

THE CORPORATION OF THE VILLAGE OF CASSELMAN

BY-LAW NUMBER 2019-XXX

BEING A BY-LAW TO AUTHORIZE BORROWING FROM TIME TO TIME TO MEET CURRENT EXPENDITURES DURING THE FISCAL YEAR ENDING DECEMBER 31, 2019.

WHEREAS, the *Municipal Act, 2001, S.O. 2001, Chapter 25, Section 407 (1)*, provides authority for a Council 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, until taxes are collected, the current expenditures of the Corporation 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 Corporation, except with the approval of the municipal Board, is limited by *section 407 (2) of the Ontario Municipal Act*; and

WHEREAS, if the Council borrows any larger amount than is permitted, every member of the Council who knowingly votes therefore is disqualified from holding any municipal office for two years, *section 423 (1) of the Ontario Municipal Act*.

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE VILLAGE OF CASSELMAN ENACTS AS FOLLOWS:

1. The Head of Council and the Treasurer are hereby authorized to borrow from time to time by way of promissory note during the year 2019 (hereinafter referred to as the current year) such sums as the Council considers necessary to meet, until the taxes are collected, the current expenditures of the Corporation and the other amounts that are set out in *subsection 407 (1) of the Municipal Act*.
2. The amounts may be borrowed under this by-law and the lender shall be as determined from time to time by resolution of the Council.
3. The total amount which may be borrowed at any one time under this by-law, together with the total of any similar borrowing that have not been repaid shall not, except for the approval of OMB exceed from January 1st to September 30th of the year, 50% of the total, and from October 1st to December 31st, 25% of the total of the estimated revenues of the Corporation as set forth in the estimates adopted for the current year.

4. The Treasurer shall, at the time when any amounts is borrowed under this by-law, ensure that the lender is furnished with a certified copy of this by-law, and a statement showing the nature and amount of the estimated revenues for the current year not yet collected, or where estimates for the year have not been adopted, a statement showing the nature and amount of the estimated revenues of the Corporation as set forth in the estimates adopted for the next preceding year, and also showing the total of any other amounts borrowed from any and all sources under this section that have not been repaid.
5. If the estimates for the current year have not been adopted at the time an amount is borrowed under this by-law, the limitations upon borrowing prescribed by *sub-section (2)* shall temporarily be calculated upon the estimated revenues of the Corporation as set forth in the estimates adopted for the next preceding year.
6. All or any sums borrowed under this by-law shall with interest thereon, be a charge upon the whole or any part or parts of the revenues of the Corporation for the current year and for any preceding years as and then such revenues are received; provided that such charge does not defeat or affect and is subject to any prior charge then subsisting in favor of any other lender.
7. 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 monies hereafter collected or received, either on account of or realized in respect of the taxes levied for the current year and preceding years or from any other source, which may lawfully be applied for such purpose.
8. This by-law shall take effect upon third reading thereof.

READ a first, second and third time and finally adopted this 9th day of July, 2019.

Daniel Lafleur
Mayor

Sébastien Dion
Clerk