

By-law XX-2025



A By-law to Authorize the Borrowing of \$10,000,000

Whereas Subsection 407 (1) of the *Ontario Municipal Act, S.O. 2001, c. 25*, as amended, permits a municipality, at any time during a fiscal year, to authorize temporary borrowing until the taxes are collected and other revenues are received, of the amounts that the municipality considers necessary to meet the expenses of the municipality for the year and of the amounts, whether or not they are expenses for the year, that the municipality requires in that year; and

Whereas the Council of the Corporation of the County of Northumberland deems it necessary to authorize temporary borrowing of up to a limit of \$10,000,000, from time to time, to meet, until the taxes are collected, the expenses of the municipality for the year 2025 (hereinafter called “the year”); and

Whereas the total amount of the estimated revenue of the Corporation of the County of Northumberland as set forth in the estimates adopted for the year, not including revenues derivable or derived from the sale of assets, borrowing or issues of debentures or from surplus including proceeds from the sale of assets is \$179,560,478;

Now Therefore Be It Enacted as a by-law of the Council of the Corporation of the County of Northumberland as follows:

1. **That** the Warden and the Treasurer are hereby authorized on behalf of the Corporation to borrow monies from time to time, necessary to meet, until the taxes are collected, the current expenditures of the Corporation of the County of Northumberland (hereinafter, “the Corporation”) for the year, provided that the amount that may be borrowed at any one time, together with the total of any similar borrowings that have not been repaid, shall not exceed the sum of \$10,000,000, from the following sources:
 - i) From constituent municipalities, bearing interest at Bank of Nova Scotia Prime Lending Rate less one percent (P-1%);
 - ii) From the Bank of Nova Scotia by way of line of credit bearing interest at the Bank’s prime interest rate less 0.85 of one percent (P-0.85%),

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which rate shall be as notified by the Bank to the Treasurer from time to time. Said line of credit shall be updated as required by the Bank, at which time the agreement shall be sealed with the corporate seal and signed by the Warden and Treasurer; and

2. **That** all sums borrowed pursuant to the authority of this By-law as well as other sums borrowed in the year and all preceding years from the said Bank to meet current expenditures of the Corporation shall, with interest thereon, charge upon the whole of the revenues of the Corporation for the year and for all subsequent years as and when such revenues are received; and
3. **That** should a local municipality of the Corporation desire to pre-pay a levy installment by two weeks or more, interest shall be paid at Prime less one percent (P-1%), however such pre-payment shall not constitute a loan from the municipality to the Corporation but will be documented by way of note; and
4. **That** should a local municipality of the Corporation pay a levy installment late by two weeks or more, interest shall be charged at prime less one percent (P-1%) to the municipality; and
5. **That** the Treasurer is hereby authorized and directed to apply in payment of all sums borrowed as aforesaid, together with interest thereon, all of the monies hereafter collected or received either on account or realized in respect of the taxes levied for the year and subsequent years, or from any other source, which may lawfully be applied for such purposes; and
6. **That** this by-law come into force and effect on the final passing thereof.

That By-law **XX**-2025 be introduced and be deemed to be read a first, second and third time, passed, signed and sealed this 19th day of February, 2025.

Brian Ostrander, Warden

Maddison Mather, Clerk