

THE CORPORATION OF THE TOWN OF LATCHFORD

BY-LAW # 2014-02

BEING A BY-LAW to authorize the borrowing of funds from time to time from the Bank of Nova Scotia to meet, until the taxes are collected and other revenues are received, current expenditures of the Corporation of the Town of Latchford for the year 2014

WHEREAS Section 407(1) of the Municipal Act 2001, c.25 states that at any time during a fiscal year, a municipality 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 municipal has guaranteed the debt and the debt is in default;

AND WHEREAS Section 407(2) of the Municipal Act 2001, c.25 states that 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 per cent 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 per cent of the total estimated revenues of the municipality as set out in the budget adopted for the year;

AND WHEREAS the Council of The Corporation of the Town of Latchford deems it prudent to borrow the sum of *Two hundred And Twenty Five Thousand Dollars (\$225,000.00)*, if necessary, to meet until the taxes are collected and other revenues are received, current and capital expenditures.

NOW THEREFORE BE IT THEREFORE ENACTED as a By-Law of the Corporation as follows:

1. The Clerk/or Chief Financial Officer together with either the Mayor or Councillor are hereby authorized to borrow on behalf of the Corporation from THE BANK OF NOVA SCOTIA (the 'bank') from time to time by way of promissory note or bankers' acceptance a sum or sums not exceeding at any one time Two Hundred and Twenty Five Thousand Dollars (\$225,000.00) meet, until the taxes are collected and other revenues are received, current expenditures in 2014
2. The Clerk/or Chief Financial Officer together with either the Mayor or Councillor are hereby authorized to sign, make or draw on behalf of the Corporation and to furnish to the Bank from time to time promissory notes or bankers' acceptances for the sum or sums so borrowed with interest or any other charges at such rate as the Bank may from time to time determine.
3. The Clerk/or Chief Financial Officer together with either the Mayor or Councillor are hereby authorized and directed to furnish to the Bank at the time of each borrowing and at such other times as the Bank may from time to time request, a statement showing the nature and amount of the estimated revenues of the current year not yet collected or where the estimates for the year have not been adopted, a statement showing the nature and amount of the estimated revenues of the Corporation as set forth in the estimates adopted for the next preceding year and also showing the total of any amounts borrowed in the current year and in any preceding year that have not been repaid.
4. All sums borrowed from the Bank and any interest thereon and any other charges in connection therewith shall, be a charge upon the whole of the revenues of the Corporation for the current year and for any preceding years as and when such revenues are received and that the Clerk/or Chief Financial Officer together with either the Mayor or Councillor are hereby authorized to sign on behalf of the Corporation and to furnish to the Bank an Agreement or Agreements of the Corporation charging the said revenues of the Corporation with payment of all sums borrowed from the Bank and any interest thereon and any other charges in connection therewith.
5. The Clerk/or Chief Financial Officer together with either the Mayor or Councillor are hereby authorized and directed to apply in payment of all sums borrowed from the Bank, and of any interest thereon and any other charges in connection therewith, all of the moneys hereafter collected or received on account or realized in respect of the taxes levied for the current year and for any preceding years and all of the moneys collected or received from any other source.

READ A FIRST AND SECOND TIME on the 16th day of January 2014



Mayor, George Lefebvre



Clerk, Jaime Allen

READ A THIRD TIME and finally passed on the 16th day of January 2014



Mayor, George Lefebvre



Clerk, Jaime Allen

**SECURITY AGREEMENT
MUNICIPALITIES AND SCHOOL BOARDS**

To: THE BANK OF NOVA SCOTIA, (the "Bank")

*(DELETE
WHICHEVER IS
INAPPLICABLE)

WHEREAS by a *By-law ~~or Resolution~~ passed by the Council _____
(COUNCILOR SCHOOLBOARD, ETC.)

of The Corporation of the Town of Latchford _____
(NAME OF MUNICIPALITY, SCHOOLDISTRICT, ETC.)

on the 16th day of JANUARY 2014 authority was given to the

** (INSERT TITLES
RATHER THAN
NAMES OF
AUTHORIZED
OFFICIALS AS
SET OUT IN THE
BORROWING
BY-LAW OR
RESOLUTION)

** Mayor or Councillor Together with the CFO or Clerk _____ to borrow from
the Bank the sum or sums therein mentioned and this Agreement was authorized.

AND WHEREAS the Corporation desires to borrow the said sum or sums from the Bank.

NOW IT IS HEREBY AGREED by the Corporation that in consideration of the Bank advancing or providing the said sum or sums to the Corporation that all the revenues of the Corporation of whatever nature and kind are hereby charged to and in favour of the Bank, as security for payment of the moneys so advanced or provided by the Bank and any interest thereon and any other charges in connection therewith and the Bank shall have a lien upon all such revenues until the charge hereby and by the said *By-law ~~or Resolution~~ created is satisfied.

The Corporation represents and warrants that the whole or any part or parts of the revenues of the Corporation are not subject to any prior charge, except as disclosed to the Bank in writing.

*** (FOR MUNICIPALITIES
IN ONTARIO
DELETE THE
PHRASE "ITS
CORPORATE SEAL
TO BE HEREUNTO
AFFIXED UNDER THE
HANDS OF" AND
INSERT INSTEAD
"THIS AGREEMENT TO
BE EXECUTED BY")

IN WITNESS WHEREOF the Corporation has caused *** this agreement to be executed by
its proper officers as required by law this 16 day of JANUARY 2014

WITNESS: _____
Lise Lemire

By: Sign _____)
Title Mayor)
Sign _____) c/s
Title CLERK)

DATE RECEIVED
RECORDED
APPROVED
E O
AUDITOR

1311417 (7/07)