



**THE CORPORATION OF THE TOWNSHIP OF AUGUSTA
BY-LAW NO. 2817**

**A BY-LAW TO AUTHORIZE BORROWING FROM TIME TO TIME TO MEET CURRENT
EXPENDITURES DURING THE FISCAL YEAR ENDING DECEMBER 31, 2010**

WHEREAS Section 407 of the Municipal Act 2001, as amended, provides authority for a Council by By-Law to authorize temporary borrowing at any time during a fiscal year until the taxes are collected and other revenues are received, the amount council considers necessary to meet the current expenditures of the municipality for the year, including amounts required in the year for those listed in section 407 by way of promissory note or banker's acceptance

AND WHEREAS the total amount which may be borrowed from all sources at any one time to meet the current expenditures of the Corporation, 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 Augusta does hereby enact as follows:

1. The head of council and the treasurer are hereby authorized to borrow from time to time by way of promissory note or banker's acceptance during the year 2010 (hereinafter referred to as the current year) such sums as may be necessary to meet, until the taxes are collected and other revenues received, the current expenditures of the Corporation and the other amounts that are set out in section 407 of the Municipal Act, 2001.
2. The lender(s) from whom amounts may be borrowed under authority of this by-law shall be **ROYAL BANK OF CANADA** and such other lender(s) as may be determined from time to time by resolution of council.
3. The total amount which may be borrowed at any one time under this by-law, 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, and from October 1st to December 31st of the current year, 25 percent of the total of the estimated revenues of the Corporation as set forth in the estimates adopted for the current year or \$1,000,000.00, whichever is less.
4. The 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, 2001 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 calculated for the time being upon the estimated revenues of the Corporation as set forth in the estimates adopted for the next preceding year.

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 Corporation as set forth in the estimates adopted for the current preceding year and the nature and amount of the revenues received for and on account of the current year.
6. All or any sums borrowed under this by-law shall, with interest thereon, 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; provided that such charge does not defeat or affect and is subject to any prior charge then subsisting in favour of any other lender.
7. The treasurer 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 preceding years or from any other source, which may lawfully be applied for such purpose.
8. Evidences of indebtedness in respect of borrowings made under section 1 shall be signed by the head of council or conform to the treasurer or both of them.
9. The Bank shall not be responsible for establishing the necessity of temporary borrowing under this by-law or the manner in which the borrowing is used.
10. This by-law shall take effect upon third reading thereof.

Enacted and passed this 8th day of March, 2010.

REEVE

CLERK