

The Corporation of the Town of Minto
By-law Number 2016-81

To authorize an application by the Corporation of
the Town of Minto (The Applicant) to the
Corporation of the County of Wellington to incur
debt and issue debentures in respect of capital
works of the Applicant Municipality

WHEREAS subsection 401(1) of the *Municipal Act, 2001*, as amended (the “**Act**”) provides that a municipality may incur a debt for municipal purposes, whether by borrowing money or in any other way, and may issue debentures and prescribed financial instruments and enter prescribed financial agreements for or in relation to the debt;

AND WHEREAS subsection 401(2)(a) of the Act provides that the municipal purposes referred to in subsection 401(1) include, among other purposes, in the case of an upper-tier municipality, the purposes or joint purposes of one or more of its lower-tier municipalities;

AND WHEREAS subsection 404(1) of the Act provides that a municipality may incur debt and issue debentures for another municipality under subsection 401(2)(a) only if the other municipality applies to the municipality and the municipality agrees;

AND WHEREAS subsection 408(2.1) of the Act provides that a municipality may issue a debenture or other financial instrument for long-term borrowing only to provide financing for a capital work;

AND WHEREAS The Corporation of the County of Wellington (the “**Upper-tier Municipality**”), has indicated that it is prepared to incur debt and issue debentures pursuant to section 404 of the Act in respect of the capital works of the Applicant Municipality (individually a “**Capital Work**”, collectively the “**Capital Works**”) set out in Schedule “A” attached hereto and forming part of this By-law (“**Schedule “A”**”) on the basis that the Upper-tier Municipality will issue debentures (the “**Debenture Issue**”) on its own behalf and on behalf of any one or more of its lower-tier municipalities (collectively the “**Applicant Municipalities**”);

AND WHEREAS National Bank Financial Inc. (“**NBF**”) and RBC Dominion Securities Inc. will be or have been appointed as the Upper-tier Municipality’s fiscal agents (with NBF as the lead manager of the fiscal agents) in connection with the Debenture Issue;

AND WHEREAS in connection with the Debenture Issue, the Upper-tier Municipality and the Applicant Municipalities have authorized or are expected to authorize the issue of debentures for the respective capital works of the Upper-tier Municipality and each of the Applicant Municipalities, including the Capital Works;

AND WHEREAS the Applicant Municipality deems it to be expedient to participate in the Debenture Issue and accordingly deems it to be appropriate to apply to the Council of the Upper-tier Municipality pursuant to section 404 of the Act requesting the Upper-tier Municipality to incur debt and issue debentures of the Upper-tier Municipality in respect of the Capital Works to be long-term financed through the Debenture Issue or, as NBF and the Upper-tier Municipality may otherwise determine to be appropriate, as set out below;

AND WHEREAS NBF and the Upper-tier Municipality, in consultation with the Applicant Municipality, may determine that, based on current market conditions, it is appropriate to reduce the principal amount of the debenture issue to an amount less than the maximum aggregate principal amount of \$1,120,000 and in this connection the Treasurer of the Applicant Municipality will provide the Upper-tier Municipality with written confirmation that for purpose of the Debenture Issue it is appropriate for the Upper-tier Municipality to issue debentures on behalf of the Applicant Municipality in a specified lesser principal amount;

AND WHEREAS before authorizing the Capital Works the Applicant Municipality had its Treasurer update its most recent annual debt and financial obligation limit received from the Ministry of Municipal Affairs and Housing in accordance with the applicable regulation and, prior to authorizing each Capital Work and before authorizing any additional cost amounts and any additional debenture authorities in respect thereof (if any), the Treasurer determined that the estimated annual amount payable in respect of each Capital Work, each such additional cost amount and each such additional debenture authority would not cause the Applicant Municipality to exceed the updated limit and that the approval of each Capital Work, each such additional cost amount and each such additional debenture authority by the Ontario Municipal Board was not required;

NOW THEREFORE THE CORPORATION OF THE TOWN OF MINTO ENACTS AS FOLLOWS:

1. The application to the Council of the Upper-tier Municipality requesting the Council of the Upper-tier Municipality to incur debt and issue debentures for the Applicant Municipality in respect of the Capital Works in 2016 in the maximum principal amount of \$1,120,000 (the “**Debentures**”) or, in such reduced principal amount as NBF and the Upper-tier Municipality may otherwise determine to be

appropriate up to a maximum term of years as specified in Schedule “A”, is hereby approved and this By-law constitutes such application.

2. In the event that NBF and the Upper-tier Municipality determine that, based on current market conditions it is appropriate to reduce the maximum principal amount of the Debentures, the Treasurer of the Applicant Municipality is hereby authorized to provide the Upper-tier Municipality with written confirmation that for purposes of the Debenture Issue it is appropriate for the Upper-tier Municipality to issue the Debentures for the Applicant Municipality in the specified lesser principal amount.
3. The Treasurer of the Upper-tier Municipality is hereby authorized to negotiate and settle, on the Applicant Municipality’s behalf with NBF, subject to the provisions hereof, the terms and conditions in respect of the Debentures, including, without limitation, the applicable rate(s) of interest, the type(s) of debentures and any other aspect relating to the pricing of the Debentures, all as such Treasurer considers appropriate and expedient.

Read a First, Second and Third Time and Finally Passed this 1st day of November, 2016.

Mayor George A. Bridge

C.A.O. Clerk Bill White

The Corporation of the Town of Minto
Schedule “A” to By-law Number 2016-81

Capital Work	Loan Amount	Maximum Term of Years
6 th Line Resurfacing	\$190,000	10
Structure E Guiderails	\$ 60,000	10
upgrades		
Jane and Inkerman Sts-road,	<u>\$870,000</u>	10
water & sewer work		
	<u>\$1,120,000</u>	