

BY-LAW NO. 2023 - xx

A by-law of the City of Ottawa to authorize the temporary borrowing of monies to meet the current expenditures of the City of Ottawa and to repeal By-law No. 2019-268.

WHEREAS the Council of the City of Ottawa may, pursuant to Section 407 of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, (the "*Municipal Act*"), enact a by-law to authorize temporary borrowing of the amount Council considers necessary to meet the current expenditures of the City of Ottawa, hereinafter called the "City", until the taxes are collected and other revenues are received for the year, including the amounts required in the year for sinking and retirement funds, principal and interest due on any debt of the City, school purposes and other purposes the municipality is required by law to provide for;

AND WHEREAS subsection (2) of Section 407 of the said *Municipal Act* provides that the amount that may be borrowed at any one time for the purposes as aforesaid together with any similar borrowings that have not been repaid, shall not exceed from January 1st to September 30th, 50 per cent of the total, and from October 1st to December 31st, 25 per cent of the total of the estimated revenues of the City as set forth in the estimates adopted for the year;

AND WHEREAS subsection (3) of Section 407 of the said *Municipal Act* provides that until such estimates are adopted, the limitations upon borrowing prescribed above shall temporarily be calculated using the estimated revenues of the City as set forth in the estimates adopted for the previous year;

AND WHEREAS subsection 407(4) of the said *Municipal Act* provides that, for the purposes of subsections 407(2) and 407(3), estimated revenues do not include revenues derivable or derived from borrowings or issues of

debentures, a surplus including arrears of taxes, fees or charges, or a transfer from the capital fund, reserve funds or reserves;

THEREFORE the Council of the City of Ottawa enacts as follows:

TEMPORARY BORROWING

1. The Mayor and the Treasurer of the City are hereby authorized to borrow from time to time from any person who is willing to loan the same for the purpose of meeting the current expenditures of the City, including the amounts required for sinking and retirement funds, principal and interest due on any debt of the City, school purposes, other purposes the municipality is required by law to provide for and the amount of principal and interest payable by a person or municipality primarily liable for a debt, if the City has guaranteed the debt and the debt is in default until the taxes are collected and other revenues are received.

LIMIT ON BORROWING

2. The amount that may be borrowed at any one time as authorized by Section 1 hereof, together with the total of any similar borrowings that have not been repaid, shall not exceed, during the period from January 1 to September 30, fifty per cent (50%) of the total, or during the period from October 1 to December 31, twenty-five per cent (25%) of the total of the estimated revenues of the City as set forth in the budget adopted for the year.

CALCULATION OF ESTIMATES

3. Until such estimates are adopted, the limitations upon borrowing prescribed by Section 2 hereof shall temporarily be calculated upon the estimated

revenues of the City as set forth in the budget adopted for the previous year.

REVENUES NOT INCLUDED IN CALCULATION

4. For the purposes of Sections 2 and 3, estimated revenues do not include revenues derivable or derived from,
 - (a) arrears of taxes, fees or charges, or
 - (b) a payment from a reserve fund of the municipality, whether or not the payment is for a capital purpose.

INTEREST

5. The amount borrowed as authorized by Section 1 shall bear interest at such rate or rates as may be agreed upon.

LOAN AGREEMENTS

6. The City shall draw and deliver from time to time loan agreements and such other agreements as may be required to evidence and secure the said borrowings as authorized by this by-law.

EXECUTION OF BORROWING INSTRUMENTS

7. Any loan agreement or other agreement made under the authority of this by-law shall be signed by the Mayor and the Treasurer of the City and sealed with the seal of the City.

LENDER FURNISHED WITH BY-LAW AND STATEMENT

8. At the time that any amount is borrowed under Section 1, the Treasurer shall furnish to the lender a copy of this by-law and a statement showing the nature and amount of the estimated revenues of the current year not yet collected, or where the estimated revenues have not been adopted, a statement showing the nature and amount of the estimated revenues of the City as set forth in the estimates adopted for the next preceding year, and also showing the total of any amounts borrowed under Section 1, that have not been repaid.

REPAYMENT

9. All sums of money borrowed under the authority of this by-law shall be repaid to the person from whom the same were borrowed, as soon as may be after the taxes are collected and other revenues are received for the current year.

REPEAL

10. By-law 2019-268 entitled, “A by-law to authorize the temporary borrowing of monies to meet to the current expenditures of the City of Ottawa.

SHORT TITLE

11. This by-law may be cited as the “Temporary Borrowing By-law”.

ENACTED AND PASSED this 14th day of June 2023.

CITY CLERK

MAYOR