HALTON CATHOLIC DISTRICT SCHOOL BOARD CDSB

REGULAR BOARD MEETING
AGENDA

Date:	Tuesday, November 17, 2026
Time:	7:00 pm
Location:	Catholic Education Centre - Board Room 802 Drury Lane Burlington, Ontario

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Pages

1. Eucharistic Celebration (5:30 p.m. @ St. Raphael's Parish)
2. Entry Procession (7:00 p.m.)
3. Opening Prayer and Welcoming Remarks (Msgr C. O'Mahoney; J. Klein)
4. Reading of Clerk's Notices (J. Klein)
5. Remarks and Commissioning of Trustees (Msgr C. O'Mahoney)
6. Declaration of Oath or Affirmation of Allegiance and Declaration of Office (Hon. Justice J.M. Fragomeni)
7. Declaration of Board as Legally Constituted (J. Klein)
8. Election/Installation/Remarks of Board Chair (J. Klein)
9. Election/Installation/Remarks of Board Vice-Chair (J. Klein)
10. Resolutions

    10.1 Cheque Signing Authorities Borrowing Resolution and Investing (A. Lofts) 1 - 28

11. Expressions of Appreciation (Chair of the Board)
12. Closing Prayer and Adjournment (Msgr C. O'Mahoney)

HALTON CATHOLIC DISTRICT SCHOOL BOARD

Regular Board Meeting **Action Report**

Cheque Signing Authorities, Borrowing Resolution, and Investing	**Item 10.1**
November 17, 2026	

Alignment to Strategic Plan

This report is linked to our strategic priority of **Achieving:** We hold high expectations for all.

Purpose

To obtain authorization for the Halton Catholic District School Board's (HCDSB) cheque signing authorities and reaffirmation of the borrowing resolution applicable to HCDSB's operating and Education Development Charges (EDC) credit facilities, and to inform the newly elected Board of Trustees of the statutory and regulatory requirements governing cheque signing, investing and borrowing.

Background Information

As HCDSB's cheque-signing and borrowing authorities are tied to the offices of the Chair and Vice-Chair of the Board, the Board of Trustees reaffirms these authorities at the first meeting of each new term, following the election of the Chair and Vice-Chair.

The following information was provided to Trustees at the beginning of the previous term:

1. Action Item 10.1 "Cheque Signing Authorities, Borrowing Resolution and Investing" from the November 15, 2022, Regular Board Meeting.

Comments

1. Cheque Signing Authorities

Excerpts from the Education Act regarding cheques, receipts and disbursements are included in Appendix A. Section 170(1) indicates that a Board shall give the necessary orders for the disbursement of money for the payment of bills. Section 171(1)16 also provides the Board with the power to authorize that signatures can be mechanically produced on cheques. Section 198(5) lists certain duties of the treasurer concerning banking.

Appendix B shows the cheque signing authorities for various dollar values. The current practice combines electronic and manual signatures as part of HCDSB's system of internal controls. Electronic signature cards exist for the Chair of the Board, the Secretary of the Board, and the Treasurer of the Board. For example, cheques over $100,000 generally bear the electronic signature of the Chair of the Board and are then signed manually by the Treasurer of the Board, the Secretary of the Board, or the Senior Manager, Financial Services. Following the election of the Chair at this meeting, the electronic signature of the incoming Chair will replace that of the outgoing Chair, and updated signing authority documentation will be provided to HCDSB's banker of record.

The Senior Manager, Financial Services, directs the production and signing of all cheques, with the Manager, Accounting and Financial Reporting, and the Supervisor of Accounting Services, involved to ensure proper segregation of duties. The Senior Manager, Financial Services, or the Treasurer of the Board authorizes the release of all cheques, as appropriate.

The HCDSB currently utilizes electronic payments for all disbursements to schools and approximately 74% of its vendors, which accounts for 97% of total funds paid. Electronic payments may take the form of:

- Wire Transfer (e.g. Computershare, various Employee Life and Health Trusts, OECTA-Provincial)
- Electronic Funds Transfer (e.g. Halton Student Transportation Consortium (HSTS), all schools, most vendors)
- Pre-authorized Debit (e.g. Burlington Hydro, Oakville Hydro)

The process followed for these is similar to cheque signing in that dollar thresholds exist for authorization purposes. Wire transfers and electronic funds transfers are set up by the Supervisor of Accounting Services and, before release, are reviewed by the Manager, Accounting and Financial Reporting and approved by the Senior Manager, Financial Services, or the Treasurer of the Board. Pre-authorized debits are minimal and routine and are reviewed regularly by the Supervisor of Accounting Services to ensure accuracy. Staff continue to transition the remaining cheque-based vendors to Electronic Funds Transfer (EFT), with a goal of 100% EFT payment.

2. Investing

The sections of the Education Act pertaining to investing and borrowing are included in Appendix C. Section 241 of the Education Act sets out the investment powers of boards and references regulations made by the Lieutenant Governor in Council. The applicable regulation is Ontario Regulation 41/10 (Board Borrowing, Investing and Other Financial Matters), included in Appendix D. Part IV (Eligible Investments) prescribes the securities in which school boards may invest. The regulation also requires a board to adopt a statement of investment policies and goals before investing, and to include an investment report in the treasurer's annual financial report where HCDSB holds eligible investments.

Board Operating Policy I-10 Banking, Investment and Borrowing addresses the selection and/or retention of HCDSB's banker, signing authorities, and investing and borrowing, in accordance with the Education Act. During the 2025-26 fiscal year, HCDSB earned interest on daily cash balances held in its operating accounts with Toronto-Dominion Bank. Interest

earned on operating account balances is distinct from investments made under O. Reg. 41/10. As of August 31, 2026, HCDSB did not hold any eligible investments under O. Reg. 41/10.

3. Borrowing Resolution

Cash outflows occur regularly throughout the year to support HCDSB's day-to-day business affairs. Cash inflows are generally more substantial and occur periodically throughout the year. Short-term borrowing may be required to provide funds when disbursements occur before the offsetting revenues are received. HCDSB's main revenue streams are provincial grants, received monthly, and municipal taxes, received quarterly. HCDSB also receives smaller amounts of other revenues (e.g., permits, other provincial grants, federal grants and interest income). Capital funding from the Ministry for approved projects is received semi-annually, which creates further timing differences.

Section 243 of the Education Act permits a board, by resolution, to authorize the treasurer and the chair or vice-chair to borrow the sums necessary to meet current expenditures until current revenue has been received, subject to the limit that total such borrowings and accrued interest not exceed the unreceived balance of HCDSB's estimated current revenues. At the May 19, 2026, Regular In-Camera Board Meeting, the Board of Trustees rescinded Resolution #83/21 (By-Law No. 2021-F01, $200 million) and approved By-Law No. 2026-F01, attached as Appendix E, which authorizes borrowing up to $300 million from the Toronto-Dominion Bank (HCDSB's banker of record) or other approved lenders. The increase was required to address HCDSB's Education Development Charges (EDC) cash flow shortfall arising from site acquisitions in Milton and North Oakville, while maintaining treasury management thresholds for operating and capital cash flow timing differences.

By-Law No. 2026-F01 refers to the offices of the Treasurer, the Chair or Vice-Chair, the Secretary of the Board and the Senior Manager, Financial Services, rather than to named individuals. Accordingly, no amendment to the by-law is required as a result of the election of a new Chair and Vice-Chair; however, a certified copy of the by-law and updated incumbency documentation will be provided to HCDSB's banker of record.

HCDSB's current practice is to use only the "Big Five" Canadian chartered banks as approved lenders (RBC, Toronto-Dominion Bank, Scotiabank, CIBC and BMO). The by-law provides the flexibility to borrow from another approved lender where its rates are more favourable than those offered by HCDSB's banker.

EDCs are the funding source available to HCDSB to acquire land for approved or future school sites. Because EDC levies are collected over time while sites must be paid for at acquisition, HCDSB funds the resulting shortfall through its EDC credit facility under By-Law No. 2026-F01. During 2025-26, temporary borrowing increased by $22.0 million due to an increase in the EDC credit facility. The audited borrowing position of HCDSB as of August 31, 2026, is attached as Appendix F. There are two main borrowing instrument options under HCDSB's credit facility (Prime-based loans and CORRA-based loans).

Additional relevant sections of the Education Act that relate to borrowing are:

- Section 247 – Borrowing for permanent improvements: borrowing to permanently finance new school construction, school additions and major improvements.
- Section 248 – Corporation to assist with board financing: the corporation established under this section is the Ontario Financing Authority (OFA).

- Section 249 – Agreements with the corporation in section 248: undertaken through legal counsel that handles debenture issues.

Part III of O. Reg. 41/10 (Appendix D) requires that borrowing for permanent improvements with an initial maturity of more than one year be undertaken through the OFA, unless the Minister is satisfied that another eligible lender would provide a loan on the same terms at a lower cost, with a maximum term of 25 years.

4. HCDSB Banker of Record

Board Resolution #104/3 passed at the Regular Board meeting of April 1st, 2003, states that the Board obtains its Banking Services from Toronto-Dominion Bank. The contract began on April 15, 2003, and ran for three years until April 15, 2006. It was subsequently extended for another three years, until April 30, 2009, and then for another two years, until April 30, 2011. Since then, Toronto-Dominion Bank has remained HCDSB's banker of record and is subject to an annual review by HCDSB staff.

5. Legislative and Regulatory Update

Trustees should be aware of the following legislative changes since the last term that affect the matters in this report:

- Putting Student Achievement First Act, 2026 (Bill 101, S.O. 2026, c. 4) – The Director of Education of an English-language district school board is now the Chief Executive Officer (CEO) and is responsible for financial and operational oversight, including leading budget development. The Minister may prescribe circumstances in which a board resolution requires the CEO's confirmation. Staff will confirm whether any such requirement applies to borrowing or banking resolutions before this item is finalized.
- Bill 101 – Land acquisition – A board must obtain the Minister's approval before acquiring a school site or other land. Draws on the EDC credit facility for site purchases will occur only after any required Ministerial approval is received.
- Bill 101 – Estimates – The Act adds situations in which a board must obtain the Minister's approval of its estimates. Because the section 243 borrowing limit is tied to the Board's estimated current revenues, By-Law No. 2026-F01 already provides that, where estimates for the current year have not been adopted, the Treasurer's statement to the lender is based on the previous year's estimated revenues.
- Supporting Children and Students Act, 2025 (Bill 33, S.O. 2025, c. 12) – Expanded the Minister's investigation, direction and supervision powers. Where a board's affairs are vested in the Ministry, section 243(5) permits borrowing beyond the normal limit only with the Minister's approval.
- No amendments to sections 170, 171, 198 or 241–249 of the Education Act, or to O. Reg. 41/10 (last amended by O. Reg. 112/22), were identified that would change the cheque signing, investing or borrowing authorities described in this report.

Conclusion

The above outlines the regulatory and HCDSB requirements relating to cheque signing authorities, borrowing resolutions and investing. Reaffirming the cheque signatories and By-Law

No. 2026-F01 at the first meeting of the new term ensures continuity of HCDSB's banking and borrowing arrangements following the election of the Chair and Vice-Chair. The attached appendices expand on these requirements.

Recommendation

The following recommendation is presented for the consideration of the Board:

Resolved, that the Halton Catholic District School Board reaffirm that the cheque signatories identified in Appendix 'B' to this report be authorized to sign for and on behalf of HCDSB for each account as indicated, and

Resolved, that the Halton Catholic District School Board reaffirm Board resolution # IC035/26 with respect to By-Law No. 2026-F01 to authorize borrowing during any fiscal year up to $300 million, until provincial grants, municipal taxes and other revenues are received, as contained in Appendix 'E' to this report.

Report Prepared by:	A. Cross Senior Manager, Financial Services
Report Submitted by:	A. Lofts Chief Financial Officer and Treasurer of the Board
Report Approved by:	J. Klein Chief Executive Officer and Secretary of the Board

Education Act

(References to "treasurer" and "cheques")

PART VI
BOARDS

DUTIES AND POWERS

Duties of boards

170. (1) Every board shall,

order payment of bills

3. give the necessary orders on the treasurer for payment of all money expended for school purposes and of such other expenses for promoting the interests of the schools under the jurisdiction of the board as may be authorized by this Act or the regulations and by the board; R.S.O. 1990, c. E.2, s. 170 (1), par. 3.

Powers of boards

171. (1) A board may,

signatures mechanically reproduced

16. provide that the signature of the treasurer and of any other person authorized to sign cheques issued by the treasurer may be written or engraved, lithographed, printed or otherwise mechanically reproduced on cheques; R.S.O. 1990, c. E.2, s. 171 (1), par. 16.

OFFICERS

Duties of officers

Duties of treasurer

198. (5) Every treasurer of a board shall,

(a) receive and account for all money of the board;

(b) open an account or accounts in the name of the board in such place of deposit as may be approved by the board;

(c) deposit all money received by the treasurer on account of the board, and no other money, to the credit of such account or accounts;

(d) disburse all money as directed by the board; and

(e) produce, when required by the board or by auditors or other competent authority, all papers and money in the treasurer's possession, power or control belonging to the board. R.S.O. 1990, c. E.2, s. 198 (5).

Appendix B

OPERATING, CAPITAL AND U.S. BANK ACCOUNTS				
Amount	**Signatures Required**	**Manual/Electronic**		
Over $100,000	One of **two** signatures (Chair of the Board or Vice-Chair of the Board) **and** one of **three** signatures (Secretary of the Board, Treasurer of the Board or Senior Manager, Financial Services)	Electronic signature of Chair of the Board or Vice-Chair of the Board	**AND**	Manual signature from the Secretary of the Board, Treasurer of the Board or Senior Manager, Financial Services
Under $100,000	Secretary of the Board **and** one of **four** signatures (Treasurer of the Board; Chair of the Board; Vice Chair of the Board; Senior Manager, Financial Services)	Electronic signature of Secretary of the Board	**AND**	Manual signature from Treasurer of the Board or Senior Manager, Financial Services

HALTON CATHOLIC DISTRICT SCHOOL BOARD CDSB

Policy No. I-10

Banking, Investment and Borrowing	
Adopted: February 21, 2012	**Last Reviewed/Revised:** February 17, 2026
Next Scheduled Review: 2028-2029	
Associated Policies & Procedures: **VI-91** Banking, Investment and Borrowing	

Purpose

To define the Halton Catholic District School Board's (HCDSB) policy regarding the selection and/or retention of the HCDSB's banker, signing authorities, investing and borrowing, in accordance with the Education Act.

Application and Scope

This policy applies to all HCDSB employees and trustees having financial stewardship responsibilities.

References

Bank Act (Canada)

Credit Unions and Caisses Populaires Act

Loan and Trust Corporations Act

O. Reg. 41/10

Principles

- Financial operations support the overall goals, priorities, strategic directions and accountability measures established by the HCDSB.
- Providing financial stewardship requires taking care of the HCDSB's financial resources and ensuring they are used for the purpose intended.
- Effective and efficient financial management practices ensure:
    - the prudent use of the HCDSB's fiscal and tangible capital assets;

- an annual budget that is linked to HCDSB-approved goals and priorities and complies with legal and statutory requirements; and
- HCDSB's assets are safeguarded for the use of future generations of students by limiting fiscal exposure to risk.

- HCDSB strives to optimize the utilization of its cash resources within statutory limitations and its primary fiduciary responsibility to protect and preserve capital while maintaining liquidity to meet ongoing financial requirements.
- HCDSB shall maintain and foster high ethical standards, integrity and respect for all stakeholders in conducting the HCDSB's business.

Requirements

- All investments of surplus cash and/or accumulated surplus and/or deferred revenue are made by Management in accordance with O. Reg. 41/10. All investments must be in accordance with the following investment goals:
  - To provide a positive rate of return on funds invested, in accordance with this policy, and consistent with the HCDSB's governing values, mission, and vision.
  - To utilize self-financing where practical and possible.
  - To limit fiscal exposure to risk or loss.
- All HCDSB borrowing will be as instructed in O. Reg. 41/10 and follow the HCDSB's Borrowing By-Laws.
- The banking agent for the HCDSB shall be limited to:
  - A bank listed in Schedule I or II of the *Bank Act* (Canada).
  - A loan corporation or trust corporation registered under the *Loan and Trust Corporations Act*.
  - A credit union or central to which the *Credit Unions and Caisses Populaires Act, 2020* applies.
- Signing authorities for HCDSB bank accounts are as follows:
  - Cheques over $100,000 must be signed by one of two signatures (Chair of the Board; or Vice-Chair of the Board) and one of three signatures (Secretary of the Board, Chief Financial Officer (CFO) and Treasurer of the Board, or Senior Manager, Financial Services).
  - Cheques under $100,000 must be signed by the Secretary of the Board and one of four signatures (CFO and Treasurer of the Board; Senior Manager, Financial Services; Chair of the Board; or Vice-Chair of the Board).

- HCDSB's payroll cheques require two of three signatures (Secretary of the Board; CFO and Treasurer of the Board; Senior Manager, Financial Services).

APPROVED: Regular Meeting of the Board

AUTHORIZED BY: _____

Chair of the Board

HALTON CATHOLIC DISTRICT SCHOOL BOARD

Procedure No. VI-91

Banking, Investment and Borrowing	
Adopted: May 29, 2017	**Last Reviewed/Revised:** February 2, 2026
Next Scheduled Review: 2028-2029	
Associated Policies & Procedures: **I-10** Banking, Investment and Borrowing	

Purpose

To outline the procedure of the Halton Catholic District School Board's (HCDSB) regarding the selection and/or retention of the HCDSB's banker, investing and borrowing.

Application and Scope

This procedure is intended for all HCDSB employees and trustees having financial stewardship responsibilities. Banking, investment and borrowing procedures are in line with the principles established in *Policy I-10 Banking, Investment and Borrowing* and include, but are not limited to, providing financial stewardship of the HCDSB's financial resources and ensuring they are used for the purpose intended.

References

Bank Act (Canada)

Credit Unions and Caisses Populaires Act

Loan and Trust Corporations Act

O. Reg. 41/10

Requirements

Selection/Retention of Banker

HCDSB may consider, as Banker of Record:

- Any bank to which the Bank Act (Canada) applies.
- Any trust company to which the Loan and Trust Corporations Act applies.
- Any credit union to which the Credit Unions and Caisses Populaires Act applies.

The appointment or reappointment of HCDSB's banker shall be considered at least once every five (5) years. Such appointment or reappointment of HCDSB's Banker of Record shall be provided as information to the Board of Trustees. A review of HCDSB's Banker of Record shall occur annually.

Investing

HCDSB may invest funds that are temporarily surplus to its day-to-day operation, are held in reserve (accumulated surplus) or are deferred revenue. HCDSB shall abide by the Education Act, O. Reg. 41/10, as amended from time to time.

The Chief Financial Officer (CFO) and Treasurer of the Board, with approval of the Director of Education, shall:

- Determine the amount of surplus funds available to be invested and the length of time for which surplus funds are available for investment.
- Ensure compliance with the investment policy and goals.
- Ensure that all business related to financial investment is undertaken with the highest degree of ethical standards, and in a manner that maintains the integrity and good reputation of the Board.
- Per O. Reg. 41/10, s. 14 (1), provide a summary of the investment activity as a component of the Treasurer's Annual Financial Report to the Audit Committee and the Board.

Signing Authorities

Signing authorities for HCDSB's bank accounts are as follows:

- Cheques over $100,000 must be signed by one of two signatures (Chair of the Board; or Vice-Chair of the Board) and one of three signatures (Secretary of the Board, CFO and Treasurer of the Board, or Senior Manager, Financial Services).
- Cheques under $100,000 must be signed by the Secretary of the Board and one of four signatures (CFO and Treasurer of the Board; Senior Manager, Financial Services; Chair of the Board; or Vice-Chair of the Board).
- HCDSB's payroll cheques require two of three signatures (Secretary of the Board; CFO and Treasurer of the Board; Senior Manager, Financial Services).

Borrowing

- HCDSB may borrow money from time to time per the HCDSB's Borrowing By-laws and provisions of the Education Act to meet current expenditures or for temporary financing of capital projects.
- The CFO and Treasurer of the Board may make use of a fiscal agent for the purposes of placing a debenture issue, with prior approval of the Board, and then an appropriate debenture by-law will be presented to the Board for approval.

APPROVED: Regular Meeting of the Administrative Council

AUTHORIZED BY: _____

Director of Education and Secretary of the Board

Education Act

(References to investing and borrowing)

PART IX
FINANCE

DIVISION A
GENERAL

BORROWING AND INVESTMENT BY BOARDS

Investment powers

241 (1) A board may, subject to any rules prescribed under subsection (6), invest in securities prescribed under subsection (6) any money of the board that is not immediately required by the board. 2009, c. 34, Sched. I, s. 9 (1).

(2)-(5) REPEALED: 2009, c. 34, Sched. I, s. 9 (1).

Regulations

(6) The Lieutenant Governor in Council may make regulations,

(a) prescribing rules for the purposes of subsection (1);

(b) prescribing securities or classes of securities for the purposes of subsection (1);

(c) providing that a board does not have the power under this section to invest in the securities or classes of securities specified in the regulation. 1997, c. 31, s. 113 (1); 2009, c. 34, Sched. I, s. 9 (2, 3).

General or particular

(7) A regulation under subsection (6) may be general or particular in its application and may be made to apply to any class of board and for the purpose a class may be defined with respect to any attribute and may be defined to consist of or to exclude any specified member of the class, whether or not with the same attributes. 1997, c. 31, s. 113 (1).

(8)-(9) REPEALED: 2006, c. 10, s. 29.

Definitions

(10) In this section,

"invest" includes purchase, acquire, hold and enter into; ("placer")

"securities" includes financial agreements, investments and evidences of indebtedness. ("valeurs mobilières") 1997, c. 31, s. 113 (1).

Section Amendments with date in force (d/m/y)

2006, c. 10, s. 29 - 01/06/2006

2009, c. 34, Sched. I, s. 9 (1-3) - 01/09/2010

Debt, financial obligation and liability limits

242 (1) The Lieutenant Governor in Council may make regulations providing for debt, financial obligation and liability limits for boards or classes of boards including,

(a) defining the types of debt, financial obligation or liability to which the limits applies and prescribing the matters to be taken into account in calculating the limits;

(b) prescribing the amounts to which the debts, financial obligations and liabilities under clause (a) shall be limited;

(c) requiring a board to apply for the approval of the Minister for each specific work or class of works, the amount of debt for which, when added to the total amount of any outstanding debt, financial obligation or liability under clause (a), causes a limit under clause (b) to be exceeded;

(d) prescribing rules, procedures and fees for the determination of the debt, financial obligation and liability limits of a board;

(e) establishing conditions that must be met by a board before undertaking any, or any class of, debt, financial obligation or liability. 1997, c. 31, s. 113 (1).

Approval to exceed limit

(2) A board shall not incur a debt, financial obligation or liability that would cause it to exceed a limit prescribed under clause (1) (b) unless it first obtains the approval of the Minister. 1997, c. 31, s. 113 (1).

Risk management activities

(3) The Lieutenant Governor in Council may make regulations allowing a board to engage in risk management activities as defined in the regulation in the circumstances specified in the regulation in order to hedge the risks specified in the regulation under or in connection with any debt instrument, financial obligation or liability of a board. 1997, c. 31, s. 113 (1).

General or particular

(4) A regulation made under this section can be general or particular. 1997, c. 31, s. 113 (1).

Classes

(5) A class may be defined with respect to any attribute and may be defined to consist of or to exclude any specified member of the class, whether or not with the same attributes. 1997, c. 31, s. 113 (1).

Section Amendments with date in force (d/m/y)

1997, c. 31, s. 113 (1) - 01/01/1998

Debentures issued by boards

242.1 (1) This Act, as it read immediately before the day the *Student Achievement and School Board Governance Act, 2009* received Royal Assent, continues to apply with respect to debentures issued by boards before that day. 2009, c. 25, s. 28.

Transition

(2) Subsection (1) does not prevent regulations made under subsection 241 (6) or clause 247 (3) (b) after the day the *Student Achievement and School Board Governance Act, 2009* receives Royal Assent from applying to investments held by sinking funds or retirement funds immediately before that day. 2009, c. 25, s. 28.

Section Amendments with date in force (d/m/y)

2009, c. 25, s. 28 - 5/12/2009

Current borrowing

243 (1) Despite the provisions of any Act, a board may by resolution authorize the treasurer and the chair or vice-chair to borrow from time to time the sums that the board considers necessary to meet the current expenditures of the board until the current revenue has been received. 1997, c. 31, s. 113 (1).

Debt charges

(2) A board may borrow the sums that the board considers necessary to meet debt charges payable in any fiscal year until cash has been received. 1997, c. 31, s. 113 (1); 2009, c. 34, Sched. I, s. 10 (1).

Limit

(3) The amounts that a board may borrow at any one time for the purposes mentioned in subsections (1) and (2), together with the total of any similar borrowings that have not been repaid and any accrued interest on those borrowings, shall not exceed the unreceived balance of the estimated current revenues of the board. 1997, c. 31, s. 113 (1); 2009, c. 34, Sched. I, s. 10 (2).

(4) REPEALED: 2006, c. 10, s. 30.

Exception re certain boards

(5) A board may borrow more than the amount authorized to be borrowed under the other provisions of this section if, at the time of the borrowing,

(a) the board is subject to a financial recovery plan approved by the Minister under subsection 257.29.1 (2), and the plan permits the borrowing; or

(b) the administration of the affairs of the board has been vested in the Ministry by an order under subsection 230.3 (2) or 257.31 (2) or (3), and the Minister approves the borrowing. 2009, c. 34, Sched. I, s. 10 (3).

(6) REPEALED: 2009, c. 34, Sched. I, s. 10 (3).

Approval of Minister

(7) The Minister may make his or her approval under subsection (6) subject to any terms that he or she considers appropriate. 1997, c. 31, s. 113 (1).

(8) REPEALED: 2006, c. 10, s. 30.

Definition

(9) In this section,

"current revenue", "estimated revenues" and "revenues" do not include revenue from education development charges. 1997, c. 31, s. 113 (1).

Section Amendments with date in force (d/m/y)

1997, c. 31, s. 113 (1) - 01/01/1998

2006, c. 10, s. 30 - 01/06/2006

2009, c. 34, Sched. I, s. 10 (1-3) - 01/09/2010

Provincial guarantee, certain instruments

244 (1) The Lieutenant Governor in Council may by order authorize the Minister of Finance to guarantee payment by the Province of the principal, interest and premium of debt instruments or other instruments prescribed under clause 247 (3) (f) issued by a board or other debt instruments issued by a corporation established under subsection 248 (1) and any such authorization may relate to a single instrument or to a class of instruments as such class is defined in the authorizing order in council. 2009, c. 25, s. 29 (1).

Form of guarantee

(2) The form of the guarantee and the manner of its execution shall be determined by order of the Lieutenant Governor in Council, and every guarantee executed in accordance with the order is conclusive evidence of the guarantee. 1997, c. 31, s. 113 (1).

Validity of guaranteed instruments

(3) Any debt instrument prescribed under clause 247 (3) (f) or other debt instrument, payment of which is guaranteed by the Province under this section, is valid and binding on the board or corporation by which it is issued according to its terms. 2009, c. 25, s. 29 (2).

Section Amendments with date in force (d/m/y)

1997, c. 31, s. 113 (1) - 01/01/1998

2009, c. 25, s. 29 (1, 2) - 15/12/2009

Payments re certain debentures

245 (1) In this section, section 246 and subsection 247 (5),

"debenture", in the case of a Roman Catholic board or of an old board that operated Roman Catholic schools, includes a mortgage; ("débenture")

"general revenue" means, in respect of a board,

(a) the amounts levied for school purposes that a board receives under Division B, and

(b) the legislative grants received by the board that are made under subsection 234 (1); ("recettes générales")

"municipality" includes an upper-tier municipality and Metro within the meaning of the *City of Toronto Act, 1997 (No. 2)* as it read the day before its repeal by the *Stronger City of Toronto for a Stronger Ontario Act, 2006*. ("municipalité") 1997, c. 31, s. 113 (1); 2002, c. 17, Sched. F, Table; 2006, c. 32, Sched. C, s. 15 (7).

Payments re debentures issued by school authorities, old boards

(2) During the currency of a debenture issued by a school authority or an old board before this section comes into force, the school authority that issued the debenture or a board that assumed the obligation for a debenture issued by an old board shall,

(a) provide in its estimates for each fiscal year for setting aside out of its general revenue in the fiscal year the amount necessary to pay the principal and interest coming due on the debenture in the fiscal year and to pay the amount required to be paid into a sinking fund or retirement fund in respect of the debenture in the fiscal year;

(b) on or before each due date in each year, pay out of its general revenue the principal and interest coming due on the debenture in the year; and

(c) where a sinking fund or retirement fund has been established in respect of a debenture, on or before the anniversary in each year of the issue date of the debenture, pay out of its general revenue the amount required to be paid into the sinking fund or retirement fund in respect of the debenture in the year. 1997, c. 31, s. 113 (1).

Payments re debentures issued by municipality for school authority, old board

(3) During the currency of a debenture issued by a municipality before this section comes into force to raise money for a school authority or an old board, the school authority for which the debenture was issued or the board that assumed the obligation to the municipality for the debenture shall,

(a) provide in its estimates for each fiscal year for setting aside out of its general revenue in the fiscal year the amount necessary to pay to the municipality the amount of the principal and interest coming due on the debenture in the fiscal year and to pay the amount required to be paid by the municipality into a sinking fund or retirement fund in respect of the debenture in the fiscal year;

(b) on or before each due date in each year, pay out of its general revenue to the municipality the principal and interest coming due on the debenture in the year; and

(c) where a sinking fund or retirement fund has been established by the municipality in respect of a debenture, on or before each due date in each year, pay out of its general revenue to the municipality the amount required to be paid into the sinking fund or retirement fund by the municipality in respect of the debenture in the year. 1997, c. 31, s. 113 (1).

Same

(4) For the purposes of subsection (3), the due dates are those specified in the applicable notice given by the treasurer of the municipality to the treasurer of the board. 1997, c. 31, s. 113 (1).

Exception

(5) Despite clauses (2) (a) and (b) and (3) (a) and (b), the principal and interest that must be paid in a year under those clauses does not include any outstanding amount of principal specified as payable on the maturity date of a debenture to the extent that one or more refinancing debentures are issued by the school authority, board or municipality referred to in subsection (2) or (3) to repay the outstanding principal. 1997, c. 31, s. 113 (1).

Section Amendments with date in force (d/m/y)

1997, c. 31, s. 113 (1) - 01/01/1998

2002, c. 17, Sched. F, Table - 01/01/2003

2006, c. 32, Sched. C, s. 15 (7) - 01/01/2007

Rules re certain debentures

246 (1) Subsections (2) to (5) apply despite,

(a) the provisions of any other Act;

(b) any debenture;

(c) any municipal or board by-law, resolution or agreement under which a debenture is issued; or

(d) any document relating to a debenture. 1997, c. 31, s. 113 (1).

No obligation to raise money through rates to pay debentures

(2) A board is not obliged to raise money by way of rates,

(a) to pay the principal and interest on a debenture to which section 245 applies;

(b) to pay amounts for deposit into a sinking fund or retirement fund in respect of a debenture to which section 245 applies;

(c) to pay amounts to a municipality in respect of a debenture to which section 245 applies; or

(d) for any other purpose. 1997, c. 31, s. 113 (1).

Deemed amendment

(3) A by-law, resolution, agreement or other document relating to a debenture to which section 245 applies and the debenture shall be deemed to have been amended to accord with subsections (1), (2), (4) and (5). 1997, c. 31, s. 113 (1).

Rights of debenture holder

(4) No holder of a debenture to which section 245 applies shall have any right to require payment, except in accordance with the payment schedule for the debenture, by reason only that the board that has assumed the obligation for the debenture may not be identical to the old board that issued the debenture or that the board that is obliged to make payments to a municipality in respect of the debenture may not be identical to the old board that was obliged to make payments to the municipality in respect of the debenture. 1997, c. 31, s. 113 (1).

Same

(5) None of the following shall constitute default by a district school board, a school authority, an old board or a municipality in the fulfilment of the obligations related to the debenture or a breach by a district school board, a school authority, an old board or a municipality of the terms or conditions of the debenture or of a by-law authorizing the issue of the debenture:

1. The amalgamation or merger of the old board that issued the debenture with a district school board.
2. The inability of a district school board or school authority to impose rates.
3. The elimination of a charge on the property and rates of the board that issued the debenture.
4. Anything done by a district school board or school authority in compliance with this Act or any regulation, order or directive made under this Act. 1997, c. 31, s. 113 (1).

Terms and conditions continued

(6) Subject to subsections (1) to (5), a debenture to which section 245 applies that is issued before this section comes into force continues to be payable on the same terms and conditions as are required by the debenture. 1997, c. 31, s. 113 (1).

Section Amendments with date in force (d/m/y)

1997, c. 31, s. 113 (1) - 01/01/1998

Borrowing for permanent improvements

247 (1) Subject to any other provision of this Act and the regulations made under subsection 242 (1) and subsection (3) of this section, a district school board may by by-law borrow money or incur debt for permanent improvements and may issue or execute any instrument prescribed under clause (3) (f) in respect of the money borrowed or the debt incurred. 1997, c. 31, s. 113 (1); 2009, c. 25, s. 30 (1).

Same, school authorities

(2) Subject to any other provision of this Act and the regulations made under subsection 242 (1) and subsection (3) of this section, and subject to the prior approval of the Minister, a school authority may by by-law borrow money or incur debt for permanent improvements and may issue or execute any instrument prescribed under clause (3) (f) in respect of the money borrowed or the debt incurred. 1997, c. 31, s. 113 (1); 2009, c. 25, s. 30 (2).

Regulations

(3) The Lieutenant Governor in Council may make regulations,

(a) governing the borrowing of money and the incurring of debt by a board for permanent improvements;

(b) governing the issuance by a board of instruments prescribed under clause (f) in respect of money borrowed or debt incurred for permanent improvements;

(c) governing any dealings by a board with instruments described in clause (b), including but not limited to regulations governing the redemption, surrender, exchange, substitution or offering as security of the instruments;

(d) governing the establishment and operation of sinking funds, retirement funds and any other type of funds that may be prescribed by the regulations and providing for the investment or other application of money held in those funds;

(e) prescribing types of funds for the purpose of clause (d);

(f) prescribing instruments that may be issued or executed by a board in respect of money borrowed or debt incurred for permanent improvements;

(g) prescribing the duties of treasurers or other officers of boards in connection with the matters addressed in this section;

(h) providing that any provision of, or made under, the *Municipal Act, 2001* or the *City of Toronto Act, 2006*, as the case may be, relating to borrowing or debentures applies, with any modifications specified in the regulations, in relation to borrowing by a board under this section. 1997, c. 31, s. 113 (1); 2002, c. 17, Sched. F, Table; 2006, c. 32, Sched. C, s. 15 (8); 2009, c. 25, s. 30 (3-6).

Same

(3.1) Without limiting the generality of clause (3) (a), in making regulations under that clause, the Lieutenant Governor in Council may delegate specified responsibilities related to the borrowing of money and the incurring of debt by the Board for permanent improvements to the Minister or any other body the Lieutenant Governor in Council considers appropriate for those purposes. 2009, c. 25, s. 30 (7).

General or particular

(4) A regulation under subsection (3) may be general or particular and may be made to apply to any class of board and for the purpose a class may be defined with respect to any attribute and may be defined to consist of or to exclude any specified member of the class, whether or not with the same attributes. 1997, c. 31, s. 113 (1).

Payments re debt instruments

(5) Subject to the regulations, if under subsection (1) or (2) a board issues a debt instrument prescribed under clause (3) (f), the board shall,

(a) on or before each due date in each year, pay the principal and interest coming due on the debt instrument in the year; and

(b) where a sinking fund, retirement fund or other fund prescribed under clause (3) (e) has been established in respect of the debt instrument, on or before the anniversary in each year of the issue date of the debt instrument, pay the amount required to be paid into the sinking fund, retirement fund or such prescribed fund in respect of the debt instrument in the year. 2010, c. 26, Sched. 5, s. 3.

Exception

(6) Despite clauses (5) (a) and (b), the principal and interest that must be paid in a year under those clauses does not include any outstanding amount of principal specified as payable on the maturity date of a debt instrument to the extent that one or more refinancing debt instruments are issued by the board to repay the outstanding principal. 2009, c. 25, s. 30 (8).

All debt instruments rank equally

(7) Despite any other provision of this or any other Act or any differences in date of issue or maturity, every debt instrument prescribed under clause (3) (f) issued by a board shall rank concurrently and equally in respect of payment of principal and interest with all other debt instruments issued by the board, except as to the availability of any sinking fund, retirement fund or other fund prescribed under clause (3) (e) applicable to any issue of debt instruments. 2009, c. 25, s. 30 (8).

Registration

(8) Subsections 415 (1), (2), (3), (4), (5) and (7) of the *Municipal Act, 2001* or any equivalent provisions of, or made under, the *City of Toronto Act, 2006*, as the case may be, apply with necessary modifications to a by-law of a board authorizing the issue of debt instruments prescribed under clause (3) (f) that is passed under subsection (1) or (2) of this section, but nothing in this subsection makes valid a by-law if it appears on the face of the by-law that it does not substantially comply with a provision of a regulation under subsection (3) that specifies the maximum term within which a debt instrument prescribed under clause (3) (f) may be made payable. 2009, c. 25, s. 30 (8).

Certain rights and duties continued

(9) Subject to subsection (10), the rights and duties of,

(a) a treasurer or a clerk-treasurer of a county or municipality;

(b) a treasurer of an old board;

(c) the council of a municipality;

(d) a school authority; or

(e) an old board,

under subsections 234 (3) to (6) of this Act, as those provisions read immediately before subsection 113 (1) of the *Education Quality Improvement Act, 1997* came into force, continue with respect to debentures to which those subsections applied. 1997, c. 31, s. 113 (1).

Same

(10) The rights and duties described in subsection (9) of an old board or the treasurer of an old board are, respectively, the rights and duties of the district school board or treasurer of the district school board that is obliged to make payments in respect of the debenture as a result of a regulation made under clause 58.1 (2) (p) as it read immediately before it was repealed by subsection 8 (4) of the *Student Achievement and School Board Governance Act, 2009* or as a result of an order made under such a regulation. 1997, c. 31, s. 113 (1); 2009, c. 25, s. 30 (9).

Transition

(11) Despite subsection (3) and subsection 242.1 (1), subsections (1) and (2) do not authorize the issuance of debentures for the purpose of repaying, refunding or refinancing any debentures that were issued before the day the *Student Achievement and School Board Governance Act, 2009* received Royal Assent. 2009, c. 25, s. 30 (10).

Section Amendments with date in force (d/m/y)

1997, c. 31, s. 113 (1) - 01/01/1998

2002, c. 17, Sched. F, Table - 01/01/2003

2006, c. 32, Sched. C, s. 15 (8, 9) - 01/01/2007

2009, c. 25, s. 30 (1-9) - 15/12/2009

2010, c. 26, Sched. 5, s. 3 - 08/12/2010

Corporation to assist with board financing

248 (1) The Lieutenant Governor in Council may, by regulation, establish a corporation under the name specified in the regulation,

(a) to provide financial services to boards in accordance with the regulations;

(b) to borrow money as principal or agent on behalf of boards in accordance with the regulations; and

(c) to lend money to boards on the terms and conditions that the corporation may impose. 1997, c. 31, s. 113 (1).

Regulations

(2) The Lieutenant Governor in Council may make regulations,

(a) providing for the composition, management, administration and control of the corporation and prescribing the powers and duties of the corporation;

(b) authorizing the corporation to provide financial services as specified in the regulations to boards in connection with their borrowing, investing, risk management and cash management activities;

(c) authorizing the corporation to borrow money in the capital markets in its own name or in the name of one or more boards on behalf of which the corporation is authorized to act;

(d) establishing terms, conditions and restrictions attaching to securities or other financial instruments issued by the corporation in connection with borrowing described in clause (c) including,

(i) the maximum aggregate principal amount of the securities or other financial instruments authorized for issue at any one time or from time to time,

(ii) any restrictions on the rate or rates of interest payable, the term to maturity, redemption rights, a bonus or discount payable, the currency of issue and selling restrictions,

(iii) any collateral that may be pledged or charged as security, and

(iv) the terms of any guarantee by the Province of repayment by the corporation;

(e) respecting lending by the corporation to boards;

(f) governing the application or non-application to the corporation of any provision of the *Business Corporations Act*, the *Not-for-Profit Corporations Act, 2010* and the *Corporations Information Act*;

(g) authorizing the corporation to provide financial services to municipalities, to borrow money as principal or agent on behalf of municipalities and to lend money to municipalities;

(h) governing matters necessary or advisable to enable the corporation to carry out its duties. 1997, c. 31, s. 113 (1); 2017, c. 20, Sched. 8, s. 79.

Deemed reference to municipality

(3) If a regulation is made under clause (2) (g) respecting a matter referred to in this section or in section 249, a reference to a board in this section or in section 249 in respect of that matter shall be deemed to include a municipality. 1997, c. 31, s. 113 (1).

Interpretation

(4) In this section,

"municipality" includes an upper-tier municipality. 2002, c. 17, Sched. F, Table.

(5) REPEALED: 2007, c. 7, Sched. 9, s. 1.

General or particular

(6) A regulation made under this section may be general or particular. 1997, c. 31, s. 113 (1).

Consent of board, municipality

(7) The corporation shall not provide financial services to a board or a municipality except at the request of the board or municipality and shall not borrow money in the name of a board or a municipality except with the prior approval of the board or municipality. 1997, c. 31, s. 113 (1).

Section Amendments with date in force (d/m/y)

1997, c. 31, s. 113 (1) - 01/01/1998

2002, c. 17, Sched. F, Table - 01/01/2003

2007, c. 7, Sched. 9, s. 1 - 05/05/2008

2017, c. 20, Sched. 8, s. 79 - 19/10/2021

Agreements

249 A board may enter into an agreement with the corporation established under subsection 248 (1),

(a) for the provision to the board of financial services that the corporation is authorized to provide to a board section 248;

(b) for the borrowing of money as principal or agent on behalf of the board as authorized under section 248; and

(c) for the lending of money to the board as authorized under section 248. 1997, c. 31, s. 113 (1).

Education Act

ONTARIO REGULATION 41/10
BOARD BORROWING, INVESTING AND OTHER FINANCIAL MATTERS

Consolidation Period: From March 1, 2022 to the e-Laws currency date.

Last amendment: 112/22.

Legislative History: 337/10, 163/11, 112/22.

This is the English version of a bilingual regulation.

PART I
NON-PERMANENTLY FINANCED DEBT OF DISTRICT SCHOOL BOARDS

Definitions

1. In this Part,

"assignee" means the trustee of a trust or another person to whom a portion of a legislative grant is assigned by a district school board under an agreement prescribed by this Part; ("cessionnaire")

"non-permanently financed debt" means, in respect of a district school board, the amount as of August 31, 2001 that is listed in Column (e) under the heading "Not Permanently Financed" opposite the name of the board in Table 2, "Capital Related Debt Eligible for Funding Support, by District School Board", in the document entitled *School Board Capital Related Debt (June 17, 2002)*, published by the Ministry; ("dette sans financement permanent")

"participating board" means a district school board that enters into an agreement prescribed by this Part with an assignee; ("conseil participant")

"refinanced debt" means the debt incurred by the assignee in respect of the financing arranged to refinance the non-permanently financed debt of district school boards; ("dette refinancée")

"unreimbursed costs" means the costs, expenses or liabilities for which an assignee that is a trustee of a trust is held to be personally liable in connection with administering the trust or arranging for the financing to refinance the non-permanently financed debt. ("frais non remboursés") O. Reg. 41/10, s. 1.

Prescribed instrument

2. (1) An agreement that contains the following is prescribed for the purposes of clause 247 (3) (f) of the Act as an instrument that may be executed by a district school board:

1. The agreement provides for the irrevocable assignment by the board to the assignee named in the agreement of the portion of each legislative grant that is paid under the Act in respect of,
    i. the board's non-permanently financed debt, other than amounts referred to in clause 37 (1) (b) of Ontario Regulation 154/01 (Student Focused Funding — Legislative Grants for the 2001-2002 School Board Fiscal Year) made under the Act or clause 37 (1) (b) of Ontario Regulation 156/02 (Student Focused Funding — Legislative Grants for the 2002-2003 School Board Fiscal Year) made under the Act as those regulations read immediately before they were revoked, or
    ii. the portion of the refinanced debt attributable to the board.
2. The agreement requires the board to give a direction to the Minister to pay the assigned portion of each legislative grant directly to an account specified in the agreement.
3. The agreement requires the assignee to,
    i. assume the board's liability to pay its non-permanently financed debt,
    ii. arrange financing to refinance the non-permanently financed debt of the board and other participating boards by,

A. creating and issuing, pursuant to one or more trust indentures, bonds, debentures or other evidences of the refinanced debt,

B. entering into one or more underwriting agreements in respect of the bonds, debentures or other evidences of the refinanced debt,

C. obtaining ratings of the bonds, debentures or other evidences of the refinanced debt from one or more nationally recognized rating agencies, and

D. causing an offering document to be prepared in respect of the bonds, debentures or other evidence of the refinanced debt and making it available to underwriters and other potential purchasers of the bonds, debentures or other evidences of the refinanced debt,

iii. out of the proceeds of the refinanced debt, pay the board's non-permanently financed debt, and

iv. obtain from the holder of the non-permanently financed debt a receipt for the payment of the board's non-permanently financed debt.

4. If the assignee is the trustee of a trust, the agreement requires the board to do the following:

i. indemnify the trustee in its personal capacity for all unreimbursed costs, if any, to the extent that the assets of the trust out of which the trustee is entitled at law or in equity to be indemnified for the unreimbursed costs are insufficient to satisfy the unreimbursed costs, and

ii. make just and equitable contribution to satisfy the claims giving rise to the unreimbursed costs in an amount that is in the same proportion to the aggregate of the unreimbursed costs that the board's non-permanently financed debt bears to the sum of the non-permanently financed debt of all the participating boards and the amount of fees paid to the trustee, if the indemnity referred to in subparagraph i is for any reason held by a court to be unenforceable.

5. The agreement provides that if the board is required, pursuant to a provision in an agreement described in paragraph 4, to indemnify the trustee or make just and equitable contribution to satisfy the claims giving rise to the unreimbursed costs, the liability of the board under the rights of indemnity or contribution,

i. shall be several and not joint, and

ii. shall not exceed the amount by which the board's non-permanently financed debt exceeds the cumulative amount of the legislative grants in respect of the principal amount of the refinanced debt paid to the account referred to in paragraph 2 established by the board. O. Reg. 41/10, s. 2 (1).

(2) An agreement is prescribed for the purposes of clause 247 (3) (f) of the Act if it satisfies the requirements of subsection (1) and it contains provisions that are not inconsistent with the requirements of subsection (1). O. Reg. 41/10, s. 2 (2).

Board to provide copy to the Minister

3. If a district school board enters into an agreement prescribed by this Part, it shall give a written direction described in paragraph 2 of subsection 2 (1) and a copy of the agreement to the Minister. O. Reg. 41/10, s. 3.

PART II
RISK MANAGEMENT BY BOARDS IN RESPECT OF ENERGY PRICES

Commodity price hedging agreements

4. (1) A board may enter into commodity price hedging agreements under this Part in order to hedge the risks associated with the fluctuations in the prices of the natural gas, electricity and other energy commodities that are required by the board to operate its schools, other properties and vehicles. O. Reg. 41/10, s. 4 (1).

(2) The agreement must fix, directly or indirectly, or enable the board to fix the price or range of prices to be paid by the board for the future delivery of some or all of a commodity described in subsection (1) or the future cost to the board of an equivalent quantity of the commodity. O. Reg. 41/10, s. 4 (2).

(3) A board shall not sell or otherwise dispose of the commodity price hedging agreement or any interest of the board in the agreement. O. Reg. 41/10, s. 4 (3).

Report on commodity price hedging agreements

5. (1) If a board has any subsisting commodity price hedging agreements in a fiscal year, the treasurer of the board shall prepare and present to the board as part of the annual financial report to the board for the fiscal year a detailed report on all of those agreements. O. Reg. 41/10, s. 5 (1).

(2) The report must contain the following information and documents:

1. A statement about the status of the agreements during the period of the report, including a comparison of the expected and actual results of using the agreements.
2. Such other information as the board may require.
3. Such other information as the treasurer considers appropriate to include in the report. O. Reg. 41/10, s. 5 (2).

PART III
BORROWING FOR PERMANENT IMPROVEMENTS

Borrowing for permanent improvements

6. A board that, under subsection 247 (1) or (2) of the Act, borrows money or incurs debt for permanent improvements shall do so only in accordance with this Part. O. Reg. 41/10, s. 6.

Permitted loans

7. (1) A board may by by-law borrow money for permanent improvements by way of a loan with an initial maturity of more than one year from the Ontario Financing Authority. O. Reg. 41/10, s. 7 (1).

(2) To obtain a loan described in subsection (1), a board shall make a loan application to the Ontario Financing Authority in accordance with any applicable policies, procedures or terms set by the Ontario Financing Authority. O. Reg. 41/10, s. 7 (2).

(3) If the Ontario Financing Authority approves a board's loan application and the board can demonstrate to the satisfaction of the Minister that another entity would provide a loan with the same terms and conditions as the Ontario Financing Authority but at a lower cost, the board may by by-law borrow money for permanent improvements by way of a loan with an initial maturity of more than one year from that other entity if it is one of the following:

1. A bank listed in Schedule I or II of the *Bank Act* (Canada).
2. A loan corporation or trust corporation registered under the *Loan and Trust Corporations Act*.
3. A credit union or central to which the *Credit Unions and Caisses Populaires Act, 2020* applies.
4. A municipality in Canada. O. Reg. 41/10, s. 7 (3); O. Reg. 112/22, s. 1.

(4) A board that obtains a loan described in this section shall ensure that the proceeds of it are used for permanent improvements. O. Reg. 41/10, s. 7 (4).

(5) Despite the lifetime of a permanent improvement for which a loan described in this section is made, the loan shall be payable over a term not exceeding 25 years. O. Reg. 41/10, s. 7 (5).

PART IV
ELIGIBLE INVESTMENTS

Eligible investments

8. A board does not have the power under section 241 of the Act to invest in a security other than a security prescribed under this Part. O. Reg. 41/10, s. 8.

Eligible investments

9. The following are prescribed, for the purposes of subsection 241 (1) of the Act, as securities that a board may invest in:

1. Bonds, debentures, promissory notes or other evidence of indebtedness issued or guaranteed by,
    i. Canada or a province or territory of Canada,
    ii. an agency of Canada or of a province or territory of Canada,
    iii. a municipality in Canada, or
    iv. the Municipal Finance Authority of British Columbia.
2. Bonds, debentures, promissory notes or other evidence of indebtedness of a corporation if,
    i. the bond, debenture or other evidence of indebtedness is secured by the assignment to a trustee, as defined in the *Trustee Act*, of payments that Canada or a province or territory of Canada has agreed to make or is required to make under a federal, provincial or territorial statute, and

ii. the payments referred to in subparagraph i are sufficient to meet the amounts payable under the bond, debenture or other evidence of indebtedness, including the amounts payable at maturity.

3. Deposit receipts, deposit notes, certificates of deposit or investment, acceptances or similar instruments, the terms of which provide that the principal and interest shall be fully repaid no later than two years after the day the investment was made, that are issued, guaranteed or endorsed by,
   i. a bank listed in Schedule I or II of the *Bank Act* (Canada),
   ii. a loan corporation or trust corporation registered under the *Loan and Trust Corporations Act*, or
   iii. a credit union or central to which the *Credit Unions and Caisses Populaires Act, 2020* applies.
4. Deposit receipts, deposit notes, certificates of deposit or investment, acceptances or similar instruments, the terms of which provide that the principal and interest shall be fully repaid more than two years after the day the investment was made, that are issued, guaranteed or endorsed by,
   i. a bank listed in Schedule I or II of the *Bank Act* (Canada),
   ii. a loan corporation or trust corporation registered under the *Loan and Trust Corporations Act*, or
   iii. a credit union or central to which the *Credit Unions and Caisses Populaires Act, 2020* applies.
5. Bonds, debentures or evidences or long-term indebtedness issued by an institution listed in paragraph 4. O. Reg. 41/10, s. 9; O. Reg. 163/11, s. 1; O. Reg. 112/22, s. 2.

Rating of certain eligible investments

10. (1) A board shall not invest in a security under paragraph 4 or 5 of section 9 unless the bond, debenture, promissory note or evidence of indebtedness is rated,

(a) by DBRS Limited as "AA(low)" or higher;

(b) by Fitch Ratings as "AA–" or higher;

(c) by Moody's Investors Services Inc. as "Aa3" or higher; or

(d) by Standard and Poor's as "AA–" or higher. O. Reg. 41/10, s. 10 (1).

(2) If an investment made under paragraph 4 or 5 of section 9 falls below the standard required under subsection (1), the board shall sell the investment within 90 days after the day the investment falls below the standard. O. Reg. 41/10, s. 10 (2).

Restriction: securities expressed or payable in foreign currency

11. (1) A board shall not invest in a security that is expressed or payable in any currency other than Canadian dollars. O. Reg. 41/10, s. 11 (1).

(2) Subsection (1) does not prevent a board from continuing an investment, made before this Regulation comes into force, that is expressed and payable in the currency of the United States of America or the United Kingdom. O. Reg. 41/10, s. 11 (2).

Restriction: investment of money in securities

12. A board shall not invest money in a security unless,

(a) the money is made repayable on or before the day on which the board requires the money; or

(b) any interest or other earnings from the investment are credited to the account from which the money was invested. O. Reg. 337/10, s. 1.

Statement of investment policies and goals

13. (1) Before a board invests in a security prescribed under this Part, the board shall, if it has not already done so, adopt a statement of the board's investment policies and goals. O. Reg. 41/10, s. 13 (1).

(2) In preparing the statement of the board's investment policies and goals under subsection (1), the board shall consider,

(a) the board's risk tolerance and the preservation of its capital;

(b) the board's need for a diversified portfolio of investments; and

(c) obtaining legal advice and financial advice with respect to the proposed investments. O. Reg. 41/10, s. 13 (2).

Investment report

14. (1) If a board has an investment in a security prescribed under this Part, the board shall require the treasurer of the board to prepare an investment report as part of the treasurer's annual financial report to the board. O. Reg. 41/10, s. 14 (1).

(2) The investment report referred to in subsection (1) shall contain,

(a) a statement about the performance of the portfolio of investments of the board during the period covered by the report;

(b) a description of the estimated proportion of the total investments of the board that are invested in its own long-term and short-term securities to the total investment of the board and a description of the change, if any, in that estimated proportion since the previous year's report;

(c) a list of any investments of the board that are not eligible investments under this Part or that fall below the prescribed ratings, and a description of the plans for disposing of those investments;

(d) a statement by the treasurer as to whether or not, in his or her opinion, all investment were made in accordance with the investment policies and goals adopted by the board;

(e) a record of the date of each transaction in or disposal of its own securities, including a statement of the purchase and sale price of each security; and

(f) such other information that the board may require or that, in the opinion of the treasurer, should be included. O. Reg. 41/10, s. 14 (2).

Ineligible investments

15. (1) Despite this Regulation, if on the day this Regulation comes into force, a board holds an investment that is not prescribed under this Regulation, the board shall sell the investment within 90 days after the day this Regulation comes into force. O. Reg. 41/10, s. 15 (1).

(2) Despite subsection (1), if the sale of the investment would result in the board realizing an amount below the net book value of the investment, the board may retain the investment, but only until it has an opportunity to realize an amount equal to the net book value of the investment, at which time it shall sell the investment. O. Reg. 41/10, s. 15 (2).

16. OMITTED (PROVIDES FOR COMING INTO FORCE OF PROVISIONS OF THIS REGULATION). O. Reg. 41/10, s. 16.

Halton Catholic District School Board

By-Law No. 2026 F01

WHEREAS, in accordance with Section 243 of The Education Act, the Halton Catholic District School Board (herein called "the Board") deems it necessary to borrow sums not to exceed Three Hundred Million Dollars ($300,000,000.00) to meet, until the provincial grants, municipal and other revenues are collected, current expenditures of the Board.

THEREFORE, the Halton Catholic District School Board enacts as follows:

1. **THAT** the Board authorize the Treasurer and the Chair or the Vice-Chair of the Board, together with the Secretary of the Board or the Senior Manager, Financial Services to borrow from time to time from the Board's banker of record, or from any other approved lender authorized for borrowing purposes, the sums that the board considers necessary to meet the current expenditures of the board until the current revenue has been received.

2. **THAT** the Board may borrow the sums that the board considers necessary to meet debt charges payable in any fiscal year until cash has been received.

3. **THAT** the amounts the Board may borrow at any one time for the purposes mentioned in 1 and 2, together with the total of any similar borrowing that have not been repaid and any accrued interest on those borrowings, shall not exceed the unreceived balance of the estimated current revenue of the board.

4. **THAT** the Treasurer of the Board is hereby authorized and directed to furnish upon request to the Board's banker of record, or any other approved lender, a statement showing the nature and amount of the estimated revenues for the current year not yet collected where the estimates have been adopted for the current year or of the estimated revenues for the previous year where the estimates have not been adopted for the current year, and the total of any borrowings made in the year which have not been repaid and which were made.

5. **THAT** the Board's banker of record shall be entitled to rely as to the authority of any borrowing on a copy of this By-Law certified by the Secretary of the Board and on a statement furnished to the Board's banker of record from time to time by the Treasurer of the Board pursuant to Paragraph 4 of this By-Law.

6. **THAT** any other approved lender shall be entitled to rely as to the authority of any borrowing on a copy of this By-Law certified by the Secretary of the Board.

7. **THAT,** this By-Law shall be deemed to have come into force May 19, 2026 and stay in effect until further notice.

READ and FINALLY PASSED this 19th of May 2026.

M. Duarte, Chair of the Board

J. Klein, Secretary of the Board

APPENDIX F

BORROWING POSITION OF THE BOARD
As at August 31, 2026 (Audited)

EXTERNAL BORROWING:

Short-term:		
Temporary Bank Loan - EDC CORRA Portion of By-Law 2026 F01 $300,000,000	$	66,000,000
	$	66,000,000
Total Short-term External Borrowing	$	66,000,000
Long-term:		
Debentures issued by the Ontario School Boards Financing Corporation (OSBFC)	$	15,180,164
OFA Debentures	$	52,374,391
Total Long-term External Borrowing	$	67,554,555
Total External Borrowing	$	133,554,555