



## CORPORATION OF THE CITY OF SUMMERSIDE

**BYLAW NAME:** BORROWING BYLAW

**BYLAW #:** # CS-8

---

BE IT ENACTED by the Council of the City of Summerside as follows:

### 1. Title

- 1.1. This bylaw shall be known and cited as the "Borrowing Bylaw."

### 2. Authority

- 2.1. Sections 164 – 166 of the *Municipal Government Act*, RSPEI 1988, c. M-12.1., enable municipalities to provide, by bylaw, for the borrowing of money for the purpose of capital expenditures and to finance operating expenditures on a short term basis through the adoption of a bylaw for those purposes.

### 3. Application

- 3.1. This bylaw applies to the borrowing of money for capital expenditures or to finance operating expenditures on a short term basis.
- 3.2. All borrowing of money shall be authorized by a resolution of Council.

### 4. Definitions

- 4.1. In this bylaw:
- (a) "Act" means the *Municipal Government Act*, RSPEI 1988, c. M-12.1.;
  - (b) "Chief Administrative Officer" or "CAO" means the administrative head of a municipality as appointed by Council under subsection 86(2)(c) of the *Municipal Government Act*;
  - (c) "City" means the City of Summerside;
  - (d) "Council" means the Mayor and other members of the council of the municipality;
  - (e) "Deputy Mayor" means the Deputy Mayor of the City;

- (f) "Director of Financial Services" means the City's Director of Financial services as appointed by Council;
- (g) "Mayor" means the Mayor of the City;
- (h) "Resolution" means a resolution duly made by Council in accordance with the Act during a regular meeting or a special meeting of Council.

## 5. Borrowing for Capital Expenditures

- 5.1. Pursuant to subsection 164(3) of the Act, Council shall only borrow money for capital expenditures where the amount borrowed does not increase the total capital debt of the City of Summerside including the capital debt of a controlled corporation, to an amount in excess of ten per cent (10%) of the current assessed value of real property in the City of Summerside
- 5.2. In accordance with subsection 164(5) of the Act, where a contribution agreement has been signed between Council and the Government of Prince Edward Island or the Government of Canada, any monies borrowed by the Council for capital expenditures made pursuant to the agreement shall not be included in calculations to determine the borrowing debt limit, to the extent of the contribution of monies coming from the Government of Prince Edward Island or the Government of Canada, as the case may be, to the municipality.
- 5.3. Pursuant to subsection 165(1) of the Act, Council shall use money borrowed for a capital expenditure only for the purpose that is stated in the resolution authorizing the borrowing of money for that capital project.
- 5.4. Despite subsection 5.3 of this bylaw, upon completion of the capital project for which money was borrowed, Council may, by resolution, authorize that the unexpended balance of money for that capital project be used for another municipal purpose, in accordance with subsection 165(2) of the Act.

## 6. Short Term Borrowing

- 6.1. Pursuant to subsection 166(1) of the Act, Council may, from time to time and on a short term basis, borrow money for the purpose of financing operating expenditures.
- 6.2. Pursuant to subsection 166(2) of the Act, Council shall only borrow money, in the short term, to finance operating expenditures where the amount borrowed does not exceed 50 per cent (50%) of the total estimated revenues of the municipality as set out in the adopted operating budget contained in the financial plan for that fiscal year.

## 7. Resolution Required for the Purpose of Borrowing

7.1. Council is hereby authorized, by way of resolution, to borrow money as may reasonably be required from time to time for the following:

- (a) capital expenditures; and
- (b) short-term borrowing.

## 8. Contents of Borrowing Resolution

8.1. A resolution made pursuant to this bylaw shall, in accordance with section 168 of the Act, include at a minimum:

- (a) the amount proposed to be borrowed;
- (b) a statement that the amount borrowed will not cause the municipality to exceed its debt limit;
- (c) the purpose for which the expenditure is to be made;
- (d) the proposed term or terms and amortization of the loan;
- (e) the estimated rate of interest and commissions or other costs payable on the loan;
- (f) the method of repayment;
- (g) the security, if any, to be given by the municipality for the repayment of the loan;
- (h) the revenue sources to be used to repay the capital and interest owing for the amount to be borrowed; and
- (i) in the case of short term borrowing, a statement confirming that the amount borrowed is to be repaid during the current year.

## 9. Confirmation of Previous Borrowings

9.1. Prior to the enactment of this bylaw, the Council of the City has from time to time approved the borrowing of money for the purposes of the City as set out in Schedule A to this bylaw. Any and all actions of this and previous Councils at meetings held in respect to each borrowing as described and contained in Schedule A to this bylaw, and in respect to each Motion, Resolution, and other actions passed and taken by Council at its meetings in relation to the approval of each of such borrowings, are hereby adopted, ratified and confirmed.

## 10. Signing Authority

- 10.1. Pursuant to subsection 156(1) of the Act, all borrowing agreements shall be signed by both:
  - (a) the Mayor
  - (b) the Chief Administrative Officer or the Director of Financial Services
- 10.2. The Mayor and Chief Administrative Officer may each, in writing, designate another person to sign a borrowing agreement, in accordance with subsection 156(2) of the Act.
- 10.3. Pursuant to subsection 156(5) of the Act, Council may by resolution authorize the Chief Administrative Officer alone to sign borrowing agreements if
  - (a) the value of the contract or agreement does not exceed \$25,000; and
  - (b) the Chief Administrative Officer tables a written summary of the nature and value of the contract or agreement at the next meeting of Council.

## 11. Repeal of bylaw

- 11.1 Bylaw Number SS-26 Borrowing Bylaw is hereby repealed.

## 12. Effective Date

- 12.1. This Borrowing Bylaw, Bylaw # CS-8, shall be effective on the date of approval and adoption by Council.

**First Reading**

This Borrowing Bylaw, Bylaw #CS-8, was read a first time at the Council meeting held on the 7<sup>th</sup> day of August, 2018.

This Borrowing Bylaw, Bylaw #CS-8, was approved by a majority of Council members present at the Council meeting held on the 7<sup>th</sup> day of August, 2018.

**Second Reading**

This Borrowing Bylaw, Bylaw #CS-8, was read a second time at the Council meeting held on the 20<sup>th</sup> day of August, 2018.

This Borrowing Bylaw, Bylaw #CS-8, was approved by a majority of Council members present at the Council meeting held on the 20<sup>th</sup> day of August, 2018.

**Approval and Adoption by Council**

This Borrowing Bylaw, Bylaw #CS-8, was adopted by a majority of Council members present at the Council meeting held on the 20<sup>th</sup> day of August, 2018.

**Signatures**



Bill Martin, Mayor



Gordon MacFarlane, Chief Administrative Officer (acting)



This Borrowing Bylaw adopted by the Council of the City of Summerside on the 20<sup>th</sup> day of August, 2018 is certified to be a true copy.



Gordon MacFarlane, Chief Administrative Officer (acting)

August 22, 2018  
Date







## CORPORATION OF THE CITY OF SUMMERSIDE

**SCHEDULE:** SCHEDULE "A"  
**BYLAW NAME:** BORROWING BYLAW  
**BYLAW #:** # CS-8

Issue #	Lender	Date of Borrowing	Maturity Date	RATE (%)	Amount Borrowed	Principal Balance 31-Dec-2017
Demand	RBC - Wastewater Treatment Plant	Demand Loan	Demand Loan	P-.65%	7,300,000	5,650,000
95	CIBC - Wellness Centre	31-Dec-2007	31-Dec-2027	4.960%	30,000,000	18,561,406
Demand	Consolidated Credit Union - Wellness Centre	21-Apr-2008	Demand Loan	P-.50%	3,500,000	2,500,000
97	TD Canada Trust	31-Dec-2009	30-Dec-2019	4.510%	719,000	397,255
99	TD Canada Trust	31-Dec-2009	30-Dec-2019	4.660%	248,000	175,525
101	TD Canada Trust	31-Dec-2009	30-Dec-2019	4.510%	3,000,000	1,657,529
103	CMHC	1-Feb-2010	1-Feb-2030	4.280%	8,000,000	5,921,414
114	RBC	7-Nov-2011	30-Dec-2021	3.130%	1,112,300	487,129
115	RBC	7-Nov-2011	30-Dec-2021	3.570%	928,000	713,971
116	RBC	7-Nov-2011	30-Dec-2021	3.570%	1,019,600	784,235
118	TD Canada Trust	16-Oct-2012	31-Dec-2022	3.080%	1,769,800	1,423,661
119	TD Canada Trust	16-Oct-2012	31-Dec-2022	3.080%	858,600	690,675
120	TD Canada Trust	16-Oct-2012	31-Dec-2022	2.740%	46,000	24,572
122	TD Canada Trust	16-Oct-2012	31-Dec-2022	2.740%	1,067,800	570,363
123	TD Canada Trust	16-Oct-2012	31-Dec-2022	2.740%	1,832,000	978,559
125	TD Canada Trust	8-May-2013	8-May-2023	2.630%	2,670,000	1,685,322
126	TD Canada Trust	8-May-2013	8-May-2023	2.630%	1,163,600	734,472
127	TD Canada Trust	8-May-2013	8-May-2023	2.630%	105,300	66,466
128	TD Canada Trust	8-May-2013	8-May-2018	2.080%	125,900	26,235
129	TD Canada Trust	8-May-2013	8-May-2023	2.970%	435,000	367,342
130	TD Canada Trust	8-May-2013	8-May-2023	2.970%	680,600	574,742
131	TD Canada Trust	31-Dec-2013	31-Dec-2023	3.010%	1,675,000	1,299,384
132	TD Canada Trust	13-May-2014	13-May-2024	3.000%	1,012,000	719,823
133	TD Canada Trust	13-May-2014	13-May-2024	3.000%	1,771,300	1,259,903
134	TD Canada Trust	13-May-2014	13-May-2024	3.220%	528,400	466,445
135	TD Canada Trust	13-May-2014	13-May-2024	3.220%	171,100	151,063
136	TD Canada Trust	13-May-2014	13-May-2019	2.200%	33,800	11,199
137	TD Canada Trust	13-May-2014	13-May-2024	3.000%	34,300	24,396
138	CIBC	30-Jun-2015	31-Dec-2035	3.280%	4,469,300	4,142,298
139	CIBC	30-Jun-2015	31-Dec-2025	2.640%	1,691,750	1,388,118
140	CIBC	30-Jun-2015	31-Dec-2025	2.640%	118,800	97,478
141	CIBC	30-Jun-2015	31-Dec-2035	3.280%	1,659,100	1,537,710
142	CIBC	30-Jun-2015	31-Dec-2035	3.280%	509,250	471,990
143	CIBC	30-Jun-2015	31-Dec-2020	2.100%	44,300	27,136



**CORPORATION OF THE CITY OF SUMMERSIDE**

**SCHEDULE:** SCHEDULE "A" Cont'd  
**BYLAW NAME:** BORROWING BYLAW  
**BYLAW #:** # CS-8

Issue #	Lender	Date of Borrowing	Maturity Date	RATE (%)	Amount Borrowed	Principal Balance 31-Dec-2017
144	RBC	31-May-2016	29-Jan-2027	2.400%	1,797,054	1,637,554
145	RBC	31-May-2016	29-Jan-2027	2.400%	896,400	862,400
146	RBC	31-May-2016	29-Jan-2027	2.400%	914,400	878,900
147	RBC	31-May-2016	29-Jan-2027	2.400%	22,200	19,800
148	RBC	31-May-2016	29-Jan-2027	2.400%	1,019,640	929,440
149	RBC	31-May-2016	29-Jan-2027	2.400%	415,905	378,705
150	RBC	31-May-2016	29-Jan-2027	2.400%	38,725	35,125
151	RBC	31-May-2016	29-Jan-2027	2.400%	659,705	600,505
152	RBC	31-May-2016	29-Jan-2027	2.400%	192,917	176,017
153	RBC	31-May-2016	29-Jan-2027	2.400%	667,684	609,084
154	RBC	31-May-2016	29-Jan-2027	2.400%	108,720	99,120
155	RBC	31-May-2016	29-Jan-2027	2.400%	341,332	322,332
156	RBC	31-May-2016	29-Jan-2027	2.400%	662,171	625,871
157	RBC	31-May-2016	29-Jan-2027	2.400%	130,147	118,147
158	TD Canada Trust	9-Jun-2017	31-Dec-2028	2.332%	2,807,580	2,807,580
159	TD Canada Trust	9-Jun-2017	31-Dec-2028	2.647%	3,488,040	3,488,040
						69,176,436