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APPOINTMENT OF MEMBERS TO THE SINKING FUND COMMITTEE

The Finance and Administration Committee recommends the adoption of the recommendations contained in the following report dated December 14, 2011, from the Commissioner of Finance.

1. RECOMMENDATIONS

It is recommended that:

1. The Commissioner of Finance and Treasurer for the City of Vaughan be appointed as a member of the Sinking Fund Committee.

2. The Director of Finance and Treasurer for the Township of King be appointed as an alternate member of the Sinking Fund Committee.

2. PURPOSE

This report requests that Council appoint a new member and a new alternate member to the Sinking Fund Committee.

3. BACKGROUND

Section 410 of the *Municipal Act* permits a municipality to establish a committee to manage investments used to retire sinking and retirement fund debentures. In February 1990, Council approved the establishment of the Regional Municipality of York Sinking Fund Committee to be comprised of the Commissioner of Finance or designate and two appointed members, as well as an alternate member. The appointed members have been senior financial officers either from local municipalities or school boards that have outstanding sinking or retirement fund debenture obligations administered by the Region.

The Sinking Fund Committee is responsible for overseeing the operation and deciding policy for sinking and retirement fund investments. Meeting at least once a year, the Committee also reviews and adopts the Sinking Fund's financial statements, budget, and list of approved investments. In addition, it discusses the investment returns and interest rate outlook and decides appropriate actions needed to meet sinking and retirement fund obligations, as required. Approval requires the consent of two out of the three members of the Committee.

Currently, the three members of the Region of York Sinking Fund Committee are the Commissioner of Finance, the Treasurer for the Town of Newmarket and the Director of Finance/Treasurer for the Town of East Gwillimbury.

4. ANALYSIS AND OPTIONS

At its meeting on October 7, 2011, the Sinking Fund Committee was advised that the Director of Finance/Treasurer for the Town of East Gwillimbury would be leaving the Committee. The Sinking Fund Committee has recommended that his replacement be the current alternate member (the Commissioner of Finance and Treasurer for the City of Vaughan), and that the Director of Finance and Treasurer for the Township of King be appointed as a new alternate member of the Committee. In the absence or inability of any appointed member to act on the Committee, the alternate member would assume all the powers necessary to fulfill the duties of the Committee member.

Approval by Regional Council for these appointments (per the Municipal Act) is now being requested.

Link to Key Council – approved Plans

As this report pertains to a committee that reviews investment performance and recommends appropriate actions as required, the recommendations of this report are consistent with the practice of sound fiscal management, one of the objectives of the Region's 2011 to 2015 Strategic Plan.

5. FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

6. LOCAL MUNICIPAL IMPACT

The affected area municipal Treasurers have agreed to serve on the Committee.

7. CONCLUSION

A vacancy on the Sinking Fund Committee has been created through the departure of the Director of Finance/Treasurer for the Town of East Gwillimbury.

Approval is requested for the appointment of a new member and new alternate member to the Sinking Fund Committee.

For more information on this report, please contact Ed Hankins, Director, Policy, Risk and Treasury at Extension 1644.

The Senior Management Group has reviewed this report.