



MUNICIPALITY OF **West Elgin**

The Corporation Of The Municipality Of West Elgin

By-Law No. 2023-40

Being a By-Law for Municipal Borrowing of Current Expenditures

WHEREAS the provisions of the Municipal Act, S.O. 2001, C. 25, Section 407, permit a municipality to authorize temporary borrowing, until the taxes are collected and other revenues are received, of the amount Council considers necessary to meet the current expenditures of the municipality for the year; and

WHEREAS the total amount borrowed at any one time plus any outstanding amounts of principal borrowed and accrued interest, except with the approval of the Ontario Municipal Board, is limited;

NOW THEREFORE the Municipal Council of the Corporation of the Municipality of Dutton Dunwich enacts as follows:

1. At any time during a fiscal year, the Head of Council and the Treasurer may authorize temporary borrowing, until the taxes are collected and other revenues are received, of the amount Council considers necessary to meet the current expenditures of the municipality for the year, including amounts required in the year for:

- a) 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.

2. Except with the approval of the Ontario Municipal Board, the total amount borrowed at any one time plus any outstanding amounts of principal borrowed and accrued interest shall not exceed:

- a) from January 1 to September 30 in the year, 50 percent of the total estimated revenues of the municipality as set out in the budget adopted for the year; and
- b) from October 1 to December 31 in the year, 25 percent of the total estimated revenues of the municipality as set out in the budget adopted for the year.

3. Until the budget is adopted in a year, the limits upon borrowing under Section 2 shall

temporarily be calculated using the estimated revenues of the municipality set out in the budget adopted for the previous year.

4. In Sections 2 and 3, estimated revenues do not include revenues derivable or derived from:

- a) arrears of taxes, fees or charges; or,
- b) a payment from reserve fund of the municipality, whether or not the payment is for capital purposes.

5. The lenders 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 resolution of Council.

6. The lender is not responsible for establishing the necessity of temporary borrowing or the manner in which the borrowing is used.

7. That this By-Law shall come into force and effect upon final passing.

Read a first, second, and third time and finally passed this 25th day of May, 2023.

Richard Leatham
Mayor

Heather Bouw
Clerk