

The Corporation of the Township of North Frontenac

By-law # 2026-01

Being a By-law to Authorize Borrowing from Time to Time to Meet Current Expenditures during the Fiscal Year ending December 31, 2026

Whereas pursuant to Section 9 of the Municipal Act, 2001, S.O. 2001, c. 25, and amendments thereto, provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

And Whereas pursuant to Section 5(3) of the Municipal Act, 2001, S.O. 2001, c. 25 and amendments thereto, provides that a municipal power, including a municipality's capacity, rights, powers and privileges under section 9, shall be exercised by by-law unless the municipality is specifically authorized to do otherwise;

And Whereas pursuant to Section 407(1) of the Municipal Act, 2001, S.O. 2001, c. 25 and amendments thereto, provides a municipality with authority for 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 Whereas pursuant to Section 407(2), (3) and (4) of the Municipal Act, 2001, S.O. 2001, c. 25 and amendments thereto, provides 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. Until the budget is adopted in a year, the limits upon borrowing under subsection (3) shall temporarily be calculated using the estimated revenues of the municipality set out in the budget adopted for the previous year. Estimated revenues do not include revenues derivable or derived from, (4) (a) arrears of taxes, fees or charges; or (4) (b) a payment from a reserve fund of the municipality, whether or not the payment is for a capital purpose;

Now Therefore the Council of the Corporation of the Township of North Frontenac hereby enacts as follows:

1. That the Head of Council and the Treasurer are hereby authorized to temporarily borrow from time to time by way of promissory note or banker's acceptance during the year 2026 (hereby 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, S.O. 2001, c. 25 and amendments thereto.
2. That the lender(s) from whom amounts may be borrowed under authority of this by-law shall be Bank of Montreal and such other lender(s) as may be determined from time to time by resolution of Council.
3. That 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 the limits set out in Section 407(2) and 407(3) and 407(4) of the Municipal Act, 2001, S.O. 2001, c. 25 and amendments thereto.
4. That 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 of this by-law which determines 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 or all sources under the authority of Section 407 of the Municipal Act, 2001, S.O. 2001, c.25 and amendments thereto, that have not been repaid, excluding amounts borrowed from the Corporation's reserve(s)/reserve funds.

5. That promissory notes or banker's acceptances made under Section 1 of this by-law shall be signed by the Treasurer and the Head of Council.
6. That the Treasurer is hereby authorized to temporarily borrow from the reserve(s)/reserve funds of the Corporation sums as may be necessary to meet the current operating expenditures of the Corporation.
7. That all resolutions, by-laws or parts of by-laws which are contrary to or inconsistent with this by-law are hereby repealed.
8. That this by-law shall take effect immediately upon the passing hereof.

Read a first and second time January 16, 2026

Read a third time and finally passed this January 16, 2026

Gerry Lichty, Mayor

Tara Mieske, Clerk