

## **CITY OF VAUGHAN**

### **EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 25, 2012**

Item 3, Report No. 8, of the Finance and Administration Committee, which was adopted without amendment by the Council of the City of Vaughan on September 25, 2012.

### **3 REGION OF YORK – AUTHORIZATION TO ISSUE LONG TERM DEBT THROUGH INFRASTRUCTURE ONTARIO**

The Finance and Administration Committee recommends approval of the recommendation contained in the following report of the Commissioner of Finance & City Treasurer and the Director of Budgeting and Financial Planning, dated September 10, 2012:

#### **Recommendation**

The Commissioner of Finance/City Treasurer and the Director of Budgeting and Financial Planning recommend:

- 1) That Council authorize the Regional Municipality of York to issue debt through Infrastructure Ontario in the amount of \$22,446,975 on behalf of the City of Vaughan repayable over a term not exceeding ten (10) years to fund capital 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 debt through Infrastructure Ontario on behalf of the City of Vaughan.

#### **Economic Impact**

The financial impact to the City as a result of Council originally approving these capital projects in prior years, and the issue of long term debt is estimated to be an average of \$2,600,000 per year over the next ten years. This amount has already been approved and has been included in the 2012 operating budget.

#### **Communications Plan**

N/A

#### **Purpose**

To obtain Council approval to authorize the Regional Municipality of York to issue debt through Infrastructure Ontario 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.

The City of Vaughan is now prepared to issue debt to finance completed capital projects where the funding source was long term debt. In previous years, the Region issued debentures on the City's behalf. In 2011, the City requested the Region to issue debt through Infrastructure Ontario because of the competitive interest rates and cheaper borrowing costs. Infrastructure Ontario will be used for 2012 debt issue.

## **CITY OF VAUGHAN**

### **EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 25, 2012**

#### **Item 3, Finance Report No. 8 – Page 2**

Infrastructure Ontario is a government agency dedicated to the renewal of the province's vital public assets. Infrastructure Ontario's Loan program offers competitive rates, longer terms and financing without fees or commissions. Most municipal capital projects are eligible for Infrastructure Ontario financing.

Infrastructure Ontario requires the following information to proceed with the long term debt issue:

- 1) Borrowing By-law from the Regional Municipality of York and the City of Vaughan
- 2) Signature Page of the Application signed by the Regional Municipality of York and the City of Vaughan
- 3) Financing Schedule signed by the Regional Municipality of York and the City of Vaughan. This schedule will be sent once the application has been approved by the Credit Committee
- 4) Financing Agreement executed by both the Regional Municipality of York and the City of Vaughan
- 5) Annual Repayment Limit from the Regional Municipality of York and the City of Vaughan

#### **Relationship to Vaughan Vision 2020**

This report is consistent with Vaughan Vision 2020 priorities "to maintain assets and infrastructure" and to "ensure financial sustainability."

#### **Conclusion**

Council is requested to authorize the Regional Municipality of York to issue long term debt through Infrastructure Ontario on behalf of the City of Vaughan for the completed capital projects listed on Attachment 1 in an amount not exceeding \$22,446,975 over a term not exceeding ten (10) years.

#### **Attachments**

Attachment 1 – LTD Request for Region of York Council Approval

#### **Report prepared by**

Nancy Yates BComm CA  
Manager of Capital and Asset Management  
Ext. 8894

(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.)

**REGION OF YORK – AUTHORIZATION TO ISSUE LONG TERM DEBT THROUGH  
INFRASTRUCTURE ONTARIO**

**Recommendation**

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Nancy Yates BComm CA  
Manager of Capital and Asset Management  
Ext. 8894

Respectfully submitted,

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Barbara Cribbett, CMA  
Commissioner of Finance/City Treasurer

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John Henry CMA  
Director of Budgeting and Financial Planning

# Attachment 1

## 2012 Debenture Requirement

Project Number/Description of Capital Work	Debt Authorized	Debt Funding to Date	Estimated Requirement	Authorizing Document
37-2-04 New Civic Centre	12,500,000		12,500,000	2005 Capital Budget/2011 New City Hall - Final Report
EN-1650-07 COMRIF-Baldwin Ave Culvert	310,000		277,471	2007 Capital Budget/2009 Award of Tender T09-468 Baldwin Avenue Culvert Replacement Ward 4
EN-1654-07 2007 Pavement Management	8,178,000	4,500,000	3,486,800	2007 Capital Budget/2012 Request for Additional Funding - Professional Services RFP 08-015 - Thornhill Area Road Reconstruction, Watermain Replacement and Structure Rehabilitation/Replacement Ward 5
EN-1712-08 2008 Pavement Mgmt. Program	413,500	344,815	5,600	2008 Capital Budget/2012 Request for Additional Funding - Professional Services RFP 08-015 - Thornhill Area Road Reconstruction, Watermain Replacement and Structure Rehabilitation/Replacement Ward 5
EN-1789-10 Road Rehabilitation - 2010	707,000	4,469	702,531	2010 Capital Budget/2010 Award of Tender T10-194 Cold Creek Road and King-Vaughan Road Resurfacing/Rehabilitation Ward 1
EN-1795-09 ISF Watermain Rep Martin Grove	395,000		395,000	2009 Infrastructure Stimulus Fund - Shovel Ready Projects
EN-1810-09 ISF T09-271 Road Resurf Rehab	987,534		600,700	2009 Infrastructure Stimulus Fund - Shovel Ready Projects
EN-1817-09 ISF T09-286 Road Resurf Rehab	166,933		106,700	2009 Infrastructure Stimulus Fund - Shovel Ready Projects
EN-1826-09 ISF Road Recon Thornbank Area	2,480,800		797,700	2009 Infrastructure Stimulus Fund - Shovel Ready Projects
BF-8264-09 ISF Doctors McLeans PK Washr	466,666		461,800	2009 Infrastructure Stimulus Fund - Shovel Ready Projects
BF-8268-09 ISF Nort Johnson Pk Wlkwy Ligh	83,333		63,600	2009 Infrastructure Stimulus Fund - Shovel Ready Projects
CO-0064-11 MacMillian Farm Property	1,687,400		1,683,500	2011 Property Matter Ward 4 MacMillan Farm 9605 Dufferin Street/2012 Administrative Amending By-law
RE-9510-10 Block 11 Community Centre Land	1,211,000		1,210,973	2010 Property Matter Ward 1 Block 11 Community Centre Lands Northeast Corner of Valley Vista Drive and Thomas Cook Avenue Part of Lot 20 Concession 2/ 2012 Administrative Amending By-law
BF-8267-09 RINK-Maple Nature Rrve-DayCamp	50,000		50,000	2009 Recreation Infrastructure Program (RINC) Projects
PK-6256-09 RINK-WoodbrExp Pk Bocce Shelte	108,225		104,600	2009 Recreation Infrastructure Program (RINC) Projects
	<b>29,745,391</b>	<b>4,849,284</b>	<b>22,446,975</b>	