



THE CORPORATION OF THE TOWNSHIP OF AUGUSTA

BY-LAW NO. 3451-2019

**A BY-LAW TO AUTHORIZE A BANK LOAN AGREEMENT
WITH ROYAL BANK OF CANADA**

WHEREAS the Municipal Act 2001, S.O. 2001, Chapter 25, Section 401 authorizes a municipality to incur a debt for municipal purposes, whether by borrowing money or in any other way, and may issue debentures and prescribed financial instruments and enter into prescribed financial agreements for or in relation to the debt;

AND WHEREAS Ontario Regulation 276/02, as amended, permits a municipality to enter into a bank loan agreement for the purpose of long term borrowing;

AND WHEREAS the Council of the Corporation of the Township of Augusta requires a bank loan for a municipal purpose, namely the construction of Fire Hall #1 in Maitland, Ontario;

AND WHEREAS the Council of the Corporation of the Township of Augusta has accepted a bank loan as offered by Royal Bank of Canada;

AND WHEREAS the amount to be loaned is within the debt and financial obligation limit of the Corporation of the Township of Augusta as established by legislation;

NOW THEREFORE the Council of the Corporation of the Township of Augusta enacts as follows:

1. The Mayor and CAO/Treasurer are hereby authorized to execute a bank loan agreement with Royal Bank of Canada. The loan is to be used to pay for the construction of Fire Hall #1 in Maitland, Ontario.
2. The amount to be borrowed shall be \$3,400,000.00.
3. The interest rate shall be the RBC rate in effect upon the date the loan is finalized, currently 2.91% per annum.
4. The interest term of the loan shall be 5 years and the amortization shall be 20 years.
5. The loan shall be repaid by monthly payments of principal and interest.

Read a first and second time in open Council this 16th day of December, 2019.

Read a third and final time, passed, signed and sealed in open Council this 16th day of December, 2019.



Mayor - Doug Malanka



Clerk - Annette Simonian