

THE CORPORATION OF THE TOWNSHIP OF SOUTH STORMONT

BY-LAW NO. 2022-001

BEING a by-law to authorize temporary borrowing.

WHEREAS the *Municipal Act, 2001*, c. 25 s. 5 (1) provides that the powers of a municipal corporation are to be exercised by its council;

AND WHEREAS the *Municipal Act, 2001*, c. 25 s. 5 (3) provides that the powers of every council are to be exercised by by-law;

AND WHEREAS the *Municipal Act, 2001*, c.25, s. 407 provides a municipality to authorize temporary borrowing, until the taxes are collected, and other revenues are received, of the amounts that the municipality considers necessary to meet the current expenses of the municipality for the year;

AND WHEREAS Council of the Corporation of the Township of South Stormont deems it necessary to prepare for temporary borrowing, the sum of twelve million, forty-five thousand dollars (\$12,045,000) to meet the current expenditures of the Corporation for the year;

AND WHEREAS the amount of the estimated revenues of the Corporation have not yet been adopted, and the amount of the estimated revenues of the Corporation as set forth in the estimates adopted for the preceding year is twenty-four million, ninety thousand dollars (\$24,090,000);

AND WHEREAS the amount to be borrowed under this by-law and the amount of borrowings that have been repaid does not, in the aggregate, exceed from January 1st to September 30th of the year, 50% of the total, and from October 1st to December 31st, 25% from October 1 to December 31 in any given year. Pending adoption of the budget, the limits upon borrowing shall temporarily be calculated using the estimated revenue in the budget adopted in the previous year.

NOW THEREFORE the Council of the Township of South Stormont enacts as follows:

1. The Mayor and Director of Finance / Treasurer of the Corporation are hereby authorized, on behalf of the Corporation, to authorize temporary borrowing from the Bank of Montreal, a sum or sums not exceeding in the aggregate twelve million, forty-five thousand dollars (\$12,045,000.00) to meet, until the

taxes are collected, the current expenditures of the Corporation for the year, including the amounts required for the purposes mentioned in s. 407 of the *Municipal Act, 2001*, c. 25 and to give to the Bank, on behalf of the Corporation, the monies so borrowed with interest at a rate not exceeding the prime rate per centum per annum, which may be paid in advance or otherwise.

2. All sums borrowed from the Bank of Montreal, for any or all of the purposes mentioned in s. 407 of the *Municipal Act, 2001*, c. 25, shall, with interest thereon, be a charge upon the whole of the revenues of the Corporation for the current year and for all preceding years, as and when such revenues are received.
3. The Treasurer is hereby authorized and directed to apply in payment of all sums borrowed pursuant to the authority of this by-law, as well as all other sums borrowed in this year and any previous years from the Bank of Montreal for any or all of the purposes mentioned in s. 407 (1) of the *Municipal Act, 2001*, c. 25, together with interest thereon, all monies hereafter collected or received on account of realized in respect of the taxes levied for the current year and preceding years and all of the monies collected or received from any other source, which may lawfully be applied for such purpose.
4. That any by-law inconsistent with this by-law is hereby repealed.

READ AND PASSED in open Council, signed and sealed this 12th day of January, 2022.

Mayor

Clerk