



**ONTARIO  
MUNICIPAL CORPORATIONS  
TEMPORARY BORROWING BY-LAW**

E-FORM 348 (01/2004)

(FOR BANK USE ONLY)

S.R.F. No.:	_____
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The township of McGarry (the "Municipality") By-law No. 2006-18 being a by-law to authorize temporary borrowing from time to time to meet current expenditures during the fiscal year ending December 31, 2005.

WHEREAS Section 407 of the *Municipal Act, 2001*, as amended, provides authority for a council by by-law to authorize the head of council or the treasurer or both of them to borrow from time to time, such sums as the council considers necessary to meet, until taxes are collected and other revenues are received, the current expenditures of the Municipality for the year; and

WHEREAS the total amount which may be borrowed from all sources at any one time to meet the current expenditures of the Municipality, except with the approval of the Municipal Board, is limited by Section 407 of the *Municipal Act, 2001*;

NOW THEREFORE THE COUNCIL OF The Township of McGarry  
ENACTS AS FOLLOWS:

1. The head of council or the treasurer or both of them are hereby authorized to borrow from time to time during the fiscal year (hereinafter referred to as the current year) such sums as may be necessary to meet, until taxes are collected and other revenues are received, the current expenditures of the Municipality for the current year.
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 by-law of council.
3. The total amount which may be borrowed at any one time under this by-law plus any outstanding amounts of principal borrowed and accrued interest under Section 407 together with the total of any similar borrowings that have not been repaid, shall not exceed from January 1 to September 30 of the current year, 50 percent of the total estimated revenues of the Municipality as set out in the budget adopted for the current year, and from October 1 to December 31 of the current year, 25 percent of the total of the estimated revenues of the Municipality as set out in the budget adopted for the current year or \$250,000, 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* 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 statement furnished under section 4 shall show the nature and amount of the estimated revenues of the Municipality as set forth in the budget adopted for the previous year and the nature and amount of the revenues received for and on account of the current 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 Municipality as set forth in the budget adopted for the previous year and the nature and amount of the revenues received for and on account of the current year.
6. For purposes of this by-law the estimated revenues referred to in section 3,4, and 5 do not include revenues derivable or derived from, a) any borrowing, including through any issue of debentures; b) a surplus, including arrears of taxes, fees or charges; or c) a transfer from the capital fund, reserve funds or reserves.
7. The treasurer be and 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 previous years or from any other source, that may be lawfully applied for such purpose.
8. Evidences of indebtedness in respect of borrowings made under section 1 shall be signed by the head of the 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 on the final day of passing.

Enacted and passed this 20 day of June, 2006.

  
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 Head of Council

  
 \_\_\_\_\_  
 Clerk

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ONTARIO MUNICIPAL CORPORATIONS STATEMENT BY TREASURER RE BORROWING

TO

(Insert proper name of Municipality)

Re: The Corporation of the Township of McGarry in the Province of Ontario (the Municipality) Virginiatown

I hereby certify that the following statements are true and correct as of this date.

- 1. The budget of the Municipality for the current year has been adopted.
2. The nature and amount of the estimated revenues of the Municipality set forth in the budget of the Municipality adopted for the year 2006...
3. The nature and amount of revenues of the Municipality for the current year collected to date is \$...
4. The nature and amount of the estimated revenues of the Municipality (exclusive of revenues, derivable or derived from a) any borrowing...
5. The total of any amounts borrowed by the Municipality under Section 407 of the Municipal Act, 2001...

(Refer to the estimates for the current year if such have been adopted; if not, refer to estimates of last year.)

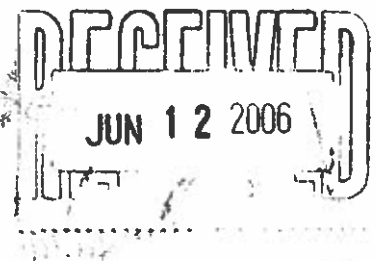
(Attach separate sheets for Schedules A, B, & C)

(Delete paragraph 4 if estimates for current year not yet adopted.)

This statement is delivered to the ROYAL BANK OF CANADA pursuant to the provisions of Section 4 of the temporary borrowing by-law of the Municipality dated June 20, 2006 as proof that the borrowing from the Bank contemplated by such by-law has been validly authorized.

June 20, 2006

Marguarite Deell Treasurer



**RBC Financial Group**  
5 Armstrong Street, PO Box 1300  
New Liskeard, Ontario, P0J 1P0  
Transit: 03302-003  
Tel.: 705-647-6891  
Fax: 705-647-5822  
E-mail: [www.royalbank.com](http://www.royalbank.com)

June 7, 2006

Garry Cunnington  
Township of McGarry  
Box 99  
Virginiatown, Ontario  
P0K 1X0

**Re: Borrowing By-Law**

Dear Garry:

Please find enclosed our form number 348-Temporary Borrowing By-Law along with our form 349-Statement of Treasurer. I ask that both these forms be completed in their entirety and duly signed and authorized by the appropriate individuals.

Once completed, I ask that you return these forms to my attention in New Liskeard. Should you have any questions, please do not hesitate to contact me at 705-647-5451.

Sincerely yours,



D.M. (Darryl) Van Leer  
Account Manager,  
Commercial Banking

CORPORATION OF THE  
**TOWNSHIP OF MCGARRY**

PHONE: (706) 634-2146 FAX: (706) 634-2700  
27 WEBSTER STREET  
P.O. BOX 99, VIRGINIATOWN, ONTARIO P0K 1X0



June 22 , 2006

D.M. ( Darryl) Van Leer, AICB  
Account Manager  
Royal Bank of Canada  
Commercial Banking  
P.O Box 1300  
5 Armstrong Street  
New Liskeard, On  
P0J 1P0

Dear Darryl

Re : Borrowing By-Law

Please find attached your form number 348 - Temporary Borrowing play By-Law along with the form 349 - Statements of Treasurer duly signed.

I trust this is in order

Kind regards,

Jacqueline Hull  
Acting Clerk- Treasurer

Encl. (2)