

THE CORPORATION OF THE MUNICIPALITY OF CHATHAM-KENT

BY-LAW NUMBER _____ - 2024

A By-law to authorize the Mayor and Treasurer of The Municipality of Chatham-Kent to borrow certain sums to meet current expenditures of The Municipality and to act for the Municipality in the Sale, purchase and/or transfer of financial securities for the year 2025.

WHEREAS the Council of The Municipality of Chatham-Kent deems it necessary to borrow monies to meet current expenditures of The Municipality for the year 2025 pending the collection of current revenues and to sell, purchase and/or transfer financial securities.

AND WHEREAS under Section 407 of the Municipal Act, 2001 the Municipality is empowered to borrow for current purposes from January 1st to September 30th up to fifty percent (50%) of the total estimated revenue and from October 1st to December 31st, twenty-five percent (25%) of the total of the estimated balance of the estimated revenues of the Municipality as set forth in the budget adopted for the year.

AND WHEREAS pending the passing of the by-law for imposing the rates for the current year, the limitation upon borrowing is calculated upon the estimated revenues of the Municipality, as set forth in the estimates adopted for the current year.

AND WHEREAS the Municipal Council of the Municipality of Chatham-Kent deems it expedient to authorize the Mayor and Treasurer to borrow funds from the Canadian Imperial Bank of Commerce as part of a joint banking agreement operated through The Chatham-Kent Lambton Administrator's Group (CKLAG) as well as to sell, purchase and/or transfer financial securities on an as needed basis.

BE IT THEREFORE ENACTED by the Municipal Council of The Municipality of Chatham-Kent as follows:-

1. That the Mayor and Treasurer of The Municipality are hereby authorized to borrow from time to time from the Canadian Imperial Bank of Commerce, by way of promissory notes, and at such rate or rates of interest as they may approve, sums not to exceed \$60,000,000.00 (sixty million dollars) at any one time outstanding and unpaid, to meet until the taxes are collected, the current expenditures of the Municipality for the year 2025, provided that notwithstanding the sums authorized to be borrowed hereunder, the amount that may be borrowed hereunder at any one time, together with the total of any similar borrowings that have not been repaid, shall not exceed the limits imposed by Section 407 of the Municipal Act, 2001.
2. The Mayor and Treasurer be authorized on behalf of the Municipality to accept and convey, assign, transfer or otherwise dispose of all or any shares, bonds,

debentures, debenture stock and other securities of every description now or hereafter registered in the name of the Municipality or held or owned by the Municipality and to sign and execute on behalf of the Municipality all and any instrument of acceptance and transfer and other documents whenever necessary or proper to effectuate the same with full power to appoint any attorneys with full power of substitution therein, and that any and all instruments of acceptance and transfer and other documents in connections therewith heretofore signed and executed on behalf of the Municipality in accordance with the authority set out above are hereby ratified and confirmed;

3. The Mayor and Treasurer are hereby authorized to execute, on behalf of The Municipality, a promissory note or notes in the manner signified in paragraph 4 hereof.

4. A promissory note or notes, signed by the Mayor and Treasurer and sealed with the seal of the Municipality, for the amounts from time to time borrowed under the authority hereof and interest thereon, may be given to such lenders as heretofore mentioned as security for such loans.

5. The Mayor and Treasurer are authorized to open, close or transfer bank accounts of the Corporation when done so in the normal course of business.

6. The Treasurer is hereby authorized and directed to apply in payment of the money borrowed as aforesaid, together with the interest thereon, all monies now or hereafter collected or received on account or realized in respect of taxes levied for the current year and previous years and all of the monies collected or received from other sources which may be lawfully charged for such purpose be and the same are hereby charged with repaying of the sums so borrowed.

7. All of the taxes levied or to be levied for the year 2025 and previous years, and all such other revenues of the Municipality which may be lawfully charged for such purpose be hereby charged with repaying of the sums so borrowed.

THIS By-law shall come into full force and effect upon the final passing thereof.

READ a **FIRST, SECOND** and **THIRD** time and finally **PASSED** this 9th day of December, 2024.

Mayor – Darrin Canniff

Clerk - Judy Smith