



City of  
**Peterborough**

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**To:** **Members of the General Committee**

**From:** **Richard Freymond**  
**Commissioner of Corporate and Legislative Services**

**Meeting Date:** **September 14, 2020**

**Subject:** **Report CLSFS20-041**  
**2020 Debenture Issue**

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## **Purpose**

A report to recommend the approval of borrowing by-laws for the issuance of maximum debentures totalling \$24,831,500 to fund certain capital works.

## **Recommendations**

That Council approve the recommendations outlined in Report CLSFS20-041 dated September 14, 2020, of the Commissioner of Corporate and Legislative Services, as follows:

- a) That the necessary borrowing by-laws be approved to borrow funds up to a maximum of \$24,831,500 to finance City capital projects, and for terms not to exceed the terms indicated on Appendix A, attached to Report CLSFS20-041;
- b) That a by-law be passed to authorize the borrowing of \$6,000,000 to help finance certain works to be undertaken by the Peterborough Utilities Commission; and
- c) That the Treasurer be authorized to submit an application to Ontario Infrastructure and Lands Corporation to borrow these funds.

## Budget and Financial Implications

The legal fees are estimated to be approximately \$15,000 and can be accommodated within the \$30,000 approved in the 2020 Operating Budget for Debenture Expenses. Any other fees associated with the issue, such as commission fees, are built into the 'all-in' rates. Actual charges payable will depend on the all-in debenture rates secured for the issue when finalized. Currently the rates are 1.45%, 1.72% and 1.95% for a 10-year, 15-year and 20-year serial debenture, respectively.

## Background

The projects listed on Appendix A, attached to Report CLSFS20-041, have been authorized by City Council to be financed in whole, or in part, through debentures. Subsequent to budget approval, by-laws authorizing the portion of the work to be financed from debentures were passed. The by-laws included a statement by the City Treasurer attesting to the fact that future principal and interest repayments on the debt to be issued can be accommodated within limits as prescribed in Ontario Regulation 403/02 of the **Municipal Act, 2001**.

The Peterborough Utilities Commission has approved the issuance of \$6,000,000 of debt financing to help finance various capital waterworks. A by-law is required to authorize the issuance of these debentures.

Staff will monitor the market and determine the best approach to issue the debt, although in all likelihood, the debentures will be issued through Ontario Infrastructure and Lands Corporation (Infrastructure Ontario), an agency of the Ontario Government. Staff will submit a non-binding application to Infrastructure Ontario while investigating other alternatives. A debenture by-law will be presented for approval at the appropriate time.

Submitted by,

Richard Freymond  
Commissioner of Corporate and Legislative Services

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Attachment:

Appendix A – City of Peterborough – 2020 Debenture Issue

Appendix A

# City of Peterborough

## 2020 Debenture Issue

Ref	Project Description	By-Law	Debenture Amount Approved \$	Already Debentured \$	Maximum Debenture Not to Exceed These Terms \$		Total Maximum Funding Source \$
					10 Years	20 Years	
<b>TAX SUPPORTED</b>							
1	Parkhill - Wallis to City Limits reconstruction	2012-027 2015-183 2017-150	1,300,000 650,500 350,000	1,300,000 650,500		350,000	
2	ITS Passenger Info System	2016-145	300,000			300,000	
3	City Buildings - Property - Market Hall & City Hall - Lighting, Elevator, Generator	2017-022	674,500			674,500	
4	City Buildings - Community Services - Arenas - Refrigerator Room Equipment, Lighting, Roof	2017-021	1,632,700			1,632,700	
5	City Building - Community Services - Evinrude & PMC - Roof, HVAC	2017-146	1,755,000			1,755,000	
6	Memorial Centre Replace Ice Pad	2019-012	3,500,000			3,500,000	
7	City Building - Community Services - Evinrude - Roof	2020-005	200,000			200,000	
8	Peterborough Operations Centre Generator	2019-015	460,000			460,000	
9	Beavermead Park Implementation - Washroom	2019-005	265,000			265,000	
10	Transit Bus Purchase	2019-020	330,000			330,000	
11	Sidewalk Reconstruction	2017-142	999,800			999,800	
12	Pavement Preservation Program (2020)	2020-011	600,000			600,000	
13	Various New Multi-Use Trails	2015-180	424,900			424,900	
	<b>Total Tax Supported</b>						<b>11,491,900</b>
<b>ENERGY SAVINGS SUPPORTED</b>							
14	LED Streetlight Retrofit	2017-040	4,552,600			4,552,600	
	<b>Total Energy Savings Supported</b>						<b>4,552,600</b>
<b>DEVELOPMENT CHARGES SUPPORTED</b>							
15	Parkhill - Wallis to City Limits reconstruction	2013-044 2015-183 2017-150	2,114,500 2,225,000 600,000	2,114,500 2,225,000		600,000	
16	Sherbrooke St. - Glenforest Blvd to West City Limit	2014-009 2019-017	310,000 500,000	310,000		500,000	
17	Bethune Street Flood Reduction Project	2013-046 2015-011 2017-140	247,500 639,500 800,000			247,500 639,500 800,000	
	<b>Total Development Charge Supported</b>						<b>2,787,000</b>
<b>PETERBOROUGH UTILITIES COMMISSION</b>							
18	Various PUC Waterworks Projects	Pending	6,000,000			6,000,000	<b>6,000,000</b>
	<b>Total - All Projects</b>		<b>31,431,500</b>	<b>6,600,000</b>	<b>0</b>	<b>24,831,500</b>	<b>24,831,500</b>