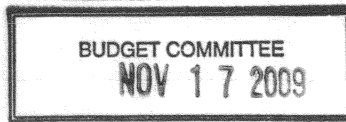




Corporate Report



Clerk's Files

FA19. JUDICIALOriginator's
Files

DATE: November 12, 2009

TO: Chair and Members of Budget Committee
Meeting Date: November 17, 2009

FROM: Brenda R. Breault, CMA, MBA
Commissioner of Corporate Services and Treasurer

SUBJECT: **Funding of Judicial Inquiry**

- RECOMMENDATION:**
1. That a new project Judicial Inquiry (PN09-643) be established with a gross and net budget of \$2,500,000.
 2. That funds of \$1,000,000 from the Reserve for Commodities (Account #305305); \$1,000,000 from the Reserve for Contingency (Account #305125); and \$500,000 from the Reserve for Legal Settlement (Account #305130) be transferred into the Judicial Inquiry Project (PN09-643).

BACKGROUND: This report is in response to Council's request that staff provide a funding source for the judicial inquiry.

COMMENTS: Council has approved a judicial inquiry where the costs are estimated at an upper limit of \$2.5 million.

The total balance in the operating reserves is \$54.4 million. The following table provides a summary of the three reserves recommended to fund this undertaking. The balance in these three reserves is currently \$12.8 and funding of the judicial review will reduce the balances by \$2.5 million or 20%.

Reserve for:	Balance (Millions)	Proposed Funding for Judicial Inquiry (Millions)
Commodities	\$6.8	\$1.0
Contingencies	\$3.7	\$1.0
Legal Settlement	\$2.3	\$0.5
Total	\$12.8	\$2.5

FINANCIAL IMPACT: Allocation of the \$2.5 million to the Judicial Inquiry will reduce provisions set aside to fund significant price increases in utilities and fuel, unforeseen events or requirements and potential costs associated with legal settlements. However, it is expected that these reserves will still be adequate to address requirements which may arise in these areas in the upcoming year.

CONCLUSION: The judicial inquiry, estimated at a maximum of \$2.5 million, be funded from Reserves.



Brenda R. Breault, CMA, MBA
Commissioner of Corporate Services and Treasurer

Prepared By: Donna Herridge, Manager, Financial Planning and Policy