

To: Warden and Members of County Council

From: Director of Corporate Services

OILC Debenture Issues – Norwich

RECOMMENDATION

1. **That By-law No. 6394-2021, being a by-law to authorize the borrowing by issuing debentures, for a term of 20 years, in the amount of \$800,000.00, for the purposes of the Township of Norwich, be presented to Council for enactment.**

REPORT HIGHLIGHTS

- Capital projects costs to be financed by Ontario Infrastructure and Lands Corporation (OILC) debentures for the Township of Norwich in the amount of \$800,000
- Debenture date – December 1, 2021

Implementation Points

An offer to purchase debentures has been received from OILC for a completed or substantially completed project previously approved by an agreement between the County and OILC. Interest rates were locked down one week prior to consideration of the by-law in order for the debenture sale to take place on December 1, 2021. The installment payments will occur every six months following the debenture issue, beginning June 1, 2022.







Financial Impact

The County and the 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)

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

DISCUSSION

Background

The Township of Norwich's capital project to be financed by OILC debentures was previously authorized for OILC financing by the passing of County By-law No. 6231-2020, dated June 24, 2020; and Township of Norwich By-law No. 36-2020, dated June 30, 2020.

Comments

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

Norwich Capital Project	Term	Interest Rate	Amount to be Financed
Replace Pumper 7201 Aerial Truck	20 years	2.91%	\$800,000

Conclusions

A debenture by-law is required to authorize the necessary legal documents to be executed and secure long-term financing on December 1, 2021 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

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