REFERENCE: FILE NOS. ST-7 (Vol. 15) FC-2 (Vol. 18)

THE CITY OF WINNIPEG

BY-LAW NO. 7921/2001

An initial borrowing by-law of THE CITY OF WINNIPEG to authorize the borrowing of money by the issue and sale of debentures of the City in the principal amount of $43,399,483.60 for the purpose of repaying in full the principal of the Debentures issued and sold pursuant to By-law No. 5838/92.

WHEREAS Section 282 of *The City of Winnipeg Act* provides, in part, as follows:

"282(1) Subject to approval of the Minister of Finance as hereinafter provided, council may pass by-laws for the borrowing of money for the purposes of the city, on the credit of the city by the issue and sale of debentures without submitting them for the approval of the ratepayers.

282(2) An application for the authorization of the Minister of Finance shall be made in writing to the Minister of Finance after the first and before the second reading of the initial borrowing by-law; and the Minister of Finance may refer the application or any matter or question arising out of the application to The Municipal Board for its advice and recommendation.

282(3) The initial borrowing by-law shall specify the principal amount of the debentures to be issued and in brief and general terms the objects for which the monies borrowed on the security of the debentures are to be borrowed; but it is not necessary, in the initial borrowing by-law, to specify the particulars of the debentures, or the rate of interest payable thereon, or the term within which the debentures are payable, or any other particulars of the debentures.

282(4) Notwithstanding any other Act, in dealing with an

application under subsection (2), the Minister of Finance shall consider only the financial position of the city and may refuse the application or may grant the application in whole or in part, or subject to conditions.";

AND WHEREAS subsection 292(3) of *The City of Winnipeg Act* provides:

"292(3) Where sinking fund debentures are issued and a sinking fund is established under subsection (1) or (2) that will not be sufficient to pay the principal of the debentures or of any set of them when it becomes due, the city shall, not less than six months before the date of maturity of the sinking fund debentures or of the set first maturing, apply to the Minister of Finance under subsection 282(2)for authorization to borrow an amount sufficient with the accumulated sinking fund, to repay in full the principal of the debentures, or each set of them, as the debentures, or each set of them, falls due, on such terms and conditions as it may prescribe, and the city shall thereafter take all requisite steps to borrow the required amount and to repay in full the principal of the debentures, or each set of them, as it falls due";

AND WHEREAS pursuant to THE CITY OF WINNIPEG By-law No. 5838/92 passed on February 12, 1992, THE CITY OF WINNIPEG (herein referred to as "the City") borrowed money by the issue and sale of Debentures of the City in the aggregate principal amount of $100,000,000.00 in lawful money of Canada;

AND WHEREAS the said Debentures are payable on February 19, 2002, or on such earlier date as the principal sum may become repayable in accordance with the Terms and Conditions of the Debentures;

AND WHEREAS the Sinking Fund Reserve for By-law No. 5838/92 on February 19, 2002 will amount to $56,600,516.40;

AND WHEREAS the net shortfall after applying the Sinking Fund

Reserve to the principal amount outstanding under By-law No. 5838/92 amounts to $43,399,483.60 which must be refinanced;

AND WHEREAS the City deems it necessary and desirable to borrow an amount sufficient to repay in full the principal of the Debentures issued and sold pursuant to said By-law No. 5838/92;

AND WHEREAS, for that purpose, it is intended by this By-law and a subsequent by-law or by-laws, and the issue of debentures as security for the monies borrowed, to create a debt of $43,399,483.60 in connection with the following purposes:

Repayment of Debentures authorized by By-law No. 5838/92

Purpose	**Principal Amount of Debentures**
General Tax Supported	$21,637,366.24
Hydro Electric System	8,684,572.08
Transit System	1,918,174.18
Sewage Disposal System	9,842,670.80
Waterworks System	1,266,013.05
Solid Waste Disposal System	50,687.25
Total	$43,399,483.60

AND WHEREAS after the first reading and before the second reading of this initial borrowing by-law, its enactment received the authorization of the Minister of Finance;

NOW THEREFORE THE CITY OF WINNIPEG, in Council assembled, enacts as follows:

1. For the purposes and objects of the City specified in this by-law, money shall be borrowed on the credit of the City by the issue and sale of debentures of the City in the principal amount of $43,399,483.60. The particulars of the debentures may be specified in a subsequent by-law or by-laws of the City for borrowing money and the issue of debentures as security for

the monies borrowed.

2. Pending the issue and sale of the debentures, the City Council may agree with a bank or person for temporary advances from time to time to meet expenditures incurred for the purposes stated in this by-law.

3. This By-Law shall come into force and effect on the date that it is passed.

RECEIVED FIRST READING on the 21 day of November, 2001;

AUTHORIZATION OF THE MINISTER OF FINANCE RECEIVED on the day of , 2001.

RECEIVED SECOND READING on the day of , 2001;

RECEIVED THIRD READING AND PASSED on the day of , 2001.

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Mayor

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City Clerk

Approved as to financial details:

_____
City Treasurer

Certified as to form:

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City Solicitor/Manager of
Legal Services