason (which determination shall be conclusive and binding absent manifest error) that CORRA or any applicable CORRA Rate with respect to a CORRA Loan does not adequately and fairly reflect the cost to CIBC of funding or maintaining such CORRA Loan; or
- c. A Canadian Benchmark Transition Event has occurred and a Canadian Replacement Benchmark has not yet been chosen and implemented by CIBC in accordance with Section 10.6 below,

then CIBC shall be entitled to give notice thereof (by telephone to be confirmed the same day in writing or by Electronic Communication) to the Borrower. On the effective date of such notice, or in the case of any affected Term CORRA Loan, on the last day of the CORRA Period for such outstanding Term CORRA Loan occurring on or after the effective date of such notice, the interest on such CORRA Loan shall cease to be calculated on the basis of the affected CORRA Rate, and shall commence to be calculated on the basis of the Prime Rate (or, if the affected CORRA Rate is a term CORRA Rate, then at the discretion of CIBC, a daily CORRA Rate). Any Notice of Borrowing which has been delivered to CIBC requesting an affected CORRA Loan on a day on or subsequent to such notification date will be deemed to request instead a Loan in Canadian dollars in the same amount bearing interest on the basis of the Prime Rate (or, if the affected CORRA Rate is a term CORRA Rate, then at the discretion of CIBC, a daily CORRA Rate). The Borrower will not be entitled to obtain any affected CORRA Loan from CIBC so long as any of the circumstances set out in this Section continue to exist, and any Loan that would otherwise have been made by CIBC as an affected CORRA Loan shall instead be made as a Loan in Canadian Dollars bearing interest on the basis of the Prime Rate (or, if the affected CORRA Rate is a term CORRA Rate, then at the discretion of CIBC, a daily CORRA Rate).

During the period referenced in the foregoing sentence, if the affected CORRA Rate is a term CORRA Rate, then any component of Prime Rate based upon a term CORRA Rate will not be used in any determination of Prime Rate and the floor for Prime Rate will be the Daily Compounded CORRA from time to time plus 1.05% per annum.

10.6. Discontinuance of Canadian Benchmark. If at any time, on or prior to the setting of the then current Canadian Benchmark:

- a. CIBC determines (which determination shall be conclusive and binding absent manifest error) for any reason that such Canadian Benchmark (or the published component used in the calculation thereof) (and, in the case of a term rate, all Canadian Available Tenors of such Canadian Benchmark) has ceased or will cease to be available, permanently or indefinitely; or
- b. CIBC determines (which determination shall be conclusive and binding absent manifest error) for any reason that such Canadian Benchmark (or the published component used in the calculation thereof) (and, in the case of a term rate, all Canadian Available Tenors of such Canadian Benchmark) are no longer, or as of a specified future date will no longer be, representative,

(each a “**Canadian Benchmark Transition Event**”), then CIBC shall be entitled to give notice thereof (by telephone to be confirmed the same day in writing or by Electronic Communication) to the Borrower.

If the Canadian Benchmark Transition Event relates to the Term CORRA Reference Rate, then on the last day of the CORRA Period for each outstanding Term CORRA Loan occurring on or after the effective date of such notice, the interest on such Term CORRA Loan shall cease to be calculated on the basis of a term CORRA Rate, and subject to Section 11.5(c), shall commence to be calculated at the option of CIBC (exercised in the notice of the occurrence of a Canadian Benchmark Transition Event or by further notice in writing to the Borrower) either (i) on the basis of a Daily Compounded CORRA Rate plus the margin set out in such notice or the attached letter agreement for Daily Compounded CORRA Loans, as the case may be, or (ii) the sum of: (A) the alternate benchmark rate that has been selected by CIBC and the Borrower giving due consideration to (1) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Cdn Governmental Body, or (2) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the affected CORRA Rate, (B) the related Canadian Replacement Benchmark Adjustment and (C) the margin agreed by CIBC and the Borrower (the replacement benchmark rate chosen by CIBC pursuant to the foregoing, the “**Canadian Replacement Benchmark**”).

If the Canadian Benchmark Transition Event relates to any Canadian Benchmark other than the Term CORRA Reference Rate, then on and after the effective date of such notice, the interest on the affected Loans shall cease to be calculated on the basis of such Canadian Benchmark and subject to Section 11.5(c), shall commence to be calculated at a rate equal to the sum of: (i) the alternate benchmark rate that has been selected by CIBC and the Borrower giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Cdn Governmental Body, or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to such Canadian Benchmark, (ii) the related Canadian Replacement Benchmark Adjustment and (iii) the margin agreed by CIBC and the Borrower (the replacement benchmark rate chosen by CIBC pursuant to the foregoing, also, a **"Canadian Replacement Benchmark"**).

If the Canadian Replacement Benchmark would at any time be less than the Canadian Floor, the Canadian Replacement Benchmark will be deemed to be the Canadian Floor for the purposes of this Agreement and the other Loan Documents.

Any Notice of Borrowing which has been delivered to CIBC requesting an affected Loan on a day on or subsequent to the effective date of such notification will be deemed to request instead a Loan in Canadian dollars in the same amount bearing interest on the basis of the Canadian Replacement Benchmark Rate. The Borrower will not be entitled to obtain any affected Loans from CIBC so long as any of the circumstances set out in this Section continue to exist, and any affected Loan that would otherwise have been made by CIBC shall instead be made as a Loan in Canadian Dollars bearing interest on the basis of the Canadian Replacement Benchmark.

10.7. **Canadian Benchmark Replacement.**

- a. Notwithstanding anything to the contrary in this Agreement or any other Loan Document, if a Canadian Benchmark Transition Event has occurred and notice of the Canadian Replacement Benchmark has been given to the Borrower and become effective, such Canadian Replacement Benchmark will replace the applicable Canadian Benchmark, for all purposes under this Agreement and every other Loan Document without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document except for the Canadian Replacement Benchmark Conforming Changes determined by CIBC to be necessary or desirable and written notice of which have been given to the Borrower.
- b. In connection with the implementation of a Canadian Replacement Benchmark, CIBC will have the right to make Canadian Replacement Benchmark Conforming Changes from time to time and, notwithstanding anything to the contrary in this Agreement or any other Loan Document, any amendments implementing such Canadian Replacement Benchmark Conforming Changes will become effective upon written notice to the Borrower without any further action or consent of any other party to this Agreement or any other Loan Document.

- 10.8. **Unavailability of any Tenor of a Canadian Benchmark.** Notwithstanding anything to the contrary in this Agreement or any other Loan Document, at any time the Canadian Benchmark for a Canadian Available Tenor (including the Term CORRA Reference Rate for any CORRA Period) (a) is not displayed on a screen or other information service that publishes such rate from time to time as selected by CIBC in its reasonable discretion or (b) the regulatory supervisor for the administrator of such Canadian Benchmark has provided a public statement or there has been publication of information announcing that such Canadian Available Tenor is or will be no longer representative, then (i) CIBC may provide written notice of such event to the Borrower and upon the effective date of such notice, such unavailable or un-representative Canadian Available Tenor will no longer be available to the Borrower and all applicable definitions will be amended to delete reference to such Canadian Available Tenor, without the consent, approval or any other action by any of the parties to this Agreement or any of the other Loan Documents, and (ii) if such Canadian Available Tenor subsequently becomes available or representative, then CIBC may, in its discretion, reinstate such Canadian Available Tenor under this Agreement by written notice to the Borrower.

10.9. Notices; Standards for Decisions and Determinations. CIBC will promptly notify the Borrower of (i) the implementation of any Canadian Replacement Benchmark, (ii) any occurrence of a Canadian Benchmark Transition Event, and (iii) the effectiveness of any Canadian Benchmark Replacement Conforming Changes. Any determination, decision or election that may be made by CIBC pursuant to this Section 11, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding absent manifest error and may be made in its sole discretion and without consent from any other party to this Agreement, except, in each case, as expressly required pursuant to this Section 11.

10.10. Certain Additional Definitions. In this Agreement the following terms have the following definitions:

“Canadian Available Tenor” means, as of any date of determination and with respect to the then-current Canadian Benchmark, as applicable, (x) if the then-current Canadian Benchmark is a term rate, any tenor for such Canadian Benchmark (or component thereof) that is or may be used in connection with or for determining the length of an interest payment period for such Canadian Benchmark pursuant to this Agreement as of such date (including, for certainty, each CORRA Period), or (y) otherwise, any payment period for interest calculated with reference to such Canadian Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Canadian Benchmark pursuant to this Agreement as of such date, but, for certainty, not including any tenor of such Canadian Benchmark that is then not available to the Borrower pursuant to the terms of this Agreement.

“Canadian Benchmark” means, initially, each of the Term CORRA Reference Rate and Daily Compounded CORRA Rate, as the case may be; provided that if a Canadian Benchmark Transition Event has occurred with respect to the Term CORRA Reference Rate, Daily Compounded CORRA Rate, or the then current Canadian Benchmark, then “Canadian Benchmark” means the applicable Canadian Replacement Benchmark to the extent that such Canadian Replacement Benchmark has replaced such prior benchmark rate. Any reference to “Canadian Benchmark” shall include, as applicable, the published component used in the calculation thereof.

“Canadian Floor” means zero or such other Canadian benchmark rate floor, if any, provided in this Agreement from time to time or by written notice to the Borrower.

“Canadian Replacement Benchmark” has the meaning set out in Section 10.6.

“Canadian Replacement Benchmark Adjustment” means, with respect to any replacement of the then-current Canadian Benchmark with a Canadian Benchmark Replacement (excluding, for certainty, any required spread adjustment), the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been agreed by CIBC and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Canadian Benchmark with the applicable Canadian Replacement Benchmark (excluding, for certainty, any required spread adjustment) by the Relevant Cdn Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Canadian Benchmark with the applicable Canadian Replacement Benchmark (excluding, for certainty, any required spread adjustment) for Canadian dollar-denominated syndicated or bilateral credit facilities at such time.

“Canadian Replacement Benchmark Conforming Changes” means, with respect to any Canadian Replacement Benchmark, any technical, administrative or operational changes (including changes to the definition of “Prime Rate,” the definition of “Business Day,” the definition of “CORRA Period,” available tenors, adjustments and margins, the timing and frequency of determining rates and making payments of fees and interest, timing of borrowing requests or prepayment, conversion or

continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters that CIBC decides may be appropriate to reflect the adoption and implementation of such Canadian Replacement Benchmark and to permit the administration thereof by CIBC in a manner substantially consistent with market practice (or, if CIBC decides that adoption of any portion of such market practice is not administratively feasible or if CIBC determines that no market practice for the administration of such Canadian Replacement Benchmark exists, in such other manner of administration as CIBC decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“CORRA” means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor administrator).

“CORRA Loan” means a Term CORRA Loan or a Daily Compounded CORRA Loan, as the case may be.

“CORRA Period” means, subject to availability, any period of one (1) or three (3) months or, subject to availability, such other periods as may be agreed in writing (in the attached letter agreement or otherwise) by CIBC in its sole discretion.

“CORRA Rate” means any of a Daily Compounded CORRA Rate or a Term CORRA Rate, as the case may be.

“Daily Compounded CORRA Loan” means a loan with respect to which interest is calculated under this Agreement for the time being by reference to a Daily Compounded CORRA Rate.

“Daily Compounded CORRA Rate” means, for any day, daily compounded CORRA with interest accruing on a daily basis, with the methodology and conventions for this compounded rate (which will include compounding in arrears with a lookback of five (5) Business Days or such other lookback as may be established by CIBC) being established by CIBC in accordance with the methodology and conventions for this rate selected or recommended by the Relevant Cdn Governmental Body for determining compounded CORRA for business loans; provided that if CIBC decides that any such convention is not administratively feasible for CIBC, then CIBC may establish another convention in its reasonable discretion; and provided that if the administrator has not provided or published CORRA and a Canadian Benchmark Transition Event with respect to CORRA has not occurred, then, in respect of any day for which CORRA is required, references to CORRA will be deemed to be references to the last provided or published CORRA within the previous five (5) Business Days; and provided further that in the case of Daily Compounded CORRA Loans on which interest is calculated on the basis of a Daily Compounded CORRA Rate as so determined is less than the Canadian Floor, then the Daily Compounded CORRA Rate shall be deemed to be the Canadian Floor.

“Relevant Cdn Governmental Body” means the Bank of Canada, or a committee officially endorsed or convened by the Bank of Canada, or any successor thereto.

“Term CORRA Administrator” means Candecal Benchmark Administration Services Inc., TSX Inc., or any successor administrator.

“Term CORRA Loan” means a loan with respect to which interest is calculated under this Agreement for the time being by reference to a Term CORRA Rate.

“Term CORRA Rate” means, for any calculation with respect to a Term CORRA Loan for a CORRA Period, the Term CORRA Reference Rate for such CORRA Period on the day (such day, the “Periodic Term CORRA Determination Day”) that is two (2) Business Days prior to the first day of such CORRA Period, as such rate is published by the Term CORRA Administrator; provided, however, that if as of 1:00 p.m. (Toronto time) on any Periodic Term CORRA Determination Day, the Term CORRA Reference Rate for the applicable tenor has not been published by the Term CORRA Administrator and a Canadian Replacement Benchmark Date with respect to the Term CORRA Reference Rate has not occurred, then the Term CORRA Rate will be the Term CORRA Reference

Rate for such tenor as published by the Term CORRA Administrator on the first preceding Business Day for which such Term CORRA Reference Rate for such tenor was published by the Term CORRA Administrator so long as such first preceding Business Day is not more than three (3) Business Days prior to such Periodic Term CORRA Determination Day; and provided further that in the case of Term CORRA Loans on which interest is calculated on the basis of the Term CORRA Rate as so determined is less than the Canadian Floor, then the Term CORRA Rate shall be deemed to be the Canadian Floor.

“Term CORRA Reference Rate” means the forward-looking term rate based on CORRA.



Sec. 17, FOIP

August 11, 2022

Town of Strathmore
One Park Lane Drive
Strathmore, AB
T1P 1K2

Attention: Mr. Pat Fule
Mr. Kevin Scoble
Mr. Kara Rusk

Dear Sir/Madam:

Re: Credit Facility

Canadian Imperial Bank of Commerce ("CIBC") is pleased to establish the following credit facilities in favour of the Town of Strathmore, (the "Borrower").

CREDIT FACILITY A: DEMAND INSTALMENT LOAN ([REDACTED])

Loan Amount: CDN \$1,333,333.00

Purpose: To allow for the purchase/construction of a Recreation Field House.

Description: A non-revolving Demand Instalment Loan facility by way of Banker's Acceptance (B/A).

Interest Rate: Canadian dollar Bankers Acceptances ("B/A"). CIBC's stamping fee for B/A's will be calculated at 0.65% per annum.

For clarity the total face amount of B/As outstanding at any time plus the amount of any Canadian dollar loans outstanding shall not at any time exceed the Loan Amount of Credit A.

Option: At Maturity The Borrower shall have the option:

- To notionally fix the market rate, by way of interest rate swap, the interest rate on the Instalment Loan for a period of up to 5 years.
- Canadian Dollar Loan

Repayment: All amounts under the Instalment Loan are repayable immediately on demand by CIBC, and this Credit may be terminated in whole or in part by CIBC at any time. Until demanded, the Instalment Loan shall be repaid as follows:

This facility is repayable by instalments as follows:
8 regular semi-annual payments of CDN\$66,666.67 each. You shall have the option to repay any principal amount of this loan at any time that a BA instrument has matured with the result being that the amortization of the loan will be reduced accordingly.

B/A's can only be repaid at maturity.

CREDIT FACILITY B: DEMAND INSTALMENT LOAN (Sec 23(1)(a), FOIP)

Loan Amount: CDN \$2,250,000.00

Purpose: To allow for the Purchasing of Land and Building for Municipal Purposes, Capital Improvements to the Aquatic Centre, Lambert Centre, Construction to Pathways, and Downtown Street improvements.

Description: A non-revolving Demand Instalment Loan facility by way of Banker's Acceptance (B/A).

Interest Rate: Canadian dollar Bankers Acceptances ("B/A"). CIBC's stamping fee for B/A's will be calculated at 0.65% per annum.

For clarity the total face amount of B/As outstanding at any time plus the amount of any Canadian dollar loans outstanding shall not at any time exceed the Loan Amount of Credit B.

Option: At Maturity The Borrower shall have the option:

- To notionally fix the market rate, by way of interest rate swap, the interest rate on the Instalment Loan for a period of up to 10 years.
- Canadian Dollar Loan

Repayment: All amounts under the Instalment Loan are repayable immediately on demand by CIBC, and this Credit may be terminated in whole or in part by CIBC at any time. Until demanded, the Instalment Loan shall be repaid as follows:

This facility is repayable by instalments as follows:
9 regular semi-annual payments of CDN\$75,000.00 each. You

shall have the option to repay any principal amount of this loan at any time that a BA instrument has matured with the result being that the amortization of the loan will be reduced accordingly.

B/A's can only be repaid at maturity

CREDIT FACILITY C: DEMAND INSTALMENT LOAN (Sec 23(1)(a), FOIP)

Loan Amount:	CDN \$2,550,000.00
Purpose:	To allow for the Purchasing of Land and Building for Municipal Purposes, Capital Improvements to the Aquatic Centre, Lambert Centre, Construction to Pathways, and Downtown Street improvements.
Description:	A non-revolving Demand Instalment Loan by way of Banker's Acceptance (B/A).
Interest Rate:	<p>Canadian dollar Bankers Acceptances ("B/A"). CIBC's stamping fee for B/A's will be calculated at 0.65% per annum.</p> <p>For clarity the total face amount of B/As outstanding at any time plus the amount of any Canadian dollar loans outstanding shall not at any time exceed the Loan Amount of Credit C.</p>
Option:	<p>At Maturity The Borrower shall have the option:</p> <ul style="list-style-type: none"> • To notionally fix the market rate, by way of interest rate swap, the interest rate on the Instalment Loan for a period of up to 10 years. • Canadian Dollar Loan
Repayment:	<p>All amounts under the Instalment Loan are repayable immediately on demand by CIBC, and this Credit may be terminated in whole or in part by CIBC at any time. Until demanded, the Instalment Loan shall be repaid as follows:</p> <p>This facility is repayable by instalments as follows: 15 regular semi-annual payments of CDN\$75,000.00 each.</p> <p>You shall have the option to repay any principal amount of this loan at any time that a BA instrument has matured with the result being that the amortization of the loan will be reduced accordingly.</p> <p>B/A's can only be repaid at maturity</p>

CREDIT FACILITY D: DEMAND INSTALMENT LOAN Sec 23(1)(a), FOIP

Loan Amount:	CDN \$5,147,275.00
Purpose:	To allow for the Purpose of Water Utility Main Replaces, and Upgrades Within the Water Utility Main Replacements, and Upgrades Within the Water Distribution System and Waste Water Collection System at Various Locations Within the Town of Strathmore, Along with Equipment Replacements and Upgrades Within The Waste Water Treatment Plant. Strathmore Commons Enhancements Including Pathways, Landscape Features and Amenities.
Description:	<p>A non-revolving demand credit facility under which the Borrower may obtain:</p> <ul style="list-style-type: none"> • a Canadian Dollar Loan; or • Banker's Acceptance (B/A).
Interest Rate:	<p>Interest on a Canadian dollar loan will be calculated at Prime Rate less 0.50% per annum.</p> <p>Canadian dollar Bankers Acceptances ("B/A"). CIBC's stamping fee for B/A's will be calculated at 0.65% per annum.</p> <p>For clarity the total face amount of B/As outstanding at any time plus the amount of any Canadian dollar loans outstanding shall not at any time exceed the Loan Amount of Credit D.</p>
Option:	<p>At Maturity The Borrower shall have the option:</p> <ul style="list-style-type: none"> • To notionally fix the market rate, by way of interest rate swap, the interest rate on the Instalment Loan for a period of up to 10 years. • Canadian Dollar Loan
Advances:	The Instalment Loan shall be available in one draw at close.
Repayment:	<p>All amounts under the Instalment Loan are repayable immediately on demand by CIBC, and this Credit may be terminated in whole or in part by CIBC at any time. Until demanded, the Instalment Loan shall be repaid as follows:</p> <p>This facility is repayable by instalments as follows: 14 regular semi-annual payments of CDN\$147,065.00 each. You shall have the option to repay any principal amount of this loan at any time that a BA instrument has matured with the result being that the amortization of the loan will be reduced accordingly.</p>

B/A's can only be repaid at maturity

CREDIT FACILITY E: DEMAND INSTALMENT LOAN Sec 23(1)(a), FOIP

Loan Amount:	CDN \$1,388,945.00
Purpose:	To allow for the Purpose of Upgrades within the Water Distribution System. Improvements to the Waste Water Collection System and Upgrades to the lift Stations at Various Locations within the Town of Strathmore. Equipment Replacement within Waste Water Treatment Plant and Storm Water Pond Outfall Upgrades.
Description:	<p>A non-revolving demand credit facility under which the Borrower may obtain:</p> <ul style="list-style-type: none"> • a Canadian Dollar Loan; or • Banker's Acceptance (B/A).
Interest Rate:	<p>Interest on a Canadian dollar loan will be calculated at Prime Rate less 0.50% per annum.</p> <p>Canadian dollar Bankers Acceptances ("B/A"). CIBC's stamping fee for B/A's will be calculated at 0.65% per annum.</p> <p>For clarity the total face amount of B/As outstanding at any time plus the amount of any Canadian dollar loans outstanding shall not at any time exceed the Loan Amount of Credit E.</p>
Option:	At maturity the Borrower shall have the option to notionally fix the market rate, by way of interest rate swap, the interest rate on the Instalment Loan for a period of up to 5 years.
Advances:	The Instalment Loan shall be available in one draw at close.
Repayment:	<p>All amounts under the Instalment Loan are repayable immediately on demand by CIBC, and this Credit may be terminated in whole or in part by CIBC at any time. Until demanded, the Instalment Loan shall be repaid as follows:</p> <p>This facility is repayable by instalments as follows: 15 regular semi-annual payments of CDN\$53,420.97 each. You shall have the option to repay any principal amount of this loan at any time that a BA instrument has matured with the result being that the amortization of the loan will be reduced accordingly.</p>

CREDIT FACILITY F: DEMAND HEDGING FACILITY

Credit Limit:	USD \$1,696,000.00
Purpose:	This Facility is to be used for : for your foreign currency requirements.
Description:	You may, at our discretion, enter into one or more spot, forward or other foreign exchange rate transactions with us and/or CIBC World Markets. Your ability to make use of this Facility will depend upon your outstanding obligations under such transactions, as determined by us. This is a demand Facility.
Repayment:	On demand and in accordance with any of our standard form foreign exchange contract documentation or such other documentation applicable to the foreign exchange contract.
Fees:	As advised by CIBC World Markets and in accordance with any documentation applicable to the foreign exchange contract.
Documentation:	As advised by CIBC World Markets.
Conditions:	As indicated in any applicable documentation governing the foreign exchange contract. You will not enter into any hedging agreement unless it is entered into for proper business or financial purposes in connection with conducting your business and it is entered into for purposes of hedging commodities, currencies or interest rate risks associated with outstanding indebtedness created, incurred or assumed by you. For greater certainty, you agree not to enter into any hedging agreements for speculative purposes of any kind whatsoever.

CREDIT FACILITY G: TERM LOAN

Sec 23(1)(a), FOIP

Loan Amount:	CDN \$204,000.00
Purpose:	This Facility is to be used for construction of a pathway and 125 metres of Edgeview Road adjoining the George Freeman School in Strathmore, Alberta.
Description	A non-revolving Demand Instalment Loan. Principal that is repaid is not available to be re-borrowed.
Rate:	Prime Rate less 0.50% per annum.

**Last Regular Scheduled
Payment Date:**

July 20, 2028

Repayment:

On demand. Until demand, this Facility is repayable as follows:

5 regular annual principal payments of CDN\$34,000.00 each, plus accrued interest payable annually.

The next regular instalment payment is due on July 20, 2023 and the last regular instalment payment plus any outstanding principal and interest and any other amount due but unpaid with respect to this Facility is due on the Last Regular Scheduled Payment Date.

You may only prepay this Facility in accordance with Schedule A.

CREDIT FACILITY H: TERM LOAN

Sec 23(1)(a), FOIP

Loan Amount:

CDN \$500,000.00

Purpose:

For the purpose of responding to current emergency needs and maintaining adequate working capital.

Description

A non-revolving Demand Instalment Loan. Principal that is repaid is not available to be re-borrowed.

Rate:

Prime Rate less 0.50% per annum.

**Last Regular Scheduled
Payment Date:**

April 22, 2023

Repayment:

On demand. Until demand, this Facility is repayable as follows:

1 regular annual principal payments of CDN\$500,000.00 each, plus accrued interest payable annually.

The next regular instalment payment is due on April 22, 2023 and the last regular instalment payment plus any outstanding principal and interest and any other amount due but unpaid with respect to this Facility is due on the Last Regular Scheduled Payment Date.

You may only prepay this Facility in accordance with Schedule A.

CREDIT FACILITY I: TERM LOAN (Sec 23(1)(a), FOIP)

Loan Amount:	CDN \$1,000,000.00
Purpose:	For the purpose of responding to current emergency needs and maintaining adequate working capital.
Description	A non-revolving Demand Instalment Loan. Principal that is repaid is not available to be re-borrowed.
Rate:	<p>Interest will be calculated at the indicative fixed rate of 1.077% for a 12 month term amortized over 36 months from the date the Facility is advanced.</p> <p>This indicative interest rate is for informational purposes only. The actual interest rate will be set by CIBC on the day of the Facility advance, unless CIBC has otherwise agreed to lock in a rate.</p>
Last Regular Scheduled Payment Date:	September 8, 2022
Repayment:	<p>On demand. Until demand, this Facility is repayable as follows:</p> <p>1 regular annual principal payments of CDN\$500,000.00 each, plus accrued interest payable annually.</p> <p>The last regular instalment payment is due on September 8, 2022 and any outstanding principal and interest and any other amount due, but unpaid with respect to this Facility, is due on the Last Regular Scheduled Payment Date.</p> <p>You may only prepay this Facility in accordance with Schedule A.</p>

CREDIT FACILITY J: TERM LOAN (Sec 23(1)(a), FOIP)

Loan Amount:	CDN \$1,401,000.00
Purpose:	For the purpose of interim funding of the Alberta Municipal

Sustainability Initiative Grant from the Province of Alberta.

Description	A non-revolving Demand Instalment Loan. Principal that is repaid is not available to be re-borrowed.
Rate:	Prime Rate less 0.50% per annum.
Last Regular Scheduled Payment Date:	May 28, 2025
Repayment:	<p>On demand. Until demand, this Facility is repayable as follows:</p> <p>3 regular annual principal payments of CDN\$467,000.00 each, plus accrued interest payable annually.</p> <p>The next regular instalment payment is due on May 28, 2023 and the last regular instalment payment plus any outstanding principal and interest and any other amount due but unpaid with respect to this Facility is due on the Last Regular Scheduled Payment Date.</p> <p>You may only prepay this Facility in accordance with Schedule A.</p>

CREDIT FACILITY K: DEMAND INSTALMENT LOAN (Sec 23(1)(a), FOIP)

Loan Amount:	CDN \$1,106,138.00
Purpose:	To allow for the purpose of water and sewer line replacements at various locations within the Town of Strathmore, storm water outfall improvements at Strathmore Lakes, waste water system and equipment replacements and upgrades within the waste water treatment plant and roadway improvements - Westmount Drive and Highway One
Description:	<p>A non-revolving demand credit facility under which the Borrower may obtain:</p> <ul style="list-style-type: none"> • a Canadian Dollar Loan; or • Banker's Acceptance (B/A).
Interest Rate:	<p>Interest on a Canadian dollar loan will be calculated at Prime Rate less 0.50% per annum.</p> <p>Canadian dollar Bankers Acceptances ("B/A"). CIBC's stamping fee for B/A's will be calculated at 0.65% per annum.</p>

For clarity the total face amount of B/As outstanding at any time plus the amount of any Canadian dollar loans outstanding shall not at any time exceed the Loan Amount of Credit K.

Option: At maturity the Borrower shall have the option to notionally fix the market rate, by way of interest rate swap, the interest rate on the Instalment Loan for a period of up to 10 years.

Advances: The Instalment Loan shall be available in one draw at close.

Repayment: All amounts under the Instalment Loan are repayable immediately on demand by CIBC, and this Credit may be terminated in whole or in part by CIBC at any time. Until demanded, the Instalment Loan shall be repaid as follows:

This facility is repayable by instalments as follows:
8 regular annual payments of CDN\$79,009.87 each. You shall have the option to repay any principal amount of this loan at any time that a BA instrument has matured with the result being that the amortization of the loan will be reduced accordingly.

CREDIT FACILITY L : TERM LOAN

Loan Amount: CDN \$537,000.00

Purpose: To undertake sidewalk improvements and ramp asphalt paving programme

Description: A non revolving Demand Installment Loan. Principle that is repaid is not available to be re borrowed

Rate: Prime Rate less 0.50% per annum.

Repayment: On demand. Until demand, this Facility is repayable as follows:

15 regular annual principal payments of CDN\$35,800.00 each, plus accrued interest payable annually.

You may only prepay this Facility in accordance with Schedule A.

CONDITIONS PRECEDENT

The obligation of CIBC to make available any Credit is subject to CIBC's receipt of the following, in form and substance satisfactory to CIBC:

Borrowing By-Law:

By-Laws from Town of Strathmore evidencing authority to enter into the credit facilities outlined herein and providing the new authorized Limit for the Town of Strathmore.

- Bylaw 16-21
- Bylaw 16-12
- Bylaw 18-16
- Bylaw 19-11
- Bylaw 19-20
- Bylaw 20-08
- Bylaw 20-09
- Bylaw 21-12
- Bylaw 22-07

Debt/Debt Service Limits:

In accordance with the Alberta Municipal Government Act, the debit limit and debt service limits of the borrower shall remain at all times in compliance with the current bylaws: •

- Bylaw 16-21
- Bylaw 16-12
- Bylaw 18-16
- Bylaw 19-11
- Bylaw 19-20
- Bylaw 20-08
- Bylaw 20-09
- Bylaw 21-12
- Bylaw 22-07

ISDA:

International Swaps and Derivatives Association ("ISDA") Master Agreement shall be received prior to entering into any interest rate swaps.

COVENANTS

Cross Default:

Without prejudice to our rights in respect of any Facility that is repayable on demand, a default of the terms and conditions of any credit facilities granted by any creditor (including without limitation CIBC) to you or any of your subsidiaries will constitute a default of the terms and conditions of these Facilities and CIBC will have the right to immediately demand repayment of all Facilities under this Letter.

Cross Default Borrower:

Town of Strathmore

Material Change: A material change is an adverse change in a borrowers business, including change in business and its operations, property, conditions (financial or otherwise), prospects or the ability to fulfill obligations under the credit agreement and or security to which it is a party will constitute a default under these Facilities and CIBC will have the right to immediately demand repayment of all Facilities under this Letter.

Material Adverse Effect: Without prejudice to our rights in respect of any Facility that is repayable on demand, if a Material Adverse Effect has occurred, this will constitute a default under these Facilities and CIBC will have the right to immediately demand repayment of all Facilities under this Letter.

REPORTING REQUIREMENTS

The Borrower will provide to CIBC:

Financial Statements: Audited annual financial statements within 180 days after fiscal year end, on an unconsolidated basis.

OTHER PROVISIONS

Schedule A: The attached Schedule A, which contains certain additional provisions applicable to the Credits, and certain definitions, forms part of this Agreement.

Replacements: This letter supersedes and replaces all prior discussions, letters and agreements (if any) describing the terms and conditions of any credit facility established by CIBC in favour of the Borrower.

Next Scheduled Review Date: We will review the credit by August 31, 2023. The terms above this Agreement will continue until amended or superseded by another agreement in writing.

Please indicate your acceptance of these terms by signing below and returning a copy to the undersigned no later than September 1, 2022

Yours truly,
CANADIAN IMPERIAL BANK OF COMMERCE

By: _____
Name: **Sec 17, FOIP**
Title: Authorized signatory

Accepted this _____ day of _____, 2022

TOWN OF STRATHMORE

By: _____
Name: Pat Fule
Title: Mayor

Sec 17, FOIP
By: _____
Name: Kevin Scoble
Title: Chief Administrative Officer

By: _____
Name: Kara Rusk
Title: Director – Strategic, Administrative and Financial Services

SCHEDULE A - ADDITIONAL DEFINITIONS AND PROVISIONS

1. GENERAL

1.1 Use of Funds, Returns. The Borrower will use the Credits only for the purposes specified in this Agreement. The Borrower may not at any time exceed the limit of any Credit, and CIBC may, without notice to the Borrower, return any item that, if paid, would result in the limit of any Credit being exceeded. If, on the other hand, CIBC in its sole discretion elects to pay any such item, the Borrower will pay to CIBC immediately the amount by which the limit of the applicable Credit has been exceeded.

1.2 Notice of Failure. The Borrower will promptly notify CIBC of the occurrence of any failure to perform or observe any of its covenants in this Agreement.

1.3 Confidentiality. The terms of this Agreement are confidential between the Borrower and CIBC, and accordingly the Borrower will not disclose the contents of this Agreement to anyone except its professional advisors.

1.4 Applying money received. At any time that the Borrower has failed (beyond any period of grace permitted by CIBC) to perform or observe any of its covenants in this Agreement, all moneys received by CIBC from the Borrower or from any Security may be applied on such parts of the Borrower's liabilities to CIBC as CIBC may determine.

1.5 Right of Set-Off. At any time that the Borrower has failed (beyond any period of grace permitted by CIBC) to perform or observe any of its covenants in this Agreement, CIBC is authorized at any time to set-off and apply any deposits held by it and any other amounts owed by it to or for the credit of the Borrower against any and all of the obligations of the Borrower with respect to the Credits, irrespective of whether or not CIBC has made any demand and even though any such obligations may not yet be due and payable.

1.6 Registration of Security. The Security will be registered or filed in all jurisdictions and in all offices as CIBC considers necessary or advisable from time to time to create, perfect or protect any Lien created thereby.

1.7 Expenses. The Borrower will reimburse CIBC for all fees and out of pocket expenses (including fees and expenses of CIBC's solicitors and of any other experts and advisors hired by CIBC) incurred in preparing, registering and renewing any Security, in responding to requests from the Borrower for waivers, amendments and other matters, in enforcing CIBC's rights under this Agreement or any Security, and in discharging any Security.

1.8 Further information requirements. The Borrower will provide such further information about its business and its Subsidiaries as is reasonably requested by CIBC from time to time, and such information shall be in a form acceptable to CIBC.

1.9 Consent to release information. CIBC may from time to time give any credit or other information about the Borrower to, or receive such information from, (i) any financial institution, credit reporting agency, rating agency or credit bureau, (ii) any person, firm or corporation with whom the Borrower may have or proposes to have financial dealings, and (iii) any person, firm or corporation in connection with any dealings the Borrower has or proposes to have with CIBC.

The Borrower agrees that CIBC may use that information to establish and maintain the Borrower's relationship with CIBC and to offer any services as permitted by law, including services and products offered by CIBC's Subsidiaries when it is considered that this may be suitable to the Borrower.

1.10 Instructions by fax, phone and e-mail. The Borrower may deliver, and CIBC may accept, instructions by fax, telephone (including cellular phone) and internet e-mail ("Electronic Communication"), according to CIBC-approved procedures, which procedures may be limited to particular types of communications or services. Unless the Borrower expressly indicates otherwise, the Borrower agrees that CIBC may also communicate with the Borrower by e-mail or fax. This may include (i) CIBC sending confidential information to the Borrower, at the Borrower's request; or (ii) the Borrower sending confidential information to CIBC. An Electronic Communication may not be a secure means of communication and the Borrower assumes responsibility for the risks of using Electronic Communications including, without limitation, the possibility that an Electronic Communication is: intercepted by or sent to an unauthorized person, misunderstood, lost, delayed, or not received by CIBC at all. CIBC is entitled to rely upon any Electronic Communication from or purporting to be from the Borrower, as if such instructions were given in writing. However, CIBC may choose not to act upon an Electronic Communication if it believes that the Electronic Communication is unauthorized, incorrect or unclear. CIBC shall not be liable for, and the Borrower will indemnify and save CIBC harmless from, any claims, losses, damages, liabilities and expenses that CIBC incurs (other than those due to CIBC's gross negligence or wilful misconduct) including among other things all legal fees and expenses, arising from CIBC acting or declining to act on any of your Electronic Communications given under this Agreement. This indemnity is in addition to any other indemnity or assurance against loss provided by you to CIBC under this Agreement or otherwise.

1.11 Further Assurances. The Borrower will from time to time promptly upon request by CIBC do and execute all such acts and documents as may be reasonably required by CIBC to give effect to the Credits and the Security, and to any transfer pursuant to section 1.15 of this Schedule.

1.12 Insurance. The Borrower will keep all its assets and property insured (to the full insurable value) against loss or damage by fire and all other risks usual for similar property and for any other risks CIBC may reasonably require. If CIBC requests, these policies will include a loss payable clause (and with respect to mortgage security, a mortgagee clause) in favour of CIBC. As further security, the Borrower assigns all insurance proceeds to CIBC. The Borrower will provide to CIBC either the policies themselves or adequate evidence of their existence. If any insurance coverage for any reason stops, CIBC may (but shall have no obligation to) insure the property. Finally, the Borrower will notify CIBC immediately of any loss or damage to any of its property.

1.13 Environmental. The Borrower will, and will ensure that each of its Subsidiaries will, carry on its business, and maintain its assets and property in accordance with all applicable environmental, health and safety laws and regulations. If there occurs or occurred in the past any release, deposit, discharge or disposal of any substance that may cause any environmental harm or adverse environmental effect or that is or may be regulated by any law for the protection of the environment, human health or safety, (collectively, a "Discharge") in connection with the business or property of the Borrower or any of its Subsidiaries, and as a result CIBC suffers any

third party claim, legal obligation, loss, expense or damage whatsoever, the Borrower will reimburse CIBC, its directors, officers, employees and agents for any and all losses, damages, fines, costs and other amounts that result (including amounts spent conducting any necessary environmental assessments or investigations or defending any third party claims or proceedings, government demands or orders). If CIBC asks, the Borrower will defend any third party claims or proceedings, investigations or prosecutions brought against CIBC or any of its directors, officers, employees and agents in connection with any Discharge. The Borrower's obligation under this section continues even after all Credits have been repaid and this Agreement has terminated.

1.14 **Waiver.** No delay on the part of CIBC in exercising any right or privilege will operate as a waiver thereof, and no waiver of any failure or default will operate as a waiver thereof unless made in writing and signed by an authorized officer of CIBC, or will be applicable to any other failure or default.

1.15 **Assignment.** CIBC may assign, sell or participate (herein referred to as a “transfer”) all or any part of its rights and obligations under all or any of the Credits to any third party, and the Borrower agrees to sign any documents and take any actions that CIBC may reasonably require in connection with any such transfer. Upon completion of the transfer, the third party will have the same rights and obligations under this Agreement as if it were a party to it, with respect to all rights and obligations included in the transfer. The Borrower may not assign any of its rights or obligations under any of the Credits.

1.16 **Application to Subsidiaries.** The Borrower will ensure that each of its Subsidiaries complies with sections 1.11, 1.12 and 1.13 of this Schedule, as if the references to the Borrower therein were references to each such Subsidiary.

1.17 **Governing Law.** This Agreement shall be governed by the laws of Alberta, and the Borrower submits itself to the jurisdiction of any competent federal or provincial court in such jurisdiction.

1.18 **Counterparts.** This Agreement may be executed in one or more counterparts, and all of such counterparts shall constitute the same agreement.

1.19 **Certain Definitions.** In this Agreement the following terms have the following meanings:

“Affiliate” means, with respect to any person, any other person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such person, and includes any person in like relation to an Affiliate. A person shall be deemed to control another person if the first person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the other person, whether through the ownership of voting securities, by contract or otherwise.

“Agreement” means the attached letter agreement between CIBC and the Borrower, including this Schedule and any other Schedules thereto, as the same may be amended or supplemented from time to time.

“Business Day” means (i) with respect to any amount denominated in Canadian dollars and all matters pertaining thereto, any day excluding Saturday, Sunday and any day which is a legal holiday in Toronto, Canada; (ii) with respect to any amount denominated in US dollars (except as provided below) and all matters pertaining thereto, any day excluding Saturday, Sunday or any day which is a legal holiday in New York, U.S.A. or Toronto, Canada, and (iii) with respect to any LIBOR Loan and all matters pertaining thereto, any day which is a day for dealings by and between banks in US dollars in the London interbank market, excluding Saturday, Sunday or any day which is a legal holiday in London, England or New York, U.S.A. or Toronto, Canada.

“Compliance Certificate” means an Officer’s Certificate stating, as of the applicable date, (i) that the Borrower is not in default of the observance or performance of any of its covenants in this Agreement (or describing any default then existing), (ii) that all representations and warranties contained in this Agreement are true and accurate as if made on and as of such date (or describing any thereof that are not then true and accurate), (iii) the particulars and calculation of all financial covenants of the Borrower contained in this Agreement, and (iv) where applicable, the amount and particulars of calculation of Receivable Value, Inventory Value and Priority Claims, and the resulting maximum available amount and undrawn amount of any Credit, as of such date. Unless otherwise prescribed by CIBC, a Compliance Certificate shall be substantially in the form attached to this Schedule A.

“GAAP” means those accounting principles which are recognized as being generally accepted in Canada from time to time as set out in the handbook published by the Canadian Institute of Chartered Accountants. If the Borrower, or the party to which references to GAAP are intended to apply, has adopted International Financial Reporting Standards (“IFRS”), then the applicable references in this Agreement to GAAP or Generally Accepted Accounting Principles may be interpreted to mean IFRS, but only if CIBC has consented to such change.

“Investment” means, with respect to any person, any direct or indirect investment in or purchase or other acquisition of the securities of or any equity interest in any other person, any loan or advance to, or arrangement for the purpose of providing funds or credit to (excluding extensions of trade credit in the ordinary course of business in accordance with customary commercial terms), or capital contribution to, any other person, or any purchase or other acquisition of all or substantially all of the property of any other person.

“Lien” includes without limitation a mortgage, charge, lien, security interest or encumbrance of any sort on any property or asset, and includes conditional sales contracts, title retention agreements, capital trusts and capital leases.

“Material Adverse Effect” means a material adverse effect on the business, property, condition (financial or otherwise) or prospects of the Borrower and its Subsidiaries, considered as a whole, or a material adverse effect on the ability of any of the Borrower and its Subsidiaries to perform its obligations under any of this Agreement and the Security to which it is a party.

“Normal Course Lien” means, at any time, the following:

- (i) Liens for taxes not overdue, or which are being contested if adequate reserves with respect thereto are maintained by the Borrower and its Subsidiaries in accordance with GAAP and the enforcement of any related Lien is stayed;
- (ii) undetermined or inchoate Liens arising in the ordinary course of business which relate to obligations not overdue or a claim for which has not been filed or registered pursuant to applicable law;
- (iii) carriers', warehousemen's, mechanics', materialmen's, repairmen's, construction or other similar Liens arising in the ordinary course of business which relate to obligations not overdue;
- (iv) easements, rights-of-way, restrictions and other similar encumbrances incurred in the ordinary course of business which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto or interfere with the ordinary conduct of the business of the Borrower or its Subsidiaries;
- (v) zoning and building by-laws and ordinances and municipal by-laws and regulations so long as the same are complied with;
- (vi) statutory Liens incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation;
- (vii) the reservations and exceptions contained in, or implied by statute in, the original disposition from the Crown and grants made by the Crown of interests so reserved or excepted;
- (viii) Liens created by the Security; and
- (ix) Liens in respect of which CIBC has given its specific written consent.

"Officer's Certificate" means a certificate, in form satisfactory to CIBC, signed by a senior officer of the Borrower.

"Operating Account" means Canadian dollar account of the Borrower with CIBC, or US dollar account of the Borrower with CIBC, or any such other account as is agreed upon by the Borrower and CIBC from time to time for the purposes hereof.

"Priority Claims" means, at any time, any liability of any of the Borrower and its Subsidiaries that ranks, in right of payment in any circumstances, equal to or in priority to any liability of the Borrower or such Subsidiary to CIBC, and may include unpaid wages, salaries and commissions, unremitted source deductions for vacation pay, arrears of rent, unpaid taxes, amounts owed in respect of worker's compensation, amounts owed to unpaid vendors who have a right of repossession, and amounts owing to creditors which may claim priority by statute or under a Purchase Money Lien.

"Purchase Money Lien" means any Lien which secures a Purchase Money Obligation permitted by this Agreement, provided that such Lien is created not later than 30 days

after such Purchase Money Obligation is incurred and does not affect any asset other than the asset financed by such Purchase Money Obligation.

“Purchase Money Obligation” means any Debt (including without limitation a capitalized lease obligation) incurred or assumed to finance all or any part of the acquisition price of any asset acquired by any of the Borrower and its Subsidiaries or to finance all or any part of the cost of any improvement to any asset of any of the Borrower and its Subsidiaries, provided that such obligation is incurred or assumed prior to or within 30 days after the acquisition of such asset or the completion of such improvement and does not exceed the lesser of the acquisition price payable by the Borrower or such Subsidiary for such asset or improvement and the fair market value of such asset or improvement; and includes any extension, renewal or refunding of any such obligation so long as the principal amount thereof outstanding on the date of such extension, renewal or refunding is not increased.

“Security” means, collectively, all of the items of security held by CIBC for the indebtedness and liabilities, or any part or parts thereof, of the Borrower to CIBC.

“Subsidiary” of any person means any other person of which shares or other equity units having ordinary voting power to elect a majority of the board of directors or other individuals performing comparable functions, or which are entitled to or represent more than 50% of the owners’ equity or capital or entitlement to profits, are owned beneficially or controlled, directly or indirectly, by any one or more of such first person and the Subsidiaries of such first person, and shall include any other person in like relationship to a Subsidiary of such first person.

2. **INTEREST RATES; PAYMENTS; CALCULATIONS**

2.1 **Interest Rates.** Interest is payable with respect to:

- (i) excess amounts (provided that nothing herein shall be deemed to imply that the Borrower is entitled to obtain any such excess amount, or that the limit of a Credit is to be increased in any circumstance) above the limit of a Credit or a part of a Credit, as described in section 2.4 of this Schedule,
- (ii) amounts that are not paid when due, at the Interest Rate Applicable to Credit Limit Excesses, and
- (iii) any other amounts, at the rate specified in this Agreement.

2.2 **Variable interest.** Each variable interest rate provided for in this Agreement will change automatically, without notice, whenever the Prime Rate or the US Base Rate, as the case may be, changes.

2.3 **Payment of interest.** Interest is calculated on the applicable balance at the end of each day. Interest is payable in arrears once a month on the day required by CIBC, unless otherwise specified in this Agreement.

2.4 **Interest Rate Applicable to Credit Limit Excesses.** To determine whether the Interest Rate Applicable to Credit Limit Excesses is to be charged, the following rules apply:

(a) The Interest Rate Applicable to Credit Limit Excesses will be charged on the amount that exceeds the limit of any particular Credit.

(b) If there are several parts of a Credit, the Interest Rate Applicable to Credit Limit Excesses will be charged if the limit of a particular part is exceeded. For example, if Credit A's limit is \$250,000, and the limit of one part of Credit A is \$100,000 and the limit of that part is exceeded by \$25,000, the Interest Rate Applicable to Credit Limit Excesses will be charged on that \$25,000 excess, even if the total amount outstanding under Credit A is less than \$250,000.

(c) To determine if the limit of a Credit has been exceeded, any amounts in a currency other than the currency in which the limit is designated will be converted into that currency, as described in section 2.11 of this Schedule.

2.5 Interest on Overdue Amounts. Except as otherwise specified herein, if any principal is not paid when due, such overdue principal will bear interest (as well after as before judgement), payable on demand, at the interest rate applicable to such principal prior to default, and interest will be payable on overdue interest (as well after as before judgement) at the same rate as is applicable to the related principal. If any amount is not paid by the Borrower when due and there is no interest otherwise applicable to such amount specified herein, such overdue amount will bear interest (as well after as before judgement), payable on demand, at a rate per annum equal at all times to the Prime Rate plus 5% (in the case of any such amount payable in Canadian dollars) or the US Base Rate plus 5% (in the case of any such amount payable in US dollars) from the date of non-payment until paid in full.

2.6 Reductions of Limit of Credits. On or prior to each date on which the limit of any Credit is reduced, the Borrower will repay such outstanding amounts thereunder, if any, as are necessary so that, after giving effect to the repayment, the total of all amounts outstanding under such Credit does not exceed the limit as so reduced.

2.7 Payments. If any payment is due on a day other than a Business Day, such payment will be due on the next Business Day.

2.8 CIBC's pricing policy. The fees, interest rates and other charges for the Borrower's banking arrangements with CIBC are dependent upon each other. Accordingly, if the Borrower cancels or does not follow through with, in the manner originally contemplated, any of these arrangements, CIBC reserves the right to require payment by the Borrower of increased or added fees, interest rates and charges as a condition of the continuation of the Borrower's banking arrangements.

2.9 Calculations. The following terms apply to all calculations under the Credits:

(a) CDOR, Federal Funds Rate, Bankers' Acceptance Yield, LIBO Rate, Prime Rate and US Base Rate shall be determined by CIBC if and whenever such determination is required for the purpose of this Agreement, and such determination by CIBC shall be conclusive evidence of such rate.

(b) Except as provided in the next sentence, all interest and fees hereunder shall be computed on the basis of the actual number of days elapsed divided by 365. Interest on each LIBOR Loan shall be computed on the basis of the actual number

of days elapsed divided by 360. Any such applicable interest rate, expressed as an annual rate of interest for the purpose of the *Interest Act* (Canada), shall be equivalent to such applicable interest rate multiplied by the actual number of days in the calendar year in which the same is to be determined and divided by 365 or 360, as the case may be.

- (c) In calculating interest or fees payable hereunder for any period, unless otherwise specifically stated, the first day of such period shall be included and the last day of such period shall be excluded.

2.10 CIBC's Records. CIBC's loan accounting records will provide conclusive evidence of all terms and conditions of the Credits such as principal loan balances, interest calculations, and payment dates.

2.11 Foreign Currency Conversion. If it is necessary for any purpose relating to the Credits that an amount denominated in a currency other than Canadian dollars be expressed in or equated to an amount of Canadian dollars (such as, for example, to determine whether amounts denominated in US dollars that are outstanding under a Credit which has a limit specified in Canadian dollars exceed the limit of such Credit so as to make applicable the Interest Rate Applicable to Credit Limit Excesses), the applicable amount of Canadian dollars shall be determined by CIBC in accordance with its normal practice.

2.12 Deemed Re-Investment Principle. For the purpose of the *Interest Act* (Canada) and any other purpose, the principle of deemed re-investment of interest is not applicable to any calculation under this Agreement, and the rates of interest and fees specified in this Agreement are intended to be nominal rates and not effective rates or yields.

2.13 Certain Definitions. If and whenever required for the purpose of this Agreement, the following terms have the following definitions:

"CDOR" means, for any day, the average of the annual discount rates for bankers' acceptances denominated in Canadian dollars of certain banks named in Schedule 1 to the *Bank Act* (Canada) for a specified term and face amount that appears on the CDOR page of the Reuters Screen as of 10:00 a.m. on such day (or, if such day is not a Business Day, as of 10:00 a.m. on the next preceding Business Day).

"Federal Funds Rate" means, for any day, an annual interest rate equal to the weighted average of the rates on overnight United States federal funds transactions with members of the Federal Reserve System arranged by United States federal funds brokers, as published for such day (or, if such day is not a business day in New York, for the next preceding business day in New York) by the Federal Reserve Bank of New York, or for any such business day on which such rate is not so published, the arithmetic average of the quotations for such day on such transactions received by CIBC from three United States federal funds brokers of recognized standing selected by it.

"Interest Rate Applicable to Credit Limit Excesses" means the annual interest rate generally established by CIBC from time to time for the purpose of calculating interest on overdrafts in accounts maintained with CIBC in Canada.

“Prime Rate” means a fluctuating annual interest rate equal at all times to the greater of (i) the reference rate of interest (however designated) of CIBC for determining interest chargeable by it on loans in Canadian dollars made in Canada and (ii) 3/4 of 1% per annum above the CDOR for 30-day bankers’ acceptances from time to time.

“US Base Rate” means a fluctuating annual interest rate equal at all times to the greater of (i) the reference rate of interest (however designated) of CIBC for determining interest chargeable by it on loans in US dollars made in Canada, and (ii) 3/4 of 1% per annum above the Federal Funds Rate from time to time.

3. **NOTICE OF BORROWING; NOTICE OF REPAYMENT; OVERDRAFTS**

3.1 **Notice of Borrowing.** Whenever the Borrower desires to obtain any amount under a Credit (other than a loan by way of a permitted overdraft), it will give to CIBC irrevocable prior written notice (a “Notice of Borrowing”) specifying the Credit under which such amount is to be obtained and the particulars of such amount including the term of any Bankers’ Acceptances, the term of any LIBOR Period, the particulars of all maturing Bankers’ Acceptances in the case of a rollover or conversion of Bankers’ Acceptances, and the Business Day on which such amount is to be obtained. No amount shall be obtained if the term thereof or any LIBOR Period applicable thereto would mature beyond any scheduled repayment or reduction date for the applicable Credit and all or any part of such amount will be required to be repaid on such date. The amount to be obtained under any Credit at any time shall not exceed the undisbursed amount of that Credit at such time. CIBC will not be obliged to make available at any time LIBOR Loans in an aggregate amount less than US \$1,000,000. A notice requesting any loan in an amount exceeding \$10,000,000 or US \$10,000,000 (other than a LIBOR Loan) must be given not later than 10:00 a.m. on the Business Day preceding the applicable borrowing date; a notice requesting any Bankers’ Acceptances in an amount exceeding \$10,000,000 must be given not later than 10:00 a.m. on the second Business Day preceding the applicable borrowing date; and a notice requesting any LIBOR Loan must be given not later than 10:00 a.m. on the third Business Day preceding the applicable borrowing date.

3.2 **Notice of Repayment.** Whenever the Borrower desires to make any repayment or repayments under one or more of the Credits in an aggregate amount exceeding \$10,000,000 (or an equivalent amount in any other currency) on any day, it will give to CIBC irrevocable written notice specifying the particulars of such repayment not later than 10:00 a.m. on the Business Day preceding the applicable repayment date.

3.3 **Overdrafts.** If the Borrower is entitled under any Credit to obtain loans in Canadian dollars or US dollars by way of overdraft, the debit balance in the Borrower’s applicable Operating Account from time to time will be deemed to be a loan in Canadian dollars or US dollars, as the case may be, outstanding to the Borrower under such Credit and bearing interest as set out in this Agreement for loans in such currency under such Credit. If at any time the Borrower is a party to a cash concentration arrangement with CIBC, the amount of any overdraft from time to time in the Canadian dollar or US dollar concentration account of the Borrower established pursuant to such arrangement will also be deemed to be a loan in Canadian dollars or US dollars, as applicable, outstanding to the Borrower under the applicable Credit and bearing interest as set out above on the basis of the Prime Rate or the US Base Rate, as the case may be.

4. **INDEMNITIES**

4.1 Reserve Indemnity. If subsequent to the date of this Agreement any change in or introduction of any applicable law, or compliance by CIBC with any request or directive by any central bank, superintendent of financial institutions or other comparable authority, shall subject CIBC to any tax with respect to the Credits or change the basis of taxation of payments to CIBC of any amount payable under the Credits (except for changes in the rate of tax on the overall net income of CIBC), or impose any capital maintenance or capital adequacy requirement, reserve requirement or similar requirement with respect to the Credits, or impose on CIBC or the London interbank market (in the case of any matter relating to any actual or requested LIBOR Loan), any other condition or restriction, and the result of any of the foregoing is to increase the cost to CIBC of making or maintaining the Credits or any amount thereunder or to reduce any amount otherwise received by CIBC under the Credits, CIBC will promptly notify the Borrower of such event and the Borrower will pay to CIBC such additional amount calculated by CIBC as is necessary to compensate CIBC for such additional cost or reduced amount received. A certificate of CIBC as to any such additional amount payable to it and containing reasonable details of the calculation thereof shall be conclusive evidence thereof.

4.2 Currency Indemnity. Interest and fees hereunder shall be payable in the same currency as the principal to which they relate. Any payment on account of an amount payable in a particular currency (the “proper currency”) made to or for the account of CIBC in a currency (the “other currency”) other than the proper currency, whether pursuant to a judgement or order of any court or tribunal or otherwise and whether arising from the conversion of any amount denominated in one currency into another currency for any purpose, shall constitute a discharge of the Borrower’s obligation only to the extent of the amount of the proper currency which CIBC is able, in the normal course of its business within one Business Day after receipt by it of such payment, to purchase with the amount of the other currency so received. If the amount of the proper currency which CIBC is able to purchase is less than the amount of the proper currency due to CIBC, the Borrower shall indemnify and save CIBC harmless from and against any loss or damage arising as a result of such deficiency.

4.3 Tax Indemnity. All payments by the Borrower under this Agreement shall be made free and clear of, and without reduction for or on account of, any present or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, other than taxes imposed on the overall net income of CIBC or franchise taxes, taxes on doing business or taxes measured by the capital or net worth of CIBC (collectively “Excluded Taxes”), now or hereafter imposed, levied, collected, withheld or assessed by any country or any political subdivision thereof (collectively “Taxes”); provided, however, that if any Taxes are required to be withheld from any interest or other amount payable to the CIBC hereunder, the amount so payable to the CIBC shall be increased to the extent necessary to yield to CIBC, on a net basis after payment of all Taxes and after payment of all Excluded Taxes imposed by any relevant jurisdiction on any additional amounts payable under this section, interest or any such other amount payable hereunder at the rate or in the amount specified in this Agreement. The Borrower shall be fully liable and responsible for and shall, promptly following receipt of a request from CIBC, pay to CIBC any and all sales, goods and services taxes payable under the laws of Canada or any political subdivision thereof with respect to any and all goods and services made available hereunder to the Borrower by CIBC, and such taxes shall be included in the definition of “Taxes” for all purposes hereof. Whenever any Taxes are payable by the Borrower, as promptly as possible thereafter it shall send to CIBC, a certified copy of an original official receipt showing payment thereof. If the Borrower fails to pay any Taxes when due or fails to remit to

CIBC as aforesaid the required documentary evidence thereof, the Borrower shall indemnify and save harmless CIBC from any incremental taxes, interest, penalties or other liabilities that may become payable by CIBC or to which CIBC may be subjected as a result of any such failure. A certificate of CIBC as to the amount of any such taxes, interest or penalties and containing reasonable details of the calculation thereof shall be *prima facie* evidence thereof.

4.4 Default Indemnity. The Borrower shall indemnify and save harmless CIBC from all claims, demands, liabilities, damages, losses, costs, charges and expenses, including any loss or expense arising from interest or fees payable by CIBC to lenders of funds obtained by it in order to make or maintain any amount under the Credits and any loss or expense incurred in liquidating or re-employing deposits from which such funds were obtained, which may be incurred by CIBC as a consequence of (i) default by the Borrower in the payment when due of any amount hereunder or the occurrence of any other default relative to any of the Credits, (ii) default by the Borrower in obtaining any amount after the Borrower has given notice hereunder that it desires to obtain such amount, (iii) default by the Borrower in making any optional repayment of any amount after the Borrower has given notice hereunder that it desires to make such repayment, or (iv) the repayment by the Borrower of any LIBOR Loan otherwise than on the expiration of any applicable LIBOR Period, or the repayment of any loan on which interest is payable at a fixed annual rate otherwise than on the expiration of the fixed interest rate period applicable thereto, or the repayment of any other amount otherwise than on any specified maturity date thereof. A certificate of CIBC as to any such loss or expense and containing reasonable details of the calculation thereof shall be *prima facie* evidence thereof.

5. CONDITIONS PRECEDENT

5.1 Conditions Precedent to the Initial Amount

CIBC shall not be obliged to make available the initial amount under the Credits unless:

- (a) CIBC shall have received the Security, which shall have been duly registered and filed as required hereby.
- (b) CIBC shall have received such financial and other information relating to the Borrower and its Subsidiaries, and any guarantor, as it shall have reasonably requested.
- (c) CIBC shall have received confirmation of all insurance maintained by the Borrower and its Subsidiaries, and such insurance shall comply with the requirements of this Agreement.
- (d) The Borrower shall have paid to CIBC all fees and other amounts which shall have become due and payable by it to CIBC on or prior to the initial borrowing date.
- (e) The following documents in form, substance and execution acceptable to CIBC shall have been delivered to CIBC:
 - (x) a certified copy of the constating documents and by-laws of each of the Borrower and its Subsidiaries, and of each corporate guarantor, and of all

corporate proceedings taken and required to be taken by each of them to authorize the execution and delivery of such of this Agreement and the Security to which it is a party and the performance of the transactions by it contemplated therein;

- (xi) a certificate of incumbency for each of the Borrower and its Subsidiaries, and for each corporate guarantor, setting forth specimen signatures of the persons authorized to execute such of this Agreement and the Security to which it is a party;
- (xii) such legal opinions addressed to CIBC relative to the Borrower, this Agreement and the Security as CIBC may require; and
- (xiii) such other documents relative to this Agreement and the transactions contemplated herein as CIBC may reasonably require.

5.2 Conditions Precedent to All Amounts

CIBC shall not be obliged to make available any amount under the Credits unless:

- (a) CIBC shall have received any applicable Notice of Borrowing.
- (b) On the applicable borrowing date the Borrower shall not have failed to observe or perform any of its covenants in this Agreement, and the Borrower shall have delivered to CIBC, if so requested by CIBC, an Officers' Certificate to such effect.
- (c) The representations and warranties contained in this Agreement shall be true on and as of the applicable borrowing date with the same effect as if such representations and warranties had been made on and as of the applicable borrowing date, and the Borrower shall have delivered to CIBC, if so requested by CIBC, an Officers' Certificate to such effect.
- (d) All other conditions specified herein, to the extent not previously satisfied for any reason, other shall have been satisfied.
- (e) In respect of any amount that would result in the aggregate amount outstanding under the Credits being increased, there shall not have occurred subsequent to the date of last annual financial statements of the Borrower, in the opinion of CIBC, any event which (individually or with any other events) has had, or which has a reasonable possibility of having, a Material Adverse Effect.

6 REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties. To induce CIBC to establish and maintain the Credits, the Borrower represents and warrants as follows:

- (a) Each of the Borrower and its Subsidiaries has all necessary power and authority to own its property, to carry on the business carried on by it, to enter into and perform its obligations under such of this Agreement and the Security to which it

is a party, and in the case of the Borrower to obtain amounts under the Credits. Each of the Borrower and its Subsidiaries is in compliance with all applicable laws except to the extent that the failure to comply therewith would not, in the aggregate, have, or reasonably be expected to have, a Material Adverse Effect.

- (b) The Borrower has taken all action necessary to be taken to authorize the execution and delivery of and the performance of its obligations under this Agreement and the Security, and the obtaining of amounts under the Credits. Except as has been obtained and is in full force and effect, no consent, waiver or authorization of, or filing with or notice to, any person is required to be obtained in connection with the execution and delivery of and the performance by each of the Borrower and its Subsidiaries of its obligations under this Agreement and the Security, or the obtaining by the Borrower of amounts under the Credits. This Agreement and the Security have been duly executed and delivered by each of the Borrower and its Subsidiaries as are parties thereto, and constitute the legal, valid and binding obligation of each of them enforceable in accordance with their terms.
- (c) The execution and delivery by the Borrower and its Subsidiaries of this Agreement and the Security and the performance by them of their obligations thereunder, and the obtaining by the Borrower of amounts under the Credits, will not conflict with or result in a breach of any applicable law, and will not conflict with or result in a breach of or constitute a default under, or permit the termination of, or cause any material right of any of the Borrower and its Subsidiaries to be adversely affected under, any of the provisions of its constating documents or by-laws or any agreement, permit, instrument, judgement, injunction or other contractual obligation to which it is a party or by which it is bound, or result in the creation or imposition of any Lien (other than the Security) upon any of its property or assets.
- (d) Except as disclosed in writing by the Borrower to CIBC prior to the date of this Agreement with specific reference to this paragraph or, with respect to events occurring subsequent to the date of this Agreement, as the Borrower has otherwise disclosed in writing to CIBC with specific reference to this paragraph, there is no action, suit or proceeding (whether or not purportedly on behalf of any of the Borrower and its Subsidiaries) pending or, to the knowledge of the Borrower, threatened, against or affecting any of its Borrower and its Subsidiaries before any court or before or by any governmental department, commission or agency, in Canada or elsewhere, or before any arbitrator or board, and none of the Borrower and its Subsidiaries is in default with respect to any order or award of any arbitrator or government department, commission or agency.
- (e) The Borrower has delivered to CIBC a true and complete copy of its most recent financial statements, and such financial statements present fairly the financial position of the Borrower, in accordance with GAAP, as of the date thereof and for the fiscal period then ended. All financial statements of the Borrower delivered by the Borrower to CIBC after the date of this Agreement will present fairly the financial position of the Borrower, in accordance with GAAP, as of the dates thereof and for the fiscal periods then ended.

- (f) Since the date of the most recent financial statements of the Borrower delivered to CIBC, there has occurred no event which (individually or with any other events) has had, or which may reasonably be expected to have, a Material Adverse Effect.
- (g) The Borrower has not failed to observe or perform (beyond any period of grace permitted by CIBC) any of its covenants in this Agreement.
- (h) Except as disclosed in writing by the Borrower to CIBC prior to the date of this Agreement with specific reference to this paragraph, to the best knowledge of the Borrower, (i) the business carried on and the property owned or used at any time by any of the Borrower and its Subsidiaries and their respective predecessors (including the lands owned or occupied by any of them and the waters on or under such lands) have at all times been carried on, owned or used in compliance with all environmental laws; (ii) none of the Borrower and its Subsidiaries is subject to any proceeding alleging the violation of any environmental law, and no part of its business or property is the subject of any proceeding to evaluate whether remedial action is needed as a result of the release from or presence of any hazardous substance on any lands owned or occupied by it; (iii) there are no circumstances that could reasonably be expected to give rise to any civil or criminal proceedings or liability regarding the release from or presence of any hazardous substance on any lands used in or related to the business or property of any of the Borrower and its Subsidiaries or on any lands on which any of the Borrower and its Subsidiaries has disposed or arranged for the disposal of any materials arising from the business carried on by it, or regarding the violation of any environmental law by any of the Borrower and its Subsidiaries or by any other person for which it is responsible; (iv) all hazardous substances disposed of, treated or stored on lands owned or occupied by any of the Borrower and its Subsidiaries have been disposed of, treated and stored in compliance with all environmental laws; (v) there are no proceedings and there are no circumstances or material facts which could give rise to any proceeding in which it is or could be alleged that any of the Borrower and its Subsidiaries is responsible for any domestic or foreign clean up or remediation of lands contaminated by hazardous substances or for any other remedial or corrective action under any environmental laws; (vi) each of the Borrower and its Subsidiaries has maintained all environmental and operating documents and records relating to its business and property in the manner and for the time periods required by any environmental laws and has never had conducted an environmental audit of its business or property; and (vii) the Borrower is not aware of any pending or proposed change to any environmental law which would render illegal or materially adversely affect its business or property.
- (i) No representation or warranty made by the Borrower herein or in any other document furnished to CIBC from time to time contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make the statements herein or therein, in light of the circumstances under which they are made, not misleading. All projections and *pro forma* information delivered to CIBC from time to time by the Borrower were prepared in good faith based on assumptions believed by the Borrower to be reasonable at the time of delivery. There is no fact known to the Borrower on the date of this

Agreement which has had, or which has a reasonable possibility of having, a Material Adverse Effect.

6.2 **Survival.** All representations and warranties contained in this Agreement shall survive the execution and delivery of this Agreement and the obtaining of amounts under the Credits, and the delivery of each Notice of Borrowing and the obtaining of any amount under any Credit shall constitute a reaffirmation on and as of such delivery date and such borrowing date, in each case by reference to the then-existing facts and circumstances, of all representations and warranties contained in this Agreement.

7. **BANKERS' ACCEPTANCES**

7.1 **Power of Attorney.** To facilitate the issuance of Bankers' Acceptances under the Credits, the Borrower appoints CIBC to execute, endorse and deliver on behalf of the Borrower drafts in the form or forms prescribed by CIBC for bankers' acceptances denominated in Canadian dollars (each such executed draft which has not yet been accepted by CIBC is referred to herein as a "Draft"). Each Bankers' Acceptance executed and delivered by CIBC on behalf of the Borrower as provided herein shall be binding upon the Borrower as if it had been executed and delivered by a duly authorized officer or officers of the Borrower.

7.2 **Drafts.** Notwithstanding the above section, the Borrower will from time to time provide to CIBC if so required by CIBC an appropriate number of Drafts drawn by the Borrower upon CIBC and payable and endorsed as specified by CIBC. The dates, maturity dates and face amounts of all Drafts delivered by the Borrower shall be left blank, to be completed by CIBC as required. All such Drafts shall be held by CIBC subject to the same degree of care as if they were such Lender's own property. CIBC will, upon written request by the Borrower, advise the Borrower of the number and designations, if any, of the Drafts of the Borrower then held by it. CIBC shall not be liable for its failure to accept a Draft as required hereby if the cause of such failure is, in whole or in part, due to the failure of the Borrower to provide appropriate Drafts to CIBC on a timely basis.

7.3 **Term and Amount.** The term of all Bankers' Acceptances issued pursuant to any Notice of Borrowing must be identical. Each Bankers' Acceptance shall be in a face amount of \$100,000 or any whole multiple thereof, and the aggregate face amount of Bankers' Acceptances issued pursuant to any Notice of Borrowing must not be less than \$500,000. Each Bankers' Acceptance will be dated the date on which it is issued, and will be for a term of one, two, three or six months or such other period as may be agreed to by CIBC.

7.4 **Calculation of Fee.** The fee for any Bankers' Acceptance will be calculated, at the rate specified, on the basis of the face amount and term of such Bankers' Acceptance.

7.5 **Payment of Fee.** Upon acceptance of a Draft the Borrower will pay to CIBC the related fee specified in this Agreement, and to facilitate payment CIBC will be entitled to deduct and retain for its own account the amount of such fee from the amount to be paid by CIBC to the Borrower as the purchase price for the resulting Bankers' Acceptance.

7.6 **Purchase by CIBC.** Each Bankers' Acceptance will be purchased by CIBC for a price which produces a yield thereon equal to the Bankers' Acceptance Yield then in effect. Such price will be credited by CIBC to the applicable Operating Account.

7.7 No Market. If CIBC determines in good faith, which determination will be conclusive and binding on the Borrower, and so notifies the Borrower, that there does not exist at the applicable time a normal market in Canada for the purchase and sale of bankers' acceptances, then notwithstanding any other provision hereof any obligation of CIBC to purchase Bankers' Acceptances will be suspended until CIBC determines that such market does exist and gives notice thereof to the Borrower, and any Notice of Borrowing requesting Bankers' Acceptances will be deemed to be a Notice of Borrowing requesting Loans in Canadian dollars in a similar aggregate principal amount.

7.8 Payment on Maturity. On the maturity of each Bankers' Acceptance the Borrower will pay to CIBC, for the account of the holder of such Bankers' Acceptance, Canadian dollars in an amount equal to the face amount of such Bankers' Acceptance. The obligation of the Borrower to make such payment is absolute and unconditional, and will not be prejudiced by the fact that the holder of any such Bankers' Acceptance is CIBC. No days of grace may be claimed by the Borrower for the payment at maturity of any Bankers' Acceptance. If the Borrower does not make such payment, the amount of such payment shall be deemed to be a loan in Canadian dollars made to the Borrower by CIBC and payable on demand. The Borrower hereby confirms the application of the proceeds of such loan in payment of the liability of the Borrower with respect to the related Bankers' Acceptance.

7.9 Cash Collateralization. If any Bankers' Acceptance is outstanding at any time that an Event of Default occurs, the Borrower will forthwith upon demand by CIBC pay to CIBC, for the account of the holder of such Bankers' Acceptance, Canadian dollars in an amount equal to the face amount thereof. Such funds shall be held by CIBC for payment of the liability of the Borrower in respect of such Bankers' Acceptance on the maturity thereof.

7.10 Signatures on Drafts. The signature of any duly authorized officer of the Borrower on a Draft may be mechanically reproduced in facsimile, and all Drafts bearing such facsimile signature shall be binding upon the Borrower as if they had been manually signed by such officer, notwithstanding that such person whose manual or facsimile signature appears on such Draft may no longer hold office at the date thereof or at the date of acceptance of such Draft by CIBC or at any time thereafter.

7.11 Undisbursed Credit. For the purpose of calculating the undisbursed amount of any Credit and for any other relevant provision of this Agreement, the amount constituted by any Bankers' Acceptance shall be the face amount thereof.

7.12 Certain Definitions. In this Agreement the following terms shall have the following meanings:

"Bankers' Acceptance" or "B/A" means a Draft which has been accepted by CIBC pursuant to a Credit.

"Bankers Acceptance Yield" means, with respect to any Bankers' Acceptance to be purchased by CIBC at any time, the annual yield resulting from the price at which CIBC is offering to purchase at such time bankers' acceptances accepted by it having a term identical to such Bankers' Acceptance and in a comparable face amount to the Bankers' Acceptances to be purchased by CIBC from the Borrower at such time.

“face amount” means, with respect to any Bankers’ Acceptance, the principal amount thereof payable on the maturity thereof.

8. **INSTALMENT LOANS**

8.1 **Instalment Loans.** The following terms apply to each Instalment Loan:

(a) **Non-revolving Loans.** Unless otherwise stated in this Agreement, any Instalment Loan is non-revolving. This means that any principal repayment is not available to be re-borrowed, and permanently reduces the amount of such Instalment Loan.

(b) **Floating Rate Instalment Loans.** Floating Rate Instalment Loans may have either (i) blended payments or (ii) payments of fixed principal amounts, plus interest, as described below:

(i) **Blended payments.** If a Floating Rate Instalment Loan has blended payments, the amount of the monthly payments is fixed for the term of such Loan, but the interest rate will vary with changes in the Prime Rate on the US Base Rate (as the case may be). If the Prime Rate or the US Base Rate during any month is lower than it was at the outset, a larger portion of the monthly payment will be allocated to principal and as a result such Loan may be repaid prior to its original maturity. If, however, the Prime Rate or the US Base Rate is higher than it was at the outset, the amount of principal that is repaid will be reduced, and as a result there may remain principal outstanding on the original maturity date.

(ii) **Payments of principal plus interest.** If a Floating Rate Instalment Loan has specified principal payments, in addition to interest, such principal payments are due on each specified payment date. The interest payment is also due on the same date, and will usually be a different amount each month due to the reducing balance of the Loan, the number of days in the month, and changes in the Prime Rate or the US Base Rate (as the case may be) during the month and from month to month.

(c) **Prepayment.** Unless otherwise specified in this Agreement:

(i) all or part of a Floating Rate Instalment Loan may be prepaid at any time without penalty; and

(ii) all (but not part) of a Fixed Rate Instalment Loan may be prepaid provided that the Borrower also pays to CIBC, on the prepayment date, any amount determined by CIBC pursuant to clause 4.4(iv) of this Schedule.

(d) **Demand of Fixed Rate Instalment Loans.** Upon demand for payment of a Fixed Rate Instalment Loan the Borrower will pay to CIBC the prepayment fee specified in clause 10.1(c)(ii) above.

(e) **Certain Definitions.** In this Agreement the following terms have the following meanings:

“Fixed Rate Instalment Loan” means an Instalment Loan with respect to which interest is payable at a fixed annual rate of interest (as opposed to being payable on the basis of the Prime Rate or the US Base Rate).

“Floating Rate Instalment Loan” means an Instalment Loan with respect to which interest is payable on the basis of the Prime Rate or the US Base Rate.

“Instalment Loan” means a loan that is repayable either in fixed instalments of principal, plus interest, or in blended instalments of both principal and interest, and that (notwithstanding any such specified instalments) is repayable on demand by CIBC at any time if so specified in this Agreement.



Request for Decision

To: Council

Staff Contact: Kara Rusk, Director of Strategic, Administrative, and Financial Services

Date Prepared: April 10, 2024

Meeting Date: May 15, 2024

SUBJECT: Corporate Strategic Plan & Financial Plan Quarterly Report - Q4 2023

RECOMMENDATION: Information for Council.

STRATEGIC PRIORITIES:



Affordable
Housing



Climate
Resiliency



Community
Development



Community
Wellness



Economic
Development



Financial
Sustainability

HOW THE STRATEGIC PRIORITIES ARE MET:

The Corporate Strategic Plan & Financial Plan Quarterly Report is produced four times per year to communicate the progress made on Council's Strategic Plan as well as a quarterly update on the Town's financial position. This report will provide transparency to Council and the public through an update on the status of each of Council's Strategic Priorities.

SUSTAINABILITY

ECONOMIC SUSTAINABILITY:

A financial update, as well as the status of the Town's economic and financial actions have been provided in the report to discuss how economic sustainability has been addressed as of Quarter 4 for 2023.

SOCIAL SUSTAINABILITY:

The Town's actions towards improving the social sustainability are provided in the activities

and current status of the Business Plan updates.

ENVIRONMENTAL SUSTAINABILITY:

Actions taken to improve climate resiliency have been provided in the activities and current status of the Business Plan updates

IMPLICATIONS OF RECOMMENDATION:

GENERAL:

The Corporate Strategic Plan & Financial Plan Quarterly Report shows the activities that were provided in the Corporate Business Plan and describes the actions taken, proposed deadlines, and current status of each of these activities. In addition, the report gives a financial summary that gives a quarterly update on the Town's financial position.

While Council made slight adjustments to the Strategic Plan, this document is meant to reflect as of December 31, 2023 and that is why the minor amendments have not yet been incorporated.

ORGANIZATIONAL:

The staff time is limited to preparing and presenting this report.

OPERATIONAL:

N/A

FINANCIAL:

At the end of Quarter 4 for 2023, the financial results are favorable due to an excess of revenue above budget of \$1.48 million, partly offset by expenses of \$1.24 million over budget. Total net surplus of \$1.685 million. On March 20, 2024, approved the transfer of \$1.578 million to reserves. After this transfer our net surplus is \$108 thousand dollars.

This will be added to our unallocated accumulated surplus. Our allocated accumulated surplus' is made up of our capital reserves, dedicated reserves (funds collected from developers for offsite levies) and operating reserves which have restricted uses.

POLICY:

Since the Strategic Plan discussions, Administration has been following the practice of producing quarterly reports for Council to give an update on Council's Strategic Priorities and the Town's financial position.

IMPLEMENTATION:

N/A

BACKGROUND:

The best practice in ensuring fiscal responsibility and transparency by a municipal government is the provision of periodic financial and strategic plan reports to Council. This reporting also ensures effective and efficient budgetary control.

KEY ISSUE(S)/CONCEPT(S):

Quarterly updates on Council's Strategic Plan and the financial position of the Town provide transparency and clarity for Council on the status of the Town's Corporate Strategic Plan initiatives.

DESIRED OUTCOMES:

To update Council on actions taken regarding the Strategic Plan and to provide and update on the financial position of the Town.

COMMUNICATIONS:

The quarterly report will be posted on the Town's website.

ALTERNATIVE ACTIONS/MOTIONS:

THAT Council refer the Corporate Strategic Plan and Financial Plan report to a Committee of the Whole for further discussion.

ATTACHMENTS:

[Attachment I: Corporate Report - Q4 2023](#)

Leana Ashbacher, Senior Manager of Financial Services

Approved
- 09 May
2024

Veronica Anderson, Legislative Services Officer

Approved
- 09 May
2024

Johnathan Strathdee, Manager of Legislative Services

Approved
- 10 May
2024

Kevin Scoble, Chief Administrative Officer

Approved

- 10 May
2024



Corporate Quarterly Report

Quarter Four - 2023

About This Report

The Corporate Quarterly report is produced four times a year to communicate progress made on Council's Strategic Plan presented in the Corporate Business Plan and to present the Town's financial position for the quarter.

There are two parts within this report:

Strategic Plan Reporting - includes progress update on projects that support Council's Strategic Priorities.

Financial Summary - provides a quarterly update on the Town's financial position. Included in this section of the report are two reports for the municipal operation and capital projects, showing: budget vs. forecast, capital project progress and project forecast.

Table of Contents

Strategic Plan Reporting	3
Financial Summary	11
Municipal	
• Operating Summary	12
• Capital Summary	14

Strategic Plan Q4 Reporting

Council's Strategic Priorities

The Town of Strathmore's Council has identified six areas which will be focused on during this Council's term. These priorities were selected based on community feedback provided to Council as well as current service opportunities and challenges presented by Administration.

For each Strategic Priority, Council outlined the outcome that it desires to achieve during the balance of its term.

Affordable Living

Strathmore is an affordable community for residents and businesses enabling access to housing, services, and supports.

Financial Sustainability

Strathmore provides predictable and prudent tax rates and user fees that reduce overall Town debt, build financial reserves, maintain existing assets, and plan for sustainable growth.

Intentional Community Development

Strathmore creates communities for its residents and with its residents and with its neighbors and institutional partners, which promote sustainable and inter-dependent communities.

Climate Resiliency Including Environmental Stewardship

Strathmore protects, manages, and enhances its local environment while preparing for future challenges due to climate change.

Economic Development

Strathmore is well-positioned to encourage commercial and industrial economic development with a focus on sustainable growth.

Community Wellness

Strathmore values Community Wellness focused on the maintenance, protection, and improvement of services that support optimum lifestyles.

Business Plan

Once Council has identified its strategic direction and determined its Strategic Priorities, it is the role of Administration to plan and implement activities which will ensure that the priorities are achieved. The Corporate Business Plan outlines the activities planned by Administration to meet Council's expectations.

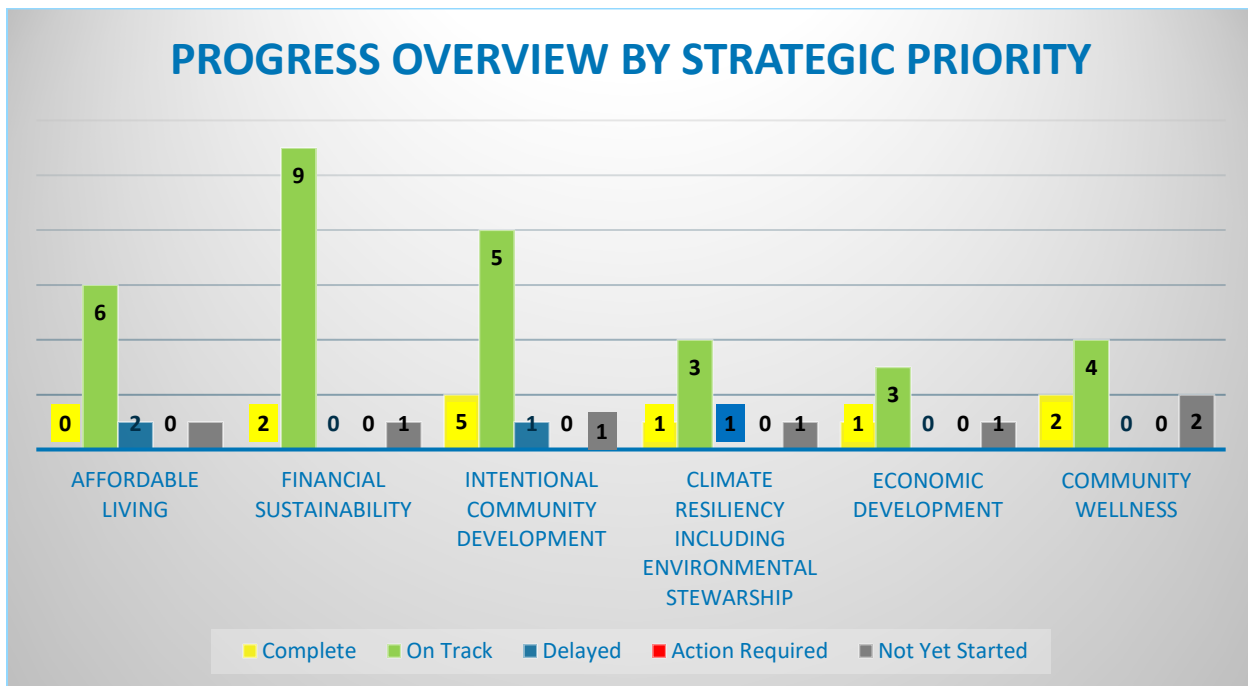
Q4 Progress Summary

Each of the administrative actions have been categorized based on timelines and progress made toward completing the task. The definitions of each of the status categories are outlined below.

Status	Definition	# of Supporting Tasks
✓ Completed	Work has been completed on this initiative.	11
↑ On Track	This initiative is on schedule and progress is being made.	30
▲ Delayed	This initiative is experiencing some setbacks, but progress is still being made.	4
⬮ Action Required	Challenges are limiting or blocking progress of this initiative. Action must be taken to get the project back on track.	0
● Not Yet Started	Work has not begun on this initiative.	6
Total Administrative Tasks Identified		51

Administration has identified 51 administrative actions to support Council's strategic priorities. The timelines for these initiatives have timelines from January 2022 and December 2026 inclusive.

Progress on these administrative actions as of December 31st, 2023 can be seen below.



Q4 Progress Report Details

Strategic Priority #1: Affordable Living










Strathmore is an affordable community for residents and businesses enabling access to housing, services and supports.


Supporting Administrative Actions		Proposed Timeline	Q4 Progress Update
1.1 Synergistic Housing Product and Business Growth/ Sustainability Opportunities			
↑	1.1.a Residential to Non-Residential Tax Ratio	Mar 2023 - Feb 2024	This has been incorporated into the updated Municipal Development Plan.
↑	1.1.b Increasing Housing Product Forms - LUB Amendments	June 2023 - Dec 2024	Ongoing review of current LUBs.
↑	1.1.c Progressive and best land use practices	Ongoing	Ongoing review of current LUBs.
1.2 Increased Availability of Affordable Housing			
↑	1.2.a Develop value-added affordable housing strategies	April 2022 - Dec 2023	Process is underway. Administration is engaging community partners to ensure that local resources are maximized, and all parties are on the same page. The Town moved forward with the establishment of an Affordable Housing Society.
▲	1.2.b Identify candidate projects/ sites/ partners	Dec 2022 - Sep 2023	MDP will guide projects, initiatives, and stakeholders for broader strategy development. True North is building upon the Social Needs Assessment with the development of a Housing Needs Assessment.
↑	1.2.c Evaluate requests for support from the Housing Board regarding seniors' lodge	Oct 2022 - June 2023	This is an ongoing initiative that will also be addressed in the new MDP. Administration has been working with the Housing Board to offer support where possible regarding the seniors' lodge, including working with the consultant, undertaking an environmental assessment on the land and hosting meetings at the Town's offices. Council approved funding for design contingent on approvals from other partners.
↑	1.2d Support WHMB advocacy strategy	June 2023 – Sept 2023	Meeting with the Town's advocacy consultant have been ongoing to support WHMB with advice around next steps.
1.3 Community Wellbeing Investment			
▲	1.3.a Enable Social Procurement	Jan 2022 - Dec 2023	Administration is currently reviewing the draft policy. This item has been reprioritized due to other emergent items.

Items to Track	Responsibility	Progress Notes
Housing Starts	Planning	As of March 2024 – 3 new builds
Ratio of Strathmore's housing stock comparing owned to rental units	Planning	According to the Social Needs Assessment, the Town's home ownership rate is 77% with the rental rate being 23%.
Percentage of citizens reporting Strathmore is an affordable community	Communications/Marketing (Every 2 years – Citizen Satisfaction Survey)	Citizen Satisfaction Survey is scheduled for 2024. Updates will be provided following then.

Strategic Priority #2: Financial Sustainability

Strathmore provides predictable and prudent tax rates and user fees that reduce overall Town debt, build financial reserves, maintain existing assets, and plan for sustainable growth.










Supporting Administrative Actions	Proposed End Date	Q4 Progress Update
2.1 Predictable and Prudent Tax Increases		
 2.1.a.i Develop the long-term fiscal sustainability plan	Jan 2022 - Ongoing	The Town's finance department will be working on developing a long-term financial plan as part of 2023 and 2024.
 2.1.a.ii Development of a debt strategy and policy	Sept 2022 - Dec 2023	Administration prepared an overview of the Town's debt to Council and is working on policy recommendations for Council around managing debt.
 2.1.a.iii Update the reserve policy	April 2022 - Dec 2023	The reserve policy has been presented to Council and has been approved.
 2.1.a.iv Investment Strategy	April 2022 - Dec 2023	Administration has worked to ensure that the Town's investments align with the existing policy.
 2.1.a.v Asset management program development and implementation	April 2022 – Jun 2025	The quarter focused on educational opportunities for staff and Council. The Asset Management Policy was presented for adoption by Council. Training for budget owners expected in Q2 2024
 2.1.a.vi New revenue opportunities	April 2022 - Ongoing	This is ongoing as opportunities arise. The Phyto project has been announced. Other opportunities are being explored and researched.
 2.1.a.vii Consider alternative offsite levy strategies	Jan 2023 - Ongoing	Updates to the OSL Rates are currently being undertaken by Infrastructure and will be presented to council in the second half of 2024
 2.1.viii Consider offsite levy implementation for vertical infrastructure	Jan 2023 – Dec 2023	This is ongoing, an Off-site Levy report was provided to Council in November of 2023.
 2.1.ix Develop a categorized capital	April 2022 – Jun 2025	All department capital plans were consolidated into one document for the 2024 budget.

	plan (RMR, growth, strategic)		
	2.2.a Operational efficiencies opportunities	April 2022 - Ongoing	This is ongoing. As the budget process is refined there is more opportunity to recognize operational efficiencies.
	2.2.b Develop a service and service-levels inventory	Sept 2022 - Dec 2023	The Service Level Inventory has been populated and will be shared with Council this year.
	2.2.c Develop a sustainable Utility Model	Jan 2024 – Dec 2025	

Items to Track	Responsibility	Progress Notes
Citizen perception regarding value from tax dollar	Communications/Marketing (Every 2 years – Citizen Satisfaction Survey)	Citizen Satisfaction Survey is scheduled for 2024. Updates will be provided following then.
Credit rating	Finance	Administration has contacted our major financial lender that manages our investments to obtain this information as a baseline going forward. We have been informed that only large cities have a formal credit rating and this has been removed in the 2024 update.
Tax supported debt ratio	Finance	8.5% Tax supported debt ratio based on 2023 year-end. Calculated as Annual Debt Charges (Principal + Interest) as a percentage of Operating Revenue - \$3.01M / \$36.28M, down from an 11.10% Tax supported debt ratio in 2022.
Percentage of infrastructure replacement costs in reserves	Finance/Asset Management	Currently we have 2% of total assets in reserves. We are currently reviewing our replacement costs and our annual transfer to reserves.

Strategic Priority #3: Intentional Community Development

Strathmore creates communities for its residents and with its neighbors and institutional partners, which promote sustainable and inter-dependent communities.







Supporting Administrative Actions	Proposed End Date	Q4 Progress Update
3.1 Connective Community		
 3.1.a Active transportation plan considering intra- and inter-community opportunities	Jan 2023 - Dec 2024	2024 Capital prioritization has been undertaken. This is an annual exercise with pathways upgrades & development occurring.
3.2 Synergistic Partnerships		
 3.2.a Development of an Intermunicipal Development Plan (IDP) and ICF with Wheatland County	April 2022 - Jun 2024	Provincial Deadline is June 1, 2024. The Town and County were recently awarded \$200,000 through the Alberta Communities Partnership Grant to support the IDP. Work is underway on this project and a request for an extension has been submitted.
 3.2.b Develop additional reconciliation and economic development strategies with Siksika First Nation	Sept 2022 - Dec 2023	Administration supported the Lead by Example Powwow as a key means of focusing on reconciliation with our neighbouring partners. A Society was established to continue this work going forward.
 3.2.b.i Call to Action Plan	Sept 2022 - Dec 2023	The draft document is completed. Waiting for SLT approval and then it will be presented to Council.
 3.2.b.ii Economic Development Strategies	Sept 2022 - Dec 2023	A very experienced economic development employee was recruited and has been focused on developing strategies.
 3.2.b.iii Lead by Example Powwow	Nov 2022 – Mar 2023	The Town led a very successful powwow this year.
 3.2.b.iv Powwow Funding	Jan 2023 – Mar 2023	Administration was successful in obtaining significant sponsorship for this event.
 3.2.c Models for innovative public-private partnerships and joint ventures for development	Sept 2022 – On-going	
 3.2.d Complete required site planning and joint-use and partnerships	Sept 2022 – Jun 2023	Process has started with stakeholder engagement. Agreement deadline extended, by AB government Ministerial Order, to June 10, 2025.

	agreements (JUPA) with school boards		
3.3 Diversity and Inclusivity			
✓	3.3.a Expand diversity and inclusion with new initiatives and incorporation into decision making and policy setting	Sept 2022 - Jun 2023	Training was provided to all staff and Council.
3.4 Municipal Development Plan			
✓	3.4.a Municipal Development Plan	Jan 2022 – Feb 2024	Internal & Council engagement ongoing, scope and internal engagement under review. Draft MDP expected in Q4 2024.
3.5 Neighbourhood Network			
✓	3.5.a Provide recommendation for the expansion of block parties, community networking events (discussion with FCSS and incorporation with Community Wellness	April 2022 - Sep 2023	Administration hosted a number of block parties that were awarded to various areas of the community prior to COVID and rolled out a block party program.

Items to track	Responsibility	Progress Notes
Citizens report increased community connectedness	Communications/Marketing (Every 2 years – Citizen Satisfaction Survey)	Citizen Satisfaction Survey is scheduled for 2024. Updates will be provided following then.
Percentage of major initiatives with partners on the project team	Infrastructure	Engaged in ongoing discussions with developers around Legacy Farms to support strategic initiatives.
Percentage of municipal investment leveraged through delivery partnerships	Economic Development	The Town secured Phyto to contribute to FCSS.
Percentage of citizens who feel Strathmore is a safe town	Communications/Marketing (Every 2 years – Citizen Satisfaction Survey)	Citizen Satisfaction Survey is scheduled for 2024. Updates will be provided following then.

Strategic Priority #4: Climate Resiliency Including Environmental Stewardship

Strathmore protects, manages, and enhances its local environment while preparing for future challenges due to climate change.






Supporting Administrative Actions	Proposed End Date	Q4 Progress Update
4.1 Climate Adaptation Preparation		
 4.1.a CEIP Bylaw-LEED/equipment standard	Sept 2022 - Oct 2023	FCM is the program that provides funding for this. Based on Administration's research, there is not currently any funding available and, therefore, at this point in time, this item has been placed on hold until another funding source can be identified.
 4.1.b Applying sustainability lens to decision making. Incorporate Sustainability Platform (Economic, social, environmental) Into:	April 2022 - Jun 2025	This was incorporated into Council's meeting documents and will be incorporated into the 2025 budget documents.
 4.1.c Rewrite the Sustainability Plan	Sept 2023 - Dec 2024	
4.2 Local Environment		
 4.2.a Evaluation of Waste diversion enhancement opportunities	Jan 2023 – Dec 2023	Working with ARMA on Extended Producer Responsibility (EPR) and expected roll out.
 4.2.b Identify and evaluate Green Power / Net Zero opportunities	Jan 2023 - Ongoing	Continuing to work with partners to explore opportunities.
 4.2.c Sustainable water use strategies	Jan 2023 – Dec 2025	Wetland Policy being updated along with reviewing stormwater and effluent re-use options.

Items to track	Responsibility	Progress Notes
Measure ecological footprint	Infrastructure	Internal review has started, categorizing all items and ensuring complete coverage.
Percentage of residential waste diversion	Infrastructure	53% of Solid Waste is diverted from the landfill. (4,974 MT of waste collected, 2,643 diverted from landfill)
Infrastructure density	Infrastructure	Infrastructure density is expressed as kilometres of infrastructure per 1000 km ² of surface area. Will work to develop a baseline moving forward through asset management and GIS.

Consumption of water per capita	Infrastructure	Total consumption: 78 cubic meters/capita. Total residential consumption: 55 cubic meters/capita.
Towns consumption of water per day	Infrastructure	3,080 cubic meters per day.
Greenhouse gas emission intensity from town operations	Infrastructure/Operations	N/A
Reduction in Town's energy consumption	Infrastructure/Finance	Replacing equipment with modern and more energy efficient options continues annually. Solar at the SMB has created 210 MWh over its lifetime.
Percentage growth in green businesses	Economic Development	In 2022, the Town secured Phyto and continues to work with potential developers and businesses on increasing green businesses within Town.

Strategic Priority #5: Economic Development

Strathmore is well-positioned to encourage commercial, and industrial economic development with a focus on sustainable growth.






Supporting Administrative Actions		Proposed End Date	Q4 Progress Update
5.1 Revitalized, resilient, and intentional and planned growth community			
	5.1.a Community revitalization strategy	June 2024 - Dec 2025	To start after MDP adopted.
	5.1.b Land acquisition, disposition, and utilization strategy	Dec 2022 - Dec 2023	Completed base level inventory.
	5.1.c Business retention and expansion	Sep 2022 – Dec 2024	Continue to raise awareness, support and retain existing businesses, help expand businesses and provide a baseline of business challenges and opportunities. Ec Dev Action Plan was presented to Council.
	5.1.d Business investment attraction	Sept 2022 – Dec 2025	Continue to promote investment opportunities at regional, provincial, and international events. Ec Dev Action Plan was presented to Council.
	5.1.e Collaborative economic development	Sep 2022 – Dec 2025	Working with Community Futures to attract and recruit newcomers to address labor needs and settle newcomers into the community. Ec Dev Action Plan was presented to Council.

Items to Track	Responsibility	Progress
Active Business licenses	Planning	1294 business licences have been issued for 2023.
Construction values	Planning	The total construction value year to date is \$19,691,990
Permit applications	Planning	42 permits have been issued.
Non-residential permits	Planning	Of the 219 permits that have been issued, 29 are non-residential.
Business satisfaction survey on the movement of goods and services	Economic Development	Surveys have been conducted on a variety of topics with local businesses and results shared as part of the Ec Dev Action Plan.
Percentage growth in small business	Planning/Economic Development	We have 185 home-based businesses in total and had 12 new ones in 2022 and have had 6 new ones this year to date. So expressed as a percentage this would be a 3% increase so far this year, and a 6% increase in 2022.

Strategic Priority #6: Community Wellness

Strathmore values Community Wellness focused on the maintenance, protection and improvement of services that support optimum lifestyles.

Supporting Administrative Actions	Proposed End Date	Q4 Progress Update
6.1 Volunteer Support		
✓ 6.1.a Engaging & supporting all Volunteers (including Fire Department Volunteers) for a vibrant, connected community	Jan 2023 - Dec 2023	Volunteer connector launched. Recent review and additional communications sent to social agencies to educate groups on the use of the site.
6.2 Efficient and Effective Intra- and Inter- Community Service Provision		
↑ 6.2.a Evaluate options for services provision inclusive of Town, NGOs, private, institutional and partnerships	April 2022 - Mar 2024	Preliminary work has started but this will evolve as relationships with local partners are developed.
6.3 Successful Advocacy Outcomes		
✓ 6.3.a Annual update to advocacy plan supporting Council's Strategic Plan	May 2023 - Sept 2023	The Town's advocacy plan has been developed.

6.4 Maintain and Increase Institutional and NGO Supports in the Community			
	6.4.a Evaluate enhancement to existing granting policies	Sept 2023 - Dec 2024	Administration facilitated a workshop with Council regarding grant policies and procedures. Administration continues to review and prepare recommendations regarding other potential policy changes to support this initiative.
	6.4.b Post Secondary Education: Evaluate & recommend strategies to attract post-secondary institutions	April 2022 - Dec 2026	Consideration is being given to developing and supporting synergistic opportunities with private and public initiatives and projects.
	6.4.c Medical Services and Professionals: Evaluate & recommend strategies	April 2022 – Jun 2024	The Town of Strathmore does not meet the criteria for the RESIDE program. However, the Villages of Hussar, Rockyford, and Standard are eligible. The Town will be meeting with other municipalities in our region to inventory services that are offered and understand our regional needs. The Town continues to reach out to associations and local stakeholders to better understand some of the issues.
	6.4.d Prepare Accessibility Master Plan (Requires funding)	Jan 2024 – Dec 2024	
	6.4.e Scoping workshops with Council	Mar 2023 – Sep 2023	

Tracking Items	Responsibility	Progress
Citizens report increased health and wellness	Communications/Marketing (Every 2 years – Citizen Satisfaction Survey)	Citizen Satisfaction Survey is scheduled for 2024. Updates will be provided following then.
Per capita usage of civic amenities	Recreation, Operations & Finance	<p>We offered nine weeks of summer camps this year, which is an increase from eight last year. We had 481 registrants, up from 291 the year before. We had 12 people on the waitlist, which was down from 116 in 2022.</p> <p>Operations assisted with over 180 events in 2023, which included working with the Ag Society on the stampede, fright night and celebration of lights, Kinsmen Park events such as the Farmer's Market, Wheatland Whirlers, and private events and assisting business with their events like the Downtown Nighttime market.</p>

Percentage of citizens volunteering increases	FCSS	For 2023, 454 volunteer applications are active in the Strathmore area, according to the Volunteer Connector. 41% of the organizations associated with FCSS utilize the program to assist with volunteer recruitment. February 2023 was one of the most successful campaigns, Lead By Example Powwow, with 32 individuals applying to this position and 860 views.
Percentage of residents who recommend Strathmore as a good place to live	Communications/Marketing (Every 2 years – Citizen Satisfaction Survey)	Citizen Satisfaction Survey is scheduled for 2024. Updates will be provided following then.
Percentage of citizens who feel that Strathmore has the appropriate emergency services in place	Communications/Marketing (Every 2 years – Citizen Satisfaction Survey)	Citizen Satisfaction Survey is scheduled for 2024. Updates will be provided following then.
Crime prevention/reduction statistics	Municipal Enforcement	In 2023, Strathmore is experiencing a 8% decrease in criminal code offenses against people as well as fewer instances of theft (under \$5k), compared to 2022.

Financial Summary

At the end of Quarter 4 for 2023, the financial results are favorable due to an excess of revenue above budget of \$1.48 million, partly offset by expenses of \$1.24 million over budget. Total net surplus of \$1.685 million. On March 20, 2024, approved the transfer of \$1.578 million to reserves. After this transfer our net surplus is \$108 thousand dollars.

This will be added to our unallocated accumulated surplus. Our allocated accumulated surplus' is made up of our capital reserves, dedicated reserves (funds collected from developers for offsite levies) and operating reserves which have restricted uses.

Municipal

Operating:

- \$35.5 million is the budgeted revenue for 2023.
- \$37.0 million actual revenue in 2023
- \$1.48 million net surplus above budget.

Capital:

- There was a total of 64 municipal capital projects for 2023.
- \$4.0 million was spent out of a \$5.7 million capital budget.
- \$1.46 million was requested and approved to be carried forward into 2024.

Investments

The Town has \$15.9 million in cash and investments at Quarter 4.

Reserves

The reserve balance was \$11.5 million at the beginning of 2023. The reserve balance at the end of 2023 is \$14.0 million. Water license purchase has been delayed until 2024.

Debt

The Town's outstanding debt at the beginning of 2023 was \$18.45 million. The Town's outstanding debt at the end of 2023 is \$16.1 million.

Municipal Operating Variance Analysis

Council

- Overall, \$71 thousand under budget
- Contract and General Services - \$44 thousand under budget.
- Materials, Goods and Supplies - \$16 thousand under budget.

General Revenue & Taxation

- Property tax revenue is \$22 thousand above budget due to supplemental assessments.
- Investment & Interest income is \$150 thousand above budget due to higher interest rates impacting bank interest.
- Government Grants – Other is \$102k higher than budget due to the MSI Operating allocation for 2023 being doubled by the provincial government.
- Franchise Fee Revenues are \$110 thousand under budget.

Administration - General

- Investment income was higher than budget by \$150 thousand due to higher interest rates.
- Government Grants – Operating was \$102 thousand higher than budget.
- Atco Gas Franchise Fees were \$170 thousand under budget, offset by higher Fortis Franchise fees of \$61 thousand.

Strategic, Administrative and Financial Services

- Assessment services was contracted out to Wild Rose Assessment Services. This will reduce wages & benefits by over \$285 thousand for the year and increase contract services by \$120 thousand for a net savings of \$165 thousand.
- Wages and Salaries were an additional \$75 thousand under budget, above the reduction for Assessment Services
- Contract and General Services was overall \$68 thousand under budget.
 - Legal fees \$68 thousand above budget
 - Contracted Services \$32 thousand above budget, offset by
 - Equipment Maintenance \$109 thousand below budget
 - Advertising and Promotion \$61 thousand below budget

Community & Protective Services

- 2023 RCMP contract expenses are \$280 thousand under budget for the year.
- Fire Department overtime and casual wages are \$288 thousand over budget. The overtime wages were not reflected in the 2023 operating budget. This will be corrected for the 2024 budget.
- Fire Department overtime wages and other expenses will be higher than budget due to the Northern Alberta Wildfire response, but these costs will be offset by emergency response revenue from the Provincial Government. Surplus revenue (after covering the wildfire expenses) has been transferred to the Fire Capital Reserve (\$230 thousand).
- Fire inspection fees were budgeted to be \$70 thousand for the year. Actual fire inspection fees were less than \$28 thousand due to a late start, wildfire response, and initial year start-up.

- Expenses for The Lead By Example Powwow were approximately \$170 thousand. The powwow expenditures were covered through donations, sponsorship, and other revenue.

Infrastructure, Operations and Development Services

- Snow clearing for the first half of the year was approximately \$40 thousand over budget due to overtime wages, vehicles costs, and contracted services. However, due to the mild winter conditions at the end of 2023, Roads Cost Center finished on budget.
- Utility sales of goods and services are increased to consumption - \$286 thousand.
- Septic Hauling sales of \$15 thousand over the budget of \$50 thousand.
- Water, Wastewater other revenue are increased due to receiving offsite levies and offset with expenditure on the transfer to reserve.
- Forfeiture of Developer Deposit of \$123 thousand (Other Revenue), offset by related increase in Capital Expense.

General Variances Over All Divisions

- All departments and cost centres are very close to budgeted amounts in revenue and expenses. This is primarily due to improved budget preparation for 2023.
- The Other Revenue category was \$1.2 million higher than budget, due to wildfire response revenue, powwow revenue and payment of offsite development levies by developers. All this additional revenue was transferred to Town reserve accounts.

Quarter Four 2023 - Operating Budget Forecast

Net Surplus (Deficit) Summary

January To December 2023

	2023 Budget	2023 Actuals	2023 Variance	Comments
Revenues				
Total Property Taxes	\$14,975,700	\$14,997,500	\$21,800	On target
User fees and sales of goods	\$17,057,200	\$17,004,127	(\$53,073)	On target
Penalties and Cost of Taxes	\$216,700	\$223,635	\$6,935	On target
Government Grants - Operating	\$1,425,100	\$1,599,774	\$174,674	On target
Investment Income	\$284,000	\$398,167	\$114,167	Investment income higher than budget due to
Licences and Permits	\$760,800	\$569,926	(\$190,874)	Under budget, partial offset with reduction in Transfer to Reserves for contract inspection
Gain on disposal of Capital Assets	\$0	\$50,630	\$50,630	Gain on sale of Champion 66 grader
Other Revenues	\$207,900	\$1,370,799	\$1,162,899	N.AB Wildfire\$425k, Offsite Levies \$225k, RCMP Revenue & Cost Recovery \$185k, Powwow \$170k, Builder Deposit Forfeiture \$123k, Septic Hauling \$65k, FCSS Donation/Grants \$50k, Sponsorship \$40K, Government Deals \$25k, offset with salary and wages, contract services expenses
Transfer from Reserves - Operating	\$119,800	\$211,902	\$92,102	Phase 2 Enviro Assessment \$50k, Snow Dump \$47K, Communication Rebranding \$27k
Internal Transfers Revenue	\$374,700	\$501,172	\$126,472	Increase in Water and Waste Water usage
Transfer from reserves - capital	\$80,000	\$53,801	(\$26,199)	Funding for Capital Expenditures, flowed through income statement.
Government grants - capital	\$0		\$0	On Target - Capital Funding
Total Revenues	\$35,501,900	\$36,981,433	\$1,479,533	

Quarter Four 2023 - Operating Budget Forecast

Net Surplus (Deficit) Summary

January To December 2023

	2023 Budget	2023 Actuals	2023 Variance	Comments
Expenses				
Salaries, Wages, and Benefits	\$13,463,800	\$13,070,983	(\$392,817)	Under budget overall, Increases in Fire \$185k, Roads, \$15k offset by reductions within Municipal Enforcement \$110k, FCSS \$51K and by change in service delivery in Assessment \$285K
Contracted and General Services	\$12,077,700	\$11,416,167	(\$661,533)	Other Contracted Services - \$(195k), RCMP Contract - \$(280k), Equipment Maintenance - \$(105k), Engineering - \$(80k), Water Meters - \$(80k), organizational training (\$37k) offset by Powwow Expenses - \$170k
Materials, Goods, Supplies & Utilities	\$4,336,200	\$4,167,393	(\$168,807)	Water Meter Replacements - \$(105k), Water Supply purchases - \$(100k), Utilities - \$(93k), Other Purchases - \$(45k), Conveyance Fees - \$(14k), offset by increases in Fleet Maintenance, - \$40k, Water Supply Purchases -
Bank and Short Term Interest Charges	\$52,000	\$71,694	\$19,694	Increased volume of CC transactions and related fees, bank fees
Other Expenditures	\$0	\$978	\$978	Timing
Transfers to Individuals and Organisations	\$468,300	\$427,204	(\$41,096)	CIP program (\$21k), Seniors Tax rebate (\$10k)
Transfers to Local Boards and Agencies	\$435,300	\$437,750	\$2,450	On target
Interest on Long-term Debt	\$488,800	\$483,065	(\$5,735)	On target
Long-term Debt Principal Payments	\$2,118,200	\$2,558,179	\$439,979	Lump Sum Payment on Loan K \$412k (long term debt - for future projects). PollyCo \$23k
Transfers to Reserves - Operating	\$350,000	\$1,311,084	\$961,084	Increases in General \$809K, RCMP \$280k, Utilities \$110K, offset by reduction from Building Inspection -
Transfers to Reserves - Capital	\$1,336,900	\$2,335,187	\$998,287	Increases in Offsite Levy \$800k, Wildfire Revenue \$230k, Planning & Dev \$71K, Roads \$51K, offset by reduction in General -\$(160K)
Loss on disposal of Capital Assets	\$0	\$92,998	\$92,998	Disposal of Lovo Loader
Internal Transfers Expenses Amortization	\$374,700	\$501,172	\$126,472	Increase in Water and Waste Water usage
Total Expenses	\$35,127,200	\$36,873,855	\$1,245,483	
Net Surplus (Deficit)	\$374,700	\$107,578	\$234,050	

Municipal Capital Summary

Budget vs. Forecast Comparison

\$4.0 million was spent out of a \$5.7 million cumulative capital budget.

Project Status

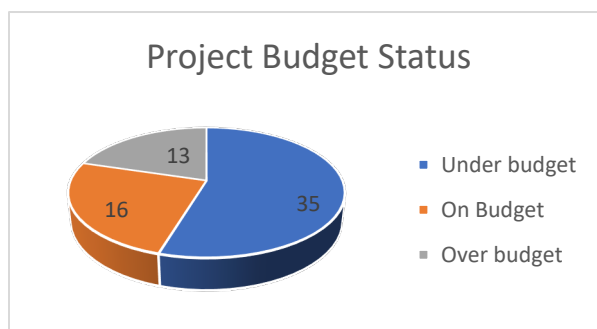
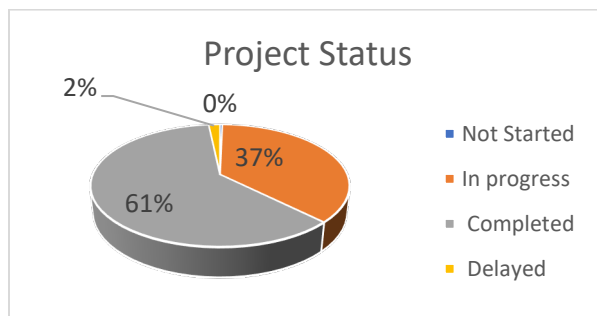
- 64 total projects
- 0 projects have been cancelled.
- 3 projects are delayed.
- 2 projects not started.
- 17 projects are in progress.
- 42 projects are complete.

Project Completion

Town administration has had an early start on the 2023 capital projects. Based on current project status, most projects should be fully completed by the end of 2023.

Carry forward budget was requested and approved by Council on March 20, 2024, for \$1,461,460.

- Delayed/Not Started Projects - \$700K
- In progress Projects - \$760k



Quarter Four 2023 - Capital Budget Report

<h1>Town of Strathmore</h1> <h2>2023 4th Quarter (Jan to Dec 31) @ Feb 21/24 - Capital Budget Report</h2>								
Capital Project Name	Project Code	Manager	2023 Final Budget	2023 Actual Spent	Budget Variance	Carry Forward Funding Required	Project Status	Comments
Administration								
Municipal Surveillance Assessment & Initial Cameras	INF_MA2301	Ray Chan	35,000	-	35,000	15,000	In Progress	Proof of concept (POC) testing in progress. Carry over to 2024 Q2-3 for camera installation adjustment related to new surveillance policy.
Recycle Yard Fencing	INF_MA2302	Ethan Wilson	32,739	31,539	1,200		Completed	Final invoice submitted
Fire Services								
Respiratory & Breathing Apparatus (SCBA) FIT Test Machine	FIR_MA2301	David Sturgeon	21,000	21,514	(514)		Completed	
Expired PPE Turnouts - Fire Gear	FIR_MA2302	David Sturgeon	50,000	44,882	5,118		Completed	
Battery Powered Positive Pressure Ventilator	FIR_MA2303	David Sturgeon	10,000	8,650	1,350		In Progress	
PPE Extractor and Dryer	FIR_MA2304	David Sturgeon	12,000	13,758	(1,758)		Completed	
Rapid Intervention Team Rescue Pack	FIR_MA2305	David Sturgeon	12,000	11,042	958		Completed	
Common Services								
Operations Shop - Emergency Exit Stairwell	CSE_BU2301	Donna McCallum	25,000		25,000	25,000	Delayed	Delayed in 2023. Carry over funding to 2024.
240 Litre Organic Collection Carts	CSE_MA2301	Donna McCallum	20,000	19,350	650		Completed	
Water Tank & Skid	CSE_MA0004	Donna McCallum	50,000	40,560	9,440		Completed	
Loader	CSE_MA0005	Donna McCallum	460,000	459,400	600		Completed	
Compact Track Loader	CSE_MA0006	Donna McCallum	190,000	189,500	500		Completed	
Municipal Tractor (Series MT7)	CSE_MA0008	Donna McCallum	161,300	160,600	700		Completed	
Snow Blower	CSE_MA0009	Donna McCallum	21,500	21,400	100		Completed	
Bucket Truck	CSE_MA0010	Donna McCallum	200,000		200,000	202,300	In Progress	Carry forward. PO issued, waiting for delivery.
Roll Off Bins	CSE_MA0016	Donna McCallum	10,100	19,100	(9,000)		Completed	
Snow Blower Chute	CSE_MA0017	Donna McCallum	6,400	6,354	46		Completed	
Cargo Van - Facilities	CSE_VE2301	Donna McCallum	40,000		40,000	40,000	Delayed	Delayed in 2023. Carry over funding to 2024.
Recreation								
Lambert Centre - Roof Repair	REC_BU2301	Marcie Brinton	50,000	23,265	26,735		Completed	
Aquatic Centre - Roof Replacement	REC_BU2302	Mark Pretzlaff	605,000	619,289	(14,289)		In progress	
Aquatic Centre - Partition Replacement	REC_BU2303	Marcie Brinton	20,000	14,983	5,017		Completed	
Resurfacing of tennis court surfaces	REC_LI0001	Marcie Brinton	70,000	63,121	6,879		Completed	
Sports Centre Electrical Panel	REC_MA0001	Marcie Brinton	50,000	12,045	37,955	50,000	In Progress	Project will require carry over funding in the amount of \$50,000.
FC Building Automation (2022)	REC_MA0005	Marcie Brinton		12,162	(12,162)		Completed	
Curling Rink Condenser	REC_MA0006	Marcie Brinton	37,000	42,195	(5,195)		Completed	
Windscreen	REC_MA0011	Marcie Brinton	12,000		12,000		Completed	
Family Centre - Ice Plant Compressor Overhaul	REC_MA2301	Marcie Brinton	10,000	13,726	(3,726)		Completed	
Parks								
Benches, Picnic Tables (Various Locations)	PAR_LI0006	Donna McCallum	25,000	15,591	9,409		Completed	
Pathway Lifecycle Program	PAR_LI2301	Ethan Wilson	50,000	58,545	(8,545)		Completed	
Lifecycle Playground Equipment Replacement	PAR_MA0001	Donna McCallum	90,000	22,020	67,980	84,550	In Progress	2023 capital budget. Project was tendered and PO issued to secure 2023 pricing; work expected to start May 2024.
Kinsmen Park Christmas Lights	PAR_MA2301	Donna McCallum	20,000	21,492	(1,492)		Completed	

<h1>Town of Strathmore</h1> <h2>2023 4th Quarter (Jan to Dec 31) @ Feb 21/24 - Capital Budget Report</h2>								
Capital Project Name	Project Code	Manager	2023 Final Budget	2023 Actual Spent	Budget Variance	Carry Forward Funding Required	Project Status	Comments
Roads								
Wheelchair Ramp Program	ROA_EN0003	Ethan Wilson	30,000	29,191	809		Completed	
Westridge Rd Rehabilitation	ROA_EN0006	Ethan Wilson	10,000	7,184	2,816		Completed	
Sidewalk Improvements	ROA_EN0011	Donna McCallum	115,000	114,931	69		Completed	
Capital Projects Engineering	ROA_EN2301	Ethan Wilson	100,000	68,854	31,146		Completed	
Sidewalk Improvements	ROA_EN2302	Donna McCallum	50,000	28,652	21,348		Completed	
Lakeside Blvd & Archie Klaiber Trail	ROA_EN0010	Ethan Wilson	300,000	230,915	69,085		Completed	Project Complete, construction invoices all received, minor invoices may remain
	ROA_EN2303	Ethan Wilson	230,000	332,481	(102,481)		Completed	
		Ethan Wilson	100,000	29,869	70,131		Completed	
Road Asset Management Plan	ROA_EN2304	Ethan Wilson	320,000	290,599	29,401		Completed	
Replace Tandem Truck PW - 21	ROA_VE2301	Donna McCallum	500,000	398,700	101,300	-	In Progress	PO issued and truck delivered January 26. Expecting invoice asap.
Storm Water								
Ridge Road Storm Sewer	STO_EN0001	Ethan Wilson	25,000	25,244	(244)		Completed	
Strathmore Lakes Pond	STO_EN0002	Ethan Wilson		1,215	(1,215)		Completed	
CSMI Capital Projects	STO_EN0006	Ethan Wilson		3,578	(3,578)			
Co-operative Stormwater Management (CSMI) Capital Projects	STO_EN2301	Ethan Wilson	50,000		50,000		Completed	
WATER								
Central Irrigation System	WAT_EN0003	Ethan Wilson	10,000		10,000	10,000	Not Started	Carry forward 2023 capital budget.
Willow Drive - utility main replacement	WAT_EN0004	Ethan Wilson	25,000	25,000	0		Completed	
Water Licence	WAT_EN2301	Ethan Wilson	650,000	50,424	599,576	608,950	Delayed	Carry forward, awaiting AEPA approval
Sanitary Sewer								
Lift Station Upgrades	SAN_EN2301	Ethan Wilson	50,000	48,750	1,250		Completed	
Ridge Road Sanitary Main Realignment	SAN_EN2302	Ethan Wilson	55,000	16,847	38,153		Completed	
Waste Water Treatment Plant Programmable Logic Controller (PLC) Upgrades	SAN_MA2301	Ethan Wilson	250,000	104,620	145,380	169,000	In Progress	Carry forward \$169,000. Portions of work delayed due to material availability. To be completed in 2024 as part of Phase 2 of the project.
Waste Water Treatment Plant Lab Equipment	SAN_MA2302	Ethan Wilson	20,000	8,113	11,887		Completed	
Waste Water Treatment Plant General Plant	SAN_MA2303	Ethan Wilson	80,000	111,375	(31,375)		Completed	

Town of Strathmore

2023 4th Quarter (Jan to Dec 31) @ Feb 21/24 - Capital Budget Report

Capital Project Name	Project Code	Manager	2023 Final Budget	2023 Actual Spent	Budget Variance	Carry Forward Funding Required	Project Status	Comments
ADMINISTRATION								
Rebranding Rollout	COM_MA0001	Johnathan Strathdee	31,400	24,000	7,400	6,000	In Progress	Town is working with a contractor to develop a brand story and create templates for departments.
Event Tools and Equipment	COM_MA0002	Johnathan Strathdee	8,300	2,945	5,355	5,000	In Progress	
Software for Finance	FNC_MA0001	Leana Ashbacher	7,000	7,204	(204)		Completed	ReQlogic project completed.
GP Upgrades	FNC_MA0002	Ray Chan	30,000		30,000	30,000	In Progress	Carry over to 2024 Q4 upgrade.
Offsite Backups	INF_MA0001	Ray Chan	21,500	7,837	13,663	13,700	In Progress	Offsite Backup implemented between SMB and Family Centre. Carry over to complete remaining backup storage lifecycle maintenance upgrade.
Firewall Redundancy	INF_MA0002	Ray Chan	12,000	-	12,000	-	Completed	Completed - SMB Firewall Redundancy (HA) was reconfigured using existing spare parts without purchasing additional parts.
Continuity of Connectivity between Building	INF_MA0003	Ray Chan	2,000		2,000	2,000	Not Started	Technical resources constraint - on-hold until Q3 2024
Disaster Recovery - IT Infrastructure/Network	INF_MA0007	Ray Chan	15,000		15,000	15,000	Not Started	Technical resources constraint - on-hold until Q3 2024
Replace Phone System	INF_MA0008	Ray Chan	30,000	4,097	25,903	10,900	In Progress	85% - FCSS, Aquatic centre, Civic Centre, Family Centre phone system completed. Strathmore Municipal Building (SMB) outover Q1 2024.
Evergreen client compute equipment	INF_MA0009	Ray Chan	74,000	37,756	36,244	36,250	In Progress	Phase 1 (Qty 20) completed in 2023, carry over remaining funding to phase 2 RFP in 2024 Q2 (Qty 20)
Cybersecurity Improvements, Risk Remediation, Network Security	INF_MA0010	Ray Chan	8,000		8,000	8,000	In Progress	Carry over to 2024 Q1-2 IT Assessment
IT Backup Systems Project	INF_MA0012	Ray Chan	130,000		130,000	130,000	In Progress	Carry over to 2024 Q1-2 RFP
Town Hall Flagpole	INK_MA0013	Ethan Wilson	12,000	10,634	1,366		Completed	
CEMETERY								
Columbarium	CEM_LI0001	Donna McCallum	6,500	750	5,750		Completed	Awaiting Installation in 2024. This was paid upon order.
Capital Budget Total			5,753,739	3,987,848	1,765,891	1,461,650	Total	



Request for Decision

To: Council

Staff Contact: Veronica Anderson, Legislative Services Officer

Date Prepared: May 8, 2024

Meeting Date: May 15, 2024

SUBJECT: Proclamation - World Family Doctor Day

RECOMMENDATION: THAT Council proclaim May 19, 2024 as World Family Doctor Day in the Town of Strathmore.

STRATEGIC PRIORITIES:



Affordable
Housing



Climate
Resiliency



Community
Development



Community
Wellness



Economic
Development



Financial
Sustainability

HOW THE STRATEGIC PRIORITIES ARE MET:

By proclaiming May 19, 2024 as World Family Doctors Day the Town will celebrate the contributions of the many family doctors in our community.

SUSTAINABILITY

ECONOMIC SUSTAINABILITY:

N/A

SOCIAL SUSTAINABILITY:

N/A

ENVIRONMENTAL SUSTAINABILITY:

N/A

IMPLICATIONS OF RECOMMENDATION:

GENERAL:

N/A

ORGANIZATIONAL:

N/A

OPERATIONAL:

The organizational implications are limited to the preparation of this report and arranging for the proclamation to be executed.

FINANCIAL:

N/A

POLICY:

N/A

IMPLEMENTATION:

If Council authorizes this Proclamation, Administration will arrange for it to be signed and posted on the Town's website and social media.

BACKGROUND:

The Alberta College of Family Physicians (ACFP) is celebrating the global recognition of World Family Doctor Day and has asked Alberta's municipalities to join them.

First declared by WONCA (World Organization of Family Doctors) in 2010, this annual commemoration acknowledges the outstanding contributions of family doctors in health care systems around the world.

Family physicians have the unique privilege to nurture the most trusted relationships in medicine—between patients and their family doctors—through every life stage. Their essential role in the lives of Albertans is the foundation of an integrated health care system that is accessible, comprehensive, continuity-based, and patient-centered.

“Seventy percent of health care provided in Alberta is done so by family doctors. World Family Doctor Day is a day to acknowledge the central role and contribution of family doctors in their patients' lives,” says ACFP Executive Director Terri Potter. “Now more than ever, we need to celebrate and recognize

family doctors who have been, for the majority of Albertans, their constant health care provider in an ever-changing and over-burdened system.”

KEY ISSUE(S)/CONCEPT(S):

Consideration on whether Council wishes to proclaim May 19 as Family Physician Day in the town or not.

DESIRED OUTCOMES:

For Council to proclaim May 19, 2024 as World Family Physician Day in the town of Strathmore.

COMMUNICATIONS:

If proclaimed the signed proclamation will be posted on the town website and shared via social media.

ALTERNATIVE ACTIONS/MOTIONS:

ATTACHMENTS:

[Attachment I: World Family Doctor Day - Proclamation](#)

[Attachment II: Alberta College of Family Physicians Proclamation Request](#)

Claudette Thorhaug, Legislative Services Officer

Approved
- 09 May
2024

Johnathan Strathdee, Manager of Legislative Services

Approved
- 09 May
2024

Kevin Scoble, Chief Administrative Officer

Approved
- 10 May
2024



PROCLAMATION
WORLD FAMILY DOCTOR DAY
May 19, 2024

- WHEREAS** Citizens trust and rely on their family doctors to provide health care that is both timely and of the highest quality;
- AND WHEREAS** We recognize and appreciate that 70% of health care in Alberta is delivered in communities by family doctors and primary health care providers;
- AND WHEREAS** The foundation of an effective health care system for Alberta starts with strong primary health care;
- AND WHEREAS** Family Doctor Day presents the opportunity for governments, health care organizations, other professionals, and patients to recognize the vital role family doctors have.

NOW THEREFORE BE IT RESOLVED THAT the Council of the Town of Strathmore recognizes that Family Doctor Day provides an opportunity to celebrate and acknowledge the central role family doctors have in the delivery of personal, comprehensive, and continuing health care.

NOW THEREFORE, On behalf of Council, I Pat Fule, mayor of the Town of Strathmore, do hereby proclaim May 19, 2024 as *World Family Doctor Day* in the Town of Strathmore.

Pat Fule, Mayor

From: Alberta College of Family Physicians <info-acfp.ca@shared1.ccsend.com>
Date: May 9, 2024 at 8:40:54 AM MDT
To: Pat Fule <pat.fule@strathmore.ca>
Subject: May 19th is World Family Doctor Day - Help Us Celebrate Alberta Family Doctors!
Reply-To: info@acfp.ca

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.



The Alberta College of Family Physicians (ACFP) is proud to celebrate the global recognition of World Family Doctor Day and asks Alberta's municipalities to join us. First declared by WONCA ([World Organization of Family Doctors](#)) in 2010, this annual commemoration acknowledges the outstanding contributions of family doctors in health care systems around the world.

Family physicians have the unique privilege to nurture the most trusted relationships in medicine—between patients and their family doctors—through every life stage. Their

essential role in the lives of Albertans is the foundation of an integrated health care system that is accessible, comprehensive, continuity-based, and patient-centred.

"Seventy percent of health care provided in Alberta is done so by family doctors. World Family Doctor Day is a day to acknowledge the central role and contribution of family doctors in their patients' lives," says ACFP Executive Director Terri Potter. "Now more than ever, we need to celebrate and recognize family doctors who have been, for the majority of Albertans, their constant health care provider in an ever-changing and over-burdened system."

We invite you to recognize the hard work and dedication of family physicians in your community.

World Family Doctor Day presents an opportunity:

- for municipalities to declare May 19 World Family Doctor Day in your city or town ([download the suggested Declaration template](#))
- for municipal service buildings, medical clinics, pharmacies, and/or hospitals to show their support by displaying a [World Family Doctor Day poster](#)
- for Albertans to celebrate family doctors for their dedication and compassion

What You Can Do

- Thank your family doctor, personally
- Promote World Family Doctor Day and celebrate on social media! Visit www.familydocsrock.ca to access our communications toolkit and learn more about how you can celebrate your local family doctors
- Share your story with us and we will share it with your family doctor and the rest of the world

More about the ACFP

The Alberta College of Family Physicians (ACFP) is a member-based, not-for-profit organization representing more than 5,600 family physicians, family medicine residents, and medical students across Alberta. Established more than 65 years ago, the ACFP strives for excellence in family practice through advocacy, continuing medical education, and primary care research. The ACFP is a Chapter of the College of Family Physicians of Canada (CFPC), a nationwide organization with more than 43,000 members. For more information on the ACFP, visit www.acfp.ca.

For all the ways you can celebrate World Family Doctor Day, visit our website: www.familydocsrock.ca.

Alberta College of Family Physicians



Request for Decision

To: Council

Staff Contact: Mark Pretzlaff, Director of Community and Protective Services

Date Prepared: April 29, 2024

Meeting Date: May 15, 2024

SUBJECT: Diversity, Equity, and Inclusion Declaration

RECOMMENDATION: THAT Council adopt the Diversity, Equity, and Inclusion declaration as presented in Attachment I.

STRATEGIC PRIORITIES:



Affordable
Housing



Climate
Resiliency



Community
Development



Community
Wellness



Economic
Development



Financial
Sustainability

HOW THE STRATEGIC PRIORITIES ARE MET:

As part of its strategic plan, Council has prioritized a desire to create and promote a sustainable and inter-dependent community for its residents as well as neighbouring communities and institutional partners.

The adoption of a Diversity, Equity, and Inclusion (DEI) declaration illustrates the town's commitment to provide inclusive, accessible and equitable programs and services to community.

SUSTAINABILITY

ECONOMIC SUSTAINABILITY:

Economic sustainability is not applicable to this report.

SOCIAL SUSTAINABILITY:

A DEI declaration would demonstrate the Town's commitment to creating a more sustainable community where people from all walks of life have the right to, and can participate fully in, social, economic, political, and cultural life.

ENVIRONMENTAL SUSTAINABILITY:

Environmental sustainability is not applicable to this report.

IMPLICATIONS OF RECOMMENDATION:

GENERAL:

A DEI declaration is a formal statement that conveys a town's commitment to diversity, equity, and inclusion. It outlines, specifically, where the town's efforts are focused and the steps they are taking to build a strong DEI culture.

Ultimately, it would demonstrate that Strathmore is a welcoming and inclusive town, that embraces diversity within its workplace and workforce and encourages the same in its departments, boards, committees, and affiliated community partners, leading to a just and integrated society where diversity is valued and dignity and integrity are sustained for all.

ORGANIZATIONAL:

As identified in the strategic plan, Council has approved the creation of a DEI declaration so the organizational implications would be limited to the staff time required to prepare this report and declaration.

Any possible impact on the organization would depend on developing future policies.

OPERATIONAL:

There are no operational implications to the recommendation in this report.

FINANCIAL:

There are no financial implications other than staff time needed to prepare this report.

POLICY:

There are no policy implications to the recommendation in this report.

IMPLEMENTATION:

Upon Council's approval, the declaration would be posted the Town's website.

BACKGROUND:

In March 2024, Council confirmed the six strategic priorities for the remainder of the current term. These include:

- Affordable Living
- Financial Sustainability
- Intentional Community Development
- Climate Resiliency Including Environmental Stewardship
- Economic Development
- Community Wellness

As part of the Intentional Community Development priority, Council identified the creation of a DEI declaration as one of the ways to implement this priority.

This declaration would align to Council's previous decision to join the UNESCO Coalition of Inclusive Municipalities, in January 2021.

KEY ISSUE(S)/CONCEPT(S):

DEI programs can be controversial for organizations but it is important to understand that a DEI declaration increases awareness, and when individuals are welcomed and encouraged, they contribute to a more equitable society for the community, benefitting all.

DESIRED OUTCOMES:

That Council support the declaration illustrating the town's commitment to providing inclusive, accessible, and equitable programs and services to community.

COMMUNICATIONS:

Upon Council's approval, the declaration will be posted on the Town's website.

ALTERNATIVE ACTIONS/MOTIONS:

1. Council may adopt the recommended motion.
2. Council may defeat the recommended motion.
3. Council may provide further direction.

ATTACHMENTS:

[Attachment I: Diversity, Equity, and Inclusion Declaration](#)

Veronica Anderson, Legislative Services Officer

Johnathan Strathdee, Manager of Legislative Services

Approved
- 10 May
2024
Approved

- 10 May
2024

Approved
- 10 May
2024

Kevin Scoble, Chief Administrative Officer



Declaration

Diversity, Equity & Inclusion (DEI)

Date: May 15, 2024

Drawing inspiration from our rich heritage and embracing our rural roots, we strive to create a welcoming environment where all residents and visitors feel valued and respected. Just as Omahksikokii occupies a prominent place in our landscape, diversity holds a central role in shaping our collective identity and aspirations. We focus on decisions that prioritize the well-being and inclusion of every individual. We celebrate the richness of our differences, recognizing them as integral to the vibrant tapestry of our community. In Strathmore, authenticity is our anthem. Through the embrace of diversity, the promotion of equity, we forge bonds unbreakable, fortifying our communal spirit. Guided by the light of curiosity, the warmth of kindness, let us journey together towards a future where every voice is heard, every perspective valued, and every person finds a home in (Omahksikokii) Strathmore.

Pat Fule, Mayor



NOTICE OF MOTION

Date: May 10, 2024

Meeting Date: May 15, 2024

SUBMITTED BY: Councillor Jason Montgomery

SUBJECT: Racial Equality Review

WHEREAS, the Town of Strathmore recognizes the inherent dignity and equal rights of all individuals, regardless of race, ethnicity, or cultural background.

AND WHEREAS, the Town of Strathmore is committed to fostering a community that is inclusive of all, welcoming, and free from racial discrimination.

AND WHEREAS, the Town of Strathmore acknowledges the ongoing struggle against racial discrimination and is dedicated to taking proactive steps to combat it.

AND WHEREAS, the Town of Strathmore and its council have actively engaged in efforts to promote Diversity, Equity and Inclusion, or DEI, within our community.

Whereas, many interpretations and applications of Diversity involve the use of racially discriminatory practices, and the unequal treatment of people based on their race, ethnicity or cultural background.

AND WHEREAS, the Town of Strathmore condemns all forms of racism and is committed to leading our community to address and eliminate racial discrimination in all its forms.

Notice is hereby given that the following motion will be brought forward for consideration at the June 5, 2024 Regular Council Meeting:

BE IT THEREFORE RESOLVED THAT Council direct administration to review their current systems, policies and practices to ensure that the Town of Strathmore will not consider, inquire about, or use an individual's race, ethnicity, cultural background, or colour; to determine eligibility for services or grants, or in the provision of services and grants, or the charging and collection of fees.



SACRED HEART CHURCH

within the Roman Catholic Diocese of Calgary
invites you to join us at our

Dedication Mass

Friday, June 14th, 2024 at 6:00pm

Sacred Heart Church

221 Fourth Avenue, Strathmore, AB

Refreshments to follow in the Church Hall

Please RSVP by

May 15th, 2024

