

**To:** Warden and Members of County Council

**From:** Director of Corporate Services

## **OILC Debenture Issues – Tillsonburg**

### **RECOMMENDATIONS**

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1. That By-law No. 6390-2021, being a by-law to authorize the borrowing by issuing debentures, for a term of 5 years, in the amount of \$298,267.00, for the purposes of the Town of Tillsonburg, be presented to Council for enactment;
2. And further, that By-law No. 6391-2021, being a by-law to authorize the borrowing by issuing debentures, for a term of 10 years, in the amount of \$231,427.00, for the purposes of the Town of Tillsonburg, be presented to Council for enactment;
3. And further, that By-law No. 6392-2021, being a by-law to authorize the borrowing by issuing debentures, for a term of 15 years, in the amount of \$38,397.00, for the purposes of the Town of Tillsonburg, be presented to Council for enactment;
4. And further, that By-law No. 6393-2021, being a by-law to authorize the borrowing by issuing debentures, for a term of 20 years, in the amount of \$182,426.00, for the purposes of the Town of Tillsonburg, be presented to Council for enactment.

### **REPORT HIGHLIGHTS**

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- Capital projects costs to be financed by Ontario Infrastructure and Lands Corporation (OILC) debentures for the Town of Tillsonburg in the amount of \$750,517
- Debenture date – December 1, 2021

### **Implementation Points**

Offers to purchase debentures have been received from OILC for completed or substantially completed projects previously approved by agreements between the County and OILC. Interest rates were locked down one week prior to consideration of the by-laws in order for the debenture sale to take place on December 1, 2021. The installment payments will occur every six months following the debenture issues, beginning June 1, 2022.







## Financial Impact

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

## Communications

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

## Strategic Plan (2020-2022)

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

## DISCUSSION

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### Background

The Town of Tillsonburg's capital projects to be financed by OILC debentures were previously authorized for OILC financing by the passing of County By-law No. 6363-2021, dated August 11, 2021 and By-law No. 6368-2021, dated September 8, 2021; and Town of Tillsonburg By-law No. 2021-098, dated September 13, 2021 and By-law No. 2021-099, dated September 13, 2021.

### Comments

OILC has approved applications for financing certain capital projects that are now complete, or substantially complete, therefore debenture offers have been accepted as follows:

<b>Tillsonburg Capital Projects</b>	<b>Term</b>	<b>Interest Rate</b>	<b>Amount to be Financed</b>
Fire Communications Equipment			\$55,169
Vehicle - Building Unit 39			36,610
Vehicle – Hydro Unit 65			48,677
Next Generation 911 Equipment			95,000
Mower Cemetery			62,811
	<b>5 years</b>	<b>1.95%</b>	<b>298,267</b>
Vehicle – 7400 Plow Wing Truck Unit 61			138,113
Vehicle – Parks Unit 88			93,314
	<b>10 years</b>	<b>2.42%</b>	<b>231,427</b>
Radio Communication Towers Equipment			38,397
	<b>15 years</b>	<b>2.72%</b>	<b>38,397</b>
Elliot Fairburn Roof Replacement			182,426
	<b>20 years</b>	<b>2.91%</b>	<b>182,426</b>
			<b>\$750,517</b>

## Conclusions

Debenture by-laws are required to authorize the necessary legal documents to be executed and secure long-term financing on December 1, 2021 for the capital projects referenced in this report.

## SIGNATURES

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### Departmental Approval:

Original signed by

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

**Approved for submission:**

Original signed by

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Michael Duben, B.A., LL.B.  
Chief Administrative Officer