

## SPECIAL MEETING.

COUNCIL CHAMBER, CITY OF INDIANAPOLIS, IND.,

MONDAY, January 8, 1917.

The Common Council of the City of Indianapolis met in the Council Chamber, Monday evening, January 8, 1917, at 7:30 o'clock in special session, President Michael J. Shea in the chair, pursuant to the following call:

INDIANAPOLIS, IND., January 8, 1917.

*To the Members of the Common Council, of the City of Indianapolis, Ind.:*

GENTLEMEN—You are hereby notified that there will be a special meeting of the Common Council of the City of Indianapolis, Indiana, held in the Council Chamber on Monday evening, January 8, 1917, at 7:30 o'clock, for the purpose of receiving communications from the City Controller and the introduction, consideration of and final action on General Ordinance No. 1, 1917, an ordinance authorizing a temporary loan.

Respectfully,

MICHAEL J. SHEA,  
*President.*

I, Thomas A. Riley, Clerk of the Common Council of the City of Indianapolis, Indiana, do hereby certify that I have served the above and foregoing notice to each and every member of the Common Council, prior to the time of meeting, pursuant to the rules.

Respectfully,

THOMAS A. RILEY,  
*City Clerk.*

Which was read.

The Clerk called the roll.

Present: The Hon. Michael J. Shea, President of the Common Council, and 7 members, viz.: Messrs. Barry, Young, McGuff, Miller, Porter, Connor and Graham.

Absent, 1, viz.: Mr. Lee.

## REPORTS FROM CITY OFFICERS.

From City Controller :

FINANCE DEPARTMENT,  
CITY OF INDIANAPOLIS.

INDIANAPOLIS, IND., January 8, 1917.

*To the Honorable, the President and Members of the Common Council:*

GENTLEMEN—I submit herewith an ordinance authorizing the Controller to make a temporary loan of \$300,000 in anticipation of current revenues and recommend the same.

The fiscal year of the City of Indianapolis begins January 1 of each year, and with the exception of miscellaneous fees and a slight payment of taxes, the revenue of said city is not received until the spring taxes are paid and settlement made with the city by the City Treasurer. Consequently, the greater part of the money received from taxes is not available for use until May or June. There is, therefore, not sufficient funds in the treasury at this time, or available in the near future, to meet the current bills of the city, and it is necessary for us at this time to do one of three things:

(1) Make a temporary loan to meet our bills and pay the loan when the taxes are received.

(2) Transfer and divert money in special funds, such as Track Elevation and Flood Prevention Funds to the General Fund and reimburse said special funds for the amount so transferred or diverted when the taxes are paid.

(3) Pay no bills or salaries until the taxes are received in May or June.

I believe it to be very poor policy to allow our bills to remain unpaid for a long period of time as has been done under previous administrations in order to avoid a temporary loan. For the first time in many years we have succeeded in obtaining bids for city supplies from all classes of business men and business houses. We have accomplished this result because we have paid bills more promptly than our predecessors. In some cases we have taken advantage of discounts offered and I am firmly of the opinion that in the long run the city will save money in paying interest on temporary loans, paying its bills and obtaining the advantageous terms and prices offered to those who have established a good credit.

If we decide to meet our obligations during this part of the fiscal year, then we must secure the cash, and it can be done in either way set out at one and two in this letter. I, personally, am not willing to transfer the money from the special funds to the general fund, although this course, I am informed, is and has been a common practice throughout the state. Therefore, but one method remains, and that is to make a temporary loan such as would be made by any business house of the City of Indianapolis under like conditions. A loan made at this time, with the city's obligations dated prior to March 1, 1917, and payable after March 1, can be made at a very low interest rate.

If you pass this ordinance, it is my plan to ask that a part of this money be delivered the middle of January and the balance to be delivered about the middle of February in order that we may not pay interest on the entire amount for the whole period of time.

I respectfully ask you to pass this ordinance at the earliest possible time, and believe that the facts warrant the suspension of the rules and the passing of said ordinance by your honorable body at tonight's session.

Respectfully,

R. H. SULLIVAN,  
*City Controller.*

#### INTRODUCTION OF GENERAL AND SPECIAL ORDINANCES.

By City Controller:

General Ordinance No. 1, 1917: An ordinance authorizing the City Controller to make a temporary loan of three hundred thousand (\$300,000) dollars in anticipation of current revenues, appropriating three hundred and nine thousand (\$309,000) dollars for payment of same, and fixing the time when the same shall take effect.

Be it ordained by the Common Council of the City of Indianapolis, Indiana, That the City Controller be and is hereby authorized and empowered to negotiate a temporary loan in anticipation of the revenues of said city for the current year, not exceeding three hundred thousand (\$300,000) dollars, for a period not exceeding six (6) months, and at the rate of interest not exceeding six (6) per cent. per annum. The said loan shall be made on competitive bidding after at least one notice in a daily newspaper printed and published in the City of Indianapolis, the bidding to be on the rate of interest to be paid and the loan to be made from the lowest bidders under such other conditions as may be directed by the City Controller. The Mayor and City Controller are hereby authorized and directed to execute the proper obligations of said city for the payments of the amounts so borrowed; and for the payment of the said obligations the faith of said city is hereby irrevocably pledged, and the sum of three hundred nine thousand (\$309,000) dollars is hereby appropriated out of the general fund for payment of the same.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

Which was read.

Mr. Porter moved that the rules be suspended and General Ordinance No. 1, 1917, be placed upon its passage.

The roll was called and the motion to suspend the rules failed to carry by the following vote:

Ayes, 7, viz.: Messrs. Barry, McGuff, Miller, Porter, Connor, Graham and President Michael J. Shea.

Noes, 1, viz.: Mr. Young.

General Ordinance No. 1, 1917, was thereupon referred to the Committee on Finance.

On motion of Mr. Porter, the Common Council, at 8:00 o'clock P. M., adjourned.

*Michael J. Rice*

.....  
President.

ATTEST:

*Thomas G. Riley*

.....  
City Clerk.

