



The Corporation of the Town of Pelham

By-law No. 20-2023

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 #4312 (2021).

WHEREAS section 8 of the *Municipal Act, 2001*, S.O. 2001, c. 25 ("*Municipal Act, 2001*" or "the statute") provides that the powers of a municipality under the statute or any other Act shall be interpreted broadly so as to confer broad authority to enable the municipality to govern its affairs as it considers appropriate and to enhance the municipality's ability to respond to municipal issues;

AND WHEREAS section 407 of the *Municipal Act, 2001* 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, 2001*;

NOW THEREFORE the Council of the Corporation of the Town of Pelham 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 \$12,000,000 pursuant to subsection 407 of the *Municipal Act, 2001*, 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 \$12,000,000 whichever is less.

3. All sums borrowed pursuant to this by-law, as well as all other sums borrowed pursuant to the *Municipal Act, 2001* 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 2023 and shall be updated by the Treasurer annually upon adoption of the operating budget.

9. General

- 9.1. The short title of this By-law is the "Borrowing By-law".
- 9.2. If any provision of this By-law is found by any court or tribunal of competent jurisdiction to be illegal or inoperative, in whole or in part, the balance of the By-law shall not be affected and shall remain in full force and effect.
- 9.3. If there is a conflict between a provision of this By-law and a provision of any other By-law of the Town, the provision that establishes the higher standard shall prevail.
- 9.4. This By-law shall be read with all changes in number or gender as are required by context.
- 9.5. Any reference to legislation in this By-law includes the legislation and any amendment, replacement, subsequent enactment or

consolidation of such legislation.

- 9.6. The Town Clerk is hereby authorized to effect any minor modifications or corrections solely of an administrative, clerical, numerical, grammatical, semantical or descriptive nature or kind to this By-law as are determined to be necessary.

10. Repeal and Enactment

- 10.1. By-law 4312(2021) Being a by-law to authorize borrowing be and is hereby repealed and replaced.

11. Effective Date

- 11.1. This By-law shall come into force on the date that it is enacted.

Read, enacted, signed and sealed this 01st day of March, 2023.

Marvin Junkin, Mayor

Holly Willford, Town Clerk

The Corporation of the Town of Pelham
Schedule "A" to By-law 20-2023
Estimated Gross Revenues for Borrowing By-law
(Based on 2023 Operating Budget)

Property Taxes	\$17,786,836
Payments in Lieu of Taxes	350,471
User Fees	
Corporate Services	973,332
Clerks	51,250
Fire & Bylaw	63,586
Public Works	164,500
Recreation	1,642,920
Building	749,909
Planning	170,000
Drainage	8,000
Water & Wastewater	6,759,544
Less: Reserve Transfers	-344,832
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Total Budgeted Revenue	\$28,377,539
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25% of Budgeted Gross Revenue	\$7,094,385
50% of Budgeted Gross Revenue	\$14,188,770