

## SAMPLE BY-LAW

The (name of Municipality)

By-law No. \_\_\_\_\_

Being a By-law of the \_\_\_\_\_ to enter into an agreement with the \_\_\_\_\_ for equipment financing for the purchase of a \_\_\_\_\_.

Whereas Section 250 of *The Municipal Act* provides in Part as follows:

250(2) Without limiting the generality of subsection (1), a municipality may for municipal purposes do the following:

- (a) acquire, hold, mortgage and dispose of land, improvements and personal property, or an interest in land, improvements and personal property;

And Whereas Section 251 of *The Municipal Act* provides in Part as follows:

251(1) The power of a municipality referred to in Clause 250(2) to acquire land, improvements and personal property includes

- (a) acquisition by purchase, lease, gift or otherwise, on any terms or conditions acceptable to the Council;

And Whereas Section 172 of *The Municipal Act* provides in Part as follows:

172 In this Division, "borrowing" means the borrowing of money, and includes

- (d) an agreement to purchase capital property that creates an interest in the capital property to secure payment of the capital property's purchase price if payment of the purchase price under the agreement exceeds three years;

And Whereas Section 174 of *The Municipal Act* provides in Part as follows:

174(1) A municipality may make a borrowing only if

- (a) the borrowing is authorized by a by-law; and
- (b) subject to subsection (2), the borrowing is set out as a debt obligation in the operating budget or capital budget or it is made to fund an expenditure authorized under subsection 169(5);

And Whereas the Council of the \_\_\_\_\_ deems it necessary and in the best interest of the municipality to enter into a borrowing agreement for the purchase of a \_\_\_\_\_.

And Whereas, in order to complete such undertaking, it will be necessary to enter into a borrowing agreement with the \_\_\_\_\_ for the sum of \$ \_\_\_\_\_ as hereinafter provided, which is the amount of the debt intended to be created by this by-law;

And Whereas the \_\_\_\_\_ amounts, including principal and interest, required to be raised  
(annual)  
for \_\_\_\_\_ years, as hereinafter provided, for paying the principal and interest under this by-law are the amounts set out in Schedule "A" hereto;

And Whereas the assessed value of the whole land chargeable under this by-law, according to the last revised assessment roll, is \$ \_\_\_\_\_;

And Whereas the amount of the existing debt of the \_\_\_\_\_ is \$\_\_\_\_\_, of which no portion of the principal or of the interest thereon is in arrears;

Now Therefore the Council of the \_\_\_\_\_ in regular (or special) session assembled, enacts as follows:

- 1. That the \_\_\_\_\_ proceed to purchase a \_\_\_\_\_.
- 2. That the said municipality may expend the sum of \$\_\_\_\_\_ for the purpose aforesaid.
- 3. That the \_\_\_\_\_ is hereby authorized to enter into a borrowing agreement with the \_\_\_\_\_ as set out in Schedule "B" attached hereto.
- 4. That for the said borrowing the interest rate is estimated for the time being at \_\_\_\_\_% per annum, and subject in any event to the authorization of The Municipal Board and payable annually shall mature in accordance with the maturities set out in Schedule "A" hereto on the \_\_\_\_\_ day of \_\_\_\_\_ in each of the years \_\_\_\_\_ to \_\_\_\_\_, both inclusive.
- 5. That the said borrowing agreement shall be signed by the Mayor/Reeve of the, or by some other person authorized by by-law to sign the same, and by the Chief Administrative Officer of the \_\_\_\_\_.
- 6. The during the currency of the said borrowing; namely in each of the years \_\_\_\_\_ to \_\_\_\_\_, both inclusive, there shall be raised annually by special rate on all the rateable property in the \_\_\_\_\_ an amount sufficient to pay the principal and interest hereunder.

Done and Passed by the Council of the \_\_\_\_\_ in regular (or special) session assembled, this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2\_\_ .

(Seal)

\_\_\_\_\_  
Mayor/Reeve

\_\_\_\_\_  
Chief Administrative Officer

Read a first time this	day of	A.D. 20__.
Read a second time this	day of	A.D. 20__.
Read a third time this	day of	A.D. 20__.