



REPORT TO COUNCIL 2025-016

TO: Mayor Gerrits and Members of Council
FROM: Sabrina VanGerven, Treasurer
DATE: February 19, 2025
SUBJECT: Infrastructure Ontario Loan Application FA1959

Recommendation

THAT Council pass the by-law allowing the Treasurer to proceed with securing loan application FA1959 from Infrastructure Ontario.

Background

Council awarded RFP 05-2024 for the replacement of Structures 21 (9th line, 1.1km north of Sideroad 25) and 36 (Sideroad 30, 550m east of 9th line) to Roubos Farm Services Ltd.

Staff was directed to facilitate a new loan for the construction of these two structures from Infrastructure Ontario.

Analysis

The final repayment schedule will be determined based on the term chosen by Council. While shorter terms minimize interest costs, they require higher annual payments. Longer terms provide budget relief, but with a higher overall cost of borrowing.

The current rates on February 12, 2025, were as follows:

Term	Rate
5 year	3.27%
10 year	3.71%
15 year	4.08%
20 year	4.31%
25 year	4.43%
30 year	4.49%

Considering two additional structures are anticipated to require funding in the immediate future, staff recommends that Council consider both current and future borrowing needs while balancing financial sustainability and interest costs. A 10 year term is a balanced choice, with a 15 year

term providing additional budget relief while still keeping interest costs relatively low.

Conclusion

To provide Council information on the Infrastructure Ontario loan application for Structures 21 and 36 and recommend the passing of the required By-law.

Strategic Pillar: Manage an Efficient and Effective Township

Goal #2 Prudent long-term financial management

Respectfully Submitted,

Sabrina VanGerven,
Treasurer