

THE CORPORATION OF THE CITY OF KENORA

BY-LAW NUMBER 131-2003

**A BY-LAW TO AMEND BY-LAW #73-95
TO AUTHORIZE REFINANCING THE DEBENTURE ISSUED
TOWARDS THE COSTS OF CONSTRUCTION OF THE D-2 ROUTE**

WHEREAS the Council of the Corporation of the City of Kenora, pursuant to Section 401(1) of the Municipal Act, S.O. 2001 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 the Council of the Corporation of the City of Kenora, through By-law 73-95, has previously issued a debenture for the construction of the D-2 Route; and

WHEREAS a debenture, pursuant to Section 408(6) may be dated as specified in the issuing by-law if the by-law provides for the first amount for repayment being raised in the year in which the debentures are dated or in the next year; and

WHEREAS the prevailing interest rates have dropped significantly from those in effect at the time By-law 73-95 was issued; and

WHEREAS there is a benefit to the City and its taxpayers to reduce rates paid on long term debt wherever possible, based on existing policy; and

WHEREAS the Corporation of the City of Kenora is within the prescribed limits as set out by the Ontario Municipal Board (OMB) in accordance with Section 401(4)(c) of the Municipal Act for issuing debt without application to the OMB; and

NOW THEREFORE the Council of the Corporation of the City of Kenora enacts as follows:

1. The repayment terms of the debenture issued under By-law 73-95 be amended to reflect the repayment terms as laid out in the attached schedule.
2. Payments shall be due annually on the 25th day of September, and shall be made in accordance with the attached amortization schedule. This debenture shall bear interest at a rate of 3.55% per annum, with principal and interest payable on the 25th day of September annually, until paid in full.
3. The debt shall be payable to principal in lawful money of Canada at the City's appointed financial institution.

4. The debt shall not be issued in any paper format other than this By-law.
5. THAT this By-law shall become law and take effect as of the 25th day of September, 2003.

By-law read a First & Second Time this 22nd day of September, 2003.

By-law read a Third & Final Time this 22nd day of September, 2003.

THE CORPORATION OF THE CITY OF KENORA:

.....**D. Canfield, MAYOR**

.....**P. Grouda, D/CLERK**