Agenda - Executive Policy Committee - April 23, 2003

REPORTS

Item No. 7 Refinancing Of Debt Issued Pursuant to By-Law No. 6163/93 - $125,000,000 – 8.50% Maturing May 19, 2003
File FI-3 (Vol. 12)

ADMINISTRATIVE RECOMMENDATION:

That the Executive Policy Committee approve and subsequently recommend to Council a borrowing by-law in an amount of $46,392,366.23 duly approved as to financial details by the City Treasurer and certified as to form by the City Solicitor/Manager of Legal Services to provide for the refinancing of debt issued pursuant to By-law No. 6163/93.

REPORT

RE: REFINANCING OF DEBT ISSUED PURSUANT TO BY-LAW NO. 6163/93 - $125,000,000 – 8.50% MATURING MAY 19, 2003.

FOR SUBMISSION TO: EXECUTIVE POLICY COMMITTEE

ORIGINAL REPORT SIGNED BY: CHIEF FINANCIAL OFFICER

REPORT DATE: April 8, 2003

RECOMMENDATION(S):

That the Executive Policy Committee approve and subsequently recommend to Council a borrowing by-law in an amount of $46,392,366.23 duly approved as to financial details by the City Treasurer and certified as to form by the City Solicitor/Manager of Legal Services to provide for the refinancing of debt issued pursuant to By-law No. 6163/93.

REPORT SUMMARY:

Key Issue(s):

Requesting authority to refinance By-law 6163/93 as required by the City of Winnipeg Charter.

Implications of the Recommendation(s):

General Implications

- [X] **None**
- [ ] **For the organization overall and/or for other departments**
- [ ] **For the community and/or organizations external to the City**
- [ ] **Involves a multi-year contract**

Comment(s):

Policy Implications

- [X] **No**
- [ ] **Yes**

Comment(s):

Environmental Implications:

- [X] **No**
- [ ] **Yes**

Comment(s):

Human Resources Implications:

X	**No**
	Yes
	Comment(s):

Financial implications

X	**Within approved current and/or capital budget**
	Current and/or capital budget adjustment required
	Comment(s):

REASON FOR THE REPORT:

Sections 294 and 304(2) of The City of Winnipeg Charter require the City to make application to the Minister of Finance for authority to borrow if the balance in the sinking fund is less than the amount required to pay a debenture maturity in full.

HISTORY:

DISCUSSION:

The City of Winnipeg on May 19th, 1993 issued $125,000,000 ten year Sinking Fund Debentures pursuant to By-law 6163/93 which will mature on May 19th, 2003. A Sinking Fund Reserve in an amount of $74,451,579.37 for the by-law will be available May 19th, 2003. In addition, $4,156,054.40 has been financed by the Water and Waste Department, requiring the shortfall of $46,392,366.23 for the by-law, to be refinanced.

FINANCIAL IMPACT STATEMENT:

Project Name: Refinancing of Debt Issued Pursuant to By-law No. 6163/93 - $125,000,000 - 8.5% Maturing May 19, 2003

Date: April 8, 2003 First Year of Program **2003**

	2003	2004	2005	2006	2007
Capital					
Capital Expenditures Required					
Less: Existing Budgeted Costs					
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal					
Debt - External					
Grants (Enter Description Here)					
Reserves, Equity, Surplus					
Other - Enter Description Here					
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs					
Less: Incremental Revenue/Recovery					
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts					
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: This by-law will not affect the current budget as the associated costs have been reflected in departmental budgets through the business plan process.

"original signed by Carrie Erickson"
Manager of Finance and Administration

IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

Water & Waste
Transit
Civic Accommodations

THIS REPORT SUBMITTED BY:

Corporate Finance Department
Financial Services
Prepared by: Garry Steski , Manager of Financial Services
File No.