CORPORATION OF THE VILLAGE OF COBDEN

BY-LAW # 1991-1

BEING a by-law to authorize borrowing from time to time to meet current
expenditures during the fiscal year ending December 31, 1991.

WHEREAS the Municipal Act. R.S.O. 1980, Chapter 302 Section 189, provides
authority for a council by By-Law to authorize the head of Council and the
treasurer to borrow from time to time, by way of promissory note, such as
the sums as the Council considers necessary to meet, until taxes are
collected, the current expenditures of the Corporation 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 Corporation, except with the
approval of the Municipal Board, is limited by Section 189 of the Municipal
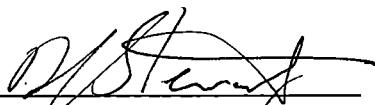Act, and

WHEREAS, if the Council borrows any larger amount than is permitted, every
member of the Council who knowingly votes therefore is disqualified from
holding office (municipal) for two years.,

NOW THEREFORE, the Council of the Corporation of the Village of Cobden
enacts as follows:

1. The head of Council and the treasurer are hereby authorized to borrow
    from time to time by way of promissory note during the year 1991
    (hereinafter referred to as the current year) such sums as the council
    considers necessary to meet until the taxes are collected, the current
    expenditures of the Corporation and the other amounts that are set
    out in subsection 189 (1) of the Municipal Act.

2. The amounts that may be borrowed under this by-law and the lender shall
    be as determined from time to time by resolution of the Council.

3. The total amount which may be borrowed at any one time under this
    by-law together with the total of any similar borrowings that have
    not been repaid shall not exceed 70% of the uncollected balance of the
    estimated revenues of the Corporation as set forth in the estimates
    adopted for the current year.

4. The treasurer shall, at the time when any amount is borrowed under
    this by-law ensure that the lender is furnished with a certified copy
    of this by-law, a certified copy of the resolution mentioned in Section
    2 governing the amount being borrowed and a statement showing the nature
    and amount of the estimated revenues for the current year. not yet
    collected and also showing the total of any other amounts borrowed from
    any sources under authority of Section 189 of the Municipal Act that
    have not been repaid.

5. (a) If the estimates for the current year have not been adopted
    at the time an amount is borrowed under this by-law, the 70% limitation
    of total borrowing, as set out in Section 2 of this by-law shall be
    calculated for the time being upon the estimated revenues of the
    corporation as set forth in the estimates adopted for the next preceding
    year, less all revenues received for and on account of the current
    year.

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5.   (b)   If the estimates of the current year have not been adopted at the time an amount is borrowed under this by-law, the statement furnished under Section 3 shall show the nature and amount of the estimated revenues of the Corporation as set fourth in the nature and amount of the revenues received for and on account of the current year.

6.   ALL or any sums borrowed under this by-law shall with interest thereon, be a charge upon the whole or any part or parts of the revenues of the Corporation for the current year and for any preceding years as and when such revenues are received; provided that such charge does not defeat or affect and is subject to any prior charge then subsisting in favour of any other lender.

7.   THE treasurer 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 monies hereafter collected or received, either on account of or realized in respect of the taxes levied for the current year and preceding years or from any other source, which may lawfully be applied for such purpose.

READ ä first, second and finally passed upon the third reading this 12th day of February   1991.

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REEVE

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CLERK-TREASURER