

## 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. In this case, a register will be opened to determine whether or not a referendum will be held.

### 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 above-mentioned project, the park fund will be used up to a maximum of \$100,000, but the balance will have to be covered by a loan by-law. 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. 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.

The loan by-law must be approved by those eligible to vote.

### 5. What are the proposed loan by-laws?

Loan by-law number 341 is to redesign Gagné Park into an inclusive, accessible park that encourages free play with natural elements.

**SPECIAL QUESTIONS CONCERNING LOAN BY-LAW NUMBER 341  
TO REDESIGN GAGNÉ PARK**

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

If adopted, this borrowing by-law will authorize an expenditure of \$350,000 and a loan of \$250,000 to redesign Gagné Park into an inclusive, accessible park that encourages free play with natural elements.

**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 \$250,000, which is the difference between the total amount of the loan and the amount provided for in the park fund for the redesign of Gagné Park adopted in the resolution 2024-04-151 for a maximum amount of \$100,000 plus taxes:

Total amount of the loan:	\$350,000
Park fund:	- \$100,000
<b>Cost to taxpayers:</b>	<b>\$250,000</b>

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 \$250,000 and an estimated interest rate of 4%, the annual repayment of this loan over a 25-year period will cost approximately \$4.47 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. 341	Redesign Gagné Park	\$250,000	25 years	\$4.4717	All taxpayers	No

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

**3. Why is the Gagné Park being prioritized over other parks?**

Considering, in particular, the arrival of a growing number of families at Domaine Gagné, Cœur-du-Village, Domaine Beauregard, Mountain and Church streets, the presence of several nearby daycare services and the high use of Goyette-Hill Park, the Town recognized the strategic importance of Gagné Park and the need to redesign it. Furthermore, the park's redesign was the subject of a project that generated a strong interest as part of the Town's first participatory budget in 2023.

The Town also held a public consultation on June 8, 2024, and a report was issued by the Quality of Life Advisory Committee on June 21, 2024 available at the following address: <https://sutton.ca/en/rapport-parc-gagne-final-juin-2024-2/>

## PLAN PROPOSED PARK CONCEPT

