

Municipality of Lakeshore

By-law 1-2024

Being a By-law to Authorize Temporary Borrowing from Time to Time to Meet Current Expenditures during the Fiscal Year Ending December 31, 2024

Whereas section 407 of the *Municipal Act, 2001* provides that at any time during a fiscal year, a municipality may authorize temporary borrowing, until the taxes are collected and other revenues are received, of the amounts that the municipality considers necessary to meet the expenses of the municipality for the year and of the amounts, whether or not they are expenses for the year, that the municipality requires in the year for (a) reserve, sinking and retirement funds, (b) principal and interest due on any debt of the municipality, (c) school purposes, (d) other purposes the municipality is required by law to provide for; and (e) the amount of principal and interest payable by a person or municipality primarily liable for a debt, if the municipality has guaranteed the debt and the debt is in default;

And whereas except with the approval of the Ontario Land Tribunal, the total amount borrowed at any one time plus any outstanding amounts of principal borrowed and accrued interest shall not exceed, from January 1 to September 30 in the year, 50 per cent of the total estimated revenues of the municipality as set out in the budget adopted for the year; and from October 1 to December 31 in the year, 25 per cent of the total estimated revenues of the municipality as set out in the budget adopted for the year;

And whereas the Council of the Municipality of Lakeshore deems it necessary to borrow up to \$4,700,000.00 to meet the current expenditures of the Municipality of Lakeshore for the year 2024;

Now therefore the Council of the Municipality of Lakeshore enacts as follows:

1. (a) In this by-law:
 - i) “Authorized Borrowers” means the Mayor and Treasurer;
 - ii) “Current Year” means the year commencing at 12:00:00 AM January 1, 2023 and ending at 11:59:59 PM on December 31, 2024;
 - iii) “Lender” means the Toronto Dominion Bank, and any such other lender as may be determined from time to time by by-law of Council; and
 - iv) “Municipality” means the Municipality of Lakeshore.

- (b) For the purposes of this by-law, the estimated revenues referred to in section 2 and 3 do not include revenues derivable or derived from,
 - a. any borrowing, including through any issue of debentures;
 - b. a surplus, including arrears of taxes, fees or charges; or
 - c. a transfer from the capital fund, reserve funds or reserves.
- 2. (a) Subject to the provisions of this by-law, the Authorized Borrowers are jointly authorized from time to time during the Current Year to borrow from a Lender, such sums as may be necessary to meet, until taxes are collected and other revenues are received, in order to meet the expenses of the Municipality for the Current Year and of the amounts, whether or not they are expenses for the year, that the Municipality requires in the Current Year.

(b) The Municipality may borrow the funds from a Lender by way of promissory note or bankers' acceptance and the sum or sums may be borrowed with interest and subject to any other charges of a Lender which may be applicable from time to time.

(c) The aggregate of the sum or sums borrowed by the Municipality from all Lenders shall not exceed \$4,700,000.00.

(d) 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 this by-law that together with the total of any similar borrowings that have not been repaid, shall not exceed from January 1 to September 30 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 1 to December 31 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.
- 3. The Treasurer shall, at the time when any amount is borrowed under this by-law, ensure that a Lender is furnished with a certified copy of this by-law, a certified copy of the resolution determining a Lender, 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 the *Municipal Act, 2001* that have not been repaid.
- 4. The Treasurer is 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 monies 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.

5. Evidence of indebtedness in respect of any borrowing occurring under section 2 shall be signed by each of the Authorized Borrowers.
6. The Authorized Borrowers are authorized to sign on behalf of the Municipality such agreements, instruments or documents as are required to give effect to the borrowing authorized by this by-law.
7. This by-law shall come into force upon passage.

Read and passed in open session on January 9, 2024.

**Mayor
Tracey Bailey**

**Clerk
Brianna Coughlin**