



STAFF REPORT

Title: Alberta Capital Finance Authority (ACFA) Letter

Meeting Date: November 19, 2019

Executive Summary:

The Government of Alberta (GoA) released the 2019 Provincial Budget on October 24, 2019. In the budget GoA indicates it will introduce legislation to dissolve the ACFA. The City has received a letter from Alberta Capital Finance Authority (ACFA) indicating the dissolution of the Authority and ensuring that lending and loan administration would continue in the same manner during the transition to the GoA. Administration has reached out to the ACFA and Alberta Treasury Board and is currently awaiting further information regarding the dissolution of ACFA.

Background:

The ACFA is a provincial authority and acts only as an agent of the Alberta crown. Its business is to provide local entities with financing for capital projects. ACFA is able to borrow in capital markets at interest rates which would not be available to local authorities acting independently. ACFA makes loans to Alberta municipalities, school boards and other local entities at interest rates based on the cost of its borrowings.

The Authority was established in 1956 and is continued under the authority of the Alberta Capital Finance Authority Act, ACFA Regulation and ACFA Allotment of Shares Regulation.

At this time, we have not been able to contact ACFA to ascertain any additional information.

Alternatives:

Informational

Recommended Action:

That the Corporate Priorities Committee of Council accept the letter as information.

Budget Implications (Yes or No):



City of *Cold Lake*

No

Submitted by:

Kevin Nagoya, Chief Administrative Officer