

sioner Lodge that Commissioner Dingeman preside at the meeting.

The following communication and resolution was submitted by Commissioner Slutz:

September 26, 1940

Detroit City Sinking Fund Commission:

Gentlemen—In response to our advertisement of September 11, 1940, for tenders of City of Detroit bonds in the amount of \$150,000, we received the following which show the highest yield to the City. Therefore, I recommend their acceptance.

\$67.50, Taussig, Day & Co., rate 3¼, maturity 8-1-62, price \$95.00, yield 3.58; \$240.00, Taussig, Day & Co., rate 3¼, maturity 8-1-62, price \$95.00, yield 3.58. Total \$307.50.

\$650.00, Wilmerding & Co., rate 3¼, maturity 8-1-62, price \$99.80, yield 3.261; \$969.86, Wilmerding & Co., rate 3¼, maturity 8-1-62, price \$99.80, yield 3.261. Total \$1,619.86.

\$13,191.25, First of Michigan Corp., rate 3¼, maturity 8-1-62, price \$99.99709, yield 3.25; \$7,762.06, First of Michigan Corp., rate 3¼, maturity 8-1-62, price \$99.99709, yield 3.25. Total \$20,953.31.

Total Amount \$22,880.67, Average Yield 3.25.

Respectfully submitted,

DONALD SLUTZ,
City Controller.

By Commissioner Slutz:

Resolved, That the City Controller be and he is hereby authorized and directed to purchase for cancellation, the foregoing bonds in the amount of \$22,880.67 as listed; and be it further

Resolved, That the City Treasurer be and he is hereby authorized and directed to disburse these funds upon the presentation of the proper warrants by the City Controller. All other bids are rejected; and be it further

Resolved, That the City Controller be and he is hereby authorized and directed to cancel the bonds accepted in accordance with the Refunding Act of the State of Michigan.

On motion of Commissioner Slutz, the foregoing resolution was passed unanimously.

The following communication and resolution was submitted by Commissioner Slutz:

September 26, 1940

Detroit City Sinking Fund Commission:

Gentlemen—We have accumulated in the Detroit City Sinking Fund, Water Board Division, the sum of \$600,000 for investment. Therefore, may I request that your Honorable Body authorize this office to advertise Monday, September 30, 1940, for offerings of City of Detroit bonds under the following specifications and conditions:

receive offerings of City of Detroit bonds in the amount of approximately \$600,000.00 for the Water Board Sinking Fund, under the following conditions:

If Callable Bonds are offered at a premium:

(a) When the interest rate is 4½% or higher, the yield shall be computed to the first call date.

(b) When the interest rate is less than 4½%, the yield shall be computed to the sixth call date.

If bonds are offered at par or less than par, the yield shall be computed to the date of maturity.

The yield on non-callable bonds shall be computed to the date of maturity.

All offerings shall be in writing and shall be sealed.

Offerings shall show the purpose, the rate of interest, date of maturity, the dollar value and the yield.

Offerings will be accepted on the basis of the highest net yield to the City as computed from the dollar value.

No bonds maturing beyond 1949 will be accepted.

The City reserves the right on bonds purchased, which are delivered subsequent to October 25, 1940, to pay accrued interest up to that date only.

The City reserves the right to reject any or all offerings.

Offerings will be received up to 10:30 a. m. E.S.T. Wednesday, October 10, 1940, at the office of the City Controller, 2000 Water Board Building, Detroit, Michigan, and shall remain firm until 1:00 p. m. E.S.T. of the following day.

Respectfully submitted,

DONALD SLUTZ,
City Controller

By Commissioner Slutz:

Resolved, that the City Controller be and he is hereby authorized and directed to expend the amount of \$600,000 for investment in City of Detroit bonds for the Water Board Division of the Detroit City Sinking Fund, offerings to be submitted to this Commission for their approval and be it further

Resolved, that these purchases be made under the conditions and specifications as set forth in the foregoing communication, to be incorporated in the advertisement which shall be published in the various daily and financial publications.

On motion of Commissioner Slutz, the foregoing resolution was passed unanimously.

The following communication from the Corporation Counsel was read and

August 30, 1940.

Mr. Frank M. McLaury,
Deputy City Controller,
Detroit, Michigan.

Dear Sir:

You state that on Monday, August 21, 1940, the General City Sinking Fund received tenders in the amount of \$200,000 of 1962-1963 maturities; that these bonds were offered to the City at the yield of approximately 3.25 per cent and were accepted; that on the same day the Water Board Sinking Fund received offerings for investment in the amount of \$325,000 of maturities of 1959 or earlier; that these bonds were offered at a yield of 3.03 per cent and were accepted.

It further appears the moneys from which the General City Sinking Fund purchase was made, are a part of the regular 1940-1941 appropriation for redemption sinking fund and that moneys for the Water Board Sinking Fund were derived from the regular Water Board earnings and are a part of their annual contribution to the sinking fund for their retirement indebtedness.

An opinion is requested as to whether it would be legal to exchange bonds purchased by the General City Sinking Fund and the Water Board Sinking Fund for the purpose of depositing in the Water Board Sinking Fund bonds showing the higher yield and cancelling the bonds showing the lower yield.

Permit us to advise that the asking for tenders and/or calling for redemption out of the proceeds of the redemption fund for 1962-1963 maturities is governed by Section 8 of Act No. 13 of the Public Acts, 1932, as amended, which provides for the cancellation of bonds received in response to advertisement for tenders and the funds provided in the Water Board Sinking Fund must be utilized for investment purposes as provided by Section 5 of Act No. 273 of the Public Acts, 1925, as amended.

It is our opinion that said bonds offered to of 1962-1963 maturities in the amount of \$200,000 out of the redemption fund set aside for that purpose must be cancelled and would therefore, become legal investments for the Water Board Sinking Fund.

Very truly yours,

PAUL T. DWYER.

Approved:

JOHN H. WITHERSPOON,
Acting Corporation Counsel.

There being no further business, the meeting was adjourned.

Respectfully submitted,

DONALD SLUTZ,
Secretary Detroit City Sinking
Fund Commission.

From the Clerk of the Recorder's Court

To the Honorable, the Common Council:

Gentlemen—I respectfully report to your honorable body that a jury duly impanelled in the Recorder's Court, in the matter of The Petition of the Detroit Library Commission of the City of Detroit, a public corporation or State Agency of the State of Michigan, for the taking by condemnation of private property for the use or benefit of the public. Outer Gratiot Branch Library (McNichols Road and Schoenherr Avenue (File No. 1764) rendered a verdict in favor of said opening Wednesday, Sept. 11th, 1940, which was confirmed by the Court Friday, September 27th, 1940.

In accordance with the statute, I herewith transmit a certified copy of said verdict, and of the judgment of confirmation.

Respectfully,

PERCY L. MONTEITH,
Clerk.

Received and placed on file.

From the Clerk

That he presented such portion of the proceedings of the last regular session as is required by the charter to be so presented, to His Honor the Mayor for approval, on the 25th and 27th ult. and that they were approved on the 25th ult. and 1st inst.

Also an ordinance changing the name of Leuschner Ave., to Miller Ave. and an Ordinance prohibiting animals to run at large which were submitted on the 27th ult. and approved on the 1st inst.

Placed on file.

From the Clerk

To the Honorable, the Common Council:

Gentlemen—I wish to advise your Honorable Body that deed of Montgomery Ward & Co. to the City of Detroit covering property dedicated for street purposes has been filed in my office. Same having been approved by the Corporation Council, resolution accepting said deed is attached.

Respectfully submitted,

FRED W. CASTATOR,
City Clerk.

By Councilman Dingeman:

Resolved, that deed of Montgomery Ward & Co., Inc., to the City of Detroit covering property dedicated for street purposes, described as "a part of lots 40, 41, 42 and 43 of Rugby Sub. of part of Sec. 24, T. 1 S., R. 10 E., according to the plat thereof as recorded in the office of the Register of Deeds for Wayne County, Mich.,