

THE REGIONAL MUNICIPALITY OF YORK

**REPORT NO. 5
OF THE REGIONAL COMMISSIONER OF FINANCE**

**For Consideration by
The Council of The Regional Municipality of York
on June 23, 2005**

**1
DEBENTURE APPROVAL - TOWN OF AURORA**

1. RECOMMENDATIONS

It is recommended that:

1. Council approve the issuance of debentures on behalf of the Town of Aurora in an amount not to exceed \$12,670,000 for a term not exceeding 10 years, and in an amount not to exceed \$4,245,000 for a term not exceeding 20 years.

2. PURPOSE

The purpose of this report is to request that Council approve the issuance of debentures for a capital project on behalf of the Town of Aurora.

3. BACKGROUND

An application has been received from the Town of Aurora requesting Regional approval for the issuance of \$16,915,000 of debentures related to the construction of a new recreation complex on the north side of Wellington Street in the Town of Aurora.

4. FINANCIAL IMPLICATIONS

There are no financial implications for the Region associated with this report.

5. LOCAL MUNICIPAL IMPACT

Based upon estimated borrowing costs as at June 7, 2005 of approximately 4.30% and 4.75% for ten and twenty years, respectively, the Town of Aurora would incur debt servicing costs (interest and principal repayment) for this project estimated at approximately \$1,577,000 per year for the next 10 years, and \$332,000 for the next 20 years.

The Town of Aurora's most recent annual debt and financial obligation limit as received from the Ministry of Municipal Affairs and Housing ("the Ministry") has been updated to incorporate the estimated annual amount payable in respect of the debentures associated with the above-referenced project. The additional costs were found not to cause the Town to exceed the limits set out by the Ministry and therefore approval of this project and associated additional debenture authority by the Ontario Municipal Board are not required.

6. CONCLUSION

The Town of Aurora is requesting Regional Council approval for the issuance of up to \$16,915,000 of debentures for the construction of a new recreation complex in Aurora.

Respectfully submitted,

**June 7, 2005
Newmarket, Ontario**

**Sandra Cartwright
Commissioner of Finance**

(Report No. 5 of the Commissioner of Finance was adopted, without amendment, by Regional Council at its meeting held on June 23, 2005.)