

Meeting Date: November 20, 2023
Department: Finance-Treasury
Report No.: FIN-2023-47
Submitted by: William Dakin, Director of IT/Finance-Treasurer
Approved by: Trisha McKibbin, Chief Administrative Officer
SUBJECT: **Loan Application to Infrastructure Ontario - Fire Apparatus – Pumper - Tanker**

RECOMMENDATION: THAT: Council adopts the by-laws to authorize borrowing for the purchase of the Fire Apparatus – Pumper-Tanker, and further;

THAT: By-law 95-23 be referred to the Consideration of By-laws for approval.

BACKGROUND:

At Council Meeting August 3, 2021, the following motion was passed;

Moved by Councillor Hipple
Seconded by Councillor Brennan

THAT: Council approve the replacement of Tanker 14 and Rescue 16 with a single vehicle; and

THAT: the purchase of a 2021 Ahrens Fox Pumper Tanker \$706,670.00 for + HST be awarded to Dependable Emergency Vehicles.

CARRIED

The truck was ordered and due to supply chain issues, the actual apparatus was not received until Oct 20, 2022. Payment was made and the amount of \$782,661.00 was taken from the General Government Reserve at 2022 Year End. The reason we used reserve funds was the window for applications for YE 2022 debentures with Infrastructure Ontario (IO) had closed so application would be made in 2023.

COMMENTS:

Attached is the application as well as the appropriate by-laws for submission of this application and this borrowing transaction. This will allow the funds to be received prior to 2023 YE which enable us to replenish the General Government Reserve Fund.

It should be noted that the By-law approving the application is such that By-law permits other application to borrow from IO be able to be submitted during the term of Council, and this with still require all the Debenture agreements with IO continue to be brought back to Council. This provision would allow applications to be made without coming back to Council, given the short horizon outlook on capital project Debt will need to be used to complete a number of these projects. Council will still need to approve the Borrowing agreements.

CONSULTATION:

CAO

Fire Chief

Infrastructure Ontario

FINANCIAL IMPLICATIONS:

This loan will be for ten (10) years, and will paid back through taxation of approximately \$113,000 for the first 10 years and then would be used to pay into the fleet reserve for the remain 10 years of useful life.

STRATEGIC PLAN ALIGNMENT:

This matter is in accord with the following strategic priorities:

- Households and businesses in Strathroy-Caradoc are supported by reliable, financially responsible and well-maintained infrastructure networks.
- Aligns with our Asset Management Plan

ATTACHMENTS:

1. Loan Application
2. Current Rate Sheet
3. Sample Payment Schedule
4. Approving By-Law