



# TOWNSHIP OF NORTH HURON

# REPORT

Item No. 2022-02

**REPORT TO:** Reeve Bailey and Members of Council  
**PREPARED BY:** Darcy Chapman, Director of Finance  
**DATE:** 17/01/2022  
**SUBJECT:** FIN-2022-02 Borrowing By-law  
**ATTACHMENTS:** N/A

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## **RECOMMENDATION:**

THAT the Council of the Township of North Huron hereby receives the report from the Director of Finance, dated January 17, 2022 regarding the 2022 Borrowing By-law for information purposes;

AND FURTHER, THAT Council directs the Clerk to prepare a by-law for the February 7, 2022 Regular meeting to adopt the Borrowing By-law.

## **EXECUTIVE SUMMARY**

In accordance with subsection 407 (1) of the Municipal Act, S.O. 2001, c. 25 as amended, the Township of North Huron may deem it necessary to borrow up to \$1,000,000.00 to meet the current expenditures of the municipality until taxes are collected or other revenues are received.

## **DISCUSSION**

Each year the Township passes a by-law authorizing the temporary borrowing of \$1,000,000.00 from the Canadian Imperial Bank of Commerce (CIBC) to cover expenses until taxes are levied and collected or until other revenue is received. The Township has not had to use this by-law since amalgamation however, it is a best practice to have this by-law in place, should the need arise.

## **FINANCIAL IMPACT**

If the Township should borrow funds under this by-law, applicable interest would have to be calculated and paid.

## **FUTURE CONSIDERATIONS**

The by-law is reviewed and passed on an annual basis.

## **RELATIONSHIP TO STRATEGIC PLAN**

No consideration was given to the Strategic Plan.

Darcy Chapman, Director of Finance

Dwayne Evans, CAO