

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

BY-LAW No. 2005 - 22

**Being a BY-LAW To Authorize the borrowing of money by way of a
Line of Credit to meet Expenditures made in connection with a certain project**

WHEREAS the Corporation of the Municipality of Magnetawan (the “Corporation”) deems it necessary to replace the River Road Bridge (the “Purchase”) in the amount of \$396,000.00;

AND WHEREAS Section 401 of the Municipal Act 2001, S.O. 2001, as amended provides authority for the Corporation to borrow money or incur long term debt for Municipal purposes without the approval of the Ontario Municipal Board where such long term debt falls within the Annual Repayment Limit for the Corporation as determined pursuant to Ontario Regulation 799/94;

AND WHEREAS the long term debt proposed herein, falls within the Annual Repayment Limit;

NOW THEREFORE BE IT ENACTED by the Council of The Corporation of the Municipality of Magnetawan, as follows:

- 1) That the Head of Council and the Treasurer are hereby authorized on behalf of the Municipality of Magnetawan to obtain a Line of Credit from **ROYAL BANK OF CANADA (RBC)** a sum or sums not exceeding in the aggregate \$396,000.00 to meet expenditures made in connection with the Purchase at a rate of Prime minus one quarter (1/4%) per cent .
- 2) Upon completion of the River Road Bridge project, one third (1/3) of the remaining balance may be termed out at the prevailing rate for a fixed rate term loan;
- 3) The Treasurer is hereby authorized and directed to apply in payment of all sums borrowed pursuant to the By-law, plus interest, all of the money hereafter collected or received either on account or realized in respect of taxes levied for the current year and preceding years or from any other source which may lawfully be applied for such purpose.

**Passed in open Council as read a First, Second and Third time,
this 24th day of August, 2005**

**THE CORPORATION OF THE
MUNICIPALITY OF MAGNETAWAN**

Sam Dunnett, *Mayor*

Brenda J. Fraser, *Clerk/Administrator*