

The Corporation of the Township of Huron-Kinloss



BY-LAW No.

2023-01

BEING A BY-LAW TO AUTHORIZE BORROWING TO MEET CURRENT EXPENDITURES DURING THE FISCAL YEAR ENDING DECEMBER 31ST 2023

WHEREAS the *Municipal Act S.O. 2001, c 25*, Section 407(1), as amended provides authority for a municipality by By-Law to authorize the head of Council and the Treasurer to borrow from time to time, by way of promissory note, such sums as the Council considers necessary, to meet current expenditures of the Corporation for the year;

AND WHEREAS the total amount may be borrowed from all sources at any one time to meet the current expenditures of the Corporation, except with the approval of the Municipal Board, is limited by Section 407(2) of the *Municipal Act S.O. 2001 c. 25*.

NOW THEREFORE the Council of The Corporation of the Township of Huron-Kinloss enacts as follows:

- 1.0 The Mayor and the Treasurer are hereby authorized to borrow from time to time by way of promissory note during the year 2023 (hereinafter referred to as current year) such sums as may be necessary to meet, until the taxes are collected, the current expenditures of the Corporation and other amounts that are set out in Section 407 of the Municipal Act .
- 2.0 The lender(s) from whom the amounts may be borrowed under authority of this By-Law shall be the **Meridian Credit Union** and other such lender(s) as may be determined from time to time by resolution of Council.
- 3.0 The total amount which may be borrowed at any one time under this By-Law, together with the total of any similar borrowings that have not been repaid, shall not exceed 50% of the uncollected balance of the estimated revenues of the Corporation as set forth in the estimates adopted for the current year.
- 4.0 The Treasurer shall, at the time when any amount is borrowed under this By-Law, ensure that the lender is or has been furnished with a certified copy of this By-Law, (a certified copy of the resolution mentioned in Section 2 determining the lender,) if applicable, and a statement showing the nature and amount of the estimated revenues for the current year not yet collected and also showing the total of any other amounts borrowed from any and all sources under authority of section 407 of the Municipal Act that have not been repaid.
- 5.0
 - a) If the estimates for the current year have not been adopted at the time an amount is borrowed under this By-Law, the 70% limitation on total borrowing, as set out in section 3 of this By-Law, shall be calculated for the time being upon the estimated revenues of the Corporation as set forth in the estimates adopted for the next preceding year, less all revenues received for and on account of the current year.
 - b) If the estimates for the current year have not been adopted at the time an amount is borrowed under this By-Law, the statement furnished under Section 4 shall show the nature and amount of the estimated revenues of the Corporation as

set forth in the estimates adopted for the next preceding year and the nature and amount of the revenues received for and on account of the current year.

- 6.0 All or any sums borrowed under this By-Law shall, with interest thereon, be a charge upon the whole of the revenues of the Corporation for the current year and for any preceding years as and when such revenues are received; provided that such charge does not defeat or affect and is subject to any prior charge then subsisting in favour of any other lender.
- 7.0 The Treasurer is hereby authorized and directed to apply in payment of all or any sums borrowed under this By-Law, together with interest thereon, all or any of the moneys hereafter collected or received, either on account of or realized in respect of taxes levied for the current year and preceding years or from any other source, which may lawfully be applied for such purpose.
- 8.0 Promissory Notes made under Section 1 shall be sealed with the seal of the Corporation and signed by the Mayor or such other person as is authorized by By-Law to sign it and by the Treasurer.
- 9.0 This By-Law shall come into full force and effect upon final passage.
- 10.0 This By-Law may be cited as the "2023 Borrowing By-Law".

READ a FIRST and SECOND TIME this 16th day of January, 2023

READ a THIRD TIME and FINALLY PASSED this 16th day of January, 2023

Don Murray, Mayor

Jennifer White, Clerk