



Staff Report

Finance – Budgets & Accounting

Report To: Committee of the Whole
Meeting Date: June 15, 2021
Report Number: FAF.21.099
Title: Land Long-Term Debt Borrowing By-law
Prepared by: Sam Dinsmore, Deputy Treasurer/Manager of Accounting and Budgets

A. Recommendations

THAT Council receive Staff Report FAF.21.099, entitled “Land Long-Term Debt Borrowing By-law”;

AND THAT Council approve the attached Borrowing By-law.

B. Overview

This report is seeking approval of a Borrowing By-law so that the Town can take out long-term debt for the land purchases of 125 Peel Street and 19 Napier Street.

C. Background

In late 2020 the Town purchased 19 Napier Street at a cost of \$425,000, and in early 2021 the Town purchased 125 Peel Street for a total of \$3.45M. These purchases require long-term debt of \$2.8M and staff are recommending that the Town complete the process and take out this debenture with Infrastructure Ontario.

D. Analysis

Staff are recommending that the Town take out long-term debt to complete the funding for the purchases of land. Staff are recommending a 25-year loan which has a current interest rate of 2.84%. Over the life of this loan the Town will pay \$1.035M in interest.

If Council approves the Borrowing By-law (Attachment #1), staff will complete the process with Infrastructure Ontario and bring the final debenture by-law to Council for approval.

E. Strategic Priorities

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

F. Environmental Impacts

N/A

G. Financial Impacts

No payment has been included in the 2021 Approved Budget; however, if the Town does complete the long-term debt in 2021 and does make a payment, staff will bring back a future staff report to identify a funding source for this payment. Going forward the annual payment will be included in the annual base budget.

H. In Consultation With

Katherine Dabrowa, Budget Analyst

I. Public Engagement

The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. However, any comments regarding this report should be submitted to Sam Dinsmore, Deputy Treasurer/Manager of Accounting & Budgets, budgetteam@thebluemountains.ca.

J. Attached

1. Borrowing By-law

Respectfully submitted,

Sam Dinsmore
Deputy Treasurer/Manager of Accounting & Budgets

Ruth Prince
Director Finance & Information Technology Services

For more information, please contact:
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Report Approval Details

Document Title:	FAF.21.099 Land Long-Term Debt Borrowing By-law.docx
Attachments:	- Borrowing By-law -Land Purchase.docx
Final Approval Date:	Jun 3, 2021

This report and all of its attachments were approved and signed as outlined below:

Ruth Prince - Jun 2, 2021 - 11:34 AM

Shawn Everitt - Jun 3, 2021 - 1:59 PM