

THE CORPORATION OF THE TOWN OF AURORA

By-law Number 5440-12

BEING A BY-LAW to establish the Council Discretionary Reserve Fund.

WHEREAS section 9 of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended (the "Act"), provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under the Act or any other statute, and subsection 11(2) of the Act provides that lower-tier municipalities may pass by-laws respecting, among other items, the financial management of the municipality and its local boards;

AND WHEREAS The Corporation of the Town of Aurora (the "Town") sold all of its shares in Aurora Hydro Connections Limited to PowerStream Inc. in June 2005;

AND WHEREAS at its meeting of September 26, 2006, the Council of the Town adopted resolutions to establish the Council Discretionary Reserve Fund (the "Fund") to hold the amount of ten percent (10%) of the proceeds of the Aurora Hydro Sale Investment Fund;

AND WHEREAS no specific by-law has been adopted to create or set out the terms of the Fund;

AND WHEREAS the Council of the Town deems it necessary and desirable to use the proceeds of the Fund in specified manners and provide funding for specified special purposes;

AND WHEREAS the money in the Fund shall be allocated and expended subject to the provisions of this By-law;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF AURORA ENACTS AS FOLLOWS:

1. THAT the Fund be established with a balance of \$3,522,155.00, which represents ten percent (10%) of the net proceeds of the concluded sale of the Town's interest in Aurora Hydro Connections Limited.
2. THAT all balances in the Fund earn investment income to the credit of the Fund, as calculated by the Town's Treasurer based on the annual performance of the Town's investment portfolio comprised of balances of all reserves and reserve funds, and surplus operating and unspent cash balances throughout the year.
3. THAT the principal of the Fund may be allocated or expended for any purpose as determined, at the sole discretion of Council, to be in the best interest of the Town, and should Council wish to allocate or expend any of the principal from the Fund for any purpose, public notice published in a local newspaper having general circulation throughout the community shall be provided at least thirty (30) days in advance before the allocation or expense is approved at an open Council meeting.
4. THAT the earned interest portions of the balance of the Fund may be allocated or expended for any purpose as determined, at the sole discretion of Council, to be in the best interest of the Town.
5. THAT any donations, expenditures, or allocations from the Fund must recognize in program or project advertising that the contribution was made from proceeds of the sale of Aurora Hydro Connections Limited.


6. THAT all past resolutions and by-laws of Council in connection with the creation of the Fund are hereby superseded and replaced by this By-law.
7. THAT this By-law is deemed to have come into force *nunc pro tunc* on December 31, 2006.

READ A FIRST AND SECOND TIME THIS 18th DAY OF DECEMBER, 2012.

READ A THIRD TIME AND FINALLY PASSED THIS 18th DAY OF DECEMBER, 2012.



GEOFFREY DAWE, MAYOR



JOHN D. LEACH, TOWN CLERK

Approved as to Form
By Legal Services
Signature NAME MA
Date: Dec. 14, 2012