

The Regional Municipality of York

Committee of the Whole
Finance and Administration
May 13, 2021

Report of the Commissioner of Finance

Appointment of Members to the Sinking Fund Committee

1. Recommendations

1. The following new permanent members be appointed to the Sinking Fund Committee:
 - a. The Director of Corporate Services, Treasurer of the Town of Georgina
 - b. Deputy City Manager, Corporate Services, City Treasurer and Chief Financial Officer for the City of Vaughan
2. The Director of Financial Services and Treasurer for the Town of Newmarket be removed as a member of the Sinking Fund Committee.

2. Summary

This report requests that Council approve changes to the composition of the Region of York's Sinking Fund Committee.

Key Points:

- The Sinking Fund Committee ("the Committee") is responsible for overseeing the operation and deciding policy for sinking and retirement fund investments
- A vacancy on the Sinking Fund Committee was created through the departure of the Director of Financial Services and Treasurer for the Town of Newmarket as his municipality no longer has any sinking fund debentures outstanding with the Region
- A change to the composition of the Committee from three to four permanent members has been recommended

3. Background

The Sinking Fund Committee is responsible for overseeing the operation and deciding policy for sinking fund investments

Under Section 410 of the *Municipal Act*, the Sinking Fund Committee ("the Committee") is responsible for overseeing the operation and deciding policy for the sinking and retirement fund investments held for the term debt issued by the Region.

In February 1990, Council approved the establishment of the Committee which was to be comprised of the Commissioner of Finance (or designate) and two appointed members, as well as an alternate member. Since that time, the appointed members have been senior finance officers either from local municipalities or school boards that have outstanding sinking or retirement fund debenture obligations administered by the Region.

The terms of reference for the Committee are as follows:

- York Region's Commissioner of Finance or designate will be the chair
- It will manage the sinking fund and retirement funds established by the Region under Section 409 of the *Municipal Act*
- It will oversee the investment of those funds and any securities that the Committee is permitted to invest in, including approving or not approving any investment
- It may apply balance or other amounts in accordance to Section 409
- It will meet at least once a year to review and adopt sinking fund financial statements, budget and other sinking fund matters that it deems appropriate

Members of the Committee currently include the Commissioner of Finance for the Region of York, the Director of Financial Services and Treasurer for the Town of Newmarket, and the Director of Finance and Treasurer for the Township of King. In addition, the Deputy City Manager, Corporate Services, City Treasurer and Chief Financial Officer for the City of Vaughan acts as an alternate member. In the absence or inability of any appointed member to act, the alternate member would assume the powers necessary to fulfill their duty.

At its meeting on October 30, 2020, the Sinking Fund Committee was advised that the Director of Financial Services and Treasurer for the Town of Newmarket would be retiring from the Committee. His decision to retire was due to his municipality no longer having any outstanding sinking fund debentures with the Region. His removal as a member of this Committee would be in keeping with prior practice.

4. Analysis

A reorganization of the Sinking Fund Committee and the filling of its vacancy is now recommended

Since the Committee currently only consists of three members, it is occasionally difficult to schedule a meeting for which a quorum would be present. Therefore, it is recommended the composition of the Committee be changed to covert the alternate member to a permanent fourth member.

The proposed changes can be achieved in the following manner:

1. Reassignment of the current alternative member, which is the Deputy City Manager, Corporate Services, City Treasurer and Chief Financial Officer for the City of Vaughan, to the role of permanent member; and,

2. As the Town of Georgina will have term debentures outstanding through the Region until 2029, it is recommended that the Director of Corporate Services, Treasurer for the Town of Georgina, fill the vacancy and be appointed as a new permanent member of the Committee.

5. Financial

There are no financial implications associated with this report.

6. Local Impact

Participation by local municipalities that have term debt issued by the Region provides them with the opportunity to have input as to how the assets of the sinking fund are managed and invested.

7. Conclusion

A vacancy on the Sinking Fund Committee was created through the departure of the Director of Financial Services and Treasurer for the Town of Newmarket. Also, a change to the composition of the Committee from three to four permanent members is recommended.

For more information on this report, please contact Edward Hankins, Director, Treasury Office and Deputy Treasurer at 1-877-464-9675 ext. 71644. Accessible formats or communication supports are available upon request.

Recommended by:

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Commissioner of Finance and Regional Treasurer

Approved for Submission:



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Chief Administrative Officer

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