

Authority: Item 3, Corporate Administration
Committee Report 06-001
(FCS06005)
CM: January 25, 2006

Bill No. 008

CITY OF HAMILTON

BY-LAW NO. 06-008

To Authorize the Temporary Borrowing of Monies to Meet Current Expenditures Pending Receipt of Current Revenues.

WHEREAS the Council for the City of Hamilton deems it necessary to pass and enact a by-law to authorize the temporary borrowing of monies by the city to meet current budget expenditures for the year 2006 pending receipt of current revenues;

AND WHEREAS section 407(1) of the *Municipal Act*, 2001, provides as follows:

"A municipality may authorize temporary borrowing, until the taxes are collected and other revenues are received, of the amount council considers necessary to meet the current expenditures of the municipality for the year"

AND WHEREAS Section 407(2) of the said Act, imposes certain limitations on the amounts that may be borrowed at any one time:

NOW THEREFORE the Council for the City of Hamilton hereby enacts as follows:

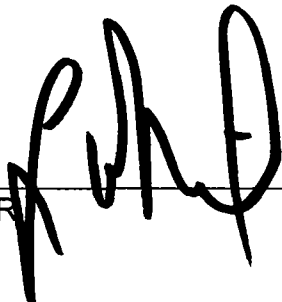
1. (a) The City of Hamilton is hereby authorized to borrow from a Bank or person by way of Promissory Notes or Bankers Acceptances from time to time a sum or sums of monies not exceeding at any one time the amounts specified in subsection (2) to pay off temporary bank overdrafts for the current expenditures of the City for the year 2006, including amounts for sinking funds, principal and interest falling due within such fiscal year and the sums required by law to provide for the purposes of the City.
- (b) The amount of monies that may be borrowed at any one time for the purposes of subsection (1), together with the total of any similar borrowings that have not been repaid, shall not, except with the approval of the Ontario Municipal Board, exceed the prescribed percentages of the total of the estimated revenues of the City as set forth in the estimates adopted for the year, which percentages are set out in section 407 of the *Municipal Act*, 2001 as it may be amended from time to time.

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2. (a) Until estimates of revenue of the City for the 2006 year are adopted, borrowing shall be limited to the estimated revenues of the City as set forth in estimates adopted for the next preceding year.
- (b) The total estimated revenues of the City, including the amounts levied for Education purposes, adopted for the year 2004 are One Billion, Eighty Four Million, One Hundred and Seventy Two Thousand, Three Hundred and Fifty Five Dollars (\$1,084,172,355).
3. All sums borrowed pursuant to the authority of this By-law, together with any and all similar borrowings in the current year and in previous years that have not been repaid shall, together with interest thereon, be a charge upon the whole of the revenues of the City for the current year and for all preceding years, as and when such revenues are collected or received.
4. The Treasurer shall, and is hereby authorized and directed to, apply in payment of all sums borrowed pursuant to this By-law, together with interest thereon, all of the monies thereafter collected or received for the current and preceding years, either on account or realized in respect of taxes levied for the current year and preceding years or from any other sources which may lawfully be applied for such purpose.
5. That the Mayor and failing such person, the Deputy Mayor of the City Council and failing such person, the City Manager, together with the Treasurer or any one of the Temporary Acting Treasurers be authorized and directed to sign and execute the aforesaid Promissory Notes and Bankers Acceptances, hypothecations, agreements and such other documents, writings and papers which shall give effect to the foregoing.
6. This By-law shall come into force and effect on the 1st day of January 2006, and shall remain in force and effect until December 31, 2006.

PASSED and ENACTED this 25th day of January, 2006 A.D.

MAYOR



CITY CLERK

