

**THE CORPORATION OF THE TOWNSHIP OF PRINCE  
BY-LAW # 2011-04**

**ONTARIO MUNICIPAL CORPORATIONS BORROWING BY-LAW,  
BEING A BY-LAW TO AUTHORIZE BORROWING FROM TIME TO TIME TO  
MEET CURRENT EXPENDITURES DURING THE FISCAL YEAR ENDING  
DECEMBER 31, 2011.**

**WHEREAS** Section 407 of the Municipal Act, 2001, as amended, provides authority for a Council by By-Law to authorize the Head of Council or the Chief Administrative Officer (Treasurer) or both of them to borrow from time to time, such sums as the Council considers necessary to meet, until taxes are collected and other revenues are received, the current expenditures of the Municipality 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 Municipality, except with the approval of the Municipal Board, is limited by Section 407 of the Municipal Act, 2001;

**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWNSHIP  
OF PRINCE ENACTS AS FOLLOWS:**

1. The Head of Council or the Chief Administrative Officer (Treasurer) or both of them are hereby authorized to borrow from time to time during the fiscal year (hereinafter referred to as the current year) such sums as may be necessary to meet, until taxes are collected and other revenues are received, the current expenditures of the Municipality for the current year,
2. The lender(s) from whom amounts may be borrowed under authority of this By-Law shall be **the Northern Ontario Credit Union** and such other lender(s) as may be determined from time to time by By-Law of Council.
3. 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 Section 407 together with the total of any similar borrowings that have not been repaid, shall not exceed from January 1st to September 30th 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 1st to December 31st 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 or \$300,000.00 whichever is less.
4. The Chief Administrative Officer (Treasurer) shall, at the time when any amount is borrowed under this By-Law, ensure that the lender is or has been furnished with a certified copy of this By-Law, (a certified copy of the resolution mentioned in Section 2 determining the 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 that have not been repaid.
5. (a) If the budget for the current year has not been adopted at the time an amount is borrowed under this By-Law, the limitation on total borrowing, as set out in Section 3 of this By-Law, shall be temporarily calculated until such budget is adopted using the estimated revenues of the Municipality as set forth in the budget adopted for the next previous year.

By-Law 2011-04 April 19, 2011  
Temporary Borrowing By-Law

(b) If the budget for the current year has not been adopted at the time an amount is borrowed under this By-Law, the statement furnished under Section 4 shall show the nature and amount of the estimated revenues of the Municipality as set forth in the budget adopted for the previous year and the nature and amount of the revenues received for and on accounts of the current year.

6. For purposes of this By-Law, estimated revenues referred to in Section 3, 4, and 5, 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.

7. The Chief Administrative Officer (Treasurer) be and 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 moneys 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.


8. Evidences of indebtedness in respect of borrowings made under Section 1 shall be signed by the Head of the Council or conform to the Chief Administrative Officer (Treasurer) or both of them.

9. The Bank shall not be responsible for establishing the necessity of borrowing under this By-law or the manner in which the borrowing is used.

10. This by-law shall take effect on the final day of passing.

Read a First, Second, and Third time,  
Signed and the Seal of the Corporation  
affixed thereto and finally passed in  
Council this 19<sup>th</sup> day of April, 2011

  
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Reeve, Ken Lamming

  
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Chief Administrative Officer, Peggy Greco