

The Corporation of the Town of Minto
By-law No. 2018-47

To authorize an application by the Corporation of the Town of Minto (The “Applicant Municipality”) to the Corporation of the County of Wellington requesting the Corporation of the County of Wellington to incur Debt and issue Refinancing 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 subsection 408(4) of the Act provides that a debenture by-law, (a) shall provide for raising in each year as part of the general upper-tier levy the amounts of principal and interest payable in each year under the by-law to the extent that the amounts have not been provided for by other taxes or by fees or charges imposed on persons or property by a by-law of any municipality; and (b) shall provide for repayment of the principal in annual instalments and payment of the interest on the unpaid balance in one or more instalments in each year; and subsection 408(5) of the Act further provides that the total amount of principal and interest that must be raised in a year under clause 408(4)(a) of the Act does not include any outstanding amount of principal specified as payable on the maturity date of a debenture if one or more refinancing debentures are issued by the municipality on or before the maturity date in respect of the outstanding principal;

AND WHEREAS on July 2, 2008 pursuant to By-law Number 5012-2008, the Council of The Corporation of the County of Wellington (the “**Upper-tier Municipality**”) authorized the issue of 10 year instalment debentures amortized over 20 years for the capital work of the Applicant Municipality described as “Capital costs in connection with the Arthur Street, Harriston connecting link project” in Schedule “A” (the “**Capital Work**”) in the principal amount of \$2,125,000.00 on the basis that \$557,000.00 of the principal amount of such debentures payable in the year 2018 shall be raised by the Upper-tier Municipality by the issue of refinancing debentures on or before July 2, 2018 (over a further term not to exceed 10 years - 20 years being the maximum period of years for the repayment of the debt for the Capital Work) pursuant to the provisions of the Act;

AND WHEREAS the Upper-tier Municipality, has indicated that it is prepared to incur debt and issue refinancing debentures in respect of the Capital Work on behalf of the Applicant Municipality on July 3 ,2018;

AND WHEREAS July 2, 2018 is a holiday pursuant to the provisions of the Legislation Act, 2006 (the “Legislation Act”) and whereas in accordance with the Legislation Act, time limits that would otherwise expire on a holiday are extended to include the next day that is not a holiday and the refinancing debentures to be issued in respect of the Capital Work will be issued on July 3, 2018 instead of on July 2, 2018.

AND WHEREAS the Applicant Municipality deems it to be expedient 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 refinancing debentures of the Upper-tier Municipality in respect of the Capital Work to be long-term financed through the issue of refinancing debentures;

AND WHEREAS before authorizing the Capital Work, and before authorizing any additional cost amount and any additional debenture authority in respect thereof, the Council of the Applicant Municipality had its Treasurer calculate an updated limit in respect of its most recent annual debt and financial obligation limit received from the Ministry of Municipal Affairs in accordance with the applicable regulation. Prior to the Council of the Applicant Municipality exercising its powers in respect of the Capital Work, each such additional cost amount and each such additional debenture authority, the Treasurer determined that the estimated annual amount payable in respect of the Capital Work, each such additional cost amount and each such additional debenture authority would not cause the Applicant Municipality to exceed its updated limit and that the approval of the Capital Work, each such additional cost amount and each such additional debenture authority by the Local Planning Appeal Tribunal pursuant to such regulation was not required;

NOW THEREFORE THE CORPORATION OF 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 refinancing debentures for the Applicant Municipality in respect of the Capital Work on July 3, 2018 in the principal amount of \$557,000.00 (the “**Debentures**”) is hereby approved and this By-law constitutes such application.
2. The Treasurer of the Upper-tier Municipality is hereby authorized to negotiate and settle, on the Applicant Municipality’s behalf 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, third time and passed in open Council this 19th day of June 2018.

Mayor George A. Bridge

C.A.O. Clerk Bill White