



# University of Toronto

OFFICE OF THE GOVERNING COUNCIL

## EXECUTIVE COMMITTEE

Thursday, June 24, 2004, at 3:00 p.m.  
Board Room, Simcoe Hall

(Cover)

### AGENDA

*Pursuant to section 28 (e) and 33 of By-Law Number 2,  
consideration of item 1 will take place in camera.*

1. **External Appointment \*\*\***  
(a) Connaught Committee
2. **Report of the Previous Meeting**  
(a) [Report Number 375 \(June 14, 2004\)](#)\*
3. **Business Arising from the Report of the Previous Meeting**
4. **Report of the President**
5. **Items for Endorsement and Forwarding to the Governing Council**  
(a) *Arising from Report Number 135 of the Business Board - June 17, 2004*

**Item 5: Audited Financial Statements\* ([Cover](#))([Item 1](#))([Item 2](#))**

Be It Resolved

THAT the following recommendation arising from the June 17 meeting of the Business Board be endorsed and forwarded to the Governing Council for approval:

THAT the University of Toronto audited financial statements for the fiscal year ended April 30, 2004 be approved.

\* Documentation included in Governing Council Agenda Package for June 24, 2004

\*\* Documentation to follow

\*\*\* Confidential documentation for members only attached

**5. Items for Endorsement and Forwarding to the Governing Council (cont'd)**

**Item 6: External Auditors: Appointment for 2004-05\***

Be It Resolved

THAT the following recommendations arising from the June 17 meeting of the Business Board be endorsed and forwarded to the Governing Council for approval:

1. THAT Ernst & Young LLP be re-appointed as external auditors of the University of Toronto for the fiscal year ending April 30, 2005;
2. THAT Ernst & Young LLP be re-appointed as external auditors of the University of Toronto pension plans for the fiscal year ending June 30, 2005;
3. THAT the members of the University of Toronto Innovations Foundation be requested to appoint Ernst & Young as external auditors of the Foundation for the fiscal year ending April 30, 2005 at a remuneration to be fixed by the Directors of the Foundation.

**Item 7: Capital Project and Property Matters: Borrowing Strategy**

Be It Resolved

THAT the following recommendations arising from the June 17 meeting of the Business Board be endorsed and forwarded to the Governing Council for approval:

1. THAT the borrowing strategy as described in Ms Riggall's June 8, 2004 memorandum to the Business Board, be approved.
2. THAT the University be authorized to borrow such amount, not exceeding \$150 million, as may be determined by the senior officer of the University responsible for financial matters, as so designated by the President, in addition to the \$160 million approved by the Business Board on January 15, 2001 and the \$200 million approved by the Governing Council on June 26, 2003;
3. THAT such senior officer responsible for financial matters be authorized to determine, in consultation with the University's financial advisor, the most appropriate financing structure for this borrowing, including without limitation, by way of private debt placement, a public debenture issue, syndicated bank financing, or securitization and to negotiate, approve and execute and deliver for and on behalf of and in the name of the University, all agreements, documents, certificates and instruments, including without limitation any underwriting or agency agreement and any offering document, and to take all such other actions as such officer may determine to be necessary or desirable to give effect to such financing and offering of debt securities, the execution and delivery of any such agreements, documents, certificates or instruments, and the taking of such actions being conclusive evidence of such determination;
4. THAT such senior officer responsible for financial matters is further authorized to authorize any other officer of the University to execute and deliver, for and on behalf of and in the name of the University, such certificates, documents and instruments as may be contemplated by the principal agreements entered into with respect to such debt offering or as may be required in connection with the closing of the offering of debt securities authorized hereby;

**5. Items for Endorsement and Forwarding to the Governing Council (cont'd)**

- \* Documentation attached
- \*\* Documentation to follow
- \*\*\* Confidential Documentation for members only attached

(e) **Capital Project and Property Matters: Borrowing Strategy** (cont'd)  
*Arising from Report Number 135 of the Business Board (June 17, 2004)*

5. THAT the borrowed funds be added to the Long-Term Borrowing Pool and invested by University of Toronto Asset Management Corporation until the funds are required for each project;
  6. THAT the senior officer of the University responsible for financial matters be authorized to allocate borrowing as internal financing for spending that has been approved by the Business Board or is within the approval authority of the administration;
  7. THAT principal and interest repayments related to debenture borrowing be placed in the Long-Term Borrowing Pool, or other sinking fund mechanism, and, together with investment income, be used to pay periodic interest payments to lenders, to pay issue and ongoing administrative costs, with the expectation that the net sum from these additions and draw downs will be sufficient to repay the bullet debentures at maturity.
  8. THAT the senior officer of the University responsible for financial matters report periodically to the Business Board on the status of the Long-Term Borrowing Pool.
6. **Date of Next Meeting** - Monday, September 13, 2004 at 4:00 p.m.
7. **Other Business**  
(a) Closing Remarks

\* Documentation attached  
\*\* Documentation to follow  
\*\*\* Confidential Documentation for members only attached