

GENERAL QUESTIONS CONCERNING LOAN BY-LAWS

1. What is a loan by-law?

A [loan by-law](#) (definition only in French) allows a municipality to obtain a long-term loan to finance certain work or to acquire equipment requiring a significant investment. The borrowed capital and the interest due are repayable over a predefined period corresponding to the life of the work or equipment financed. A special tax will be levied which will reimburse the borrowed capital and interest. This special tax will be paid by all or part of the municipality's taxpayers, depending on the nature of the work or the equipment.

2. How am I affected by a loan by-law and how much will it cost me as a taxpayer?

A loan by-law can cover essential works mentioned in the three-year investment plan. Each work project requires its own loan by-law. The *Cities and Towns Act* defines who has to pay for which project (all citizens or only some of them) and which borrowing by-law is subject to the approval of the qualified voters.

3. Why are the Town's reserves not used to finance planned projects instead of a loan by-law?

The *Cities and Towns Act* provides for restrictions on the use of municipal reserves. For the project mentioned above, no reserve can be used. Working capital is not intended for such large expenses. Only projects related to road works can be financed from the public works reserve, but that reserve is currently insufficient for the work envisaged and to ensure liquidity in the event of an incident. As for the unallocated accumulated surplus, it can only be used for emergencies or unforeseen expenses.

4. What approvals are required for a loan by-law?

All loan by-laws adopted by a municipality must be approved by the *ministère des Affaires municipales et de l'Habitation*. If a loan by-law is subject to the [approval of the qualified voters](#) (in French only), the opening of a register and, if necessary, the holding of a referendum are compulsory and subject to the provisions of the *Act Respecting Elections and Referendums in Municipalities*.

Some loan by-laws do not require citizen approval, including those for road works that are for the benefit of all citizens or if a subsidy has been granted for at least 50% of the expenditure.

5. What are the proposed loan by-laws?

Loan by-law number 340 is to repave the entire length of Réal Road and the construction of a small unpaved parking area on a dirt road owned by the Town and located on the opposite side of 555 Réal Road, in order to improve pedestrian safety and facilitate the movement of emergency vehicles on Réal Road.

SPECIAL QUESTIONS CONCERNING LOAN BY-LAW NUMBER 340 TO REPAVE THE ENTIRE LENGTH OF RÉAL ROAD AND THE CONSTRUCTION OF A SMALL UNPAVED PARKING AREA ON THE OPPOSITE SIDE OF 555 RÉAL ROAD

1. What is the purpose of this loan by-law?

If adopted, this borrowing by-law will authorize an expenditure and a loan of \$460,000 to repave the entire length of Réal Road and the construction of a small unpaved parking area on a dirt road owned by the Town and located on the opposite side of 555 Réal Road, in order to improve pedestrian safety and facilitate the movement of emergency vehicles on Réal Road

The loan is for the purchase of materials for the completion of the work only, since the work will be done by our public workers.

2. Who will pay the loan and how much will it cost taxpayers?

This is a municipal expense that benefits everyone and will be reimbursed by all city taxpayers up to a maximum of \$460,000.

The annual cost to taxpayers will depend on the final expense, the interest rate, and the number of payers during the borrowing period. Considering the number of payers indicated in the current roll available, the amount of the loan for taxpayers amounting to \$460,000 and an estimated interest rate of 4%, the annual repayment of this loan over a 25-year period will cost approximately \$8.17 for a property with a municipal assessment of \$472,939.

By-law	Purpose	Amount to be paid by taxpayers	Repayment period	Average annual cost per property*	Payable by	Register
No. 340	Repavement of the entire length of Réal Road and the construction of a parking area	\$460,000	25 years	\$8.17	All taxpayers	No

* For a property with an average property assessment of \$472,939.

3. Why is the Réal Road being prioritized over other streets or roads?

The Town prioritizes repair work based on the state of deterioration of the road or equipment. The rehabilitation of the Réal road was identified as a priority in the PTI 2025-2026-2027.

4. Why is there no register required for this loan by-law?

The *Cities and Towns Act* specifies who must repay a loan by-law and which loan by-law requires the opening of a register for a referendum. This loan by-law pertaining to road works will be reimbursed by all taxpayers and [is not subject to referendum approval](#).

PLAN
LOCATION FOR THE PARKING AREA

