

Authority: Executive Committee Item 2.9,
as adopted by City of Toronto Council on February 5, 6, 7 and 8, 2007
Enacted by Council: February 6, 2007

CITY OF TORONTO

BY-LAW No. 110-2007

To authorize the temporary borrowing of moneys to meet the current expenditures of the City of Toronto for the year 2007.

WHEREAS section 7 of the *City of Toronto Act, 2006* (the “Act”) provides that the City has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act; and

WHEREAS subsection 8(1) of the Act provides that the City may provide any service or thing that the City considers necessary or desirable for the public; and

WHEREAS paragraph 1 of section 245 of the Act provides that, without limiting sections 7 and 8 of the Act, those sections of the Act authorize the City to undertake financial activities related to borrowing and investing money in accordance with such conditions and restrictions as may be prescribed; and

WHEREAS subsection 5(1) of Ontario Regulation 610/06 (the “Regulation”) provides that the City may authorize temporary borrowing of such amount as the council considers necessary to meet, until the taxes are collected and other revenues for the current year are received, the current expenditures of the City for the year, including the amounts required for sinking and retirement funds, principal and interest falling due within the year upon any debt of the City, school purposes, other purposes that the City is required by law to provide for, and the amount of principal and interest payable by a person or a municipality primarily liable for a debt, if the City has guaranteed the debt and the debt is in default; and

WHEREAS subsection 5(2) of the Regulation provides that the total amount which may be borrowed at any one time plus any outstanding amounts of principal borrowed and accrued interest, shall not, except with the approval of the Ontario Municipal Board, exceed from January 1st to September 30th, 50 per cent of the total, and from October 1st to December 31st, 25 per cent of the total estimated revenues of the City as set out in the budget adopted for the year; and

WHEREAS subsection 5(3) of the Regulation provides that until the budget for 2007 is adopted, the limits upon borrowing prescribed by subsection 5(2), shall temporarily be calculated upon the estimated revenues of the City as set out in the budget adopted for 2006; and

WHEREAS subsection 5(4) of the Regulation provides that, for the purposes of subsections 5(2) and 5(3), estimated revenues do not include revenues derivable or derived from borrowings or issues of debentures, a surplus including arrears of taxes, fees or charges, or a transfer from the capital fund, reserve funds or reserves; and

WHEREAS it is deemed necessary by the Council to borrow from time to time in 2007 sums not to exceed the aggregate sum of Three Hundred Million Dollars (\$300,000,000.00) 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 2007; and

WHEREAS the said sum of Three Hundred Million Dollars (\$300,000,000.00) plus any similar borrowings that have not been repaid from time to time during 2007 which remain outstanding is less than 50 per cent of the total amount of the estimated revenues of the City of Toronto as set forth in the budget adopted for the year 2006;

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

1. The Mayor and the Deputy City Manager and Chief Financial Officer, be and they are hereby authorized to temporarily borrow, subject to the limitations in subsections 5(2) of the Regulation, an amount or amounts not exceeding in all the amount of Three Hundred Million Dollars (\$300,000,000.00) to meet, until the taxes are collected and other revenues for the year 2007 are received, the current expenditures of the City of Toronto for 2007, including the amounts required for sinking and retirement funds, principal and interest falling due within the year upon any debt of the City of Toronto, including any debt incurred by any former area municipality and by the former municipality called The Municipality of Metropolitan Toronto, school purposes, other purposes for which the City of Toronto is required by law to provide for, and the amount of principal and interest payable by a person or a municipality primarily liable for a debt, if the City of Toronto has guaranteed the debt and the debt is in default.

ENACTED AND PASSED this 6th day of February, A.D. 2007.

DAVID R. MILLER,
Mayor

ULLI S. WATKISS
City Clerk

(Corporate Seal)