

HYDRO VAUGHAN ENERGY CORPORATION – APPROVAL OF RESOLUTION

Recommendation

The Commissioner of Finance & Corporate Services recommends:

- 1) That the Financial Statements for the year 2003 approved by the Board of Directors for Hydro Vaughan Energy Corporation be approved by Council of the City of Vaughan as sole shareholder;
- 2) That the City's auditor be appointed as auditor for the Corporation;
- 3) That the intercompany balances outstanding between the City of Vaughan and Hydro Vaughan Energy Corporation be offset commencing in 2004; and
- 4) That the confidential information memo be received.

Purpose

As required by the Business Corporations Act, the resolutions passed by the Board of Directors of Hydro Vaughan Energy Corporation should be approved by the City as the shareholder.

Background - Analysis and Options

Hydro Vaughan Energy Corporation (HVEC) was incorporated on October 24, 2000 under the Ontario Business Corporations Act. HVEC is 100% owned by the Corporation of the City of Vaughan. Hydro Vaughan Energy Corporation was formed to provide energy and other non-regulated business activities.

The City of Vaughan as shareholder owing 100% of HVEC must approve the resolution as passed by the Board of Directors for the Corporation. The attached resolution was passed during the Hydro Vaughan Energy Corporation Board of Directors meeting on October 26, 2004.

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.

Conclusion

That the resolution approved by Hydro Vaughan Energy Corporation be adopted by Council as the sole shareholder of the Corporation and the intercompany balances be offset commencing in 2004.

Attachments

Attachment 1 – (Provided under separate cover - Confidential) Memo and 2003 HVEC Financial Statements

Respectfully submitted,

Clayton D. Harris, CA

Commissioner of Finance & Corporate Services