

CORPORATION OF THE NATION MUNICIPALITY

BY-LAW NO. 18-2022

A By-Law to authorize certain new capital works for The Nation Municipality to authorize the submission of an application to Desjardins Ontario for financing of such new capital works and of certain other ongoing capital works; to authorize temporary borrowing from Desjardins to meet expenditures in connection with all the upgrade and the construction of the Limoges sewage works.

WHEREAS the *Municipal Act, 2001* (Ontario), as amended, (the “**Act**”) provides that a municipal power shall be exercised by by-law unless the municipality is specifically authorized to do otherwise;

AND WHEREAS the Council of the Municipality authorizing the ongoing capital work(s) in the amount \$ 8,324,704.00 of the respective estimated expenditure, subject in each case to approval by **Desjardins Ontario** of the financing for such Ongoing Capital Work(s) requested by the Municipality in the Application as hereinafter defined;

AND WHEREAS it is now deemed to be expedient to authorize for the purposes of the Municipality the new capital work(s) in the amount of the respective estimated expenditure of \$ 8,324,704.00, subject in each case to approval by **Desjardins Ontario** of the financing for such New Capital Work(s) requested by the Municipality

AND WHEREAS before the Council of the Municipality approved the Ongoing Capital Work(s) in accordance with section 4 of Ontario Regulation 403/02 (the “**Regulation**”), the Council of the Municipality had its Treasurer calculate an updated limit in respect of its then most recent annual debt and financial obligation limit received from the Ministry of Municipal Affairs and Housing (as so updated, the “**Prior Updated Limit**”), and, on the basis of the authorized estimated expenditure for the Ongoing Capital Work or each Ongoing Capital Work, as the case may be, estimated expenditure of \$8,324,704.00 (individually an “**Ongoing Capital Work Authorized Expenditure**”), the Treasurer calculated the estimated annual amount payable in respect of the Ongoing Capital Work or each Ongoing Capital Work, as the case may be, and determined that the estimated annual amount payable in respect of the Ongoing Capital Work or each Ongoing Capital Work, as the case may be, did not cause the Municipality to exceed the Prior Updated Limit, and accordingly the approval of the Local Planning Appeal Tribunal pursuant to the Regulation, was not required before any such Ongoing Capital Work was authorized by the Council of the Municipality;

AND WHEREAS subsection 405(1) of the Act provides, amongst other things, that a municipality may authorize temporary borrowing to meet expenditures made in connection with a work to be financed in whole or in part by the issue of debentures if, the municipality is an upper-tier municipality, a lower-tier municipality in a county or a single-tier municipality and it has approved the issue of debentures for the work;

AND WHEREAS subsection 401(1) of the Act provides that a municipality may incur a debt for municipal purposes, whether by borrowing money or in any other way, and may issue debentures and prescribed financial instruments and enter prescribed financial agreements for or in relation to the debt;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE NATION MUNICIPALITY ENACTS AS FOLLOWS:

1. The Council of the Municipality hereby confirms, ratifies and approves the execution by the Treasurer of the Application and the submission by such authorized official of the Application, duly executed by such authorized official, to OILC for the financing of the Capital Work(s) in the maximum aggregate principal amount of \$ 8,324,704.00 substantially, with such changes thereon as such authorized official may hereafter approve, such execution and delivery to be conclusive evidence of such approval.

2.
 - (a) The undertaking of the New Capital Work or each New Capital Work, as the case may be, in the amount of the respective New Capital Work Authorized Expenditure is hereby approved and authorized;
 - (b) any one or more of the Mayor and the Treasurer are hereby authorized to conclude contracts on behalf of the Municipality for the undertaking of the New Capital Work or of each New Capital Work, as the case may be, in accordance with the Municipality's usual protocol;
 - (c) where applicable, the Engineer of the Municipality will forthwith make such plans, profiles and specifications and furnish such information as in the opinion of the Engineer are necessary for the undertaking of the New Capital Work or of each New Capital Work, as the case may be; and
 - (d) where applicable, the undertaking of the New Capital Work or of each New Capital Work, as the case may be, shall be carried on and executed under the superintendence and according to the direction and orders of such Engineer.
3. The Mayor and the Treasurer are hereby authorized to negotiate and enter into, execute and deliver for and on behalf of the Municipality a financing agreement (a "**Financing Agreement**") with **Desjardins Ontario** that provides for temporary and long-term borrowing from **Desjardins Ontario** under the authority of this By-law in respect of the Capital Work(s) on such terms and conditions as such authorized officials may approve, such execution and delivery to be conclusive evidence of such approval.
4. The Mayor and/or the Treasurer are hereby authorized, pending the substantial completion of the Capital Work or of each Capital Work, as the case may be, or as otherwise agreed with **Desjardins Ontario** to make temporary borrowings pursuant to section 405 of the Act in respect of the Capital Work or of each Capital Work, as the case may be, on the terms and conditions provided in the Financing Agreement [which Financing Agreement provides that the information contained in the Record, as defined in the Financing Agreement, in respect of such temporary borrowings shall be deemed final, conclusive and binding on the Municipality.](#) and on such other terms and conditions as such authorized officials may agree; and the Treasurer is authorized to sign such certifications as **Desjardins Ontario** may require in connection with such borrowings in respect of the Capital Work(s); provided that the amount of borrowings allocated to the Capital Work or to each Capital Work, as the case may be, does not exceed the Authorized Expenditure for such Capital Work and does not exceed the related loan amount set out in respect of such Capital Work.
5. Subject to the terms and conditions of the Financing Agreement and such other terms and conditions as **Desjardins Ontario** may otherwise require, the Mayor and the Treasurer are hereby authorized to long-term borrow for the Capital Works and to issue debentures to **Desjardins Ontario** on the terms and conditions provided in the Financing Agreement and on such other terms and conditions as such authorized officials may agree (the "**Debentures**"); provided that the principal amount of the Debentures issued in respect of each Capital Work does not exceed the Ongoing Capital Work Authorized Expenditure or the New Capital Work Authorized Expenditure, as the case may be, for such Capital Work and does not exceed the related loan amount set out, as the case may be, in respect of such Capital Work.
6. For the purposes of meeting the Obligations, the Municipality shall provide for raising in each year as part of the general levy, the amounts of principal and interest payable in each year under any outstanding temporary borrowing and/or any Debenture outstanding pursuant to the Financing Agreement, to the extent that the amounts have not been provided for by any other available source including other taxes or fees or charges imposed on persons or property by a by-law of any municipality.

7. (a) The Mayor and Treasurer are hereby authorized to enter into, execute and deliver the Financing Agreement and to issue the Debentures, one or more of the Clerk and the Treasurer are hereby authorized to generally do all things and to execute all other documents and papers in the name of the Municipality in order to perform the Obligations of the Municipality under the Financing Agreement, to request and receive any temporary borrowing and to issue the Debentures, and the Treasurer is authorized to affix the Municipality's municipal seal to any such documents and papers.
 - (b) The money realized in respect of any temporary borrowing for the Capital Work(s) and the Debentures, including any premium, and any earnings derived from the investment of that money, after providing for the expenses related to any such temporary borrowing and to the issue of the Debentures, if any, shall be apportioned and applied to the respective Capital Work and to no other purpose except as permitted by the Act.
8. READ A FIRST, SECOND AND DULY PASSED UPON THE THIRD READING THIS 24TH DAY OF JANUARY 2022.

François St-Amour, Mayor

Josée Brizard, Clerk

SEAL