
BILL.

An Act to enable Municipal Corporations in Upper Canada to invest their surplus Clergy Reserve money for Educational purposes in certain securities, and to legalize such investments already made, and for other purposes.

WHEREAS Municipalities in Upper Canada, desiring to invest any of the moneys accruing to them from the Upper Canada Municipalities Fund, are bound by law to make such investments by purchasing Provincial, Consolidated Loan Fund, or Municipal Debentures; and it is expedient that further discretion should be allowed them as regards such investments; and whereas it is also expedient to authorize Boards of School Trustees to borrow such moneys from Municipal Corporations for the purchase of school sites or the erection of school-houses, or, having surplus moneys for educational purposes, to invest the same; therefore Her Majesty, &c., enacts as follows:

1. From and after the passing of this Act, any Municipal Corporation having surplus monies derived from the Upper Canada Municipalities Fund, shall have power by By-law to set such surplus apart for educational purposes, and to invest the same, as well as any other moneys held by such Municipal Corporation for, or by it lawfully appropriated to, educational purposes in first mortgages secured on real estate held and used for farming purposes, and to be the first lien on or against such real estate, and from time to time, as such securities mature, to invest in other like securities, or in the securities already mentioned by law, as may be directed by such By-law, or by other By-laws passed for that purpose: Provided always that no Municipal Corporation shall invest in such real estate securities any sum exceeding one-third of the value of the real estate on which it is secured, according to the last revised and corrected assessment roll at the time it is so invested.

Power to invest in certain securities

Proviso

2. And whereas several Municipalities have heretofore invested moneys derived from the said fund and set apart for special purposes, in real estate security; be it enacted that any By-law heretofore passed setting apart and authorizing the investing of such moneys, and under which By-law such moneys have been actually invested, shall be held to be a good and valid By-law.

Investments already made confirmed.

3. The Board of School Trustees of any city or town in Upper Canada having surplus moneys for educational purposes, may invest the same in the purchase of Provincial, Consolidated Loan Fund, or Municipal Debentures, or in such securities as are described in the first section of this Act, subject to the provisions, conditions, limitations and restrictions therein contained; and any by-law of any such Corporation heretofore made for authorizing any such investment, under which any such money has been so invested, shall be held to be a good and valid by-law.

Investments by School Trustees of surplus moneys for educational purposes.