

To: Warden and Members of County Council

From: Director of Corporate Services

OILC Debenture Issue – Township of Zorra

RECOMMENDATION

- 1. That By-law No. 6537-2023, being a by-law to authorize the borrowing by issuing debentures, for a term of 25 years, in the amount of \$8,641,600, for the purposes of the Township of Zorra, be presented to Council for enactment.**

REPORT HIGHLIGHTS

- Capital project costs to be financed by Ontario Infrastructure and Lands Corporation (OILC) debentures for the Township of Zorra in the amount of \$8,641,600
- Debenture date – May 1, 2023

Implementation Points

Offers to purchase debentures have been received from OILC for a completed or substantially completed project previously approved by agreement between the County and OILC. The interest rate was locked down on April 13, 2023 in order for the debenture sale to take place on May 1, 2023. The installment payments will occur semi-annually following the debenture closing, beginning November 1, 2023.







Financial Impact

The County and Township's Treasurers have updated their respective Annual Debt Repayment Limits to ensure the addition of this debt does not exceed the County and the Township's borrowing limits as prescribed by the Ministry of Municipal Affairs and Housing.

Communications

The Township will be invoiced semi-annually for the debt obligation payments as set out in the debenture by-law.

Strategic Plan (2020-2022)

					
<i>WORKS WELL TOGETHER</i>	<i>WELL CONNECTED</i>	<i>SHAPES THE FUTURE</i>	<i>INFORMS & ENGAGES</i>	<i>PERFORMS & DELIVERS</i>	<i>POSITIVE IMPACT</i>
		3.iii.			

DISCUSSION

Background

The Township of Zorra’s capital project to be financed by OILC debentures was previously authorized for OILC financing by the passing of County By-law No. 6302-2021, dated January 21, 2021 and Township of Zorra By-law No. 06-21, dated February 3, 2021.

Comments

OILC has approved applications for financing a capital project that is now complete, or substantially complete, therefore a debenture offer has been accepted as follows:

Capital Project	Term	Interest Rate	Amount to be Financed
Zorra Maintenance Facility	25 years	4.44%	\$8,641,600

Conclusions

A debenture by-law is required to authorize the necessary legal documents to be executed and secure long-term financing on May 1, 2023 for the capital project referenced in this report.

SIGNATURES

Departmental Approval:

Original signed by

Lynn S. Buchner, CPA, CGA
 Director of Corporate Services

Approved for submission:

Original signed by

Benjamin R. Addley
Chief Administrative Officer