

THE CORPORATION OF THE MUNICIPALITY OF STRATHROY-CARADOC

BY-LAW NO. 03-20

MUNICIPAL BORROWING BY-LAW FOR CURRENT EXPENDITURES

A BY-LAW TO AUTHORIZE THE MUNICIPALITY OF STRATHROY- CARADOC TO BORROW UP TO \$3,630,000 DURING THE JANUARY 1, 2020 TO SEPTEMBER 30, 2020 PERIOD AND UP TO \$1,870,000 DURING THE OCTOBER 1, 2020 TO DECEMBER 31, 2020 PERIOD IN ORDER TO FINANCE THE MUNICIPALITY'S CURRENT OPERATING EXPENDITURES ON AN INTERIM BASIS.

Whereas Section 407 of the *Municipal Act, 2001*, c.25, as amended, authorizes Council to pass a by-law authorizing the municipality to borrow from time to time by way of promissory note or bankers' acceptance such sums as Council considers necessary to meet the current expenditures of the Corporation for the year until the taxes are collected and other revenues are received, provided the amounts borrowed between January 1 and September 30 and between October 1 and December 31 of the year do not exceed fifty per cent (50%) and twenty five per cent (25%) respectively, of the total estimated revenues of the Corporation as set forth in the approved 2020 operating budget; and

Whereas Council deems it necessary to authorize the borrowing together with any similar borrowings that have not been repaid, to a maximum of three million six hundred and thirty thousand dollars (\$3,360,000) during the period between January 1, 2020 and September 30, 2020, and a maximum of one million eight hundred and seventy thousand dollars (\$1,870,000) during the period between October 1, 2020 and December 31, 2020 in order to meet the current operating expenditures of the Corporation until the taxes are collected, such sums representing not more than fifty percent (50%) and twenty-five percent (25%) respectively, of the total estimated revenue of the corporation as set forth in the approved 2020 operating budget; and

Whereas Council deems it expedient to pass a by-law for such purpose.

Therefore, be it resolved that the Council of The Corporation of the Municipality of Strathroy-Caradoc hereby enacts as follows:

1. The Mayor and Municipal Treasurer of the Corporation are hereby authorized under the seal of the Corporation, to borrow by way of promissory note or bankers' acceptance, from any chartered bank or banks in the Municipality of Strathroy-Caradoc or any other person, firm or corporation, a sum not exceeding three million six hundred and thirty thousand dollars (\$3,360,000) during the

period between January 1, 2020 and September 30, 2020, and a maximum of one million eight hundred and seventy thousand dollars (\$1,870,000) during the period between October 1, 2020 and December 31, 2020, for the purpose of meeting the current operating expenditures of the Corporation until the taxes are collected.

2. Despite the provisions of Section 1 of this by-law, the amounts that may be borrowed during the times and for the purposes mentioned in Section 1 of this by-law, together with the total of any similar borrowings that have not been repaid, shall not, except with the approval of the Ontario Municipal Board, exceed during the period between January 1, 2020 and September 30, 2020, and during the period between October 1, 2020 and December 31, 2020, fifty percent (50%) and twenty-five percent (25%) respectively, of the total estimated revenues of the Corporation as set forth in the approved 2020 operating budget.
3. The Mayor and Municipal Treasurer are hereby authorized to pay or allow the bank or banks or any other person, firm or corporation that lends money to the Corporation, interest on the sums borrowed at such rates of interest and on such other terms as may be arranged by the Municipal Treasurer and adopted by Council. The promissory note, or notes, debentures, covenants or agreements sealed with the seal of the Corporation and signed on behalf of the Corporation by the Mayor and Municipal Treasurer may be given to the said bank or banks, person, firm or corporation as aforesaid as security for the repayment of the amounts borrowed with interest thereon as aforesaid.
4. This By-Law shall come into force and take effect on the date of its passing.

READ A FIRST AND SECOND TIME THIS 3rd DAY OF FEBRUARY, 2020.

READ A THIRD TIME AND FINALLY PASSED IN OPEN COUNCIL THIS 3RD DAY OF FEBRUARY 2020.

Joanne Vanderheyden, Mayor

Fred Tranquilli, Clerk