

Authority: Notice of Motion, moved by Mayor Lastman,
seconded by Councillor Ootes, and
Report dated December 23, 1997,
from the Chief Financial Officer and Treasurer,
adopted by Council on January 6, 1998
Intended for first presentation to Council: January 6, 1998
Adopted by Council: January 6, 1998

CITY OF TORONTO

BY-LAW No. 11-1998

To authorize the temporary borrowing of moneys to meet the current expenditures of the City of Toronto for the year 1998.

WHEREAS subsection 187(1) of the Municipal Act provides that a municipal council may by by-law authorize the head of council and the treasurer of the municipality to borrow from time to time by way of promissory note or banker's acceptance such sums as the council may deem necessary to meet, until the taxes are collected and other revenues for the current year are received, the current expenditures of the corporation for the year, including the amount required for sinking fund, principal and interest falling due within the year upon any debt of the corporation, school purposes, special rates purposes, and for any board, commission or body and other purposes for which the corporation is required by-law to provide; and

WHEREAS the said section 187 provides in subsection 2 that the amount which may be borrowed at any one time for the purposes mentioned in subsection 1 thereof, plus the total of any similar borrowings that have not been repaid, shall not exceed from January 1st to September 30th of 1998, 50 per cent of the total of the estimated revenue of the corporation as set forth in the estimates adopted for 1998; and

WHEREAS the said section 187 provides in subsection 4 that until the estimates for 1998 are adopted, the limitations upon borrowing imposed by subsection 2 thereof, shall temporarily be calculated upon the estimated revenues of the corporation as set forth in the estimates adopted for 1997; and

WHEREAS section 110 of the City of Toronto Act, 1997 (No. 2) provides that, for the purposes of subsection 187(4) of the Municipal Act, the estimated revenues of the City of Toronto for 1997 are the sum of the estimated revenues of all the former area municipalities and the former Municipality of Metropolitan Toronto as shown on the estimates adopted for 1997; and

WHEREAS subsection 187(4.1) of the Municipal Act provides that, for the purposes of subsections 187(2) and 187(4), estimated revenues do not include revenues derivable or derived from borrowing or issues of debentures, a surplus including arrears of levies, or a transfer from the capital fund, reserve fund or reserves; and

WHEREAS it is deemed necessary by the Council of the City of Toronto (the "Council") to borrow the sum of One Billion Dollars (\$1,000,000,000.00) to meet, until the taxes are collected and other revenues for the current year are received, the current expenditures of the City of Toronto for the year 1998 including the amounts and sums aforesaid; and

WHEREAS the said sum of One Billion Dollars (\$1,000,000,000.00) plus any similar borrowings that have not been repaid, is less than 50 percent of the total amount of the estimated revenues of the City of Toronto as set forth in the sum of the estimates adopted for the year 1997, in accordance with subsections 187(2), 187(4), and 187(4.1) of the Municipal Act, and section 108.1 of the City of Toronto Act, 1997;

The Council of the City of Toronto HEREBY ENACTS as follows:

1. The Mayor and Treasurer of the City of Toronto be and are hereby authorized to borrow from time to time by way of promissory note or banker's acceptance a sum or sums not exceeding in all the sum of One Billion Dollars (\$1,000,000,000.00) to meet, until the taxes are collected and other revenues for the year 1998 are received, the current expenditures of the City of Toronto for 1998, including the amounts required for sinking fund, principal and interest falling due within the year upon any debt of the of the City of Toronto, including any debt incurred by any former area municipality and by the former Municipality of Metropolitan Toronto, school purposes, special rates purposes, and for any board, commission or body and other purposes for which the City of Toronto is required by law to provide.

2. Any promissory note or banker's acceptance made under the authority of section 1 hereof shall be sealed and signed by the Mayor and the Treasurer in accordance with the provisions of the Municipal Act.

ENACTED AND PASSED this 6th day of January, A.D. 1998.

MEL LASTMAN,
Mayor

NOVINA WONG,
City Clerk

(Corporate Seal)