Staff Memo

To: South Huron Council
From: Sandy Becker, Director of Financial Services/Treasurer
Date: January 13, 2020
Re: Municipal Borrowing By-Law

Section 407 of the Municipal Act indicates that at any time during a fiscal year, a municipality may authorize temporary borrowing, until taxes are collected and other revenues are received an amount to meet the current expenditures of the municipality for the year.

The Ontario Municipal Board restricts the total amount that can be borrowed at any one time to not exceed;

(a) From January 1 to September 30 in the year, 50% of the total estimated revenues of the municipality as set out in the budget adopted for the year; and
(b) From October 1 to December in the year, 25% of the total estimated revenues of the municipality as set out in the budget adopted for the year.

The municipal borrowing by-law attached has been prepared for the 2020 fiscal year, to accommodate any temporary borrowing required to meet expenditures during the fiscal year.