

THE CORPORATION OF THE MUNICIPALITY OF EAST FERRIS

BY-LAW NO. 2024-02

BEING A BY-LAW TO AUTHORIZE TEMPORARY BORROWING FROM TIME TO TIME TO MEET CURRENT EXPENDITURES DURING THE FISCAL YEAR ENDING DECEMBER 31st, 2024.

WHEREAS the *Municipal Act, 2001*, S.O. 2001, c. 25, Section 407, as amended from time to time, provides authority for a municipality to authorize the Treasurer to borrow from time to time, such sums as the Council considers necessary to meet, until taxes are collected and other revenues are received, the current expenditures of the Municipality for the year;

AND WHEREAS the total amount which may be borrowed from all sources at any one time to meet the current expenditures of the Municipality, except with the approval of the Ontario Land Tribunal, is limited by Section 407 of the *Municipal Act, 2001*;

NOW THEREFORE the Council of the Corporation of the Municipality of East Ferris enacts as follows:

1. **THAT** the Treasurer is hereby authorized to borrow from time to time during the 2024 fiscal year (hereinafter referred to as the current year) such sums as may be necessary to meet, until taxes are collected and other revenues are received, the current expenditures of the Municipality for the current year;
2. **THAT** the lender(s) from whom amounts may be borrowed under authority of this by-law shall be **Royal Bank of Canada** and such other lender(s) as may be determined from time to time by by-law of Council;
3. **THAT** the total amount which may be borrowed at any one time under this by-law plus any outstanding amounts of principal borrowed and accrued interest under Section 407 together with the total of any similar borrowings that have not been repaid, shall not exceed from January 1st to September 30th of the current year, 50 percent of the total estimated revenues of the Municipality as set out in the budget adopted for the current year; and from October 1st to December 31st of the current year, 25 percent of the total of the estimated revenues of the Municipality as set out in the budget adopted for the current year;
4. **THAT** 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, if applicable, and a statement showing the nature and amount of the estimated revenues for the current year and also showing the total of any other amounts borrowed from any and all sources under authority of Section 407 of *Municipal Act, 2001* that have not been repaid;
5.
 - a) If the budget for the current year has 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 Municipality as set forth in the budget adopted for the previous year and the nature and amount of the revenues received for and on account of the current year.
 - b) If the budget for the current year has not been adopted at the time an amount is borrowed under this by-law, the limitation on borrowing set out in section 3 shall be calculated for the time being upon the estimated revenues of the Municipality as set forth in the budget adopted for the previous year less all revenues received for and on account of the current year.
6. **THAT** for purposes of this by-law, the estimated revenues referred to in section 3, 4 and 5 do not include revenues derivable or derived from, a) arrears of taxes, fees or charges; or b) a payment from a reserve fund of the municipality, whether or not the payment is for a capital purpose;

7. **THAT** 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 the taxes levied for the current year and previous years or from any other source, that may be lawfully applied for such purpose;
8. **THAT** evidences of indebtedness in respect of borrowings made under section 1 shall be signed by the head of Council and the Treasurer;
9. **THAT** the lender shall not be responsible for establishing the necessity of temporary borrowing under this by-law or the manner in which the borrowing is used; and
10. **THAT** this by-law shall take effect on the final day of passing.

READ A FIRST TIME AND SECOND TIME this 16th day of January, 2024.

READ A THIRD TIME AND BE FINALLY PASSED this 16th day of January, 2024.

Mayor
Pauline Rochefort

Clerk
Kari Hanselman