

Office of the Regional Clerk
CORPORATE SERVICES DEPARTMENT

A G E N D A

FINANCE AND ADMINISTRATION COMMITTEE

Committee Room "A"
Administrative Centre
17250 Yonge Street
Newmarket, Ontario

December 4, 2008

9:00 a.m.

DISCLOSURE OF INTERESTS

Page No.

A DEPUTATIONS

None

B PRESENTATIONS

1. Lloyd Russell, Commissioner of Finance, regarding the Capital Budget
(*Please refer to Report No. 1*)
2. Lloyd Russell, Commissioner of Finance, regarding the Water and
Wastewater Rates (*Please refer to Report No. 6*)

C COMMUNICATIONS

None

D REPORTS

**REPORTS SUBMITTED BY THE
COMMISSIONER OF FINANCE**

1 2009 Capital Budget Approval

1

November 26, 2008, recommending that:

1. Total 2009 Gross Capital Expenditures of \$862,093,000 for Regionally Supported programs as outlined in Attachment 1 be approved with the appropriate funding sources as contained in Table 2 of this report.

2. Total 2009 Gross Capital Expenditures of \$179,856,000 for Rapid Transit projects fully funded by senior levels of government as outlined in Attachment 1 be approved subject to formal confirmation of funding by Metrolinx / the Province of Ontario.
3. The 10 year Capital Plan years 2010 – 2018 be received with Council approval to occur in subsequent years.
4. The Commissioner of Finance and Treasurer be authorized to:
 - a) obtain temporary financing and to issue up to \$369,576,000 in new debt financing, for the projects outlined in Attachment 2 in accordance with the Capital Financing and Debt Policy.
 - b) enter into bond forward agreements for up to 75% of the debt financing to reduce interest rate exposure where economic benefits could be achieved.
 - c) amend the approved 2008 Proposed Debt Issue schedule to specifically include debenture financing of \$1,000,000 for project 14780 Strategic Accommodation Plan/Central Service Centre – Pre-Construction Costs.

2 2009 Interim Appropriations

17

November 3, 2008, recommending that:

1. Council approve 2009 interim appropriations for Regional operations at an amount not to exceed 50% of the 2008 gross operating budget for each department as detailed in Attachment 1.

3 Insurance Renewal 2009

21

November 21, 2008, recommending that:

1. The Region bind insurance coverages, at existing deductibles and limits, with OMEX as outlined herein for the policy period January 1, 2009 to December 31, 2009
2. Authority be delegated to the Commissioner of Finance to review these policies for the next consecutive four years.
3. Staff be authorized to take all actions necessary to implement this recommendation.

4 Temporary Borrowing for 2009 25

November 10, 2008, recommending that:

1. The Commissioner of Finance be authorized to obtain temporary borrowing either from external sources or by means of temporary loans from reserves and reserve funds when required for the following purposes:
 - a. Up to \$175 million to fund current expenditures pending receipt of tax levies and other revenues; plus
 - b. Up to \$275 million to fund capital expenditures until such time that long term financing has been placed.
2. The Regional Chair and the Commissioner of Finance be authorized to sign any promissory note(s) required to obtain temporary borrowings.
3. The Regional Solicitor be authorized to prepare the necessary by-law for Council to give effect to the foregoing.

5 Sinking Fund Requirements – 2009 29

November 18, 2008, recommending that:

1. The 2009 Budget include an amount of \$9,885,000 for the purpose of meeting the Region's sinking fund obligations under existing debenture by-laws.

6 2009 Water and Wastewater Rates and Operating Budget 31

November 19, 2008, recommending that:

1. The draft 2009 Water and Wastewater Rate Business Plan and Budget as tabled with Regional Council and on October 23, 2008 be recommended for approval
2. The 2009 water and waste water rates effective April 1, 2009 of 57.63 and 68.26 cents per cubic metre respectively be recommended for approval, representing a combined rate increase of 12.7% compared to the 2008 rates and
3. The Regional Solicitor prepare the necessary by-law to enact this rate increase.

7 Impact of Development Charge Discounting 37

November 6, 2008, recommending that this report be received for information.

8 2008 Review and Realignment of Reserves and Reserve Funds 43

November 24, 2008, recommending that:

1. Funding in the amount of \$9.965 million for the Developing Opportunities for Ontario Renters (DOOR) program be transferred to the Social Housing Reserve Fund.
2. The Property Tax Write-Off Reserve Fund be discontinued and that future write-offs be funded from the Tax Stabilization Reserve Fund.
3. The Capital Asset Repair and Rehabilitation Reserve Fund be renamed the Facilities Rehabilitation and Replacement Reserve Fund.
4. The following new reserve funds be established and funded by annual appropriations from the operating budget to provide for the replacement and major rehabilitation of infrastructure:
 - Roads Infrastructure Reserve Fund
 - Regionally Owned Housing Reserve Fund
 - Transit Vehicle and Infrastructure Reserve Fund
5. Future annual contributions from the tax levy budget to fund capital asset replacement and debt reduction be allocated to these reserves as identified annually.
6. Funding in the amount of \$67.6 million for the Move Ontario 2020 Quick Wins Program be placed in a new reserve to be called the Move Ontario Reserve Fund.
7. Transfers to and from Reserve Funds as outlined in Table 5 of this report be approved.
8. The Surplus Management Policy be revised as follows:
 - (a) 80% of the unspent tax levy within the year budgeted for Social Housing programs be contributed to the Social Housing Reserve Fund, the remaining 20% be contributed to the Working Capital Reserve Fund; then,

- (b) The remaining net operating surplus, except where otherwise directed by Council will be allocated to the following reserve funds in the order listed until they reach their target:
- Reserves which fund potential third party liabilities to the Region which are for WSIB, Long-Term Disability and self insured claim payment; then
 - The Working Capital Reserve
 - The Tax Stabilization Reserve Fund; and then
 - The General Capital Reserve Fund.

9. The Regional Solicitor be authorized to prepare the necessary by-law(s) to give effect to the above recommendations.

**REPORT SUBMITTED BY THE
COMMISSIONER OF FINANCE AND THE
COMMISSIONER OF CORPORATE SERVICES**

9 Representation in Matters Before the Ontario Municipal Board 55

November 12, 2008, recommending that:

1. The Regional Solicitor be delegated the authority to engage external legal services up to \$250,000 per matter.
2. The Regional Treasurer is delegated the authority to transfer funds in the amount of up to \$250,000 from the Tax Stabilization Reserve per matter.
3. A report is to be forwarded to Council annually outlining any use of this delegation of authority.

**REPORTS SUBMITTED BY THE
COMMISSIONER OF CORPORATE SERVICES**

10 Lease Extension of Storage Space Located at 359 Enford Road Units 6 and 7, in Richmond Hill 59

November 18, 2008, recommending that:

1. The Region be authorized to enter into a lease extension for a five-year term, commencing on February 1, 2009 with S & J Investments Limited, for the existing storage facility located at 359 Enford Road, Units 6 and 7

in Richmond Hill and consisting of 3,000 square feet, at an annual gross rent of \$24,000.

2. The Regional Chair and the Regional Clerk be authorized to sign the lease extension agreement with S & J Investments Limited, subject to review by Legal Services.

11 Property Services Staffing Update

63

November 18, 2008, recommending that this report be received for information.

OTHER BUSINESS

ADJOURNMENT

Note: There may be additional items considered that do not appear on this Agenda. Please refer to the Committee Report to Council for all items considered at this meeting.