

THE CORPORATION OF THE
TOWN OF PELHAM
BY-LAW #4312(2021)

Being a by-law authorizing the borrowing of money to meet current expenditures of the Council of the Corporation of the Town of Pelham;

And to repeal and replace By-law #4225 (2020), being a by-law authorizing borrowing.

WHEREAS the *Municipal Act*, S.O. 2001, Chapter M.25, Section 407 provides authority for a municipality to authorize the Head of Council and the Treasurer to borrow from time to time, such sums as the Council considers necessary to meet, until the 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 approval of the Ontario Municipal Board, is limited by Section 407 of the *Municipal Act*;

NOW THEREFORE the Council of the Town of Pelham hereby enacts as follows:

1. The Head and the Treasurer are authorized on behalf of the Municipality to borrow from time to time from **Canadian Imperial Bank of Commerce** ("CIBC") a sum or 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 not exceeding in the aggregate \$11,500,000 pursuant to subsection 407 of the Act, and to execute any documents that are required in connection with the borrowing of the above sum, plus interest, at a rate to be agreed upon from time to time with CIBC, in addition to any reasonable charges of CIBC associated with this borrowing.
2. 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 \$11,500,000 whichever is less.
3. All sums borrowed pursuant to this by-law, as well as all other sums borrowed pursuant to the Act in this year and in previous years from CIBC for any purpose will, with interest thereon, be a charge upon the whole of the revenues of the Municipality for the current year and for all preceding years as and when this revenue is received.
4. The Treasurer shall, at a 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, 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. For the purposes of this by-law the estimated revenues referred to herein 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.

6. 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 account of the current year.
7. The Treasurer is authorized and directed to apply in payment of all sums borrowed plus interest, all of the moneys collected or received on account in respect of taxes levied for the current year and preceding years or from any other source which may lawfully be applied for this purpose.
8. Schedule "A" attached to, and forming part of this by-law estimates the municipality's gross revenue for 2021, and shall be updated by the Treasurer annually upon adoption of the operating budget.
9. This by-law shall come into force and effect on February 1, 2021.

ENACTED AND PASSED THIS
1st DAY OF FEBRUARY, 2021

MAYOR MARVIN JUNKIN

TOWN CLERK NANCY J. BOZZATO

The Corporation of the Town of Pelham
Schedule “A” to By-law XXXX-2021
Estimated Gross Revenues for Borrowing By-law
(Based on 2021 Operating Budget)

Property Taxes		\$15,678,871
Payments in Lieu of Taxes		300,471
User Fees		
	General Administration	27,250
	Fire	35,786
	Building	650,500
	By-law	19,800
	Public Works Operations	20,000
	Facilities	425,000
	Cemetery	31,100
	Recreation	177,020
	Planning	166,840
	Water & Wastewater	5,755,178
Grants		952,400
Miscellaneous/Other		346,700
Revenue		
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		\$24,586,916
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25% of Budgeted Gross Revenue		\$6,146,729
50% of Budgeted Gross Revenue		\$12,293,458