



City of
Peterborough

To: Members of the General Committee

From: Richard Freymond, Commissioner, Finance and Corporate Support Services

Meeting Date: January 29, 2024

Report: 2024 Borrowing By-law, Report FCSFS24-002

Subject

A report to recommend a by-law be passed at the February 5, 2024 Council meeting to establish a \$15,000,000 borrowing limit to finance current expenditures.

Recommendation

That Council approve the recommendation outlined in Report FCSFS24-002, dated January 29, 2024 of the Commissioner of Finance and Corporate Support Services as follows:

That a by-law be enacted to establish a \$15,000,000 borrowing limit for the 2024 year to finance current expenditures in the form attached as Appendix A.

Background

Each year the City is required to pass a borrowing by-law that is used by the City's bank, the Canadian Imperial Bank of Commerce, as part of the annual documentation required to borrow funds from the bank during the year, if required.

During the past number of years, the City has established an annual borrowing limit of \$15 million but has not had to borrow any funds.

Strategic Plan

Strategic Pillar: Governance and Fiscal Sustainability

Strategic Priority: Support review/update of City's by-laws to make them effective and efficient, meeting the needs of our growing City

Approval of this report links to the City's strategic priority pillar of Governance & Fiscal Sustainability as the ability to borrow to meet current expenditures, if required, provides for responsible financial management.

Budget and Financial Implications

There are no budget and financial implications if the City does not borrow money under the authority of this by-law.

It is not anticipated that any borrowings will be required during 2024.

Attachments

Appendix A: 24-00X - 2024 Borrowing By-law - Draft

Submitted by,

Richard Freymond
Commissioner, Finance and Corporate Support Services

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City of
Peterborough

The Corporation of the City of Peterborough

By-Law Number 24-00X

Being a By-law to authorize the borrowing limit of \$15,000,000 for 2024 current expenditures

Whereas Section 407(1) of the **Municipal Act, 2001**, S.O. 2001, c.25, as amended, provides at any time during a fiscal year, a municipality may authorize temporary borrowing, until the taxes are collected and other revenues received, of the amounts that the municipality considers necessary to meet the expenses of the municipality for the year including the amounts required for in the year for reserve funds, sinking and retirement funds, principal and interest falling due upon any debt of the municipality, school purposes and other purposes for which the municipality is required by law to provide;

And Whereas Section 407(2) of the **Municipal Act, 2001**, S.O. 2001, c.25, as amended, stipulates that the amount that may be borrowed at any one time shall not exceed from January 1 to September 30 of the year, 50 per cent of the total, and from October 1 to December 31, 25 per cent of the total of the estimated revenues of the municipality as set forth in the estimates adopted for the year;

And Whereas the Council of the City of Peterborough deems it advisable to authorize temporary borrowing not exceeding the sum of \$15,000,000 to meet the expenses of the City of Peterborough for the year until taxes are collected;

And Whereas the total amount of the estimated 2024 revenues of the City of Peterborough is \$324,463,093;

Now Therefore, The Corporation of the City of Peterborough by the Council thereof hereby enacts as follows:

1. In this By-law a promissory note includes an instrument or commercial paper known as Banker's Acceptance.
2. The Mayor and Treasurer are hereby authorized on behalf of The Corporation of the City of Peterborough (City") to borrow from time to time, by way of promissory note in a form or forms acceptable to the Treasurer, a sum or sums not exceeding in the aggregate \$15,000,000, at any one time, to meet, until the taxes are collected, the expenses of the City for the year 2024, including the amounts required for the purposes mentioned in Section 407(1) of the **Municipal Act, 2001**, S.O. 2001, c.25, as amended, and to give, on behalf of the City, a promissory note or notes, sealed with the Corporate Seal and signed by them, for the moneys so borrowed with interest at a rate not exceeding the prime lending rate which may be paid in advance or otherwise.

By-law passed this 5th day of February, 2024.

Jeff Leal, Mayor

John Kennedy, City Clerk