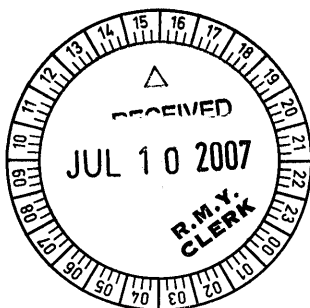




Clerk's Department
2141 Major Mackenzie Drive
Vaughan, Ontario
Canada L6A 1T1

Tel (905) 832-8504
Fax (905) 832-8535

FOR INQUIRIES: PLEASE QUOTE ITEM & REPORT NO.

June 29, 2007

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

**REGION OF YORK
CLERK'S OFFICE**

FILE NO. -

*PO4
CHAIL/CAO
L. Russell.*

Dear Mr. Kelly:

**RE: CITY OF VAUGHAN CAPITAL & RESERVES QUARTERLY REPORTS
FOR THE FOURTH QUARTER ENDING DECEMBER 31ST, 2006**

Attached for your information is **Item 1, Report No. 8**, of the Budget Committee regarding the above-noted matter which was adopted, as amended, by the Council of the City of Vaughan at its meeting of June 25, 2007.

You will note that Vaughan Council supports Aurora Council's resolution regarding GTA pooling and has requested that this be communicated to all municipalities in York Region and the Region of York.

Sincerely,

Sophie Fernandez

for J. D. Leach
City Clerk

Attachment:
Extract

JDL/as

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 25, 2007

Item 1, Report No. 8, of the Budget Committee, which was adopted, as amended, by the Council of the City of Vaughan on June 25, 2007, as follows:

By approving the following:

That the correspondence from the Town of Aurora submitted by Councillor Meffe, containing Aurora Council's resolution regarding GTA Pooling, be supported by the City of Vaughan; and

That the Town of Aurora be so advised, as well as all municipalities within the Region of York, and the Region of York.

**1 CITY OF VAUGHAN CAPITAL & RESERVES QUARTERLY REPORTS
FOR THE FOURTH QUARTER ENDING DECEMBER 31ST, 2006**

The Budget Committee recommends approval of the recommendation contained in the following report of the Director of Reserves & Investments, dated June 18, 2007:

Recommendation

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

That this report be received for information purposes.

Economic Impact

There is no economic impact as all capital projects have been previously approved by Council and the reserve continuity schedule is for information purposes only.

Communications Plan

Not Applicable

Purpose

The purpose of this report is to provide Budget Committee with a quarterly update on the financial status of all approved capital projects and reserve balances.

Background - Analysis and Options

The attached quarterly reports provide an update on the financial status of all approved and active capital projects and reserve balances.

Attachment 1 provides the Budget to Actual Status for all currently approved and active capital projects as at December 31st, 2006. It is important to note that while a capital work plan may be complete (the road done or the park built) the project is still considered active until all invoices are paid and all funding completed. It should also be noted that this report is a financial representation of payments made to December 31st, 2006 and is not an indication of the percentage completion of capital work-in-progress. This information is compiled at a point in time and as capital work plan information is continuously changing current information may vary from this report.

Reserves & Investments has reviewed the Budget to Actual Status report as at December 31st, 2006 and provides the following analysis:

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 25, 2007

Item 1, Budget Report No. 8 – Page 2

- there are 324 open capital projects with a capital budget value of \$378 Million
- to date approximately 51% of this capital budget has been spent (payments processed)
- capital work-in-progress to be completed is valued at approximately \$186 Million
- 3 projects require additional funding which has been requested through the 2007 capital budget process
- 18 projects were closed during the quarter releasing funding of \$410,439 for future projects (funding is returned to the original source)

Attachment 2 provides the Reserve Continuity Schedule as at December 31st, 2006. This schedule provides information on the individual and aggregate reserve balances and the outstanding financial commitments required to fund approved projects. These commitments also include any payments required in future years where approved multi-year payment agreements exist. The balance available after commitments is compiled at a point in time and as reserve activity is ongoing the current available balances may vary from this report.

Reserves & Investments has reviewed the Reserve Continuity Schedule as at December 31st, 2006 and provides the following analysis:

- the net increase in reserves and deferred revenues for the quarter was approximately \$37 M
- approximately \$14 M in development charges were collected during the quarter
- approximately \$3 M in interest was earned during the quarter
- \$6.5 M was transferred from reserves to capital to fund work-in-progress for the quarter

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.

Regional Implications

Not Applicable.

Conclusion

The capital and reserves quarterly reports provide Budget Committee with the financial status of all approved capital projects and reserve balances. The Budget to Actual Status Report and Reserves Continuity Schedule provide point in time information to provide assurance of ongoing management of approved capital projects and the reserves required to fund them.

Attachments

Attachment 1 – Budget to Actual Status Report by Department as at December 31st, 2006
Attachment 2 – Reserves Continuity Schedule as at December 31st, 2006

Report prepared by:

Marjorie Johnson, CGA
Manager of Capital Ext. 8984

(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.)