



The City Above Toronto

REGION OF YORK
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FOR INQUIRIES: PLEASE QUOTE ITEM & REPORT NO.

June 17, 2005

Mr. Denis Kelly, Regional Clerk
Regional Municipality of York
P.O. Box 147
17250 Yonge Street
Newmarket, ON
L3Y 6Z1



Dear Mr. Kelly:

RE: REGION OF YORK – AUTHORIZATION TO ISSUE DEBENTURES

Attached for your information and further to our letter dated June 9, 2005 is **Item 20, Report No. 39**, of the Committee of the Whole regarding the above-noted matter which was adopted without amendment by the Council of the City of Vaughan at its meeting of June 15, 2005.

Sincerely,

J. Leach
City Clerk

Attachment:

Extract

Attachment 1 – Regional Municipality of York Request for Debenture Financing

JDL/as

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 15, 2005

Item 20, Report No. 39, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on June 15, 2005.

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REGION OF YORK – AUTHORIZATION TO ISSUE DEBENTURES

The Committee of the Whole recommends approval of the recommendation contained in the following report of the Director of Reserves and Investments, dated June 8, 2005:

Recommendation

The Director of Reserves & Investments in consultation with the Commissioner of Finance & Corporate Services recommends:

- 1) That Council authorize the Regional Municipality of York to issue debentures in the amount not to exceed \$777,000 on behalf of the Corporation of the City of Vaughan, repayable over a term not exceeding ten (10) years to fund the work completed and previously authorized by Council to be financed from Long Term Debt and listed on Attachment 1; and
- 2) That a by-law be enacted authorizing the Regional Municipality of York to issue debentures on behalf of the City of Vaughan.

Economic Impact

The financial impact to the City as a result of Council originally approving these projects and the issue of these debentures is estimated to be \$100,625 per year for the next ten (10) years.

Purpose

To obtain Council approval to authorize the Regional Municipality of York to issue debentures on behalf of the City of Vaughan.

Background - Analysis and Options

During the Capital Budget deliberations, Council reviews capital projects for the appropriate funding sources for approval. Included in these funding sources is the issuance of long-term debt. By virtue of approving the Capital Budget each year Council, through the confirming By-law also authorizes staff to issue long-term debt as required to finance these projects.

Included in the 2005 Request for Debenture Financing to the Regional Municipality of York is a capital project for road reconstruction that was completed in 1999. This project was partially funded from the Federal/Provincial infrastructure grants. It was not included in the 2004 debenture financing submission to the Regional Municipality of York as staff were still verifying costs.

The City of Vaughan is now prepared to issue debt to finance completed capital projects where the funding source was long-term debt. The Region is currently preparing for a fall 2005 debenture issue and will not issue debentures on the City of Vaughan's behalf unless the Region is specifically authorized by Council.

The Region of York requires that projects requiring debenture financing must be approved by By-law at the Area Municipal Council and the following information be required within Resolutions and By-laws approved by the Area Municipality:

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 15, 2005

Item 20, CW Report No. 39 – Page 2

- 1) That the Area Municipality request the Regional Municipality of York to issue debentures on its behalf for the named project(s);
- 2) The amount to be debenture financed; and
- 3) The maximum term (in years) of the debenture to be issued.

Relationship to Vaughan Vision 2007

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

Conclusion

Council is requested to authorize the Regional Municipality of York to issue debentures on behalf of the City of Vaughan for projects listed on Attachment 1 in an amount not exceeding \$777,000 over a term not exceeding ten (10) years.

Attachments

Attachment 1 – Regional Municipality of York Request for Debenture Financing

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)

I hereby request debenture financing for the following projects :

[illegible]

Treasurer _____

Date _____