

To: Warden and Members of County Council

From: Director of Corporate Services

Internal Long-term Debt Issue – Renewable Energy Project

RECOMMENDATION

1. That By-law No. 6435-2022, being a by-law to authorize the borrowing of funds in the amount of \$585,525 from the Landfill and Waste Diversion Reserve Fund, to be used for the purposes of financing capital costs incurred related to a County of Oxford renewable energy project, be presented to Council for enactment.

REPORT HIGHLIGHTS

- Net Metering Solar project:
 - Woodingford Lodge Woodstock – 300 Juliana Drive Woodstock
- Total Renewable Energy Projects - \$585,525 to be financed over a twenty-year term

Implementation Points

Upon enactment of an authorizing by-law, the necessary funds will be transferred from the Landfill and Waste Diversion Reserve Fund to the General account to finance the capital costs related to this project. Semi-annual payments of blended principal and interest will be repaid to the Landfill and Waste Diversion Reserve Fund over a 20 year period. The reduced hydro costs at the Woodingford Lodge Woodstock Site is projected to offset a portion of the debenture payments.

Financial Impact







The Treasurer has updated the Annual Debt Repayment Limit to ensure the inclusion of this debt does not exceed the County's limit as prescribed by the Ministry of Municipal Affairs and Housing.

The estimated annual debt repayment obligation was reflected in the County's 2022 approved budget. The debenture payments related to the above mentioned project will be included in the proposed 2023 and future budgets until finally retired in 2042.

Communications

There are no communications requirements associated with the recommendations contained in this report.

Strategic Plan (2015-2018)

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

DISCUSSION

Background

In accordance with Section 418 of the Municipal Act, 2001, as amended, and Ontario Regulation 438/97, the County's Investment Policy provides for short, mid and long-term investments of idle funds, allowing opportunities to borrow from within.

At its June 24, 2015 regular meeting, County Council adopted a resolution for the County to be a 100% renewable energy municipality by 2050.

Through the 2020 annual budget process County Council approved the Woodingford Lodge Woodstock net metering project to aid in meeting the renewable energy target. This project was completed and operational in April of 2021.

As part of Oxford County's path toward 100% Renewable Energy by 2050, Public Works staff will be reporting to Council on an annual basis regarding increases in renewable energy infrastructure and its contribution to reducing energy consumption in order to meet this goal.

Comments

The Landfill and Waste Diversion Reserve Fund balance currently has \$6.4 million in idle funds and a 2022 budgeted closing balance of \$21.7 million, therefore it is recommended that the total amount of \$585,525 be financed internally.

Table 2 – Annual Fixed Interest Rate

Term of Financing	Annual Interest Rate
20 years	4.28%

Conclusions

A by-law is required to authorize internal financing costs related to the County capital project described within this report.

SIGNATURES

Report Author:

Original signed by

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