



Meeting Date: April 7, 2026
Department: Finance and Treasury
Report No.: FIN-2026-07
Submitted by: William Dakin - Director of IT/Finance-Treasurer
Approved by: William Dakin - Director of IT/Finance-Treasurer

SUBJECT: 2026 Municipal Borrowing By-Law for Operating Expenditures

RECOMMENDATION: THAT: By-law No. 29-26 be referred to the Consideration of By-laws section of the agenda for approval.

BACKGROUND: The Municipality must pass a by-law on an annual basis to enable it to borrow funds, if required, to meet its operational needs. In accordance with section 5(3) of the *Municipal Act, 2001*, as amended, municipal powers are to be exercised by by-law, unless the municipality is specifically authorized to do otherwise. Section 407 of the *Municipal Act 2001*, as amended, outlines the borrowing limits for operating purposes.

COMMENTS:

Based on cash flow projections short-term borrowing is not anticipated to be necessary to fund current operations.

Section 407 of the *Municipal Act 2001*, as amended, outlines the borrowing limits for operating purposes imposed upon Ontario municipalities. The limitations are such that in the first nine months of the year, municipalities can borrow no more than 50% of the budgeted revenues for the year. After September 30, the loan amounts cannot exceed 25% of budgeted revenues.

FINANCIAL IMPLICATIONS:

Finance charges will only apply should the Municipality be required to borrow under this by-law.

CONSULTATION:

None

ATTACHMENTS:

By-law No. 29-26 - Authorizing By-Law