

COUNCIL REPORT

M&C No.	2019-178
Report Date	July 11, 2019
Meeting Date	July 29, 2019
Service Area	Finance and Administrative Services

His Worship Don Darling and Members of Common Council

SUBJECT: Fall Debenture Issue – Notice of Motion***OPEN OR CLOSED SESSION***

This matter is to be discussed in open session of Common Council.

AUTHORIZATION

Primary Author	Commissioner/Dept. Head	City Manager
<i>Craig Lavigne</i>	<i>Kevin Fudge/Cathy Graham</i>	<i>John Collin</i>

RECOMMENDATION

It is recommended that the Mayor make the following motion:

"I give Notice that I will, at a meeting of Common Council held after the expiration of thirty days from this day, move or cause to be moved, the following resolution:

RESOLVED that occasion having arisen in the public interest for the following Public Civic Works and needed Civic Improvements that the City of Saint John proposes issue of the following debentures to be dated on or after August 28th, 2019:

GENERAL FUND

Protective Services	\$	3,100,000	
Transportation Services	\$	3,500,000	
Economic Development	\$	600,000	
Parks and Recreation	\$	<u>200,000</u>	\$7,400,000

REFINANCE DEBENTURES

Debenture No. BB 13- 2009 (General Fund – 5 years)	\$	2,830,000	
Debenture No. BB 14 -2009 (Water & Sewerage – 10 years)	\$	2,500,000	
Debenture No. BB 15 -2009 (Transit – 5 years)	\$	<u>1,670,000</u>	\$7,000,000

TOTAL **\$ 14,400,000**

THEREFORE RESOLVED that debentures be issued under provisions of the Acts of Assembly 52, Victoria, Chapter 27, Section 29 and amendments thereto, to the amount of \$ 14,400,000.

EXECUTIVE SUMMARY

The Notice of Motion has been prepared as a first step in the financing of certain capital projects approved by Council in previous Capital Budgets and refinancing of debentures issued in November 2009.

PREVIOUS RESOLUTION

N/A

REPORT

The Notice of Motion has been prepared as a first step in the financing of certain capital projects and the refinancing of debentures issued in November 2009. The purpose of the issue is summarized in the resolution.

The Notice of Motion places the City in a position to take action after the expiry of 30 days at such time as bond market and opportunities permit.

At this stage, it is not necessary to set limits with respect to the coupon rate or the terms for which bonds are to be issued. These will be established at a later date and will be related to the market conditions at that time.

SERVICE AND FINANCIAL OUTCOMES

N/A

INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS

N/A

ATTACHMENTS

N/A