

The Corporation of the County of Northumberland  
Finance and Audit Committee  
Agenda

Tuesday, July 30, 2024, 11:00 a.m.

Council Chambers

555 Courthouse Road, Cobourg, ON K9A 5J6

Hybrid Meeting (In-Person and Virtual)

Zoom Information

Join Zoom Meeting

<https://us06web.zoom.us/j/84434966250?pwd=eYwplDhXeueMVwVPs5mUJ2SXJb4NtF.1>

Meeting ID: 844 3496 6250

Passcode: 746504

Phone: 1-855-703-8985 Canada Toll-free

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Pages

**1. Notices**

**1.a Accessible Format**

If you require this information in an alternate format, please contact the Accessibility Coordinator at [accessibility@northumberland.ca](mailto:accessibility@northumberland.ca) or 1-800-354-7050 ext. 2327.

**1.b Meeting Format**

This Committee meeting will be held using a hybrid meeting model. The public is invited to attend in-person in Council Chambers. Alternatively, the public may view the Committee meeting via live stream, join online, or join by phone using Zoom Conference technology. If you have any questions, please email [matherm@northumberland.ca](mailto:matherm@northumberland.ca).

- Attend in-person in Council Chambers, located at 555 Courthouse Road, Cobourg
- Watch a livestream by visiting [Northumberland.ca/Council](http://Northumberland.ca/Council)
- Join online using Zoom
- Join by phone using Zoom

2. Call to Order

2.a Territorial Land Acknowledgement

3. Approval of the Agenda

Recommended Motion:

"That the agenda for the July 30, 2024 Finance and Audit Committee be approved."

4. Disclosures of Interest

5. Delegations

5.a Delegation, John Cullen 'Municipal Tax Burden'

7 - 11

6. Business Arising from Last Meeting

7. Communications

7.a Correspondence, John and Joy Cullen 'Municipal Tax Burden'

12 - 14

Recommended Motion:

"That the Finance and Audit Committee receive the correspondence from John and Joy Cullen regarding 'Municipal Tax Burden' for information; and

**Further That** the Committee recommend that County Council receive this correspondence for information."

**7.b Correspondence, Municipality of Mattawan 'Promptly Resume Assessment Cycle'**

15 - 17

Recommended Motion:

"**Whereas** the assessment cycle is an essential process for maintaining the fairness and predictability of property taxes in our province; and

**Whereas** the provincial government has delayed an assessment update again in 2024, and announced its intention to conduct a review of the property assessment and taxation system, that will focus on fairness, affordability, and business competitiveness, therefore further deferring new property assessments resulting in Ontario's municipalities continuing to calculate property taxes using 2016 property values; and

**Whereas** the pause in the reassessment cycle has created uncertainty and instability in property taxation, impacting both residential and commercial property owners;

**Now Therefore Be It Resolved That** the Finance and Audit Committee, having considered correspondence from the Municipality of Mattawan regarding 'Promptly Resume Property Assessment Cycle', recommend that County Council support this correspondence; and

**Further That** the Committee recommend that County Council direct staff to send a copy of this resolution to the Honourable Doug Ford (Premier of Ontario), the Honourable Paul Calandra (Minister of Municipal Affairs and Housing), the Honourable Peter Bethlenfalvy (Minister of Finance), the Honourable David Piccini (Minister of Labour, Immigration, Training and Skills Development and MPP for Northumberland - Peterborough South), the Association of Municipality of Ontario (AMO), the Rural Ontario Municipalities Association (ROMA), the Municipal Property Assessment Corporation (MPAC), and Northumberland County's seven member municipalities."

**7.c Correspondence, Town of Cochrane 'Operational Budget Funding'**

18 - 18

Recommended Motion:

"**That** the Finance and Audit Committee receive the correspondence from the Town of Cochrane regarding 'Operational Budget Funding' for information; and

**Further That** the Committee recommend that County Council receive this correspondence for information."

**8. Staff Reports**

**8.a Quarter 2, 2024 Financial Analysis** 19 - 19

Matthew Nitsch, Director Finance / Treasurer

Recommended Motion:

**"That** the Finance and Audit Committee receive the Quarter 2, 2024 Financial Analysis for Finance and POA for information; and

**Further That** the Committee recommend that County Council receive the Quarter 2, 2024 Financial Analysis for information."

**8.b Report 2024-090 'Authorization for Debenture Issuance'** 20 - 59

Matthew Nitsch, Director Finance / Treasurer

Recommended Motion:

**"Whereas** By-law 22-2021 was adopted at the July 21, 2021 County Council meeting authorizing the submission of an application to the Ontario Infrastructure and Lands Corporation (OILC) for the issuance of debentures with a term of 25 years to finance the capital works of the Elgin Park Redevelopment (Phase 1) for an amount not to exceed \$5,306,610;

**Now Therefore Be It Resolved That** the Finance and Audit Committee, having considered Report 2024-090 'Authorization for Debenture Issuance', recommend that County Council authorize staff to acquire debenture financing with a term of 25 years for the capital works of the Elgin Park Redevelopment (Phase 1) in the amount of \$3,181,193 through the issuance of a debenture with OILC; and

**Further Be It Resolved That** the Committee recommend that County Council enact a By-law authorizing the issuance of the debenture with OILC at the August 14, 2024 County Council meeting."

**8.c Report 2024-091 'Municipal Funding Agreement - Canada Community Building Fund'** 60 - 87

Matthew Nitsch, Director Finance / Treasurer

Recommended Motion:

“**That** the Finance and Audit Committee, having considered Report 2024-091 ‘Municipal Funding Agreement – Canada Community Building Fund’, recommend that County Council direct staff to execute the agreement between the Association of Municipalities of Ontario (AMO) and the County of Northumberland (County) to make Canada Community Building Fund (CCBF) funding available to the County in accordance with the terms outlined in the agreement; and

**Further That** the Committee recommend that County Council enact a By-law authorizing the Municipal Funding Agreement at the August 14, 2024 County Council meeting.”

**8.d Report 2024-092 '2023 Development Charges - Treasurer's Annual Statement'**

88 - 93

Matthew Nitsch, Director Finance / Treasurer

Recommended Motion:

“**That** the Finance and Audit Committee receive Report 2024-092 ‘2023 Development Charges - Treasurer’s Annual Statement’ for information; and

**Further That** the Committee recommend that County Council receive this report for information.”

**8.e Report 2024-093 'Procurement Activity Quarterly Report – Quarter 2, 2024'**

94 - 98

Matthew Nitsch, Director Finance / Treasurer

Recommended Motion:

“**That** the Finance and Audit Committee, receive Report 2024-093 ‘Procurement Activity Quarterly Report – Quarter 2, 2024’ for information, noting that the Procurement By-law 21-2022 under section 4.2.2 requires the Purchasing Manager to provide a quarterly report to County Council that includes itemization of all purchases between \$100,000 and \$1,000,000; and include any over budget approvals up to 10% as authorized under section 6.2; and

**Further That** the Committee recommend that County Council receive this report for information.”

**9. Other Matters Considered by Committee**

**10. Media Questions**

**11. Closed Session**

N/A

**12. Motion to Rise and Result from Closed Session**

N/A

**13. Next Meeting - Tuesday, September 3, 2024 at 11:00 a.m.**

**14. Adjournment**

Port Hope - Ward 2 (Former Hope Township) Tax History 2000-2026												
Year	Municipal	County	Education	Total	%↑	Mun. %↑	Cty. %↑	Edu.	Accum M.	Accum C.	Accum E.	Accum Tot.
2000				\$2,408.17								
2001				\$2,340.02								-2.8%
2002				\$2,528.37								8.0%
2003	\$907.14	\$898.42	\$664.01	\$2,469.57								-2.3%
2004	\$965.45	\$1,019.91	\$612.21	\$2,597.57	6.4%	13.5%	-7.8%	6.4%	13.5%	-7.8%		5.2%
2005	\$998.92	\$1,081.92	\$612.21	\$2,693.05	3.5%	6.1%	0.0%	10.1%	20.4%	-7.8%		9.0%
2006	\$963.43	\$1,053.68	\$581.46	\$2,598.57	-3.6%	-2.6%	-5.0%	6.2%	17.3%	-12.4%		5.2%
2007	\$996.41	\$1,082.75	\$581.46	\$2,660.62	3.4%	2.8%	0.0%	9.8%	20.5%	-12.4%		7.7%
2008	\$1,023.22	\$1,149.30	\$581.46	\$2,753.98	2.7%	6.1%	0.0%	12.8%	27.9%	-12.4%		11.5%
2009	\$1,044.75	\$1,193.70	\$593.09	\$2,831.54	2.1%	3.9%	2.0%	15.2%	32.9%	-10.7%		14.7%
2010	\$1,089.73	\$1,218.83	\$603.58	\$2,912.14	4.3%	2.1%	1.8%	20.1%	35.7%	-9.1%		17.9%
2011	\$1,110.00	\$1,250.87	\$613.42	\$2,974.29	1.9%	2.6%	1.6%	22.4%	39.2%	-7.6%		20.4%
2012	\$1,187.96	\$1,287.51	\$620.23	\$3,095.70	7.0%	2.9%	1.1%	31.0%	43.3%	-6.6%		25.4%
2013	\$1,267.07	\$1,346.47	\$609.81	\$3,223.35	6.7%	4.6%	-1.7%	39.7%	49.9%	-8.2%		30.5%
2014	\$1,352.45	\$1,394.54	\$602.71	\$3,349.70	6.7%	3.6%	-1.2%	49.1%	55.2%	-9.2%		35.6%
2015	\$1,352.65	\$1,444.35	\$596.99	\$3,393.99	0.0%	3.6%	-0.9%	49.1%	60.8%	-10.1%		37.4%
2016	\$1,494.44	\$1,507.36	\$592.96	\$3,594.76	10.5%	4.4%	-0.7%	64.7%	67.8%	-10.7%		45.6%
2017	\$1,724.81	\$1,618.70	\$602.21	\$3,945.72	15.4%	7.4%	1.6%	90.1%	80.2%	-9.3%		59.8%
2018	\$2,064.51	\$1,706.31	\$607.69	\$4,378.51	19.7%	5.4%	0.9%	127.6%	89.9%	-8.5%		77.3%
2019	\$2,234.51	\$1,790.49	\$609.37	\$4,634.37	8.2%	4.9%	0.3%	146.3%	99.3%	-8.2%		87.7%
2020	\$2,437.70	\$1,882.32	\$611.27	\$4,931.29	9.1%	5.1%	0.3%	168.7%	109.5%	-7.9%		99.7%
2021	\$2,572.43	\$1,912.60	\$611.27	\$5,096.30	5.5%	1.6%	0.0%	183.6%	112.9%	-7.9%		106.4%
2022	\$2,788.69	\$1,971.21	\$611.27	\$5,371.17	8.4%	3.1%	0.0%	207.4%	119.4%	-7.9%		117.5%
2023	\$3,080.33	\$2,093.43	\$611.27	\$5,785.03	10.5%	6.2%	0.0%	239.6%	105.3%	-0.2%		134.3%
2024	\$3,448.41	\$2,242.64	\$611.39	\$6,302.44	11.9%	7.1%	0.0%	280.1%	149.6%	-7.9%		155.2%
2025												
2026												
Average annual increase from 2016-2024					11.0%	5.0%	0.3%					
Average annual increase from 2008-2024					6.7%	4.5%	-0.4%					

**NOTE:** Municipal tax values do not reflect the additional amount withdrawn annually by the Municipality of Port Hope from Hope Township's former \$10M LLRW Trust Fund.

Port Hope - Ward 2 (Former Hope Township) Tax History 2000-2026							
Term	%↑	Mun. %↑	Cty. %↑	Edu. %↑	Total	Mayor/Deputy	Council
2004-06	6.2%	17.3%	-12.4%	5.2%	Austin / Thompson	W1: Lees,Watts,O'Hara,Morand W2:Thompson, Morgan	
2007-10	13.1%	15.7%	3.8%	12.1%	Thompson / Lees	W1: Lees,Watts,O'Hara,Turck W2: Fudge,Morgan	
2011-14	24.1%	14.4%	-0.1%	15.0%	Thompson / Gilmer	W1: Lees, Turck,Ellis,Austin W2: Gilmer,Burns	
2015-18	52.6%	22.4%	0.8%	30.7%	Sanderson / Burns	W1: Lees, Andrews,Polutnik/O'Hara,Hickey W2: Burns,Ferri-Bletcher	
2019-22	35.1%	15.5%	0.6%	22.7%	Sanderson / Andrews	W1: Lees, Andrews, Carr, Meadows W2: Bickle, Mink	
2023-26	23.7%	13.8%	0.0%	17.3%	Hankivsky / Rotation	W1: Andrews, Attridge, Wahdwani, Pearson W2: Mink, Collins/Toms	
<b>2003-24</b>	<b>280.1%</b>	<b>149.6%</b>	<b>-7.9%</b>	<b>155.2%</b>			



**Sample Assessment**    Residence    **\$330,700**  
                                  Farmland    **\$275,000**

Northumberland County 2024									
Municipality		Municipal		County		Education		Total Tax with Farmland	Total Tax w/o Farmland
		Mill Rate	Tax	Mill Rate	Tax	Mill Rate	Tax		
<b>Hamilton Twp</b>	Residence	0.00574710	\$1,901	0.00561221	\$1,856	0.00153000	\$506	\$4,262	
	Farmland	0.00143680	\$395	0.00140305	\$386	0.00038250	\$105	\$886	
	<b>TOTAL</b>		<b>\$2,296</b>		<b>\$2,242</b>		<b>\$611</b>	<b>\$5,149</b>	<b>\$4,262</b>
<b>Alnwick-Haldimand</b>	Residence	0.00624557	\$2,065	0.00561221	\$1,856	0.00153000	\$506	\$4,427	
	Farmland	0.00156139	\$429	0.00140305	\$386	0.00038250	\$105	\$920	
	<b>TOTAL</b>		<b>\$2,495</b>		<b>\$2,242</b>		<b>\$611</b>	<b>\$5,348</b>	<b>\$4,427</b>
<b>Brighton</b>	Residence	0.00750368	\$2,481	0.00561221	\$1,856	0.00153000	\$506	\$4,843	
	Farmland	0.00187592	\$516	0.00140305	\$386	0.00038250	\$105	\$1,007	
	<b>TOTAL</b>		<b>\$2,997</b>		<b>\$2,242</b>		<b>\$611</b>	<b>\$5,850</b>	<b>\$4,843</b>
<b>Port Hope (Urban)</b>	Residence	0.00816750	\$2,701	0.00561221	\$1,856	0.00153000	\$506	\$5,063	
	Farmland	0.00204188	\$562	0.00140305	\$386	0.00038250	\$105	\$1,053	
	Res-Spl Services	0.00332507	\$1,100					\$1,100	
	FL-Spl Services	0.00083127	\$229					\$229	
	<b>TOTAL</b>		<b>\$4,591</b>		<b>\$2,242</b>		<b>\$611</b>	<b>\$7,444</b>	<b>\$6,163</b>
<b>Port Hope (Rural)</b>	Residence	0.00816750	\$2,701	0.00561221	\$1,856	0.00153000	\$506	\$5,063	
	Farmland	0.00204188	\$562	0.00140305	\$386	0.00038250	\$105	\$1,053	
	Res-Spl Services	0.00046216	\$153					\$153	
	FL-Spl Services	0.00011554	\$32					\$32	
	<b>TOTAL</b>		<b>\$3,447</b>		<b>\$2,242</b>		<b>\$611</b>	<b>\$6,300</b>	<b>\$5,216</b>
<b>Cramahe</b>	Residence	0.00845289	\$2,795	0.00561221	\$1,856	0.00153000	\$506	\$5,157	
	Farmland	0.00211322	\$581	0.00140305	\$386	0.00038250	\$105	\$1,072	
<b>TOTAL</b> Tax w/Farmland is for Rural Residential. TOTAL w/o Farmland varies based on Urban/Rural location.	Res-Urban St Lites	0.00030397	\$101					\$101	
	Res-Rural St Lites	0.00002064	\$7					\$7	\$5,164 <-Rural
	FL-Urban St Lites	0.00007599	\$21					\$21	↓
	FL-Rural St Lites	0.00000516	\$1					\$1	↓
	<b>TOTAL</b>		<b>\$3,506</b>		<b>\$2,242</b>		<b>\$611</b>	<b>\$6,238</b>	<b>\$5,258 &lt;-Urban</b>
<b>Trent Hills</b>	Residence	0.00878938	\$2,907	0.00561221	\$1,856	0.00153000	\$506	\$5,269	
	Farmland	0.00219735	\$604	0.00140305	\$386	0.00038250	\$105	\$1,095	
	<b>TOTAL</b>		<b>\$3,511</b>		<b>\$2,242</b>		<b>\$611</b>	<b>\$6,364</b>	<b>\$5,269</b>
<b>Cobourg</b>	Residence	0.00987270	\$3,265	0.00561221	\$1,856	0.00153000	\$506	\$5,627	
	Farmland	0.00246820	\$679	0.00140305	\$386	0.00038250	\$105	\$1,170	
	<b>TOTAL</b>		<b>\$3,944</b>		<b>\$2,242</b>		<b>\$611</b>	<b>\$6,797</b>	<b>\$5,627</b>

## Tax Information - Port Hope

## Tax Information

Municipal property tax notices are mailed twice a year and are due in four installments (generally February, April, June and September). Taxes may be paid at the Town Hall Finance Department (56 Queen Street) or the Canton Municipal Office, at most banks in person or via online banking and through enrolling in a preauthorized payment plan. There is also a convenient drop box on the front door of both offices for after-hours payment.

[\*\*Download the Pre-Authorized Property Tax Payment Plan Enrolment Application Form\*\*](#) (pdf 56K)

## Notes

- To calculate property tax, simply multiply assessed value by the applicable tax rate. Interest is charged on outstanding balances at the rate of 1.25% per month.
- Commercial property class includes all commercial office property, shopping centre property and parking lot property
- Commercial vacant land class includes commercial excess land
- Industrial property class includes all large industrial property
- Industrial vacant land class includes industrial excess land
- Farmlands class includes managed forest

## TAX RATES 2012 (Ward 1)

Type	Municipal	County	School	Total
Residential/Farm	0.00886400	0.00458759	0.00221000	0.01566159
Farmlands	0.00221600	0.00114690	0.00055250	0.00391540

## TAX RATES 2012 (Ward 2)

Type	Municipal	County	School	Total
Residential/Farm	0.00423300	0.00458759	0.00221000	0.01103059
Farmlands	0.00105800	0.00114690	0.00055250	0.00275740

In 1995, the Progressive Conservative government of Ontario began a campaign to reduce the number of Ontario municipalities by 50%, eventually resulting in the Fewer Municipal Politicians Act 1999.

The 2001 municipal restructuring of Northumberland County was the result of that Provincial initiative with the following amalgamations effective 01Jan2001 except as noted:

- Town of Campbellford (3517) + Seymour Twp (4528) = **Municipality of Campbellford/Seymour** 01Jan98.
- Municipality of Campbellford/Seymour added Percy Twp. (3316) + Hastings Village (1208). Renamed **Trent Hills** (12569) on 03Apr2001
- Brighton Village (4878) + Brighton Twp.(4571) = **Town of Brighton** (9449).
- Twps. of Cramahe (3673) + Colborne (2144) = **Twp. of Cramahe** (5713)
- Twps. of Alnwick (1087) + Haldimand (4759) = **Twp. of Alnwick-Haldimand** (5846)
- **Hamilton Twp.** (10785) – no change
- **Cobourg** (17172) – no change
- Twp. of Hope (3887) + Town of Port Hope (11718) = **Municipality of Port Hope** (15605)

Although it could be argued the Towns of Cobourg, Campbellford, and Port Hope are the only urban municipalities within Northumberland County, all former Villages have also been included in the urban tally below. Only former Townships are included in the rural tally.

Urban/Rural breakdown:

<b>Municipality</b>	<b>% Urban</b>	<b>% Rural</b>
Trent Hills	38%	62%
Brighton	52%	48%
Cramahe	36%	64%
Alnwick/Haldimand	0%	100%
Hamilton	0%	100%
Cobourg	100%	0%
<b>Port Hope</b>	<b>75%</b>	<b>25%</b>

With the **exception of Port Hope**, Municipal restructuring within Northumberland County achieved an acceptable urban/rural amalgamation within each newly formed municipality.

Amalgamation of a small rural Township with a much larger urban Town creates an amalgamated municipality unacceptably skewed toward urban representation with urban issues and priorities. The amalgamation of Hope Township and the Town of Port Hope clearly fits into this category.

The interests and issues of a rural municipality differ markedly from those of an urban municipality. With a Port Hope urban/rural population split of 3:1, the urban representation on Council will in effect always be operating as a majority government, relegating rural residents to the unenviable and vulnerable position of having very little control over their own future.

-----Original Message-----

From: noreply@northumberlandcounty.ca <noreply@northumberlandcounty.ca> On Behalf Of john cullen  
Sent: Friday, June 7, 2024 11:38 AM  
To: Mather, Maddison <matherm@northumberland.ca>  
Subject: Municipality of Port Hope Tax Burden

CAUTION: External E-Mail

Attached is a letter pertaining to the outrageous tax increases Rural Port Hope residents have been subjected to since rural Hope Township was amalgamated with the urban Town of Port Hope in 2001.

I am of course well aware taxes are a prime topic of complaint, but something is very wrong when annual double digit municipal tax increases are becoming so common. Our annual Rural Port Hope Tax Bill (County/Municipal/Education) now equals 50% of my gross company retirement, and the main reason is because of our excessive municipal taxes, as I've explained in my attached letter which I've also copyied to the Northumberland County CAO, MPP David Piccini, and Port Hope Council.

Forcing a small rural township to amalgamate with an urban town nearly 3 times larger was a colossal error in judgment by the Province in 2001. Hope Township should have been paired with an adjacent rural municipality!

Somewhere gathering dust on a shelf at the MMAH is a petition signed by 82% of the adult residents of Hope Township in 2013, requesting the Municipality of Port Hope do what Ontario should have done prior to the 2001 amalgamation.

I still have a PDF copy of all 143 signed pages of that petition; 82Mb I can gladly provide on a CD or USB stick if you would like a copy.

I sincerely hope Northumberland County is willing and able can help rectify our situation.  
Rural Port Hope ratepayers cannot survive much longer under Port Hope's administration.

If you would kindly forward this note and the attached letter to all members of Northumberland County Council it would be very much appreciated. Thank you.

Our final 2024 Tax Bill with yet another double digit tax increase confirms the Municipality of Port Hope has lost all sense of reality and continues to illustrate this municipality is either unwilling or incapable of operating a municipal government with any sense of fiscal responsibility.

The following data pertains to the Municipal and County components of my personal "Rural Port Hope" (Hope Township) tax bills. It does not include the Education component, nor does it include any additional (and unknown) monies withdrawn by this municipality each year from our former \$10M Hope Township LLRW Trust Fund.

Frequent annual double digit municipal tax increases are indicative of a municipality incapable of differentiating between wants and needs, blissfully spending more and raising taxes each year rather than living within their means like every family must do. Rural ratepayers do not have infinitely deep pockets for continually escalating municipal tax increases!

Port Hope is often described as a retirement community, and many retirees are on fixed incomes. For over 20 years my annual retirement income has NEVER increased by double digits, yet my municipal taxes have increased by double digits **5** times since 2016, even reaching a whopping **19.7%** increase in tax year 2018.

Since 2016 my Municipal tax increases have exceeded the Stats Canada Consumer Price Index every year, by as much as 10 times the rate of inflation in 2018.

In the other 5 years since 2016 my annual municipal tax increases ranged from a low of 5.5% (2021) to a high of 9.1% (2020).

My Average Annual municipal tax increase between 2016 and 2024 works out to **11.0%**. Who else can demand and receive an 11.0% increase in their income every year, apart from a municipality?

The chances of a young family ever owning a home today are next to nil when excessive municipal property taxes are added to an already unaffordable mortgage payment, but they've been advised they won't own anything by 2030 and will be happy.

And now it seems retirees are being targeted to shift to the 2030 happy life by taxing us out of the homes we built and paid for years ago when raising our families.

Comparing the fiscal performance of our Municipality with Northumberland County for the same period from 2016 to 2024:

In the **9** years from **2016 to 2024**:

- There were **5** double digit **Municipal** tax increases. The highest being **19.7%** in 2018,
- There were **0** double digit **County** tax increases. The highest being **7.4%** in 2017.
- The average Annual **Municipal** tax increase was **11%**
- The average Annual **County** tax increase was **5.0%**
- 

To put it in even greater perspective, since 2003 my:

- Municipal taxes increased **280%**
- County taxes increased **150%**.

If for example a ratepayer was paying \$800 for municipal taxes in 2003:

- A 100% increase means their taxes are 2X as much, so they're now paying \$1600 (Doubled)
- A 200% increase means their taxes are 3X as much, so they're now paying \$2400 (Tripled)
- A 300% increase means their taxes are 4X as much, so they're now paying \$3200 (Quadrupled)

So it would seem obvious which level of government is exercising greater fiscal responsibility when municipal taxes have increased nearly twice as much as county taxes.

Why would any new business or family choose to relocate in Port Hope when double digit municipal tax increases have become so common over the past 9 years?

Are the other 6 municipalities in Northumberland County experiencing tax increases as punishing as ours, or is there a more obvious reason why Port Hope's Rural ratepayers are more vulnerable?

Hope Township was a small but solvent **Rural** community before 01Jan2001 when we became a minority Rural player in the most heavily **Urban** skewed municipality in Northumberland County, with a **75/25** urban/rural population ratio. Rural residents were never offered the courtesy of their opinion before the merger.

Organized efforts to reverse and rethink the unfairness of the amalgamation have fallen on deaf ears, so we're obliged to contend with shamefully obscene tax hikes in perpetuity for something we never asked for.

Northumberland County (2021 pop. 89,365) falls under the definition of Rural Ontario, an upper tier municipality containing 7 lower tier municipalities, with each lower tier municipality electing their own council and employing their own municipal staff. The 7 lower tier municipalities include 43 elected representatives (7 Mayors and 36 Councilors).

As of 2016, approximately 53% of the County's population lies within an Urban Area, providing a more equitable balance in Urban/Rural representation.

If Northumberland County can continue to demonstrate they are a better manager of our taxes then it would seem appropriate for the County to form an unbiased committee to study the advantages and disadvantages of transitioning Northumberland County to a single-tier municipality.

The former lower-tier municipal governments would be replaced by elected representatives based on population, (perhaps in a manner similar to Northumberland County Weighted Vote By-law 44-2022) to serve on County Council.

In summary, this municipality's tax record over the past 23 years clearly shows no hope of ever achieving fairness or fiscal responsibility for Rural residents, therefore **we are appealing to Northumberland County and the Province of Ontario for their aid in resolving this issue.**

No other issue should take precedence over people being taxed out of their homes!

John & Joy Cullen

██████████  
████████████████████

██████████


**THE CORPORATION OF THE MUNICIPALITY OF MATTAWAN**

DATE June 13, 2024 Resolution No. 2024 - 078

MOVED BY Councillor LEMAIRE

SECONDED BY Councillor LAHAYE

BE IT RESOLVED that the Corporation of the Municipality of Mattawan, supports Resolution No. 2024/05/184 received from the Municipality of Callander, which calls on Premier Doug Ford to promptly resume the assessment cycle to ensure the stability and predictability of property taxes while the Ontario Government conducts its review of the property assessment and taxation system, or responds with an alternative method for every municipality in Ontario to achieve fair taxation.

CARRIED Mayor Peter Murphy 

DIVISION VOTE

NAME OF MEMBER OF COUNCIL	YEAS	NAYS
<u>Councillor Bell</u>	_____	_____
<u>Councillor Edwards</u>	_____	_____
<u>Councillor Lahaye</u>	_____	_____
<u>Councillor Lemaire</u>	_____	_____



31 May 2024

Premier Doug Ford [premier@ontario.ca](mailto:premier@ontario.ca)

RE: Urging the Government to Promptly Resume Assessment Cycle

Please be advised that the Council of the Corporation of the Municipality of Callander passed the following resolution at its Regular Meeting of Council held Tuesday, May 28, 2024.

Resolution No. 2024/05/184:

7.4(c) WHEREAS the assessment cycle is an essential process for maintaining the fairness and predictability of property taxes in our province;

AND WHEREAS the pause in the reassessment cycle has created uncertainty and instability in property taxation, impacting both residential and commercial property owners;

AND WHEREAS the government has delayed an assessment update again in 2024, resulting in Ontario's municipalities continuing to calculate property taxes using 2016 property values;

AND WHEREAS both current and outdated assessments are inaccurate, increase volatility, and are not transparent;

AND WHEREAS frequent and accurate reassessments are necessary to stabilize property taxes and provide predictability for property owners, residents, and businesses alike;

AND WHEREAS the staff at the Municipal Property Assessment Corporation would benefit from further skills enhancement and training in assessments, recognizing the importance of ensuring accurate evaluations for 100% of our municipality;

AND WHEREAS the Government has announced a review of the property assessment and taxation system with a focus on fairness, equity, and economic competitiveness, and therefore further deferring new property assessment;



NOW THEREFORE BE IT RESOLVED THAT the Council of the Municipality of Callander hereby calls upon the Premier to promptly resume the assessment cycle to ensure the stability and predictability of property taxes while the Government conducts its review of the property assessment and taxation system, or respond with an alternative method for every municipality in Ontario to achieve fair taxation;

AND THAT all Municipalities in Ontario and their constituents are encouraged to apply pressure to the Premier, daily, weekly, and monthly, to resolve the situation before it causes undo stress to everyone in the Municipality;

AND THAT a copy of this resolution be forwarded to the Premier, the relevant provincial authorities, the Association of Municipality in Ontario, the Rural Ontario Municipalities Association, the Federation of Northern Ontario Municipalities, the Municipal Property Assessment Corporation, and all municipalities in Ontario for their consideration, to make proper changes as quickly and efficiently as possible.

Thank you,



Cindy Pigeau  
Municipal Clerk

Copy to: Association of Municipalities of Ontario  
Rural Ontario Municipalities Association  
Federation of Northern Ontario Municipalities  
Municipal Property Assessment Corporation  
All Ontario Municipalities

“Via Email: [Paul.Calandra@pc.ola.org](mailto:Paul.Calandra@pc.ola.org)”

May 24<sup>th</sup>, 2024

The Honorable Paul Calandra  
Minister of Municipal Affairs and housing

**Re: Operational Budget Funding**

This will serve to advise you that Council of the Corporation of the Town of Cochrane, at its regular meeting held Tuesday, May 14<sup>th</sup>, 2024, passed the following resolution pertaining to the above noted:

**“Resolution No. 281-2024**

**Moved by: Councillor Sylvie Charron-Lemieux**

**Seconded by: Councillor Mark Recoskie**

**WHEREAS** all Ontario municipalities are prohibited from running budget deficits for operating purposes; and

**WHEREAS** all Ontario municipalities have similar pressures with respect to aging infrastructure and operating costs for policing; and

**WHEREAS** the City of Toronto has recently received Provincial funding to cover a \$1.2 billion-dollar operating shortfall and approximately \$12 million in Federal and Provincial Funding for their Police operating budget; and

**WHEREAS** the City of Toronto has the lowest tax rates in the Province;

**THEREFORE, BE IT RESOLVED THAT** the Corporation of the Town of Cochrane call on the Province of Ontario to treat all municipalities fairly and provide equivalent representative operational budget funding amounts to all Ontario municipalities.

**FURTHERMORE, THAT** this resolution be circulated to all municipalities in Ontario; the Premier of Ontario, the Hon. Doug Ford; the Minister of Municipal Affairs and Housing, the Hon. Paul Calandra; and the Timiskaming-Cochrane MPP, John Vanthof.

**CARRIED.”**

Your attention to this matter is greatly appreciated!

Yours truly,

**THE CORPORATION OF THE TOWN OF COCHRANE**



Alice Mercier  
Clerk

AM/ed

c.c: All Ontario Municipalities;  
Premier of Ontario, Hon. Doug Ford;  
Timiskaming-Cochrane MPP, John Vanthof



County of Northumberland  
Finance & POA  
June 30, 2024

	YEAR-TO-DATE		ANNUAL BUDGET		Comments
	Actual	Budget	Variance		
<b>Cash Based Revenue</b>					
Internal Chargebacks	\$1,046,181	\$1,046,181	\$0	\$2,092,363	
Grants & Subsidies	\$0	\$0	\$0	\$90,000	
Interest Revenue	\$2,581,309	\$1,288,800	\$1,292,509	\$2,577,600	Investment interest
County Revenue	\$605,914	\$750,000	(\$144,086)	\$1,500,000	POA Revenue
Other Revenue	\$0	\$26,000	(\$26,000)	\$26,000	
<b>Total Revenue</b>	<b>\$4,233,405</b>	<b>\$3,110,981</b>	<b>\$1,122,423</b>	<b>\$6,285,963</b>	
<b>Expenditures</b>					
Salaries & Wages	\$938,313	\$1,018,523	(\$80,210)	\$2,083,651	Gapping
Benefits	\$299,191	\$305,836	(\$6,645)	\$611,671	
Travel & Training	\$16,711	\$25,150	(\$8,439)	\$50,300	Timing
Materials & Supplies	\$10,178	\$15,925	(\$5,748)	\$31,850	
Information Technology	\$6,435	\$5,400	\$1,035	\$10,800	
External Services	\$126,289	\$150,681	(\$24,392)	\$346,363	Timing
Repairs & Maintenance	\$864	\$2,000	(\$1,136)	\$4,000	
TCAs under Threshold	\$5,592	\$0	\$5,592	\$4,500	
Internal Chargebacks	\$436,414	\$436,414	\$0	\$872,828	
Financial Services	\$92,798	\$97,500	(\$4,702)	\$195,000	
<b>Total Expenditures</b>	<b>\$1,932,784</b>	<b>\$2,057,429</b>	<b>(\$124,644)</b>	<b>\$4,210,963</b>	
<b>Investments</b>					
Transfers to Reserves	\$1,060,000	\$1,060,000	\$0	\$2,120,000	
<b>Total Investments</b>	<b>\$1,060,000</b>	<b>\$1,060,000</b>	<b>\$0</b>	<b>\$2,120,000</b>	
<b>Financing</b>					
Transfer from Reserve				(\$45,000)	
<b>Total Financing</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$45,000)</b>	
<b>Surplus/(Deficit)</b>	<b>\$1,240,620</b>	<b>(\$6,448)</b>	<b>\$1,247,068</b>		

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## Report 2024-090

**Report Title:** Authorization for Debenture Issuance

**Committee Name:** Finance and Audit

**Committee Meeting Date:** July 30, 2024

**Prepared by:** Matthew Nitsch  
Director of Finance/Treasurer  
Finance

**Approved by:** Jennifer Moore, CAO

**Council Meeting Date:** August 14, 2024

**Strategic Plan Priorities:**  Innovate for Service Excellence  
 Ignite Economic Opportunity  
 Foster a Thriving Community  
 Propel Sustainable Growth  
 Champion a Vibrant Future

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### Recommendation

**“Whereas** By-law 22-2021 was adopted at the July 21, 2021 County Council meeting authorizing the submission of an application to the Ontario Infrastructure and Lands Corporation (OILC) for the issuance of debentures with a term of 25 years to finance the capital works of the Elgin Park Redevelopment (Phase 1) for an amount not to exceed \$5,306,610;

**Now Therefore Be It Resolved That** the Finance and Audit Committee, having considered Report 2024-090 ‘Authorization for Debenture Issuance’, recommend that County Council authorize staff to acquire debenture financing with a term of 25 years for the capital works of the Elgin Park Redevelopment (Phase 1) in the amount of \$3,181,193 through the issuance of a debenture with OILC; and

**Further Be It Resolved That** the Committee recommend that County Council enact a By-law authorizing the issuance of the debenture with OILC at the August 14, 2024 County Council meeting.”

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## **Purpose**

The purpose of this report is to acquire Council approval for the issuance of a debenture with OILC for financing the capital works of the Elgin Park Redevelopment (Phase 1) in the amount of \$3,181,193.

## **Background**

Previously, Council has approved the required debenture financing through budgetary processes and tender awards. Also, in accordance with By-law 22-2021, an application to OILC for the future issuance of the debentures was submitted and approved.

## **Consultations**

County staff have consulted with OILC Infrastructure Ontario to ensure that the proper procedures are adhered to for the approval and issuance of the debentures.

**OILC will set an interest rate for the debenture on Aug 7<sup>th</sup> and provide the final documentation for County Council's approval on Aug 14<sup>th</sup>. The attached draft By-law is presented for the committee's review.**

## **Legislative Authority / Risk Considerations**

The Municipal Act, 2001 permits municipalities to incur long-term debt for the financing of capital expenditures as stipulated and in accordance with requirements under sections 401 and 408.

The Ministry of Municipal Affairs and Housing (MMAH) provides for an Annual Repayment Limit. This limit represents the maximum amount which a municipality can commit to payments relating to debt and financial obligations.

OILC legislative authority under the Ontario Infrastructure and Lands Corporation Act, 2011.

## **Discussion / Options**

During the budgetary process, Council reviews capital projects inclusive of recommended financing sources for approval. By virtue of approving the 2022 and 2023 Budgets, Council, through the confirming by-law also authorized staff to issue long-term debt as required to finance capital projects.

The capital works of the Elgin Park Redevelopment (Phase 1) have now been substantially completed and all applicable costs have been finalized. Staff will issue debentures with OILC for financing the costs in the amount of \$3,181,193. The term of the debentures will be 25 years. These capital projects and the associated debt financing were approved by Council through the 2022 and 2023 budgetary processes and reports to Council.

The OILC is a government agency established specifically to aid with the development, renewal, enhancement and replacement of Ontario public assets. Infrastructure Ontario's Loan Program through OILC allows easy access to financing for municipalities with affordable interest rates, flexible terms and no fees or commissions. Infrastructure Ontario's cost of capital is very low and, as such, it is able to offer advantageous interest rates versus other sources of financing.

**The borrowing rate provided by Infrastructure Ontario will be confirmed on Aug 7<sup>th</sup> and included in the final documentation that will be presented to County Council on Aug 14<sup>th</sup>.**

MMAH sets an Annual Repayment Limit (ARL) for each municipality. This represents the maximum total annual amount that can be committed to payments for principal and interest related to debt and financial obligations. The 2022 ARL as set by MMAH for Northumberland County is \$16,978,126. Inclusive of the upcoming issuances for the Elgin Park Redevelopment (Phase 1), the current long-term forecast estimates 2025 debt service costs to be approximately \$4,800,000 which is well below the current ARL.

### **Financial Impact**

**The cost of borrowing over the full term of the debenture will be calculated on Aug 7<sup>th</sup> when the interest rate is finalized with OILC. This updated information will be provided to County Council on Aug 14<sup>th</sup>.**

### **Member Municipality Impacts**

N/A

### **Conclusion / Outcomes**

That staff be authorized to issue debentures with OILC for financing the capital works of the Elgin Park Redevelopment for a term of 25 years in the amount of \$3,181,193.

### **Attachments**

1. Report 2024-090 ATTACH 1 'Draft By-law Authorization for Debenture Issuance – Elgin Park Phase 1'
2. Report 2024-090 ATTACH 2 'By-law 22-2021 - By-law to Authorize the Submission of an Application to Ontario Infrastructure and Lands Corporation ("OILC")'

The Corporation of The County of Northumberland

BY-LAW NUMBER XXXX

A BY-LAW OF THE CORPORATION OF THE COUNTY OF NORTHUMBERLAND TO AUTHORIZE THE BORROWING UPON AMORTIZING DEBENTURES IN THE PRINCIPAL AMOUNT OF \$3,181,193.00 TOWARDS THE COST OF THE ELGIN PARK REDEVELOPMENT PHASE 1

WHEREAS subsection 401 (1) of the *Municipal Act, 2001*, as amended (the “**Act**”) provides that a municipality may incur a debt for municipal purposes, whether by borrowing money or in any other way, and may issue debentures and prescribed financial instruments and enter prescribed financial agreements for or in relation to the debt;

AND WHEREAS subsection 408 (2.1) of the Act provides that a municipality may issue a debenture or other financial instrument for long-term borrowing only to provide financing for a capital work;

AND WHEREAS the Council of The Corporation of The County of Northumberland (the “**Municipality**”) has passed the By-law(s) enumerated in column (1) of Schedule “A” attached hereto and forming part of this By-law authorizing the capital work(s) described in column (2) of Schedule “A” (the “**Capital Work(s)**”), and authorizing the entering into of a Financing Agreement dated effective as of August 10, 2021 for the provision of temporary and long-term borrowing from Ontario Infrastructure and Lands Corporation (“**OILC**”) in respect of the Capital Work(s) (the “**Financing Agreement**”) and the Municipality entered into a Financing Agreement dated effective as of August 10, 2021 for the provision of long-term borrowing from Ontario Infrastructure and Lands Corporation (“**OILC**”) in respect of the Capital Work(s) (the “**Financing Agreement**”) and desires to issue debentures for the Capital Work(s) in the amount(s) specified in column (5) of Schedule “A”;

AND WHEREAS before authorizing the Capital Work(s) and before authorizing any additional cost amount and any additional debenture authority in respect thereof (if any) the Council of the Municipality had its Treasurer calculate an updated limit in respect of its most recent annual debt and financial obligation limit received from the Ministry of Municipal Affairs and Housing in accordance with the applicable regulation and, prior to the Council of the Municipality authorizing the Capital Work(s), each such additional cost amount and each such additional debenture authority (if any), the Treasurer determined that the estimated annual amount payable in respect of the Capital Work(s), each such additional cost amount and each such additional debenture authority (if any), would not cause the Municipality to exceed the updated limit and that the approval of the Capital Work(s), each such additional cost amount and each such additional debenture authority (if any), by the Ontario Land Tribunal pursuant to such regulation was not required;

AND WHEREAS the Municipality has submitted an application to OILC for long-term borrowing through the issue of debentures to OILC in respect of the Capital Work(s) (the “**Application**”) and the Application has been approved;

AND WHEREAS to provide long-term financing for the Capital Work(s) and to repay certain temporary advances in respect of the Capital Work(s) made by OILC pursuant to the Financing Agreement (if any), it is now deemed to be expedient to borrow money by the issue of amortizing debentures in the principal amount of \$3,181,193.00 dated September 03, 2024 and maturing on September 03, 2049, and payable in semi-annual instalments of combined principal and interest on the third day of March and on the third day of September in each of the years 2025 to 2049, both inclusive on the terms hereinafter set forth;

NOW THEREFORE THE COUNCIL OF The Corporation of The County of Northumberland ENACTS AS FOLLOWS:

1. The submitting of the Application and the execution and delivery of the Financing Agreement by the Municipality are hereby confirmed, ratified and approved. For the Capital Work(s), the borrowing upon the credit of the Municipality at large of the principal amount of \$3,181,193.00 and the issue of amortizing debentures therefor to be repaid in semi-annual instalments of combined principal and interest as hereinafter set forth, are hereby authorized.
2. The Warden and the Treasurer of the Municipality are hereby authorized to cause any number of amortizing debentures to be issued for such amounts of money as may be required for the Capital Work(s) in definitive form, not exceeding in total the said aggregate principal amount of \$3,181,193.00 (the "**Debentures**"). The Debentures shall bear the Municipality's municipal seal and the signatures of the Warden and the Treasurer of the Municipality, all in accordance with the provisions of the Act. The municipal seal of the Municipality and the signatures referred to in this section may be printed, lithographed, engraved or otherwise mechanically reproduced. The Debentures are sufficiently signed if they bear the required signatures and each person signing has the authority to do so on the date he or she signs.
3. The Debentures shall be in fully registered form as one or more certificates in the principal amount of \$3,181,193.00, in the name of OILC, or as OILC may otherwise direct, substantially in the form attached as Schedule "B" hereto and forming part of this By-law with provision for payment of principal and interest (other than in respect of the final payment of principal and outstanding interest on maturity upon presentation and surrender) by pre-authorized debit in respect of such principal and interest to the credit of such registered holder on such terms as to which the registered holder and the Municipality may agree.
4. In accordance with the provisions of section 25 of the *Ontario Infrastructure and Lands Corporation Act, 2011*, as amended from time to time hereafter, the Municipality is hereby authorized to agree in writing with OILC that the Minister of Finance is entitled, without notice to the Municipality, to deduct from money appropriated by the Legislative Assembly of Ontario for payment to the Municipality, amounts not exceeding any amounts that the Municipality fails to pay OILC on account of any unpaid indebtedness of the Municipality to OILC under the Debentures and to pay such amounts to OILC from the Consolidated Revenue Fund.



5. The Debentures shall all be dated September 03, 2024, and as to both principal and interest shall be expressed and be payable in lawful money of Canada. The Debentures shall bear interest at the rate of X.XX% per annum and mature during a period of 25 year(s) from the date thereof payable semi-annually in arrears as described in this section. The Debentures shall be paid in full by September 03, 2049 and be payable in equal semi-annual instalments of combined principal and interest on the third day of March and on the third day of September in each of the years 2025 to 2049, both inclusive, save and except for the last instalment which may vary slightly from the preceding equal instalments, as set forth in Schedule "C" attached hereto and forming part of this By-law ("**Schedule "C"**").
6. Payments in respect of principal of and interest on the Debentures shall be made only on a day, other than Saturday or Sunday, on which banking institutions in Toronto, Ontario, Canada and the Municipality are not authorized or obligated by law or executive order to be closed (a "**Business Day**") and if any date for payment is not a Business Day, payment shall be made on the next following Business Day.
7. Interest shall be payable to the date of maturity of the Debentures and on default shall be payable on any overdue amounts both before and after default and judgment at a rate per annum equal to the greater of the rate specified on the Schedule as attached to and forming part of the Debentures for such amounts plus 200 basis points or Prime Rate (as defined below) plus 200 basis points, calculated on a daily basis from the date such amounts become overdue for so long as such amounts remain overdue and the Municipality shall pay to the registered holders any and all costs incurred by the registered holders as a result of the overdue payment. Any amounts payable by the Municipality as interest on overdue principal or interest and all costs incurred by the registered holders as a result of the overdue payment in respect of the Debentures shall be paid out of current revenue. Whenever it is necessary to compute any amount of interest in respect of the Debentures for a period of less than one full year, other than with respect to regular semi-annual interest payments, such interest shall be calculated on the basis of the actual number of days in the period and a year of 365 days or 366 days as appropriate.

"**Prime Rate**" means, on any day, the annual rate of interest which is the arithmetic mean of the prime rates announced from time to time by the following five major Canadian Schedule I banks, as of the issue date of the Debentures: Royal Bank of Canada; Canadian Imperial Bank of Commerce; The Bank of Nova Scotia; Bank of Montreal; and The Toronto-Dominion Bank (the "**Reference Banks**") as their reference rates in effect on such day for Canadian dollar commercial loans made in Canada. If fewer than five of the Reference Banks quote a prime rate on such days, the "**Prime Rate**" shall be the arithmetic mean of the rates quoted by those Reference Banks.

8. In each year in which a payment of equal semi-annual instalments of combined principal and interest becomes due in respect of the Capital Work(s) including the last 'non-equal' instalment, there shall be raised as part of the Municipality's general levy the amounts of principal and interest payable by the Municipality in each year as set out in Schedule "C" to the extent that the amounts have not been provided for by any

other available source including other taxes or fees or charges imposed on persons or property by a by-law of any municipality.

9. The Debentures may contain any provision for their registration thereof authorized by any statute relating to municipal debentures in force at the time of the issue thereof.
10. The Municipality shall maintain a registry in respect of the Debentures in which shall be recorded the names and the addresses of the registered holders and particulars of the Debentures held by them respectively and in which particulars of the cancellations, exchanges, substitutions and transfers of Debentures, may be recorded and the Municipality is authorized to use electronic, magnetic or other media for records of or related to the Debentures or for copies of them.
11. The Municipality shall not be bound to see to the execution of any trust affecting the ownership of any Debenture or be affected by notice of any equity that may be subsisting in respect thereof. The Municipality shall deem and treat registered holders of the Debentures as the absolute owners thereof for all purposes whatsoever notwithstanding any notice to the contrary and all payments to or to the order of registered holders shall be valid and effectual to discharge the liability of the Municipality on the Debentures to the extent of the amount or amounts so paid. When a Debenture is registered in more than one name, the principal of and interest from time to time payable on such Debenture shall be paid to or to the order of all the joint registered holders thereof, failing written instructions to the contrary from all such joint registered holders, and such payment shall constitute a valid discharge to the Municipality. In the case of the death of one or more joint registered holders, despite the foregoing provisions of this section, the principal of and interest on any Debentures registered in their names may be paid to the survivor or survivors of such holders and such payment shall constitute a valid discharge to the Municipality.
12. The Debentures will be transferable or exchangeable at the office of the Treasurer of the Municipality upon presentation for such purpose accompanied by an instrument of transfer or exchange in a form approved by the Municipality and which form is in accordance with the prevailing Canadian transfer legislation and practices, executed by the registered holder thereof or such holder's duly authorized attorney or legal personal representative, whereupon and upon registration of such transfer or exchange and cancellation of the Debenture or Debentures presented, the Warden and the Treasurer shall issue and deliver a new Debenture or Debentures of an equal aggregate principal amount in any authorized denomination or denominations as directed by the transferor, in the case of a transfer or as directed by the registered holder in the case of an exchange.
13. The Warden and the Treasurer shall issue and deliver new Debentures in exchange or substitution for Debentures outstanding on the registry with the same maturity and of like form which have become mutilated, defaced, lost, subject to a mysterious or unexplainable disappearance, stolen or destroyed, provided that the applicant therefor shall have: (a) paid such costs as may have been incurred in connection therewith; (b) (in the case when a Debenture is mutilated, defaced, lost, mysteriously or unexplainably missing, stolen or destroyed) furnished the Municipality with such evidence (including evidence as to the certificate number of the Debenture in

- question) and an indemnity in respect thereof satisfactory to the Municipality in its discretion; and (c) surrendered to the Municipality any mutilated or defaced Debentures in respect of which new Debentures are to be issued in substitution.
14. The Debentures issued upon any registration of transfer or exchange or in substitution for any Debentures or part thereof shall carry all the rights to interest if any, accrued and unpaid which were carried by such Debentures or part thereof and shall be so dated and shall bear the same maturity date and, subject to the provisions of this By-law, shall be subject to the same terms and conditions as the Debentures in respect of which the transfer, exchange or substitution is effected.
  15. The cost of all transfers and exchanges, including the printing of authorized denominations of the new Debentures, shall be borne by the Municipality. When any of the Debentures are surrendered for transfer or exchange the Treasurer of the Municipality shall: (a) in the case of an exchange, cancel and destroy the Debentures surrendered for exchange; (b) in the case of an exchange, certify the cancellation and destruction in the registry; (c) enter in the registry particulars of the new Debenture or Debentures issued in exchange; and (d) in the case of a transfer, enter in the registry particulars of the registered holder as directed by the transferor.
  16. Reasonable fees in respect of the Debentures, in the normal course of business, other than reasonable fees for the substitution of a new Debenture or new Debentures for any of the Debentures that are mutilated, defaced, lost, mysteriously or unexplainably missing, stolen or destroyed and for the replacement of any of the principal and interest cheques (if any) that are mutilated, defaced, lost, mysteriously or unexplainably missing, stolen or destroyed may be imposed by the Municipality. When new Debentures are issued in substitution in these circumstances the Municipality shall: (a) treat as cancelled and destroyed the Debentures in respect of which new Debentures will be issued in substitution; (b) certify the deemed cancellation and destruction in the registry; (c) enter in the registry particulars of the new Debentures issued in substitution; and (d) make a notation of any indemnities provided.
  17. Except as otherwise expressly provided herein, any notice required to be given to a registered holder of one or more of the Debentures will be sufficiently given if a copy of such notice is mailed or otherwise delivered to the registered address of such registered holder in accordance with the provisions of the Financing Agreement.
  18. The Warden and the Treasurer are hereby authorized to cause the Debentures to be issued, one or more of the Clerk and Treasurer are hereby authorized to generally do all things and to execute all other documents and other papers in the name of the Municipality in order to carry out the issue of the Debentures and the Treasurer is authorized to affix the Municipality's municipal seal to any of such documents and papers.
  19. The money received by the Municipality from the sale of the Debentures to OILC, including any premium, and any earnings derived from the investment of that money, after providing for the expenses related to their issue, if any, shall be apportioned and

applied to the Capital Work(s) and to no other purpose except as permitted by the Act.

20. Subject to the Municipality's investment policies and goals, the applicable legislation and the terms and conditions of the Debentures, the Municipality may, if not in default under the Debentures, at any time purchase any of the Debentures in the open market or by tender or by private contract at any price and on such terms and conditions (including, without limitation, the manner by which any tender offer may be communicated or accepted and the persons to whom it may be addressed) as the Municipality may in its discretion determine.

21. This By-law takes effect on the day of passing.

By-law read a first and second time this 14th day of August, 2024

By-law read a third time and finally passed this 14th day of August, 2024

---

Brian Ostrander  
Warden

---

Maddison Mather  
Clerk

The Corporation of The County of Northumberland

Schedule "A" to By-law Number **XXXX**

(1)	(2)	(3)	(4)	(5)	(6)
By-law	Project Description	Approved Amount to be Financed Through the Issue of Debentures	Amount of Debentures Previously Issued	Amount of Debentures to be Issued	Term of Years of Debentures
22-2021	Elgin Park Redevelopment Phase 1	\$5,306,610.00	\$0.00	\$3,181,193.00	25 year(s)

The Corporation of The County of Northumberland

Schedule "B" to By-law Number **XXXX**

No.

\$3,181,193.00

C A N A D A  
Province of Ontario  
The Corporation of The County of Northumberland

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FULLY REGISTERED **X.XX%** AMORTIZING DEBENTURE

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The Corporation of The County of Northumberland (the "**Municipality**"), for value received, hereby promises to pay to

ONTARIO INFRASTRUCTURE AND LANDS CORPORATION ("**OILC**")

or registered assigns, subject to the Conditions attached hereto which form part hereof (the "**Conditions**"), upon presentation and surrender of this debenture (or as otherwise agreed to by the Municipality and OILC) by the maturity date of this debenture (September 03, 2049), the principal amount of

THREE MILLION ONE HUNDRED EIGHTY ONE THOUSAND ONE HUNDRED NINETY  
THREE DOLLARS

----- (\$3,181,193.00)-----

by equal semi-annual instalments of combined principal and interest on the third day of March and on the third day of September in each of the years 2025 to 2049, both inclusive, save and except for the last instalment which may vary slightly from the preceding equal instalments, in the amounts set forth in the attached Amortizing Debenture Schedule (the "**Amortization Schedule**") and subject to late payment interest charges pursuant to the Conditions, in lawful money of Canada. Subject to the Conditions: interest shall be paid until the maturity date of this debenture, in like money in semi-annual payments from the closing date (September 03, 2024), or from the last date on which interest has been paid on this debenture, whichever is later, at the rate of **X.XX%** per annum, in arrears, on the specified dates, as set forth in the Amortization Schedule; and interest shall be paid on default at the applicable rate set out in the Amortization Schedule both before and after default and judgment. The payments of principal and interest and the outstanding amount of principal in each year are shown in the Amortization Schedule.

The Municipality, pursuant to section 25 of the *Ontario Infrastructure and Lands Corporation Act, 2011* (the "**OILC Act, 2011**") hereby irrevocably agrees that the Minister of Finance is entitled, without notice to the Municipality, to deduct from money appropriated by the Legislative Assembly of Ontario for payment to the Municipality, amounts not exceeding any amounts that

the Municipality fails to pay OILC on account of any unpaid indebtedness under this debenture, and to pay such amounts to OILC from the Consolidated Revenue Fund.

This debenture is subject to the Conditions.

DATED at The Corporation of The County of Northumberland as at the 3rd day of September, 2024

IN TESTIMONY WHEREOF and under the authority of By-law Number **XXXX** of the Municipality duly passed on the 14th day of August, 2024 (the “**By-law**”), this debenture is sealed with the municipal seal of the Municipality and signed by the Warden and by the Treasurer thereof.

Date of Registration: September 03, 2024

[NTD: SIGNATURE NOT REQUIRED ON FORM OF CERTIFICATE]

[NTD: SIGNATURE NOT REQUIRED ON FORM OF CERTIFICATE]

\_\_\_\_\_

(Seal) \_\_\_\_\_

Brian Ostrander, Warden

Matthew Nitsch, Treasurer

OILC hereby agrees that the Minister of Finance is entitled to exercise certain rights of deduction pursuant to section 25 of the OILC Act, 2011 as described in this debenture.

Ontario Infrastructure and Lands Corporation

by: \_\_\_\_\_ by: \_\_\_\_\_  
Authorized Signing Officer Authorized Signing Officer

## LEGAL OPINION

We have examined the By-law of the Municipality authorizing the issue of amortizing debentures in the principal amount of \$3,181,193.00 dated September 03, 2024 and maturing on September 03, 2049 payable in equal semi-annual instalments of combined principal and interest on the third day of March and on the third day of September in each of the years 2025 to 2049, both inclusive, save and except for the last instalment which may vary slightly from the preceding equal instalments as set out in Schedule "C" to the By-law.

In our opinion, the By-law has been properly passed and is within the legal powers of the Municipality. The debenture issued under the By-law in the within form (the "**Debenture**") is the direct, general, unsecured and unsubordinated obligation of the Municipality. The Debenture is enforceable against the Municipality subject to the special jurisdiction and powers of the Ontario Land Tribunal over defaulting municipalities under the *Municipal Affairs Act*. This opinion is subject to and incorporates all the assumptions, qualifications and limitations set out in our opinion letter.

September 03, 2024

Templeman Menninga LLP [no signature required]



## CONDITIONS OF THE DEBENTURE

### Form, Denomination, and Ranking of the Debenture

1. The debentures issued pursuant to the By-law (collectively the “**Debentures**” and individually a “**Debenture**”) are issuable as fully registered Debentures without coupons.
2. The Debentures are direct, general, unsecured and unsubordinated obligations of the Municipality. The Debentures rank concurrently and equally in respect of payment of principal and interest with all other debentures of the Municipality except for the availability of money in a sinking or retirement fund for a particular issue of debentures.
3. This Debenture is one fully registered Debenture registered in the name of OILC and held by OILC.

### Registration

4. The Municipality shall maintain at its designated office a registry in respect of the Debentures in which shall be recorded the names and the addresses of the registered holders and particulars of the Debentures held by them respectively and in which particulars of cancellations, exchanges, substitutions and transfers of Debentures, may be recorded and the Municipality is authorized to use electronic, magnetic or other media for records of or related to the Debentures or for copies of them.

### Title

5. The Municipality shall not be bound to see to the execution of any trust affecting the ownership of any Debenture or be affected by notice of any equity that may be subsisting in respect thereof. The Municipality shall deem and treat registered holders of Debentures, including this Debenture, as the absolute owners thereof for all purposes whatsoever notwithstanding any notice to the contrary and all payments to or to the order of registered holders shall be valid and effectual to discharge the liability of the Municipality on the Debentures to the extent of the amount or amounts so paid. Where a Debenture is registered in more than one name, the principal of and interest from time to time payable on such Debenture shall be paid to or to the order of all the joint registered holders thereof, failing written instructions to the contrary from all such joint registered holders, and such payment shall constitute a valid discharge to the Municipality. In the case of the death of one or more joint registered holders, despite the foregoing provisions of this section, the principal of and interest on any Debentures registered in their names may be paid to the survivor or survivors of such holders and such payment shall constitute a valid discharge to the Municipality.

## Payments of Principal and Interest

6. The record date for purposes of payment of principal of and interest on the Debentures is as of 5:00 p.m. on the sixteenth calendar day preceding any payment date including the maturity date. Principal of and interest on the Debentures are payable by the Municipality to the persons registered as holders in the registry on the relevant record date. The Municipality shall not be required to register any transfer, exchange or substitution of Debentures during the period from any record date to the corresponding payment date.
7. The Municipality shall make all payments in respect of equal semi-annual instalments of combined principal and interest including the last 'non-equal' instalment on the Debentures on the payment dates commencing on March 03, 2025 and ending on September 03, 2049 as set out in Schedule "C" to the By-law, by pre-authorized debit in respect of such interest and principal to the credit of the registered holder on such terms as the Municipality and the registered holder may agree.
8. The Municipality shall pay to the registered holder interest on any overdue amount of principal or interest in respect of any Debenture, both before and after default and judgment, at a rate per annum equal to the greater of the rate specified on the Schedule as attached to and forming part of the Debenture for such amount plus 200 basis points or Prime Rate (as defined below) plus 200 basis points, calculated on a daily basis from the date such amount becomes overdue for so long as such amount remains overdue and the Municipality shall pay to the registered holder any and all costs incurred by the registered holder as a result of the overdue payment.
9. Whenever it is necessary to compute any amount of interest in respect of the Debentures for a period of less than one full year, other than with respect to regular semi-annual interest payments, such interest shall be calculated on the basis of the actual number of days in the period and a year of 365 days or 366 days as appropriate.
10. Payments in respect of principal of and interest on the Debentures shall be made only on a day, other than Saturday or Sunday, on which banking institutions in Toronto, Ontario, Canada and the Municipality are not authorized or obligated by law or executive order to be closed (a "**Business Day**"), and if any date for payment is not a Business Day, payment shall be made on the next following Business Day as noted on the Amortization Schedule.
11. The Debentures are transferable or exchangeable at the office of the Treasurer of the Municipality upon presentation for such purpose accompanied by an instrument of transfer or exchange in a form approved by the Municipality and which form is in accordance with the prevailing Canadian transfer legislation and practices, executed by the registered holder thereof or such holder's duly authorized attorney or legal personal representative, whereupon and upon registration of such transfer or exchange and cancellation of the Debenture or Debentures presented, a new Debenture or Debentures of an equal aggregate principal amount in any authorized denomination or denominations will be delivered as directed by the transferor, in the case of a transfer or as directed by the registered holder in the case of an exchange.

12. The Municipality shall issue and deliver Debentures in exchange for or in substitution for Debentures outstanding on the registry with the same maturity and of like form in the event of a mutilation, defacement, loss, mysterious or unexplainable disappearance, theft or destruction, provided that the applicant therefor shall have: (a) paid such costs as may have been incurred in connection therewith; (b) (in the case of a mutilated, defaced, lost, mysteriously or unexplainably missing, stolen or destroyed Debenture) furnished the Municipality with such evidence (including evidence as to the certificate number of the Debenture in question) and an indemnity in respect thereof satisfactory to the Municipality in its discretion; and (c) surrendered to the Municipality any mutilated or defaced Debentures in respect of which new Debentures are to be issued in substitution.
13. The Debentures issued upon any registration of transfer or exchange or in substitution for any Debentures or part thereof shall carry all the rights to interest if any, accrued and unpaid which were carried by such Debentures or part thereof and shall be so dated and shall bear the same maturity date and, subject to the provisions of the By-law, shall be subject to the same terms and conditions as the Debentures in respect of which the transfer, exchange or substitution is effected.
14. The cost of all transfers and exchanges, including the printing of authorized denominations of the new Debentures, shall be borne by the Municipality. When any of the Debentures are surrendered for transfer or exchange the Treasurer of the Municipality shall: (a) in the case of an exchange, cancel and destroy the Debentures surrendered for exchange; (b) in the case of an exchange, certify the cancellation and destruction in the registry; (c) enter in the registry particulars of the new Debenture or Debentures issued in exchange; and (d) in the case of a transfer, enter in the registry particulars of the registered holder as directed by the transferor.
15. Reasonable fees for the substitution of a new Debenture or new Debentures for any of the Debentures that are mutilated, defaced, lost, mysteriously or unexplainably missing, stolen or destroyed and for the replacement of mutilated, defaced, lost, mysteriously or unexplainably missing, stolen or destroyed principal and interest cheques (if any) may be imposed by the Municipality. When new Debentures are issued in substitution in these circumstances the Municipality shall: (a) treat as cancelled and destroyed the Debentures in respect of which new Debentures will be issued in substitution; (b) certify the deemed cancellation and destruction in the registry; (c) enter in the registry particulars of the new Debentures issued in substitution; and (d) make a notation of any indemnities provided.
16. If OILC elects to terminate its obligations under the financing agreement or rate offer agreement entered into between the Municipality and OILC, pursuant to which the Debentures are issued, or if the Municipality fails to meet and pay any of its debts or liabilities when due, or uses all or any portion of the proceeds of any Debenture for any purpose other than for a Capital Work(s) as authorized in the By-Law, the Municipality shall pay to OILC the Make-Whole Amount on account of the losses that it will incur as a result of the early repayment or early termination.

## Notices

17. Except as otherwise expressly provided herein, any notice required to be given to a registered holder of one or more of the Debentures will be sufficiently given if a copy of such notice is mailed or otherwise delivered to the registered address of such registered holder. If the Municipality or any registered holder is required to give any notice in connection with the Debentures on or before any day and that day is not a Business Day (as defined in section 10 of these Conditions) then such notice may be given on the next following Business Day.

## Time

18. Unless otherwise expressly provided herein, any reference herein to a time shall be considered to be a reference to Toronto time.

## Governing Law

19. The Debentures are governed by and shall be construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in Ontario.

## Definitions:

- (a) **"Prime Rate"** means, on any day, the annual rate of interest which is the arithmetic mean of the prime rates announced from time to time by the following five major Canadian Schedule I banks, as of the issue date of this Debenture: Royal Bank of Canada; Canadian Imperial Bank of Commerce; The Bank of Nova Scotia; Bank of Montreal; and The Toronto-Dominion Bank (the **"Reference Banks"**) as their reference rates in effect on such day for Canadian dollar commercial loans made in Canada. If fewer than five of the Reference Banks quote a prime rate on such days, the **"Prime Rate"** shall be the arithmetic mean of the rates quoted by those Reference Banks.
- (b) **"Make-Whole Amount"** means the amount determined by OILC as of the date of prepayment of the Debenture, by which (i) the present value of the remaining future scheduled payments of principal and interest under the Debenture to be repaid from the prepayment date until maturity of the Debenture discounted at the Ontario Yield exceeds (ii) the principal amount under the Debenture being repaid provided that the Make-Whole Amount shall never be less than zero.
- (c) **"Ontario Yield"** means the yield to maturity on the date of prepayment of the Debenture, assuming semi-annual compounding, which a non-prepayable term loan made by the Province of Ontario would have if advanced on the date of prepayment of the Debenture, assuming the same principal amount as the Debenture and with a maturity date which is the same as the remaining term to maturity of the Debenture to be repaid minus 100 basis points.

**THE CORPORATION OF THE COUNTY OF NORTHUMBERLAND**

**Schedule "C" to By-law Number **XXXX****

[OILC Repayment Schedule to be Inserted]

No.

\$3,181,193.00

C A N A D A  
Province of Ontario  
The Corporation of The County of Northumberland

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FULLY REGISTERED X.XX% AMORTIZING DEBENTURE

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The Corporation of The County of Northumberland (the “**Municipality**”), for value received, hereby promises to pay to

ONTARIO INFRASTRUCTURE AND LANDS CORPORATION (“**OILC**”)

or registered assigns, subject to the Conditions attached hereto which form part hereof (the “**Conditions**”), upon presentation and surrender of this debenture (or as otherwise agreed to by the Municipality and OILC) by the maturity date of this debenture (September 03, 2049), the principal amount of

THREE MILLION ONE HUNDRED EIGHTY ONE THOUSAND ONE HUNDRED NINETY  
THREE DOLLARS

----- (\$3,181,193.00) -----

by equal semi-annual instalments of combined principal and interest on the third day of March and on the third day of September in each of the years 2025 to 2049, both inclusive, save and except for the last instalment which may vary slightly from the preceding equal instalments, in the amounts set forth in the attached Amortizing Debenture Schedule (the “**Amortization Schedule**”) and subject to late payment interest charges pursuant to the Conditions, in lawful money of Canada. Subject to the Conditions: interest shall be paid until the maturity date of this debenture, in like money in semi-annual payments from the closing date (September 03, 2024), or from the last date on which interest has been paid on this debenture, whichever is later, at the rate of X.XX% per annum, in arrears, on the specified dates, as set forth in the Amortization Schedule; and interest shall be paid on default at the applicable rate set out in the Amortization Schedule both before and after default and judgment. The payments of principal and interest and the outstanding amount of principal in each year are shown in the Amortization Schedule.

The Municipality, pursuant to section 25 of the *Ontario Infrastructure and Lands Corporation Act, 2011* (the “**OILC Act, 2011**”) hereby irrevocably agrees that the Minister of Finance is entitled, without notice to the Municipality, to deduct from money appropriated by the Legislative Assembly of Ontario for payment to the Municipality, amounts not exceeding any amounts that the Municipality fails to pay OILC on account of any unpaid indebtedness under this debenture, and to pay such amounts to OILC from the Consolidated Revenue Fund.

This debenture is subject to the Conditions.

DATED at The Corporation of The County of Northumberland as at the 3rd day of September, 2024

IN TESTIMONY WHEREOF and under the authority of By-law Number **XXXX** of the Municipality duly passed on the 14th day of August, 2024 (the "**By-law**"), this debenture is sealed with the municipal seal of the Municipality and signed by the Warden and by the Treasurer thereof.

Date of Registration: September 03, 2024

\_\_\_\_\_

(Seal) \_\_\_\_\_

Brian Ostrander, Warden

Matthew Nitsch, Treasurer

OILC hereby agrees that the Minister of Finance is entitled to exercise certain rights of deduction pursuant to section 25 of the OILC Act, 2011 as described in this debenture.

Ontario Infrastructure and Lands Corporation

by: \_\_\_\_\_  
Authorized Signing Officer

by: \_\_\_\_\_  
Authorized Signing Officer

## LEGAL OPINION

We have examined the By-law of the Municipality authorizing the issue of amortizing debentures in the principal amount of \$3,181,193.00 dated September 03, 2024 and maturing on September 03, 2049 payable in equal semi-annual instalments of combined principal and interest on the third day of March and on the third day of September in each of the years 2025 to 2049, both inclusive, save and except for the last instalment which may vary slightly from the preceding equal instalments as set out in Schedule "C" to the By-law.

In our opinion, the By-law has been properly passed and is within the legal powers of the Municipality. The debenture issued under the By-law in the within form (the "**Debenture**") is the direct, general, unsecured and unsubordinated obligation of the Municipality. The Debenture is enforceable against the Municipality subject to the special jurisdiction and powers of the Ontario Land Tribunal over defaulting municipalities under the *Municipal Affairs Act*. This opinion is subject to and incorporates all the assumptions, qualifications and limitations set out in our opinion letter.

September 03, 2024

Templeman Menninga LLP [no signature required]



## CONDITIONS OF THE DEBENTURE

### Form, Denomination, and Ranking of the Debenture

1. The debentures issued pursuant to the By-law (collectively the “**Debentures**” and individually a “**Debenture**”) are issuable as fully registered Debentures without coupons.
2. The Debentures are direct, general, unsecured and unsubordinated obligations of the Municipality. The Debentures rank concurrently and equally in respect of payment of principal and interest with all other debentures of the Municipality except for the availability of money in a sinking or retirement fund for a particular issue of debentures.
3. This Debenture is one fully registered Debenture registered in the name of OILC and held by OILC.

### Registration

4. The Municipality shall maintain at its designated office a registry in respect of the Debentures in which shall be recorded the names and the addresses of the registered holders and particulars of the Debentures held by them respectively and in which particulars of cancellations, exchanges, substitutions and transfers of Debentures, may be recorded and the Municipality is authorized to use electronic, magnetic or other media for records of or related to the Debentures or for copies of them.

### Title

5. The Municipality shall not be bound to see to the execution of any trust affecting the ownership of any Debenture or be affected by notice of any equity that may be subsisting in respect thereof. The Municipality shall deem and treat registered holders of Debentures, including this Debenture, as the absolute owners thereof for all purposes whatsoever notwithstanding any notice to the contrary and all payments to or to the order of registered holders shall be valid and effectual to discharge the liability of the Municipality on the Debentures to the extent of the amount or amounts so paid. Where a Debenture is registered in more than one name, the principal of and interest from time to time payable on such Debenture shall be paid to or to the order of all the joint registered holders thereof, failing written instructions to the contrary from all such joint registered holders, and such payment shall constitute a valid discharge to the Municipality. In the case of the death of one or more joint registered holders, despite the foregoing provisions of this section, the principal of and interest on any Debentures registered in their names may be paid to the survivor or survivors of such holders and such payment shall constitute a valid discharge to the Municipality.

## Payments of Principal and Interest

6. The record date for purposes of payment of principal of and interest on the Debentures is as of 5:00 p.m. on the sixteenth calendar day preceding any payment date including the maturity date. Principal of and interest on the Debentures are payable by the Municipality to the persons registered as holders in the registry on the relevant record date. The Municipality shall not be required to register any transfer, exchange or substitution of Debentures during the period from any record date to the corresponding payment date.
7. The Municipality shall make all payments in respect of equal semi-annual instalments of combined principal and interest including the last 'non-equal' instalment on the Debentures on the payment dates commencing on March 03, 2025 and ending on September 03, 2049 as set out in Schedule "C" to the By-law, by pre-authorized debit in respect of such interest and principal to the credit of the registered holder on such terms as the Municipality and the registered holder may agree.
8. The Municipality shall pay to the registered holder interest on any overdue amount of principal or interest in respect of any Debenture, both before and after default and judgment, at a rate per annum equal to the greater of the rate specified on the Schedule as attached to and forming part of the Debenture for such amount plus 200 basis points or Prime Rate (as defined below) plus 200 basis points, calculated on a daily basis from the date such amount becomes overdue for so long as such amount remains overdue and the Municipality shall pay to the registered holder any and all costs incurred by the registered holder as a result of the overdue payment.
9. Whenever it is necessary to compute any amount of interest in respect of the Debentures for a period of less than one full year, other than with respect to regular semi-annual interest payments, such interest shall be calculated on the basis of the actual number of days in the period and a year of 365 days or 366 days as appropriate.
10. Payments in respect of principal of and interest on the Debentures shall be made only on a day, other than Saturday or Sunday, on which banking institutions in Toronto, Ontario, Canada and the Municipality are not authorized or obligated by law or executive order to be closed (a "**Business Day**"), and if any date for payment is not a Business Day, payment shall be made on the next following Business Day as noted on the Amortization Schedule.
11. The Debentures are transferable or exchangeable at the office of the Treasurer of the Municipality upon presentation for such purpose accompanied by an instrument of transfer or exchange in a form approved by the Municipality and which form is in accordance with the prevailing Canadian transfer legislation and practices, executed by the registered holder thereof or such holder's duly authorized attorney or legal personal representative, whereupon and upon registration of such transfer or exchange and cancellation of the Debenture or Debentures presented, a new Debenture or Debentures of an equal aggregate principal amount in any authorized denomination or denominations will be delivered as directed by the transferor, in the case of a transfer or as directed by the registered holder in the case of an exchange.

12. The Municipality shall issue and deliver Debentures in exchange for or in substitution for Debentures outstanding on the registry with the same maturity and of like form in the event of a mutilation, defacement, loss, mysterious or unexplainable disappearance, theft or destruction, provided that the applicant therefor shall have: (a) paid such costs as may have been incurred in connection therewith; (b) (in the case of a mutilated, defaced, lost, mysteriously or unexplainably missing, stolen or destroyed Debenture) furnished the Municipality with such evidence (including evidence as to the certificate number of the Debenture in question) and an indemnity in respect thereof satisfactory to the Municipality in its discretion; and (c) surrendered to the Municipality any mutilated or defaced Debentures in respect of which new Debentures are to be issued in substitution.
13. The Debentures issued upon any registration of transfer or exchange or in substitution for any Debentures or part thereof shall carry all the rights to interest if any, accrued and unpaid which were carried by such Debentures or part thereof and shall be so dated and shall bear the same maturity date and, subject to the provisions of the By-law, shall be subject to the same terms and conditions as the Debentures in respect of which the transfer, exchange or substitution is effected.
14. The cost of all transfers and exchanges, including the printing of authorized denominations of the new Debentures, shall be borne by the Municipality. When any of the Debentures are surrendered for transfer or exchange the Treasurer of the Municipality shall: (a) in the case of an exchange, cancel and destroy the Debentures surrendered for exchange; (b) in the case of an exchange, certify the cancellation and destruction in the registry; (c) enter in the registry particulars of the new Debenture or Debentures issued in exchange; and (d) in the case of a transfer, enter in the registry particulars of the registered holder as directed by the transferor.
15. Reasonable fees for the substitution of a new Debenture or new Debentures for any of the Debentures that are mutilated, defaced, lost, mysteriously or unexplainably missing, stolen or destroyed and for the replacement of mutilated, defaced, lost, mysteriously or unexplainably missing, stolen or destroyed principal and interest cheques (if any) may be imposed by the Municipality. When new Debentures are issued in substitution in these circumstances the Municipality shall: (a) treat as cancelled and destroyed the Debentures in respect of which new Debentures will be issued in substitution; (b) certify the deemed cancellation and destruction in the registry; (c) enter in the registry particulars of the new Debentures issued in substitution; and (d) make a notation of any indemnities provided.
16. If OILC elects to terminate its obligations under the financing agreement or rate offer agreement entered into between the Municipality and OILC, pursuant to which the Debentures are issued, or if the Municipality fails to meet and pay any of its debts or liabilities when due, or uses all or any portion of the proceeds of any Debenture for any purpose other than for a Capital Work(s) as authorized in the By-Law, the Municipality shall pay to OILC the Make-Whole Amount on account of the losses that it will incur as a result of the early repayment or early termination.

## Notices

17. Except as otherwise expressly provided herein, any notice required to be given to a registered holder of one or more of the Debentures will be sufficiently given if a copy of such notice is mailed or otherwise delivered to the registered address of such registered holder. If the Municipality or any registered holder is required to give any notice in connection with the Debentures on or before any day and that day is not a Business Day (as defined in section 10 of these Conditions) then such notice may be given on the next following Business Day.

## Time

18. Unless otherwise expressly provided herein, any reference herein to a time shall be considered to be a reference to Toronto time.

## Governing Law

19. The Debentures are governed by and shall be construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in Ontario.

## Definitions:

- (a) **"Prime Rate"** means, on any day, the annual rate of interest which is the arithmetic mean of the prime rates announced from time to time by the following five major Canadian Schedule I banks, as of the issue date of this Debenture: Royal Bank of Canada; Canadian Imperial Bank of Commerce; The Bank of Nova Scotia; Bank of Montreal; and The Toronto-Dominion Bank (the **"Reference Banks"**) as their reference rates in effect on such day for Canadian dollar commercial loans made in Canada. If fewer than five of the Reference Banks quote a prime rate on such days, the **"Prime Rate"** shall be the arithmetic mean of the rates quoted by those Reference Banks.
- (b) **"Make-Whole Amount"** means the amount determined by OILC as of the date of prepayment of the Debenture, by which (i) the present value of the remaining future scheduled payments of principal and interest under the Debenture to be repaid from the prepayment date until maturity of the Debenture discounted at the Ontario Yield exceeds (ii) the principal amount under the Debenture being repaid provided that the Make-Whole Amount shall never be less than zero.
- (c) **"Ontario Yield"** means the yield to maturity on the date of prepayment of the Debenture, assuming semi-annual compounding, which a non-prepayable term loan made by the Province of Ontario would have if advanced on the date of prepayment of the Debenture, assuming the same principal amount as the Debenture and with a maturity date which is the same as the remaining term to maturity of the Debenture to be repaid minus 100 basis points.

[OILC Repayment Schedule to be Inserted]

## CERTIFICATE OF THE CLERK

**To: Templeman Menninga LLP**

**And To: OILC**

IN THE MATTER OF an issue of a 25 year(s), **X.XX%** amortizing debenture of The Corporation of The County of Northumberland (the "**Municipality**") in the principal amount of \$3,181,193.00, authorized by Debenture By-law Number **XXXX** (the "**Debenture By-law**");

AND IN THE MATTER OF authorizing by-law(s) of the Municipality enumerated in Schedule "A" to the Debenture By-law.

I, Maddison Mather, Clerk of the Municipality, **DO HEREBY CERTIFY THAT:**

1. The Debenture By-law was finally passed and enacted by the Council of the Municipality on August 14, 2024 in full compliance with the *Municipal Act, 2001*, as amended (the "**Act**") at a duly called meeting at which a quorum was present. Forthwith after the passage of the Debenture By-law, the same was signed by the Warden and the Clerk and sealed with the municipal seal of the Municipality.
2. The authorizing by-law(s) referred to in Schedule "A" to the Debenture By-law (the "**Authorizing By-law(s)**") have been enacted and passed by the Council of the Municipality in full compliance with the Act at meeting(s) at which a quorum was present. Forthwith after the passage of the Authorizing By-law(s) the same were signed by the Warden and by the Clerk and sealed with the municipal seal of the Municipality.
3. With respect to the undertaking of the capital work(s) described in the Debenture By-law (the "**Capital Work(s)**"), before the Council of the Municipality exercised any of its powers in respect of the Capital Work(s), and before authorizing any additional cost amount and any additional debenture authority in respect thereof (if any), the Council of the Municipality had its Treasurer complete the required calculation set out in the relevant debt and financial obligation limits regulation (the "**Regulation**"). Accordingly, based on the Treasurer's calculation and determination under the Regulation, the Council of the Municipality authorized the Capital Work(s), each such additional cost amount and each such additional debenture authority (if any), without the approval of the Ontario Land Tribunal pursuant to the Regulation.
4. No application has been made or action brought to quash, set aside or declare invalid the Debenture By-law or the Authorizing By-law(s) nor have the same been in any way repealed, altered or amended, except insofar as some of the Authorizing By-law(s) may have been amended by any of the Authorizing By-law(s) set forth in Schedule "A" (if any), and the Debenture By-law and the Authorizing By-law(s) are now in full force and effect. Moreover, the Mayor has not provided written notice to the Council of the Municipality of an intent to consider vetoing the Debenture By-law and no written veto document in respect of the Debenture By-law has been given to the Clerk.

5. All of the recitals contained in the Debenture By-law and the Authorizing By-law(s) are true in substance and fact.
6. To the extent that the public notice provisions of the Act are applicable, the Authorizing By-law(s) and the Debenture By-law have been enacted and passed by the Council of the Municipality in full compliance with the applicable public notice provisions of the Act.
7. None of the debentures authorized to be issued by the Authorizing By-law(s) have been previously issued.
8. The Municipality is not subject to any restructuring order under part V of the Act or other statutory authority, accordingly, no approval of the Authorizing By-law(s) and of the Debenture By-law and/or of the issue of the OILC Debentures is required by any transition board or commission appointed in respect of the restructuring of the municipality.
9. The Authorizing By-law(s) and the Debenture By-law and the transactions contemplated thereby do not conflict with, or result in a breach or violation of any statutory provisions which apply to the Municipality or any agreement to which the Municipality is a party or under which the Municipality or any of its property is or may be bound, or, to the best of my knowledge, violate any order, award, judgment, determination, writ, injunction or decree applicable to the Municipality of any regulatory, administrative or other government or public body or authority, arbitrator or court.

**DATED** at The Corporation of The County of Northumberland as at the 3rd day of September, 2024

[AFFIX SEAL]

\_\_\_\_\_  
Maddison Mather, Clerk

## CERTIFICATE OF THE TREASURER

**To: Templeman Menninga LLP**

**And To: OILC**

IN THE MATTER OF an issue of a 25 year(s), **X.XX%** amortizing debenture of The Corporation of The County of Northumberland (the "**Municipality**") in the principal amount of \$3,181,193.00, for Capital Work(s) of the Municipality authorized by Debenture By-law Number **XXXX** (the "**Debenture By-law**");

AND IN THE MATTER OF authorizing by-laws of the Municipality enumerated in Schedule "A" to the Debenture By-law.

This Certificate is issued pursuant to the financing agreement between OILC and the Municipality effective the August 10, 2021 (the "**Financing Agreement**"). Capitalized terms used herein and defined in the Financing Agreement have the meanings ascribed to them in the Financing Agreement.

I, Matthew Nitsch, Treasurer of the Municipality, **DO HEREBY CERTIFY THAT:**

1. The Municipality has received from the Ministry of Municipal Affairs and Housing its annual debt and financial obligation limit for the relevant years.
2. With respect to the undertaking of the capital work(s) described in the Debenture By-law (the "**Capital Work(s)**"), before the Council of the Municipality authorized **the** Capital Work(s), and before authorizing any additional cost amount and any additional debenture authority in respect thereof (if any), the Treasurer calculated the updated relevant debt and financial obligation limit in accordance with the applicable debt and financial obligation limits regulation (the "**Regulation**"). The Treasurer thereafter determined that the estimated annual amount payable in respect of the Capital Work(s), each such additional cost amount and each such additional debenture authority (if any), would not cause the Municipality to reach or to exceed the relevant updated debt and financial obligation limit as at the date of the Council's approval. Based on the Treasurer's determination, the Council of the Municipality authorized the Capital Work(s), each such additional cost amount and each such additional debenture authority (if any), without the approval of the Ontario Land Tribunal pursuant to the Regulation.
3. As at the date hereof the Municipality has not reached or exceeded its updated annual debt and financial obligation limit.
4. In updating the relevant debt and financial obligation limit(s), the estimated annual amounts payable described in the Regulation were determined based on current interest rates and amortization periods which do not, in any case, exceed the lifetime of any of the purposes of the Municipality described in such section, all in accordance with generally accepted



accounting principles for local governments as recommended, from time to time, by the relevant Public Sector Accounting Board.

5. Any issues that were raised in any audit conducted under paragraph 16 (a) of the Financing Agreement have been resolved to the satisfaction of OILC in its sole discretion and/or OILC has not required an audit under paragraph 16 (a) of the Financing Agreement or such audit is not ongoing.

6. The term within which the debentures to be issued for the Municipality in respect of the Capital Work(s) pursuant to the Debenture By-law are made payable does not exceed the lifetime of such Capital Work(s).

7. The principal amount now being financed through the issue of debentures pursuant to the Debenture By-law in respect of the Capital Work(s) does not exceed the net cost of each such Capital Work and does not exceed the Committed Amount for such Capital Work(s).

8. Expenditures on the Capital Work(s) have been made or will be made in an amount that does not exceed the Committed Amount for such Capital Work(s), if OILC, in its sole discretion, has agreed to purchase the debentures to be issued pursuant to the Debenture By-law prior to making any Advance or prior to the expenditure of all or any portion of the Committed Amount on the Capital Work(s).

9. The money received by the Municipality from the sale of the debentures issued pursuant to the Debenture By-law, including any premium, and any earnings derived from the investment of that money after providing for the expenses related to their issue, if any, shall be apportioned and applied to the Capital Work(s), and to no other purpose except as permitted by the *Municipal Act, 2001*.

10. As of the date hereof none of the events specified in paragraph 12(c) of the Financing Agreement have occurred or are continuing.

11. On or before September 03, 2024, I as Treasurer, signed the fully registered amortizing debenture numbered **XXXX** in the principal amount of \$3,181,193.00 dated September 03, 2024, registered in the name of Ontario Infrastructure and Lands Corporation and authorized by the Debenture By-law (the "**OILC Debenture**").

12. On or before September 03, 2024, the OILC Debenture was signed by Brian Ostrander, Warden of the Municipality at the date of the execution and issue of the OILC Debenture, the OILC Debenture was sealed with the seal of the Municipality, the OILC Debenture is in all respects in accordance with the Debenture By-law and in issuing the OILC Debenture the Municipality is not exceeding its borrowing powers.

13. The said Brian Ostrander, is the duly elected Warden of the Municipality and that I am the duly appointed Treasurer of the Municipality and that we were severally authorized under the Debenture By-law to execute the OILC Debenture in the manner aforesaid and that the OILC Debenture is entitled to full faith and credence.

14. No litigation or proceedings of any nature are now pending or threatened, attacking or in any way attempting to restrain or enjoin the issue and delivery of the OILC Debenture or in any manner questioning the proceedings and the authority under which the same is issued, or

affecting the validity thereof, or contesting the title or official capacity of the said Warden or myself as Treasurer of the Municipality, and no proceedings for the issuance of the OILC Debenture or any part of it has been repealed, revoked or rescinded in whole or in part.

15. The representations and warranties of the Municipality set out in paragraph 2 of the Financing Agreement were true and correct as of the date of the request to purchase the debentures in respect of the Capital Work(s) pursuant to the Debenture By-law and are true and correct as of the date hereof and the Municipality is not in material default of any of its obligations under such Financing Agreement.

**DATED** at The Corporation of The County of Northumberland as at the 3rd day of September, 2024.

[AFFIX SEAL]

\_\_\_\_\_  
Matthew Nitsch, Treasurer

I, Maddison Mather, Clerk of the Municipality do hereby certify that the signature of Matthew Nitsch, Treasurer of the Municipality described above, is true and genuine.

[AFFIX SEAL]

\_\_\_\_\_  
Maddison Mather, Clerk

By-law 22-2021

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**A By-law to Authorize the Submission of an Application to Ontario Infrastructure and Lands Corporation (“OILC”) for Financing of Certain Ongoing Capital Work(s) of the Corporation of the County of Northumberland (the “Municipality”); to Authorize Temporary Borrowing from OILC to Meet Expenditures in Connection with such Capital Work(s); and to Authorize Long-Term Borrowing for such Capital Work(s) Through the Issue of Debentures to OILC**

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**Whereas** the *Municipal Act, 2001* (Ontario), as amended, (the “**Act**”) provides that a municipal power shall be exercised by by-law unless the municipality is specifically authorized to do otherwise; and

**Whereas** the Council of the Municipality has passed the by-law(s) enumerated in column (1) of Schedule “A” attached hereto and forming part of this By-law (“**Schedule A**”) authorizing the capital work(s) described in column (2) of Schedule “A” (“**Capital Work(s)**”) in the amount of the respective estimated expenditure set out in column (3) of Schedule “A”, subject in each case to approval by OILC of the financing for such Capital Work(s) requested by the Municipality in the Application as hereinafter defined; and

**Whereas** before the Council of the Municipality approved the Capital Work(s) in accordance with section 4 of Ontario Regulation 403/02 (the “**Regulation**”), the Council of the Municipality had its Treasurer calculate an updated limit in respect of its then most recent annual debt and financial obligation limit received from the Ministry of Municipal Affairs and Housing (as so updated, the “**Updated Limit**”), and, on the basis of the authorized estimated expenditure for the Capital Work or each Capital Work, as the case may be, as set out in column (3) of Schedule “A” (the “**Authorized Expenditure**” for any such Capital Work), the Treasurer calculated the estimated annual amount payable in respect of the Capital Work or each Capital Work, as the case may be, and determined that the estimated annual amount payable in respect of the Capital Work or each Capital Work, as the case may be, did not cause the Municipality to exceed the Updated Limit, and accordingly the approval of the Local Planning Appeal Tribunal pursuant to the Regulation, was not required before any such Capital Work was authorized by the Council of the Municipality; and

**Whereas** subsection 405 (1) of the Act provides, amongst other things, that a municipality may authorize temporary borrowing to meet expenditures made in connection with a work to be financed in whole or in part by the issue of debentures if,

the municipality is an upper-tier municipality, a lower-tier municipality in a county or a single-tier municipality and it has approved the issue of debentures for the work; and

**Whereas** subsection 401(1) of the Act provides that a municipality may incur a debt for municipal purposes, whether by borrowing money or in any other way, and may issue debentures and prescribed financial instruments and enter prescribed financial agreements for or in relation to the debt; and

**Whereas** the Act also provides that a municipality shall authorize long-term borrowing by the issue of debentures or through another municipality under section 403 or 404 of the Act; and

**Whereas** OILC has invited Ontario municipalities desirous of obtaining temporary and long-term debt financing in order to meet capital expenditures incurred on or after the year that is five years prior to the year of an application in connection with eligible capital works to make application to OILC for such financing by completing and submitting an application in the form provided by OILC; and

**Whereas** the Municipality has completed and submitted or is in the process of submitting an application to OILC, as the case may be (the "**Application**") to request financing for the Capital Work(s) by way of long-term borrowing through the issue of debentures to OILC and by way of temporary borrowing from OILC pending the issue of such debentures; and

**Whereas** OILC has accepted and has approved or will notify the Municipality only if it accepts and approves the Application, as the case may be;

**Now Therefore Be It Enacted** as a by-law of the Council of the Corporation of the County of Northumberland as follows:

1. The Council of the Municipality hereby confirms, ratifies and approves the execution by the Treasurer of the Application and the submission by such authorized official of the Application, duly executed by such authorized official, to OILC for the financing of the Capital Work(s) in the maximum aggregate principal amount of \$11,961,534 substantially in the form of Schedule "B" hereto and forming part of this By-law, with such changes thereon as such authorized official may hereafter, approve such execution and delivery to be conclusive evidence of such approval.
2. The Warden and the Treasurer are hereby authorized to negotiate and enter into, execute and deliver for and on behalf of the Municipality a financing agreement (a "**Financing Agreement**") with OILC that provides for temporary and long-term borrowing from OILC under the authority of this By-law in respect of the Capital Work(s) on such terms and conditions as such authorized officials may approve, such execution and delivery to be conclusive evidence of such approval.



3. The Warden and/or the Treasurer are hereby authorized, pending the substantial completion of the Capital Work or of each Capital Work, as the case may be, or as otherwise agreed with OILC, to make temporary borrowings pursuant to section 405 of the Act in respect of the Capital Work or of each Capital Work, as the case may be, on the terms and conditions provided in the Financing Agreement which Financing Agreement provides that the information contained in the Record, as defined in the Financing Agreement, in respect of such temporary borrowings shall be deemed final, conclusive and binding on the Municipality, and on such other terms and conditions as such authorized officials may agree; and the Treasurer is authorized to sign such certifications as OILC may require in connection with such borrowings in respect of the Capital Work(s); provided that the amount of borrowings allocated to the Capital Work or of each Capital Work, as the case may be, does not exceed the Authorized Expenditure for such Capital Work and does not exceed the related loan amount set out in column (4) of Schedule "A" in respect of such Capital Work.
4. Subject to the terms and conditions of the Financing Agreement and such other terms and conditions as OILC may otherwise require, the Warden and the Treasurer are hereby authorized to long-term borrow for the Capital Work(s) and to issue debentures to OILC on the terms and conditions provided in the Financing Agreement and on such other terms and conditions as such authorized officials may agree (the "**Debentures**"); provided that the principal amount of the Debentures issued in respect of the Capital Work or of each Capital Work, as the case may be, does not exceed the Authorized Expenditure for such Capital Work and does not exceed the related loan amount set out in column (4) of Schedule "A" in respect of such Capital Work.
5. In accordance with the provisions of section 25 of the *Ontario Infrastructure and Lands Corporation Act, 2011*, as amended from time to time hereafter, the Municipality is hereby authorized to agree in writing with OILC that the Minister of Finance is entitled, without notice to the Municipality, to deduct from money appropriated by the Legislative Assembly of Ontario for payment to the Municipality, amounts not exceeding the amounts that the Municipality fails to pay to OILC on account of any unpaid indebtedness of the Municipality to OILC under any outstanding temporary borrowing and/or the Debentures, as the case may be (the "**Obligations**") and to pay such amounts to OILC from the Consolidated Revenue Fund.
6. For the purposes of meeting the Obligations, the Municipality shall provide for raising in each year as part of the general levy, the amounts of principal and interest payable in each year under any outstanding temporary borrowing and/or any Debenture outstanding pursuant to the Financing Agreement, to the extent that the amounts have not been provided for by any other available source including other taxes or fees or charges imposed on persons or property by a by-law of any municipality.

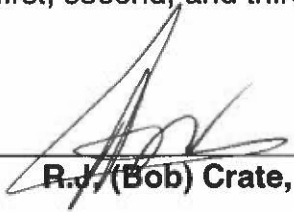
7. (a) The Warden and the Treasurer are hereby authorized to enter into, execute and deliver the Financing Agreement, and to issue the Debentures, one or more of the Clerk and the Treasurer are hereby authorized to generally do all things and to execute all other documents and papers in the name of the Municipality in order to perform the Obligations of the Municipality under the Financing Agreement, to request and receive any temporary borrowing and to issue the Debentures, and the Treasurer is authorized to affix the Municipality's municipal seal to any such documents and papers.

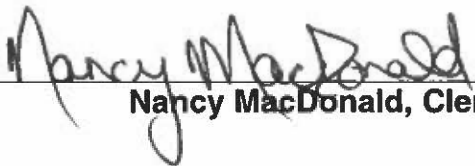
(b) The money realized in respect of any temporary borrowing for the Capital Work(s) and the Debentures, including any premium, and any earnings derived from the investment of that money, after providing for the expenses related to any such temporary borrowing and to the issue of the Debentures, if any, shall be apportioned and applied to the respective Capital Work and to no other purpose except as permitted by the Act.

8. This By-law takes effect on the day of passing.

That By-law 22-2021 be introduced, deemed to be read a first, second, and third time and passed, signed, and sealed this 21<sup>st</sup> day of July 2021.



  
\_\_\_\_\_  
**R.J. (Bob) Crate, Warden**

  
\_\_\_\_\_  
**Nancy MacDonald, Clerk**

## Schedule "A" to By-law 22-2021

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### (Ongoing Capital Work(s))

(1)	(2)	(3)	(4)
<u>By-Law Number</u>	<u>Description of Capital Work</u>	<u>Estimated Expenditure</u>	<u>Loan Amount</u>
22-2021	Elgin Park Redevelopment	\$18,450,000	\$11,961,534

## Webloans Loan Application PDF

Application for

### Projects

SIT ID	Project ID	Project Name	Construction/Purchase Start	Construction/Purchase End	Project Cost	OILC Loan Amount
1	0	Elgin Park Redevelopment Phase 1	09/01/2021	09/02/2022	\$9,345,610.00	5,306,610.00
2	0	Elgin Park Redevelopment Phase 2	09/02/2022	10/31/2023	\$9,104,390.00	6,654,924.00

### Details of Project Elgin Park Redevelopment Phase 1

<b>Project Category</b>	<input type="text" value="Municipal Social Housing"/>
<b>Project Name</b>	<input type="text" value="Elgin Park Redevelopment Phase 1"/>
<b>Construction/Purchase Start</b>	<input type="text" value="09/01/2021"/>
<b>Construction/Purchase End</b>	<input type="text" value="09/02/2022"/>
<b>Energy Conservation</b>	<input checked="" type="checkbox"/>
<b>Project Address 1</b>	<input type="text" value="265-327 Elgin St"/>
<b>Project Address 2</b>	<input type="text"/>
<b>City / Town</b>	<input type="text" value="Cobourg"/>
<b>Province</b>	<input type="text" value="ON"/>
<b>Postal Code</b>	<input type="text" value="K9A 1A2"/>
<b>Description</b>	<input type="text" value="The development proposal consists of the re-development of the existing 9 semi-detached buildings into four (4) two storey 10-plex buildings, resulting in an increase from 18 to 40 units. Twenty eight (28) of the units will be subsidized by Northumberland County (a net increase of 10 subsidized units). Phase 1 is the first 2 (of 4) buildings being constructed for the project."/>
<b>Comments and/or Special Requests</b>	<input type="text" value="We are requesting that the Debenture be a phased approach as the construction will happen over 2 phases."/>
<b>Project Life Span (Years)</b>	<input type="text" value="40"/>

### Project Financial Information

Project Cost (A)



**Other Project Funding / Financing (B):**

Description	Timing	Amount
Canada-Ontario Community Housing Initiative Grant	Existing	\$4,039,000.00
<b>Other Project Funding/Financing Total (B)</b>		<b>\$4,039,000.00</b>
<b>OILC Loan Amount (A-B)</b>		<b>\$5,306,610.00</b>

Only include long-term borrowing in this section. If you anticipate that you will require short-term financing during the construction phase of the project, the information will be gathered as part of the Financing Agreement.

Required Date	Amount	Term	Type
09/02/2022	\$5,306,610.00	25	Amortizing
<b>Long-term Borrowing Total</b>		<b>\$5,306,610.00</b>	

**Details of Project Elgin Park Redevelopment Phase 2**

**Project Category** Municipal Social Housing

**Project Name** Elgin Park Redevelopment Phase 2

**Construction/Purchase Start** 09/02/2022

**Construction/Purchase End** 10/31/2023

**Energy Conservation**

**Project Address 1** 265-327 Elgin St

**Project Address 2**

**City / Town** Cobourg

**Province** ON

**Postal Code** K9A 1A2

**Description** The development proposal consists of the re-development of the existing 9 semi-detached buildings into four (4) two storey 10-plex buildings, resulting in an increase from 18 to 40 units. Twenty eight (28) of the units will be subsidized by Northumberland County (a net increase of 10 subsidized units). Phase 2 is the last 2 (of 4) buildings being constructed for the project.

**Comments and/or Special Requests** We are requesting that the Debenture be a phased approach as the construction will happen over 2 phases.

**Project Life Span (Years)** 40

**Project Financial Information**

**Project Cost (A)** **\$9,104,390.00**

**Other Project Funding / Financing (B):**

Description	Timing	Amount
Northumberland County Contribution & DC Waiver	Existing	\$518,964.00
Town of Cobourg DC Waiver & Waiver of Fees	Existing	\$199,502.00
Canada-Ontario Community Housing Initiative Grant	Existing	\$1,731,000.00
<b>Other Project Funding/Financing Total (B)</b>		<b>\$2,449,466.00</b>

**OILC Loan Amount (A-B)** **\$6,654,924.00**

Only include long-term borrowing in this section. If you anticipate that you will require short-term financing during the construction phase of the project, the information will be gathered as part of the Financing Agreement.

Required Date	Amount	Term	Type
10/31/2023	\$6,654,924.00	25	Amortizing
<b>Long-term Borrowing Total</b>	\$6,654,924.00		

### Debt and Re-payments Summary

Has there been any new/undisclosed debt acquired since last FIR was submitted?

Yes  No

Please describe any re-financing plans for any existing "interest only" debt, if applicable.

### Non Re-payments of Loans or Debenture

In the last 10 years, has the borrower ever failed to make a loan payment or debenture repayment on time to any lender, including the Provincial Government?

If yes, please provide details.

### OILC Loan Repayment Information

Please indicate the source(s) of revenue you plan to use to repay the OILC Loan

<b>Taxation</b>	100.00
<b>User Fees</b>	0.00
<b>Service Charges</b>	0.00
<b>Development Charges</b>	0.00
<b>Connection Fees</b>	0.00
<b>Repayment Subsidies</b>	0.00
<b>Other</b>	
<b>Total</b>	100.00%

## Documentation and Acknowledgements

Please ensure all required documents are submitted with the signed application. OILC requires originals as noted below to be mailed or couriered. Also, please retain a copy of all documents submitted to OILC for your records.

To obtain templates for documents see listed below.

- Loan Application Signature Page signed and dated by the appropriate individual (original to be submitted)
- Certificate and sealed copy of OILC template By-law authorizing project borrowing and applying for a loan (original with seal)
- Certificate of Treasurer Regarding Litigation using the OILC template (original, signed & sealed)
- Updated Certified Annual Repayment Limit Calculation (original)

I acknowledge and agree that all of the above referenced documents must be submitted in the form required by OILC and understand that the application will not be processed until such documents have been fully completed and received by Infrastructure Ontario.

**Please note: OILC retains the right to request and review any additional information or documents at its discretion.**

### **Confidential Information**

OILC is an institution to which the Freedom of Information and Protection of Privacy Act (Ontario) applies. Information and supporting documents submitted by the Borrower to process the loan application will be kept secure and confidential, subject to any applicable laws or rules of a court or tribunal having jurisdiction.

## Infrastructure Ontario

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## Report 2024-091

**Report Title:** Municipal Funding Agreement – Canada Community Building Fund

**Committee Name:** Finance and Audit

**Committee Meeting Date:** July 30, 2024

**Prepared by:** Matthew Nitsch  
Director of Finance/Treasurer  
Finance

**Reviewed by:** Denise Marshall  
Director of Public Works  
Public Works

**Approved by:** Jennifer Moore, CAO

**Council Meeting Date:** August 14, 2024

**Strategic Plan Priorities:**  Innovate for Service Excellence  
 Ignite Economic Opportunity  
 Foster a Thriving Community  
 Propel Sustainable Growth  
 Champion a Vibrant Future

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### Recommendation

**That** the Finance and Audit Committee, having considered Report 2024-091 ‘Municipal Funding Agreement – Canada Community Building Fund’, recommend that County Council direct staff to execute the agreement between the Association of Municipalities of Ontario (AMO) and the County of Northumberland (County) to make Canada Community Building Fund (CCBF) funding available to the County in accordance with the terms outlined in the agreement; and

**Further That** the Committee recommend that County Council enact a By-law authorizing the Municipal Funding Agreement at the August 14, 2024 County Council meeting.”

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### Purpose

The purpose of this report is to provide an update on the Canada Community Building Fund and for County Council to pass a by-law authorizing the Municipal Funding Agreement (MFA).

## **Background**

The Canada Community Building Fund (CCBF), formerly known as the Federal Gas Tax Fund, is renewing agreements with municipalities to access funding. As of April 1, 2024, the Government of Canada, the Association of Municipalities of Ontario (AMO), and the City of Toronto are signatories to the Administrative Agreement on the CCBF which governs the transfer and use of the CCBF. AMO is responsible for administration for the CCBF funding made available to Municipalities in Ontario under the Administrative Agreement, therefore, to access the funding, the County must enter into an agreement with AMO which outlines the terms, responsibilities and activities required by each party.

## **Consultations**

N/A

## **Legislative Authority / Risk Considerations**

The County will be required to comply with the terms of the agreement to access the funding. As described further below, many requirements of the program remain unchanged with some changes. The CCBF accounts for approximately 21% of the annual funding for the County's transportation capital construction program (excluding development charge (DC) projects and funding), so by not executing an agreement with AMO to continue to receive this funding, the implementation of the County's Asset Management Plan for capital infrastructure would be at risk by further deferral of projects due to lack of funding.

## **Discussion / Options**

As per the previous agreement, the following items remain similar or unchanged:

- Allocations – follow existing model
- Eligibility – criteria unchanged
- Funds – terms for use, transfer, and retention of funds unchanged
- Insurance and Indemnification – unchanged
- Asset management – continue to use AMP's to guide CCBF investment
- Records and audit approach – risk-based audit continue to be used
- Communications – continues to be a focus for the Federal Government
- Default and termination – unchanged

The following are changes or new requirements:

- Resilience – the disaster mitigation category has been changed to the resilience category
- Staff costs – are now eligible, with limitations, in the Capacity Building Category only
- Equity – required to consider GBA+ lenses when undertaking projects
- Record retention – must retain records for at least six years (previously required to keep records in accordance with municipality's record retention policy)
- New requirements related to housing – single and lower tier municipalities require a Housing Needs Assessment (HNA) (Upper tiers exempt); project reporting to include housing outcomes resulting from CCBF investment; and, some housing related studies, etc. are eligible under the capacity building category

- Streamlining of reporting requirements and updated wording throughout document for clarification

### **Financial Impact**

The existing allocation model for funding remains unchanged and is distributed on a per capita basis in accordance with the census population counts. The funding allocation typically represents approximately 21% of the annual transportation capital construction funding (excluding DC projects and funding). The funds will continue to be transferred in two installments each year, typically in July/August and November.

### **Member Municipality Impacts**

N/A

### **Conclusion / Outcomes**

It is recommended that County Council pass a by-law authorizing the MFA, and direct staff to execute the MFA, which will be in effect for a 10-year period and submit to AMO to ensure funds are distributed to the County for use in 2024 and beyond.

### **Attachments**

1. Report 2024-091 ATTACH 1 'A By-law to Authorize the Execution of an Agreement to Enter into a Municipal Funding Agreement on the Canada Community Building Fund'
2. Report 2024-091 ATTACH 2 'Municipal Funding Agreement – Canada Community Building Fund'

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## By-law ##-2024

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### **A By-law to authorize the execution of an agreement to enter into a Municipal Funding Agreement on the Canada Community Building Fund between The County of Northumberland and the Association of Municipalities of Ontario**

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**Whereas** the Municipal Act, 2001, SO 2001, c. 25, Section 9, as amended, provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under that act or any other act;

**And Whereas** in order to release the funding under the Canada Community Building Fund the County of Northumberland is required to enter into a Municipal Funding Agreement with the Association of Municipalities of Ontario;

**Now Therefore Be It Enacted** as a by-law of the Council of the Corporation of the County of Northumberland as follows:

1. The Chief Administrative Officer (CAO) and the Treasurer are hereby authorized to execute the Municipal Funding Agreement under the Canada Community Building Fund between the Association of Municipalities of Ontario and the Corporation of the County of Northumberland as set out in Schedule "A" attached to this By-law, necessary to complete the requirements of the Agreement.

**That** By-law ##-2024 be introduced and be deemed to be read a first, second and third time, passed, signed and sealed this 14<sup>th</sup> day of August, 2024.

---

**Brian Ostrander, Warden**

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**Maddison Mather, Clerk**

**MUNICIPAL FUNDING AGREEMENT  
ON THE CANADA COMMUNITY-BUILDING FUND**

**BETWEEN:**

**THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO**

(referred to herein as “**AMO**”)

**AND:**

**THE COUNTY OF NORTHUMBERLAND**

(a municipal corporation pursuant to the *Municipal Act, 2001*, referred to herein as the “**Recipient**”)

**WHEREAS** the Government of Canada, the Government of Ontario, AMO, and the City of Toronto are signatories to the Administrative Agreement on the Canada Community-Building Fund effective April 1, 2024 (the “**Administrative Agreement**”), which governs the transfer and use of the Canada Community-Building Fund (“**CCBF**”) in Ontario;

**AND WHEREAS** AMO is responsible for the administration of CCBF funding made available to all Municipalities in Ontario – except the City of Toronto – under the Administrative Agreement, and will therefore undertake (and require the Recipient to undertake) certain activities as set out in this Agreement;

**AND WHEREAS** the Recipient wishes to enter into this Agreement to access CCBF funding;

**NOW THEREFORE** the Parties agree as follows:



## 1. DEFINITIONS AND INTERPRETATIONS

1.1 **Definitions.** For the purposes of this Agreement, the following terms shall have the meanings ascribed to them below:

**“Annual Report”** means the duly completed report to be prepared and delivered to AMO as described in Section 6.1.

**“Asset Management”** is a principle/practice that includes planning processes, approaches, plans, or related documents that support an integrated lifecycle approach to the effective stewardship of infrastructure assets to maximize benefits and effectively manage risk.

**“Canada”** means the Government of Canada, as represented by the Minister of Housing, Infrastructure and Communities.

**“Canada Community-Building Fund” or “CCBF”** means the program established under section 161 of the *Keeping Canada’s Economy and Jobs Growing Act*, S.C. 2011, c. 24 as amended by section 233 of the *Economic Action Plan 2013 Act, No. 1*, S.C. 2013, c. 33, as the Gas Tax Fund and renamed the Canada Community-Building Fund in section 199 of *Budget Implementation Act, 2021, No. 1*.

**“Contract”** means an agreement between the Recipient and a Third Party whereby the latter agrees to supply a product or service to an Eligible Project in return for financial consideration.

**“Eligible Expenditure”** means an expenditure described as eligible in Schedule B or deemed eligible by Canada in accordance with Section 4.2.

**“Eligible Investment Category”** means an investment category listed in Schedule A or deemed eligible by Canada in accordance with Section 3.2.

**“Eligible Project”** means a project that fits within an Eligible Investment Category.

**“Event of Default”** has the meaning given to it in Section 13.1 of this Agreement.

**“Funds”** mean the funds made available to the Recipient through the CCBF or any other source of funding as determined by Canada. Funds are made available pursuant to this Agreement and includes any interest earned on the said Funds. Funds transferred to another Municipality in accordance with Section 5.3 of this Agreement are to be treated as Funds by the Municipality to which the Funds are transferred; and Funds transferred to a non-municipal entity in accordance with Section 5.4 of this Agreement shall remain as Funds under this Agreement for all purposes and the Recipient shall continue to be bound by all provisions of this Agreement with respect to such transferred Funds.

**“Housing Needs Assessment”** or **“HNA”** means a report informed by data and research describing the current and future housing needs of a Municipality or community according to guidance provided by Canada.

**“Ineligible Expenditures”** means those expenditures described as ineligible in Schedule C or deemed ineligible by Canada in accordance with Section 4.2.

**“Infrastructure”** means tangible capital assets that are primarily for public use or benefit in Ontario – whether municipal or regional, and whether publicly or privately owned.

**“Lower-Tier Municipality”** means a Municipality that forms part of an Upper-Tier Municipality for municipal purposes, as defined under the *Municipal Act, 2001*, S.O. 2001, c. 25.

**“Municipal Fiscal Year”** means the period beginning January 1st of a year and ending December 31st of the same year.

**“Municipality”** and **“Municipalities”** means every municipality as defined under the *Municipal Act, 2001*, S.O. 2001, c. 25.

**“Non-Municipal Transfer By-law”** means a by-law passed by Council of the Recipient pursuant to Section 5.4 of this Agreement.

**“Parties”** means AMO and the Recipient.

**“Prior Agreement”** means the municipal funding agreement for the transfer of federal gas tax funds entered into by AMO and the Recipient, effective April 2014 and with an expiry date of March 31, 2024.

**“Single-Tier Municipality”** means a Municipality, other than an Upper-Tier Municipality, that does not form part of an Upper-Tier Municipality for municipal purposes, as defined under the *Municipal Act, 2001*, S.O. 2001 c. 25.

**“Third Party”** means any person or legal entity, other than the Parties to this Agreement, who participates in the implementation of an Eligible Project by means of a Contract.

**“Transfer By-law”** means a by-law passed by Council of the Recipient pursuant to Section 5.3 of this Agreement.

**“Unspent Funds”** means the amount reported as unspent by the Recipient as of December 31, 2023 in the Recipient’s 2023 Annual Report (as defined under the Prior Agreement).

**“Upper-Tier Municipality”** means a Municipality of which two or more Lower-Tier Municipalities form part for municipal purposes, as defined under the *Municipal Act, 2001*, S.O. 2001 c. 25.

## 1.2 Interpretations

- a) **“Agreement”** refers to this agreement as a whole, including the cover and execution pages and all of the schedules hereto, and all amendments made hereto in accordance with the provisions hereof.
- b) The words **“herein”**, **“hereof”** and **“hereunder”** and other words of similar import refer to this Agreement as a whole and not any particular schedule, article, section, paragraph or other subdivision of this Agreement.
- c) The term **“including”** or **“includes”** means including or includes (as applicable) without limitation or restriction.
- d) Any reference to a federal or provincial statute is to such statute and to the regulations made pursuant to such statute as such statute and regulations may at any time be amended or modified and in effect and to any statute or regulations that may be passed that have the effect of supplementing or superseding such statute or regulations.

## 2. TERM OF THE AGREEMENT

- 2.1 **Term.** Subject to any extension or termination of this Agreement or the survival of any of the provisions of this Agreement pursuant to the provisions contained herein, this Agreement shall come into effect as of April 1, 2024 up to and including March 31, 2034.
- 2.2 **Review.** This Agreement will be reviewed by AMO by June 30, 2027.
- 2.3 **Amendment.** This Agreement may be amended at any time in writing as agreed to by AMO and the Recipient.
- 2.4 **Notice.** Any of the Parties may terminate this Agreement on two (2) years written notice.
- 2.5 **Prior Agreement.** The Parties agree that the Prior Agreement, including Section 15.5 thereof, is hereby terminated. Notwithstanding the termination of the Prior Agreement, including Section 15.5, the reporting and indemnity obligations of the Recipient thereunder with respect to expended Funds governed by the Prior Agreement as set forth in Sections 5, 7, 10.3, 10.4 and 10.5 of the Prior Agreement shall survive the said termination.

### 3. ELIGIBLE PROJECTS

- 3.1 **Eligible Projects.** Eligible Projects are those that fit within an Eligible Investment Category. Eligible Investment Categories are listed in Schedule A.
- 3.2 **Discretion of Canada.** The eligibility of any investment category not listed in Schedule A is solely at the discretion of Canada.
- 3.3 **Recipient Fully Responsible.** The Recipient is fully responsible for the completion of each Eligible Project in accordance with Schedule A and Schedule B.

### 4. ELIGIBLE EXPENDITURES

- 4.1 **Eligible Expenditures and Ineligible Expenditures.** Eligible Expenditures are described in Schedule B. Ineligible Expenditures are described in Schedule C.
- 4.2 **Discretion of Canada.** The eligibility of any item not listed in Schedule B or Schedule C to this Agreement is solely at the discretion of Canada.
- 4.3 **Reasonable Access.** The Recipient shall allow AMO and Canada reasonable and timely access to all documentation, records and accounts and those of their respective agents or Third Parties related to the receipt, deposit and use of Funds and Unspent Funds, and any interest earned thereon, and all other relevant information and documentation requested by AMO or Canada or their respective designated representatives for the purposes of audit, evaluation, and ensuring compliance with this Agreement.
- 4.4 **Retention of Receipts.** The Recipient will keep proper and accurate accounts and records of all Eligible Projects including invoices and receipts for Eligible Expenditures for at least six (6) years after the completion of the project.
- 4.5 **Contracts.** The Recipient will award and manage all Contracts in accordance with its relevant policies and procedures and, if applicable, in accordance with any domestic or international trade agreements, and all other applicable laws. The Recipient will ensure any of its Contracts for the supply of services or materials to implement its responsibilities under this Agreement will be awarded in a way that is transparent, competitive, consistent with value for money principles and pursuant to its adopted procurement policy.

### 5. FUNDS

- 5.1 **Use of Funds.** The Recipient acknowledges and agrees the Funds are intended for and shall be used only for Eligible Expenditures in respect of Eligible Projects.

- 5.2 **Unspent Funds.** Any Unspent Funds, and any interest earned thereon, will be subject to the terms and conditions of this Agreement, and will no longer be governed by the terms and conditions of the Prior Agreement.
- 5.3 **Transfer of Funds to a Municipality.** Where a Recipient decides to allocate and transfer Funds to another Municipality (the “Transferee Municipality”):
- a) The allocation and transfer shall be authorized by a Transfer By-law. The Transfer By-law shall be passed by the Recipient’s council and submitted to AMO as soon thereafter as practicable. The Transfer By-law shall identify the Transferee Municipality and the amount of Funds the Transferee Municipality is to receive for the Municipal Fiscal Year(s) specified in the Transfer By-law.
  - b) The Recipient is still required to submit an Annual Report in accordance with Section 6.1 hereof with respect to the Funds transferred.
  - c) No transfer of Funds pursuant to this Section 5.3 shall be effected unless and until the Transferee Municipality has either (i) entered into an agreement with AMO on substantially the same terms as this Agreement, or (ii) has executed and delivered to AMO a written undertaking to assume all of the Recipient’s obligations under this Agreement with respect to the Funds transferred, such as undertaking in a form satisfactory to AMO.
- 5.4 **Transfer of Funds to a Non-Municipal Entity.** Where a Recipient decides to support an Eligible Project undertaken by a non-municipal entity (whether a for profit, non-governmental, or not-for profit organization):
- a) The provision of such support shall be authorized by a Transfer By-law (a “Non-Municipal Transfer By-law”). The Non-Municipal Transfer By-law shall be passed by the Recipient’s council and submitted to AMO as soon as practicable thereafter. The Non-Municipal Transfer By-law shall identify the non-municipal entity, and the amount of Funds the non-municipal entity is to receive for that Eligible Project.
  - b) The Recipient shall continue to be bound by all the provisions of this Agreement notwithstanding any such transfer.
  - c) No transfer of Funds pursuant to this Section 5.4 shall be effected unless and until the non-municipal entity receiving the Funds has executed and delivered to AMO a written undertaking to assume all of the Recipient’s obligations under this Agreement with respect to the Funds transferred, in a form exclusively satisfactory to AMO.
- 5.5 **Payout of Funds.** Subject to Sections 5.14 and 5.15, AMO will transfer Funds twice yearly, on or before the dates agreed upon by Canada and AMO.

- 5.6 **Deposit of Funds.** The Recipient will deposit the Funds in:
- a) An interest-bearing bank account; or
  - b) An investment permitted under:
    - i. The Recipient's investment policy; and
    - ii. Provincial legislation and regulation.
- 5.7 **Interest Earnings and Investment Gains.** Interest earnings and investment gains will be:
- Proportionately allocated to the CCBF when applicable; and
  - Applied to Eligible Expenditures for Eligible Projects.
- 5.8 **Funds Advanced.** Funds shall be spent (in accordance with Sections 3 and 4) or transferred (in accordance with Sections 5.3 or 5.4) within five (5) years after the end of the year in which Funds were received. Unexpended Funds shall not be retained beyond such five (5) year period without the documented consent of AMO. AMO reserves the right to declare that unexpended Funds after five (5) years become a debt to Canada which the Recipient will reimburse forthwith on demand to AMO for transmission to Canada.
- 5.9 **Expenditure of Funds.** The Recipient shall expend all Funds by December 31, 2038.
- 5.10 **HST.** The use of Funds is based on the net amount of harmonized sales tax to be paid by the Recipient net of any applicable tax rebates.
- 5.11 **Limit on Canada's Financial Commitments.** The Recipient may use Funds to pay up to one hundred percent (100%) of Eligible Expenditures of an Eligible Project.
- 5.12 **Federal Funds.** The Recipient agrees that any Funds received will be treated as "federal funds" for the purpose of other federal infrastructure programs.
- 5.13 **Stacking.** If the Recipient is receiving federal funds under other federal infrastructure programs in respect of an Eligible Project to which the Recipient wishes to apply Funds, the maximum federal contribution limitation set out in any other federal infrastructure program agreement made in respect of that Eligible Project shall continue to apply.
- 5.14 **Withholding Payment.** AMO may, in its exclusive discretion, withhold Funds where the Recipient is in default of compliance with any provisions of this Agreement.
- 5.15 **Insufficient Funds Provided by Canada.** Notwithstanding the provisions of Section 2, if Canada does not provide sufficient funds to continue the Funds for any Municipal

Fiscal Year during which this Agreement is in effect, AMO may immediately terminate this Agreement on written notice to the Recipient.

## 6. REPORTING REQUIREMENTS

- 6.1 **Annual Report.** The Recipient shall submit a report to AMO by April 30<sup>th</sup> each year, or as otherwise notified by AMO. The report shall be submitted in an electronic format deemed acceptable by AMO and shall contain the information described in Schedule D.
- 6.2 **Project List.** The Recipient shall ensure that projects are reported in advance of construction. Information required is as noted in Section 2.3 of Schedule E.

## 7. ASSET MANAGEMENT

- 7.1 **Implementation of Asset Management.** The Recipient will develop and implement an Asset Management plan, culture, and methodology in accordance with legislation and regulation established by the Government of Ontario (e.g., O. Reg. 588/17).
- 7.2 **Asset Data.** The Recipient will continue to improve data describing the condition of, long-term cost of, levels of service provided by, and risks associated with infrastructure assets.

## 8. HOUSING NEEDS ASSESSMENT

- 8.1 **Requirement.** While an HNA is encouraged for all Municipalities, the Recipient must complete a HNA if it had a population of 30,000 or more on the 2021 Census of Canada and is a Single-Tier Municipality or a Lower-Tier Municipality.
- 8.2 **Content of the HNA.** The Recipient will prepare the HNA in accordance with the guidance provided from time to time by Canada.
- 8.3 **Use of HNA.** The Recipient is expected to prioritize projects that support the growth of the housing supply. The HNA is to be used by Municipalities to prioritize, where possible, Infrastructure or capacity building projects that support increased housing supply where it makes sense to do so.
- 8.4 **Publication of the HNA.** The Recipient will publish the HNA on its website.
- 8.5 **HNA reporting requirements.** The Recipient will send to AMO by March 31, 2025, unless otherwise agreed upon:
- a) A copy of any HNA it is required to complete in accordance with Section 8.1; and

- b) The URL to the published HNA on the Recipient's website.

## 9. COMMUNICATIONS REQUIREMENTS

- 9.1 The Recipient will comply with all communication requirements outlined in Schedule E.

## 10. RECORDS AND AUDIT

- 10.1 **Accounting Principles.** All accounting terms not otherwise defined herein have the meanings assigned to them; all calculations will be made and all financial data to be submitted will be prepared in accordance with generally accepted accounting principles ("GAAP") in effect in Ontario. GAAP will include, without limitation, those principles approved or recommended for local governments from time to time by the Public Sector Accounting Board or the Chartered Professional Accountants of Canada or any successor institute, applied on a consistent basis.
- 10.2 **Separate Records.** The Recipient shall maintain separate records and documentation for the Funds and keep all records including invoices, statements, receipts, and vouchers in respect of Funds expended on Eligible Projects in accordance with the Recipient's municipal records retention by-law. Upon reasonable notice by AMO or Canada, the Recipient shall submit all records and documentation relating to the Funds for inspection or audit.
- 10.3 **External Auditor.** AMO or Canada may request, upon written notice to Recipient, an audit of Eligible Project(s) or Annual Report(s). AMO shall retain an external auditor to carry out an audit and ensure that any auditor who conducts an audit pursuant to this Agreement or otherwise, provides a copy of the audit report to the Recipient.

## 11. INSURANCE AND INDEMNITY

- 11.1 **Insurance.** The Recipient shall put in effect and maintain in full force and effect or cause to be put into effect and maintained for the term of this Agreement all the necessary insurance with respect to each Eligible Project, including any Eligible Projects with respect to which the Recipient has transferred Funds pursuant to Section 5 of this Agreement, that would be considered appropriate for a prudent Municipality undertaking similar Eligible Projects, including, where appropriate and without limitation, property, construction, and liability insurance, which insurance coverage shall identify Canada and AMO as additional insureds for the purposes of the Eligible Projects.
- 11.2 **Certificates of Insurance.** Throughout the term of this Agreement, the Recipient shall have a valid certificate of insurance that confirms compliance with the requirements



of Section 11.1. The Recipient shall produce such certificate of insurance on request, including as part of any AMO or Canada audit.

11.3 **AMO Not Liable.** In no event shall Canada or AMO be liable for:

- Any bodily injury, death or property damages to the Recipient, its employees, agents, or consultants or for any claim, demand or action by any Third Party against the Recipient, its employees, agents, or consultants, arising out of or in any way related to this Agreement; or
- Any incidental, indirect, special, or consequential damages, or any loss of use, revenue or profit to the Recipient, its employees, agents, or consultants arising out of any or in any way related to this Agreement.

11.4 **Recipient to Compensate Canada.** The Recipient will ensure that it will not, at any time, hold the Government of Canada, its officers, servants, employees or agents responsible for any claims or losses of any kind that the Recipient, Third Parties or any other person or entity may suffer in relation to any matter related to the Funds or an Eligible Project and that the Recipient will, at all times, compensate Canada, its officers, servants, employees and agents for any claims or losses of any kind that any of them may suffer in relation to any matter related to CCBF funding or an Eligible Project.

11.5 **Recipient to Indemnify AMO.** The Recipient hereby agrees to indemnify and hold harmless AMO, its officers, servants, employees or agents (each of which is called an “**Indemnitee**”), from and against all claims, losses, damages, liabilities and related expenses including the fees, charges and disbursements of any counsel for any Indemnitee incurred by any Indemnitee or asserted against any Indemnitee by whomsoever brought or prosecuted in any manner based upon, or occasioned by, any injury to persons, damage to or loss or destruction of property, economic loss or infringement of rights caused by or arising directly or indirectly from:

- The Funds;
- The Recipient’s Eligible Projects, including the design, construction, operation, maintenance, and repair of any part or all of the Eligible Projects;
- The performance of this Agreement or the breach of any term or condition of this Agreement by the Recipient, its officers, servants, employees, and agents, or by a Third Party, its officers, servants, employees, or agents; and
- Any omission or other wilful or negligent act of the Recipient or Third Party and their respective officers, servants, employees, or agents.

## 12. TRANSFER AND OPERATION OF MUNICIPAL INFRASTRUCTURE

- 12.1 **Reinvestment.** The Recipient will invest into Eligible Projects, any revenue that is generated from the sale, lease, encumbrance, or other disposal of an asset resulting from an Eligible Project where such disposal takes place within five (5) years of the date of completion of the Eligible Project.
- 12.2 **Notice.** The Recipient shall notify AMO in writing 120 days in advance and at any time during the five (5) years following the date of completion of an Eligible Project if it is sold, leased, encumbered, or otherwise disposed of.
- 12.3 **Public Use.** The Recipient will ensure that Infrastructure resulting from any Eligible Project that is not sold, leased, encumbered, or otherwise disposed of, remains primarily for public use or benefit.

## 13. DEFAULT AND TERMINATION

- 13.1 **Event of Default.** AMO may declare in writing that an Event of Default has occurred when the Recipient has not complied with any condition, undertaking or term in this Agreement. AMO will not declare in writing that an Event of Default has occurred unless it has first consulted with the Recipient. For the purposes of this Agreement, each of the following events shall constitute an “Event of Default”:
- Failure by the Recipient to deliver in a timely manner an Annual Report or respond to questionnaires or reports as required;
  - Delivery of an Annual Report that discloses non-compliance with any condition, undertaking or material term in this Agreement;
  - Failure by the Recipient to co-operate in an external audit undertaken by Canada, AMO or their agents;
  - Delivery of an external audit report that discloses non-compliance with any condition, undertaking or term in this Agreement; and
  - Failure by the Recipient to expend Funds in accordance with the terms of this Agreement, including Section 5.8.
- 13.2 **Waiver.** AMO may withdraw its notice of an Event of Default if the Recipient, within thirty (30) calendar days of receipt of the notice, either corrects the default or demonstrates, to the satisfaction of AMO in its sole discretion that it has taken such steps as are necessary to correct the default.
- 13.3 **Remedies on Default.** If AMO declares that an Event of Default has occurred under Section 13.1, after thirty (30) calendar days from the Recipient’s receipt of the notice

of an Event of Default, it may immediately terminate this Agreement or suspend its obligation to pay the Funds. If AMO suspends payment, it may pay suspended Funds if AMO is satisfied that the default has been cured.

- 13.4 **Repayment of Funds.** If AMO declares that an Event of Default has not been cured to its exclusive satisfaction, AMO reserves the right to declare that prior payments of Funds become a debt to Canada which the Recipient will reimburse forthwith on demand to AMO for transmission to Canada.

#### 14. CONFLICT OF INTEREST

- 14.1 **No Conflict of Interest.** The Recipient will ensure that no current member of the AMO Board of Directors and no current or former public servant or office holder to whom any post-employment, ethics and conflict of interest legislation, guidelines, codes or policies of Canada applies will derive direct benefit from the Funds, the Unspent Funds, and any interest earned thereon, unless the provision of receipt of such benefits is in compliance with such legislation, guidelines, policies or codes.

#### 15. NOTICE

- 15.1 **Notice.** Any notice, information or document provided for under this Agreement will be effectively given if in writing and if delivered by hand, or overnight courier, mailed, postage or other charges prepaid, or sent by email to the addresses in Section 15.3. Any notice that is sent by hand or overnight courier service shall be deemed to have been given when received; any notice mailed shall be deemed to have been received on the eighth (8) calendar day following the day on which it was mailed; any notice sent by email shall be deemed to have been received on the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgment), provided that in the case of a notice sent by email, if it is not given on a business day before 4:30 p.m. Eastern Standard Time, it shall be deemed to have been given at 8:30 a.m. on the next business day for the recipient.
- 15.2 **Representatives.** The individuals identified in Section 15.3 of this Agreement, in the first instance, act as AMO's or the Recipient's, as the case may be, representative for the purpose of implementing this Agreement.
- 15.3 **Addresses for Notice.** Further to Section 15.1 of this Agreement, notice can be given at the following addresses:

- If to AMO:

Executive Director  
Canada Community-Building Fund Agreement  
Association of Municipalities of Ontario  
155 University Avenue, Suite 800  
Toronto, ON M5H 3B7

Telephone: 416-971-9856  
Email: ccbf@amo.on.ca

- If to the Recipient:

Treasurer  
The County of Northumberland  
555 Courthouse Road  
Cobourg, ON K9A 5J6

## 16. MISCELLANEOUS

- 16.1 **Counterpart Signature.** This Agreement may be signed (including by electronic signature) and delivered (including by facsimile transmission, by email in PDF or similar format or using an online contracting service designated by AMO) in counterparts, and each signed and delivered counterpart will be deemed an original and both counterparts will together constitute one and the same document.
- 16.2 **Severability.** If for any reason a provision of this Agreement that is not a fundamental term is found to be or becomes invalid or unenforceable, in whole or in part, it will be deemed to be severable and will be deleted from this Agreement, but all the other terms and conditions of this Agreement will continue to be valid and enforceable.
- 16.3 **Waiver.** AMO may waive any right in this Agreement only in writing, and any tolerance or indulgence demonstrated by AMO will not constitute waiver of rights in this Agreement. Unless a waiver is executed in writing, AMO will be entitled to seek any remedy that it may have under this Agreement or under the law.
- 16.4 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable in Ontario.
- 16.5 **Survival.** The Recipient agrees that the following sections and provisions of this Agreement shall extend for seven (7) years beyond the expiration or termination of this Agreement: Sections 4, 5.8, 5.9, 6.1, 11.4, 11.5, 12, 13.4 and 16.8.
- 16.6 **AMO, Canada and Recipient Independent.** The Recipient will ensure its actions do not establish or will not be deemed to establish a partnership, joint venture, principal-

agent relationship, or employer-employee relationship in any way or for any purpose whatsoever between Canada and the Recipient, between AMO and the Recipient, between Canada and a Third Party or between AMO and a Third Party.

- 16.7 **No Authority to Represent.** The Recipient will ensure that it does not represent itself, including in any agreement with a Third Party, as a partner, employee, or agent of Canada or AMO.
- 16.8 **Debts Due to AMO.** Any amount owed under this Agreement will constitute a debt due to AMO, which the Recipient will reimburse forthwith, on demand, to AMO.
- 16.9 **Priority.** In the event of a conflict, the part of this Agreement that precedes the signature of the Parties will take precedence over the Schedules.
- 16.10 **Complementarity.** The Recipient is to use the CCBF to complement, without replacing or displacing, other sources of funding for municipal infrastructure.
- 16.11 **Equity.** The Recipient is to consider Gender Based Analysis Plus (“**GBA+**”) lenses when undertaking a project.

## 17. SCHEDULES

- 17.1 This Agreement, including:

Schedule A	Eligible Investment Categories
Schedule B	Eligible Expenditures
Schedule C	Ineligible Expenditures
Schedule D	The Annual Report
Schedule E	Communications Requirements

constitute the entire agreement between the Parties with respect to the subject matter contained in this Agreement and supersedes all prior oral or written representations and agreements.

**18. SIGNATURES**

**IN WITNESS WHEREOF**, AMO and the Recipient have respectively executed, and delivered this Agreement, effective April 1, 2024.

**THE COUNTY OF NORTHUMBERLAND**

By: \_\_\_\_\_  
Name: \_\_\_\_\_ Date \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_ Date \_\_\_\_\_  
Title: \_\_\_\_\_

**THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO**

By: \_\_\_\_\_  
Name: \_\_\_\_\_ Date \_\_\_\_\_  
Title: Executive Director

\_\_\_\_\_  
Witness: \_\_\_\_\_ Date \_\_\_\_\_  
Title: \_\_\_\_\_

## **SCHEDULE A: ELIGIBLE INVESTMENT CATEGORIES**

1. **Broadband connectivity** – investments in the construction, material enhancement, or renewal of infrastructure that provides internet access to residents, businesses, and/or institutions in Canadian communities.
2. **Brownfield redevelopment** – investments in the remediation or decontamination of a brownfield site within municipal boundaries – provided that the site is being redeveloped to construct a public park for municipal use, publicly owned social housing, or Infrastructure eligible under another investment category listed in this schedule.
3. **Capacity-building** – investments that strengthen the Recipient's ability to develop long-term planning practices as described in Schedule B, item 2.
4. **Community energy systems** – investments in the construction, material enhancement, or renewal of infrastructure that generates energy or increases energy efficiency.
5. **Cultural infrastructure** – investments in the construction, material enhancement, or renewal of infrastructure that supports the arts, humanities, or heritage.
6. **Drinking water** – investments in the construction, material enhancement, or renewal of infrastructure that supports drinking water conservation, collection, treatment, and distribution systems.
7. **Fire halls** – investments in the construction, material enhancement, or renewal of fire halls and fire station infrastructure.
8. **Local roads and bridges** – investments in the construction, material enhancement, or renewal of roads, bridges, tunnels, highways, and active transportation infrastructure.
9. **Public transit** – investments in the construction, material enhancement, or renewal of infrastructure that supports a shared passenger transport system that is available for public use.
10. **Recreational infrastructure** – investments in the construction, material enhancement, or renewal of recreational facilities or networks.
11. **Regional and local airports** – investments in the construction, material enhancement, or renewal of airport-related infrastructure (excluding infrastructure in the National Airports System).
12. **Resilience** – investments in the construction, material enhancement, or renewal of built and natural infrastructure assets and systems that protect and strengthen the resilience

of communities and withstand and sustain service in the face of climate change, natural disasters, and extreme weather events.

13. **Short-line rail** – investments in the construction, material enhancement, or renewal of railway-related infrastructure for carriage of passengers or freight.
14. **Short-sea shipping** – investments in the construction, material enhancement, or renewal of infrastructure related to the movement of cargo and passengers around the coast and on inland waterways, without directly crossing an ocean.
15. **Solid waste** – investments in the construction, material enhancement, or renewal of infrastructure that supports solid waste management systems (including the collection, diversion, and disposal of recyclables, compostable materials, and garbage).
16. **Sport infrastructure** – investments in the construction, material enhancement, or renewal of amateur sport infrastructure (facilities housing professional or semi-professional sports teams are ineligible).
17. **Tourism infrastructure** – investments in the construction, material enhancement, or renewal of infrastructure that attracts travelers for recreation, leisure, business, or other purposes.
18. **Wastewater** – investments in the construction, material enhancement, or renewal of infrastructure that supports wastewater and storm water collection, treatment, and management systems.

Note: Investments in health infrastructure (e.g., hospitals, long-term care facilities, convalescent centres, and senior centres) are not eligible.



## **SCHEDULE B: ELIGIBLE EXPENDITURES**

Eligible Expenditures will be limited to the following:

1. **Infrastructure investments** – expenditures associated with acquiring, planning, designing, constructing, or renovating a tangible capital asset and any related debt financing charges specifically identified with that asset.
2. **Capacity-building costs** – for projects eligible under the capacity-building category only, expenditures associated with the development and implementation of:
  - Capital investment plans, integrated community sustainability plans, integrated regional plans, housing needs assessments, or asset management plans;
  - Studies, strategies, systems, software, third-party assessments, plans, or training related to asset management;
  - Studies, strategies, systems, or plans related to housing or land use;
  - Studies, strategies, or plans related to the long-term management of infrastructure; and
  - Other initiatives that strengthen the Recipient's ability to improve local and regional planning.
3. **Joint communications and signage costs** – expenditures directly associated with joint federal communication activities and with federal project signage.
4. **Employee costs** – the costs of the Recipient's employees for projects eligible under the capacity-building category only – provided that the costs, on an annual basis, do not exceed the lesser of:
  - 40% of the Recipient's annual allocation (i.e., the amount of CCBF funding made available to the Recipient by AMO under Section 5.5 of this Agreement); or
  - \$80,000.

## **SCHEDULE C: INELIGIBLE EXPENDITURES**

The following are deemed Ineligible Expenditures:

1. **Costs incurred before the Fund was established** – project expenditures incurred before April 1, 2005.
2. **Costs incurred before categories were eligible** – project expenditures incurred:
  - Before April 1, 2014 – under the broadband connectivity, brownfield redevelopment, cultural infrastructure, disaster mitigation (now resilience), recreational infrastructure, regional and local airports, short-line rail, short-sea shipping, sport infrastructure, and tourism infrastructure categories; and.
  - Before April 1, 2021 – under the fire halls category.
3. **Internal costs** – the Recipient’s overhead costs (including salaries and other employment benefits), operating or administrative costs (related to planning, engineering, architecture, supervision, management, and other activities normally carried out by the Recipient’s staff), and equipment leasing costs – except in accordance with Eligible Expenditures described in Schedule B.
4. **Rebated costs** – taxes for which the Recipient is eligible for a tax rebate and all other costs eligible for rebates.
5. **Land costs** – the purchase of land or any interest therein and related costs.
6. **Legal fees.**
7. **Routine repair or maintenance costs** – costs that do not result in the construction, material enhancement, or renewal of a tangible capital asset.
8. **Investments in health infrastructure** – costs associated with health infrastructure or assets (e.g., hospitals, long-term care facilities, convalescent centres, and senior centres).
9. **Investments in professional or semi-professional sports facilities** – costs associated with facilities used by professional or semi-professional sports teams.

## **SCHEDULE D: ANNUAL REPORT**

The Annual Report may include – but is not necessarily limited to – the following information pertaining to the previous fiscal year:

1. **Financial information** – and particularly:
  - Interest earnings and investment gains – in accordance with Section 5.7;
  - Proceeds from the disposal of assets – in accordance with Section 12.1;
  - Outgoing transfers – in accordance with Sections 5.3 and 5.4;
  - Incoming transfers – in accordance with Section 5.3; and
  - Amounts paid – in aggregate for Eligible Expenditures on each Eligible Project.
2. **Project information** – describing each Eligible Project that started, ended, or was ongoing in the reporting year.
3. **Results** – and particularly:
  - Expected outputs and outcomes for each ongoing Eligible Project;
  - Outputs generated and outcomes achieved for each Eligible Project that ended construction in the reporting year; and
  - Housing outcomes resulting from each Eligible Project that ended construction in the reporting year, and specifically:
    - i. The number of housing units enabled, supported, or preserved; and
    - ii. The number of affordable housing units enabled, supported, or preserved.
4. **Other information** – such as:
  - Progress made in the development and implementation of asset management plans and systems; and
  - The impact of the CCBF on housing pressures tied to infrastructure gaps, the housing supply, and housing affordability.

## **SCHEDULE E: COMMUNICATIONS REQUIREMENTS**

### **1. COMMUNICATIONS ACTIVITIES**

- 1.1 **Scope.** The provisions of this Schedule apply to all communications activities related to any Funds and Eligible Projects.
- 1.2 **Definition.** Communications activities may include (but are not limited to) public or media events, news releases, reports, web articles, blogs, project signs, digital signs, publications, success stories and vignettes, photo compilations, videos, advertising campaigns, awareness campaigns, editorials, award programs, and multi-media products.

### **2. INFORMATION SHARING REQUIREMENTS**

- 2.1 **Notification requirements.** The Recipient must report all active Eligible Projects to AMO in advance of construction each year. Reports must be submitted in an electronic format deemed acceptable by AMO.
- 2.2 **Active Eligible Projects.** Active Eligible Projects are those Eligible Projects that either begin in the current calendar year or are ongoing in the current calendar year.
- 2.3 **Information required.** The report must include, at a minimum, the name, category, description, expected outcomes, anticipated CCBF contribution, anticipated start date, and anticipated end date of each active Eligible Project.

### **3. PROJECT SIGNAGE REQUIREMENTS**

- 3.1 **Installation requirements.** Unless otherwise approved by Canada, the Recipient must install a federal sign to recognize federal funding for each Eligible Project in accordance with design, content, and installation guidelines provided by Canada.
- 3.2 **Permanent signs, plaques, and markers.** Permanent signage, plaques, and markers recognizing municipal or provincial contributions to an Eligible Project must also recognize the federal contribution and must be approved by Canada.
- 3.3 **Responsibilities.** The Recipient is responsible for the production and installation of Eligible Project signage in accordance with Section 3 of this Schedule E, except as otherwise agreed upon.
- 3.4 **Reporting requirements.** The Recipient must inform AMO of signage installations in a manner determined by AMO.

#### 4. DIGITAL COMMUNICATIONS REQUIREMENTS

- 4.1 **Social media.** AMO maintains accounts dedicated to the CCBF on several social media networks. The Recipient must @mention the relevant account when producing content that promotes or communicates progress on one or more Eligible Projects. AMO's CCBF-dedicated social media accounts are identified on [www.buildingcommunities.ca](http://www.buildingcommunities.ca).
- 4.2 **Websites and webpages.** Websites and webpages created to promote or communicate progress on one or more Eligible Projects must recognize federal funding using either:
- a) A digital sign; or
  - b) The Canada wordmark and the following wording (as applicable):
    - i. "This project is funded in part by the Government of Canada"; or
    - ii. "This project is funded by the Government of Canada".

The Canada wordmark or digital sign must link to [www.infrastructure.gc.ca](http://www.infrastructure.gc.ca). Guidelines describing how this recognition is to appear and language requirements are posted at <http://www.infrastructure.gc.ca/pub/signage-panneaux/intro-eng.html>.

#### 5. REQUIREMENTS FOR MEDIA EVENTS AND ANNOUNCEMENTS

- 5.1 **Definitions.** Media events and announcements include, but are not limited to, news conferences, public announcements, and the issuing of news releases to communicate the funding of Eligible Projects or achievement of key milestones (such as groundbreaking ceremonies, grand openings, and completions).
- 5.2 **Authority.** Canada, AMO, or the Recipient may request a media event or announcement.
- 5.3 **Notification requirements.** Media events and announcements must not proceed without the prior knowledge and agreement of AMO, Canada, and the Recipient.
- 5.4 **Notice.** The requester of a media event or announcement must provide at least fifteen (15) business days' notice to other parties of their intention to undertake such an event or announcement. If communications are proposed through a news release with no supporting event, Canada additionally requires five (5) business days with the draft news release to secure approvals and confirm the federal representative's quote.
- 5.5 **Date and location.** Media events and announcements must take place at a date and location that is mutually agreed to by the Recipient, AMO and Canada.

- 5.6 **Representatives.** The Recipient, AMO, and Canada will have the opportunity to participate in media events and announcements through a designated representative. Each Party will choose its own designated representative.
- 5.7 **Responsibilities.** AMO and the Recipient are responsible for coordinating all onsite logistics for media events and announcements unless otherwise agreed on.
- 5.8 **No unreasonable delay.** The Recipient must not unreasonably delay media events and announcements.
- 5.9 **Precedence.** The conduct of all joint media events, announcements, and supporting communications materials (e.g., news releases, media advisories) will follow the [Table of Precedence for Canada](#).
- 5.10 **Federal approval.** All joint communications material related to media events and announcements must be approved by Canada and recognize the funding of all contributors.
- 5.11 **Federal policies.** All joint communications material must reflect Canada's Policy on Official Languages and the Policy on Communications and Federal Identity.
- 5.12 **Equal visibility.** The Recipient, Canada, and AMO will have equal visibility in all communications activities.

## 6. PROGRAM COMMUNICATIONS

- 6.1 **Own communications activities.** The Recipient may include messaging in its own communications products and activities with regards to the use of Funds.
- 6.2 **Funding acknowledgements.** The Recipient must recognize the funding of all contributors when undertaking such activities.

## 7. OPERATIONAL COMMUNICATIONS

- 7.1 **Responsibilities.** The Recipient is solely responsible for operational communications with respect to the Eligible Projects, including but not limited to, calls for tender, construction, and public safety notices. Operational communications as described above are not subject to the federal official languages policy.
- 7.2 **Federal funding acknowledgement.** Operational communications should include, where appropriate, the following statement (as appropriate):
  - a) "This project is funded in part by the Government of Canada"; or
  - b) "This project is funded by the Government of Canada".

- 7.3 **Notification requirements.** The Recipient must share information promptly with AMO should significant emerging media or stakeholder issues relating to an Eligible Project arise. AMO will advise the Recipient, when appropriate, about media inquiries received concerning an Eligible Project.

## 8. COMMUNICATING SUCCESS STORIES

- 8.1 **Participation requirements.** The Recipient must work with Canada and AMO when asked to collaborate on communications activities – including, but not limited to, Eligible Project success stories (including positive impacts on housing), Eligible Project vignettes, and Eligible Project start-to-finish features.

## 9. ADVERTISING CAMPAIGNS

- 9.1 **Responsibilities.** The Recipient may, at its own cost, organize an advertising or public information campaign related to the use of the Funds or Eligible Projects, provided that the campaign respects the provisions of this Agreement.
- 9.2 **Notice.** The Recipient must inform Canada and AMO of its intention to organize a campaign no less than twenty-one (21) working days prior to the launch of the campaign.

If you require this information in an alternate format, please contact the Accessibility Coordinator at accessibility@northumberlandcounty.ca or 1-800-354-7050 ext. 2327



## Report 2024-092

**Report Title:** 2023 Development Charges – Treasurer’s Annual Statement

**Committee Name:** Finance and Audit

**Committee Meeting Date:** July 30, 2024

**Prepared by:** Jennifer Heslinga  
Accounting Services Manager/ Deputy Treasurer  
Finance

**Reviewed by:** Matthew Nitsch  
Director of Finance/Treasurer  
Finance

**Approved by:** Jennifer Moore, CAO

**Council Meeting Date:** August 14, 2024

**Strategic Plan Priorities:**  Innovate for Service Excellence  
 Ignite Economic Opportunity  
 Foster a Thriving Community  
 Propel Sustainable Growth  
 Champion a Vibrant Future

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### Information Report

“**That** the Finance and Audit Committee receive Report 2024-092 ‘2023 Development Charges - Treasurer’s Annual Statement’ for information; and

**Further That** the Committee recommend that County Council receive this report for information.”

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## **Purpose**

The purpose of this report is to provide information related to the Development Charge Reserve Fund transactions for the 2023 fiscal year.

## **Background**

Council formally authorized staff to commence processes for the undertaking of a County-wide Development Charge (D.C.) Background Study in 2019. Further, this was formally identified within the Council approved County Strategic Plan (2019-2023) as a specific objective. Identified as such under the Sustainable Growth Priority to 'Evaluate a County-wide Development Charge' and ensure 'growth pays for growth'. With this direction, staff undertook an extensive process to implement the first County-wide D.C. in 2020.

In 2020, By-law 2020-36 was enacted to impose the first County-wide D.C. effective October 1, 2020. Further, this By-law was subsequently amended under By-law 25-2021. Primarily, the amendment to the By-law was to update the D.C. Background Study and associated By-Law to reflect for changes under the Development Charges Act inclusive of allowing municipalities to recover discounted D.C.'s for certain services that previously had in place a statutory 10% reduction.

The Government of Ontario passed Bill 23, the More Homes Built Faster Act, on November 28, 2022. The immediate impact of Bill 23 on development charges was the removal of Community Housing as a service. The Community Housing portion of the charge was removed from the County development charge on November 28<sup>th</sup>. This has created a significant shortfall for social housing that will require the County to find alternate sources of financing or scale back plans for additional affordable housing-related projects. Funds collected prior to this change can still be used for social housing so, while no new funds will be collected, it will continue to show on our reports/documentation.

The Government of Ontario passed Bill 134, Affordable Homes and Good Jobs Act, on December 4, 2023. Bill 134 further amends the Development Charges Act for Bill 23's definition of Affordable Homes. Bill 134 defines affordable rental units based on the percentile of income for households in the municipality, compared to Bill 23 using a definition of affordability as no more than 80% of the average market rent. The change is considered to define the term *affordability* more practically.

## **Consultations**

Consultations on the accounting treatment for D.C.'s were facilitated with the County auditors, Baker Tilly and, for ensuring application of policy and processes aligned with legislation, with Watson and Associates Economists Ltd.

## **Legislative Authority/Risk Considerations**

The Development Charges Act, 1997 as amended.

## Discussion/Options

D.C.'s are one-time fees levied by municipalities on new residential and non-residential lands to help pay for a portion of the growth-related capital infrastructure. The purpose of D.C.'s is to ensure that new development pays its proportionate share of the capital costs required to service the associated new development. It is common practice for municipalities in Ontario to utilize D.C.'s, thereby, ensuring that the capital cost of providing services to new development is borne by the development receiving the benefit.

On an annual basis, finance staff review the spending on growth related projects as identified in the Background Study, and transfer the applicable D.C.'s collected that can be earned during the year as a source of financing.

The Development Charges Act, Section 43(1) states that "The Treasurer of a municipality shall each year on or before such date as the Council of the municipality may direct, give the Council a financial statement relating to Development Charge By-laws and reserve funds established under section 33." In addition, Paragraphs 12 and 13 of Ontario Regulation 82/98 indicate the information to be included in the report. Appendix 'A' provides a summary of the D.C.'s collected during the fiscal year 2023 including reserve fund transactions and balances. Appendix 'B' provides a list of growth-related capital projects that have received contributions from the D.C.'s reserve funds.

## Financial Impact

The total amount of development charge funds collected during 2023 amounted to \$1.5M. Of this, \$663K has been transferred to growth related projects within the D.C. Background Study towards financing eligible costs incurred to date with \$3.1M identified as deferred revenue on the County's 2023 Audited Financial Statements as represented by obligatory reserve funds. These funds will be utilized to source financing as future costs are incurred for identified growth related projects in the D.C. Background Study. Interest attributable to these funds for 2022 was booked to the D.C. deferred revenue accounts in 2023. Interest for 2023 will be allotted in 2024. The interest for 2022 will be identified as such in the 2023 Development Charges – Treasurer's Annual Statement. Further, the County has recorded unfinanced D.C.'s amounting to \$323K as at December 31, 2023 representing future funds to be collected on identified projects where their proportionate share of D.C.'s collected is yet to be realized.

A summary of the D.C. activities and obligatory reserve funds relating to By-law 2020-36, as amended under By-law 25-2021, is detailed below:

January 1, 2023 opening balance	2,235,246
Development Charges received	1,547,614
Transfers to capital projects (revenue earned)	(663,484)
Interest (prior period)	24,336
December 31, 2023 closing balance	<u>3,143,712</u>

## **Member Municipality Impacts**

N/A

## **Conclusion**

That the Finance and Audit Committee and County Council receive the 2023 Development Charges – Treasurer’s Annual Statement for information.

## **Attachments**

- 1) Report 2024-092 ATTACH 1 ‘Appendix A - 2023 Development Charges Reserve Funds Annual Continuity Statement by Service Category’
- 2) Report 2024-092 ATTACH 2 ‘Appendix B - 2023 Annual Development Charges Transfers by Project’

**Appendix A**  
**Development Charges Reserve Funds Annual Continuity Statement by Service Category**  
**For the Year Ended December 31, 2023**

	<b>Fiscal 2023</b>				
<b>Service Category</b>	<b>Balance at January 1, 2023</b>	<b>Development Charges Collected</b>	<b>Transfers to Projects</b>	<b>Interest</b>	<b>Balance at December 31, 2023</b>
Paramedic Services	-	52,407	37,734	(18)	14,655
Homes for the Aged Services	-	170,655	170,655	-	-
Community Housing Services	435,549	78,217	295,138	4,746	223,374
Waste Diversion Services	25,612	24,896	1,374	274	49,408
Administration Studies	1,013	25,589	26,613	11	-
Waste Diversion Services - Curbside Collection	-	33,600	33,600	-	-
Transportation Services	1,773,072	1,162,250	98,370	19,322	2,856,274
<b>Total</b>	<b>2,235,246</b>	<b>1,547,614</b>	<b>663,484</b>	<b>24,336</b>	<b>3,143,712</b>

NOTES:  
 -Interest attributable to 2022 was booked in 2023  
 -Interest attributable to 2023 will be allotted in 2024

Appendix B

Annual Development Charges Transfers for Projects Identified in 2020 Development Charges Background Study as Amended under Bylaw 25-2021  
For the Year Ended December 31, 2023

Project	Increased Service	Project Actual to December 31, 2023	Development Charges Revenue - Prior Years	Development Charges Revenue 2023	Other Sources of Financing	Unfinanced to be Paid by Development Charges in the Future	Total Project to December 31, 2023
<b>Paramedic Services</b>							
1	Trent Hills ERC*	1,478,242	89,132	37,734	1,351,376	-	1,478,242
2	Brighton ERC	-	-	-	-	-	-
3	Ambulance	-	-	-	-	-	-
4	SUV	-	-	-	-	-	-
5	Paramedics Master Plan	-	-	-	-	-	-
	Subtotal	1,478,242	89,132	37,734	1,351,376	-	1,478,242
<b>Homes for the Aged Services</b>							
1	GPL Redevelopment	11,801,923	287,213	170,655	11,050,751	293,304	11,801,923
2	NPV of Interest Costs	-	-	-	-	-	-
	Subtotal	11,801,923	287,213	170,655	11,050,751	293,304	11,801,923
<b>Community Housing Services</b>							
1	Elgin Park Redevelopment Project	5,022,935	53,608	237,916	4,731,411	-	5,022,935
2	Elgin Park Redevelopment Project (Construction Financing)	-	-	-	-	-	-
3	Elgin Park Redevelopment Project (NPV of Interest)	-	-	-	-	-	-
4	473 Ontario Street Project	371,537	-	31,886	339,650	-	371,537
5	473 Ontario Street Project (NPV of Interest Payments)	-	-	-	-	-	-
6	473 Ontario Street Project (Land)	-	-	-	-	-	-
7	Housing Master Plan	13,788	9,307	-	4,481	-	13,788
8	Affordable Housing Strategy	33,782	-	25,336	8,445	-	33,782
9	Housing & Homelessness Plan	-	-	-	-	-	-
10	Housing & Homelessness Plan	-	-	-	-	-	-
	Subtotal	5,442,042	62,915	295,138	5,083,989	-	5,442,042
<b>Waste Diversion Services</b>							
1	CRCs	48,653	650	1,374	46,629	-	48,653
2	Organics Transfer Station	36,004	2,781	-	33,223	-	36,004
3	Public Drop Off Area	24,312	751	-	23,561	-	24,312
4	Master Plan	-	-	-	-	-	-
5	Master Plan update	-	-	-	-	-	-
	Subtotal	108,969	4,182	1,374	103,413	-	108,969
<b>Administration Studies</b>							
1	DC Background Study	65,314	-	26,613	6,531	32,170	65,314
2	DC Background Study	-	-	-	-	-	-
3	GO Expansion Feasibility Study	18,103	1,398	-	16,705	-	18,103
4	Official Plan Update	32,816	14,767	-	18,049	-	32,816
5	GIS/Asset Management	247,394	12,755	-	228,285	6,354	247,394
6	DC Ammendment Study	13,657	13,657	-	-	-	13,657
	Subtotal	377,284	42,577	26,613	269,570	38,523	377,284
<b>Waste Diversion Services - Curbside Collection</b>							
1	Waste Diversion Contract Expansion	103,143	69,542	33,600	-	-	103,142
	Subtotal	103,143	69,542	33,600	-	-	103,142
<b>Transportation Services</b>							
1	Service Improvement from TMP/EA	76,093	45,033	31,061	-	-	76,093
2	Trent River Bridge Crossing - Design	1,234,455	243,562	65,052	925,841	-	1,234,455
3	Trent River Bridge Crossing - Construction	-	-	-	-	-	-
4	Cty Rd 2 - Studies	-	-	-	-	-	-
5	Cty Rd 2 - Phase II-b	-	-	-	-	-	-
6	Cty Rd 2 - Phase III	-	-	-	-	-	-
7	Cobourg East - Elgin St (D'Arcy to Brook)	-	-	-	-	-	-
8	Cobourg East - Brook (Elgin to Kerr)	-	-	-	-	-	-
9	Cobourg East - Brook (Kerr to King)	-	-	-	-	-	-
10	Intersection Improvements - Elgin/D'Arcy	-	-	-	-	-	-
11	Intersection Improvements - Elgin/Brook	-	-	-	-	-	-
12	Intersection Improvements - Kerr/Brook	-	-	-	-	-	-
13	Intersection Improvements - King/Brook	-	-	-	-	-	-
14	Intersection Improvements - King/Kerr	-	-	-	-	-	-
15	Brook Rd CP/CNN Rail Grade Separation	-	-	-	-	-	-
16	Consolidated Roads Facility Feasibility Study	39,752	1,767	2,257	35,727	-	39,752
17	TMP	-	-	-	-	-	-
	Subtotal	1,350,300	290,362	98,370	961,569	-	1,350,300
	<b>TOTAL</b>	<b>20,661,902</b>	<b>845,924</b>	<b>663,484</b>	<b>18,820,667</b>	<b>331,827</b>	<b>20,661,902</b>

\* Development Charges recognized includes NPV of interest costs not identified in Background Study - to be adjusted in subsequent Background Study update

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## Report 2024-093

**Report Title:** Procurement Activity Quarterly Report – Quarter 2, 2024

**Committee Name:** Finance and Audit

**Committee Meeting Date:** July 30, 2024

**Prepared by:** Carl Bonitto  
Manager of Procurement and Risk Management Services  
Finance

**Reviewed by:** Matthew Nitsch  
Director of Finance / Treasurer  
Finance

**Approved by:** Jennifer Moore, CAO

**Council Meeting Date:** August 14, 2024

**Strategic Plan Priorities:**  Innovate for Service Excellence  
 Ignite Economic Opportunity  
 Foster a Thriving Community  
 Propel Sustainable Growth  
 Champion a Vibrant Future

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### Information Report

**That** the Finance and Audit Committee, receive Report 2024-093 ‘Procurement Activity Quarterly Report – Quarter 2, 2024’ for information, noting that the Procurement By-law 21-2022 under section 4.2.2 requires the Purchasing Manager to provide a quarterly report to County Council that includes itemization of all purchases between \$100,000 and \$1,000,000; and include any over budget approvals up to 10% as authorized under section 6.2; and

**Further That** the Committee recommend that County Council receive this report for information.”

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## **Purpose**

To provide details of procurement activity for all purchases between \$100,000 and \$1,000,000 as required by Purchasing By-law 21-2022 for the second quarter ending June 30, 2024.

## **Background**

In accordance with Procurement By-law 21-2022 section 4.2.2 the Purchasing Manager is required to provide a quarterly report to Council that includes itemization of all purchases between \$100,000 and \$1,000,000 with a description of each purchase inclusive of actual cost and budget. The Procurement By-law delegates authority to staff to manage the procurement process for contract awards under \$1,000,000 notwithstanding that:

- No contract award may be approved unless funded within the Council approved budget or as authorized by the CAO and Treasurer up to 10% over of the bid total to a maximum of \$100,000 and the procurement process was conducted in accordance with this By-law and all applicable procedures and protocols.
- No contract may be entered into, either through the issuance of a purchase order or the execution of a legal agreement, unless within the approved Council budget in an amount sufficient to cover the procurement value is available and the contract award has been approved in accordance with this By-law and all applicable procedures and protocols.

Procurement By-law 21-2022 requires staff to obtain Council approval if:

- The procurement value exceeds the approval limits of delegated procurement authorities set out in Appendix 4 of this By-law; or
- Any of the conditions of delegated procurement authorities, as set out in section 6.2 of this By-law, have not been met; or
- There is an irregularity or unresolved challenge in connection with the Procurement Project and, in the opinion of the CAO, in consultation with the Purchasing Manager, the award of the contract is likely to expose the County to significant legal, financial, or reputational risk.

## **Consultations**

Consultations occur on a regular basis with Member Municipalities via the Northumberland Treasurers Joint Purchasing Group and other joint departmental groups to ensure any opportunities for shared purchases are explored and pursued.

## **Legislative Authority/Risk Considerations**

Procurement activities are conducted in compliance with all relative legislation, acts and trade agreements such as the Municipal Act, the Canadian Free Trade Agreement and the Comprehensive Economic and Trade Agreement.

## **Discussion/Options**

The bids listed in this report were issued in accordance with the County's Procurement By-law 21-2022.

These bids were received at the proper time and place and were opened through the online bidding system. The bids were checked and verified for accuracy. The bid total is provided in the table below.

A total of seventeen (17) bids were posted on the County Purchasing website in the second quarter and seven (7) bids awarded by staff that were between \$100,000 and \$1,000,000 is as follows:



<b>Bid #</b>	<b>Description</b>	<b>Company</b>	<b>2023 Budget \$</b>	<b>Bid Results Inc. Unrecoverable HST \$</b>	<b>Surplus / (Deficit) \$</b>	<b>Comments</b>
24-03	RFQ - For the Baltimore Retaining Wall Rehabilitation/ Replacement	Strong Bros. General Contracting	\$1,277,000.00	\$897,212.83	\$379,787.17	
24-13	RFQ - To Supply and Delivery of Five New 2024 or 2025 Half Ton Trucks	John Bear Buick Chevrolet GMC LTD	\$365,000.00	\$312,913.02	\$52,086.98	
24-14	RFQ – 2024 Micro-Surfacing	Miller Paving Limited	\$825,000.00	\$647,458.17	\$177,541.83	
24-16	RFQ for One New 2024 or Newer Combination Tandem Cab and Chassis Truck	Windslow-Gerolamy Motors Limited	\$200,000.00	\$201,213.10	(\$1,213.10)	As permissible under section 6.2 of the Procurement By-law, the CAO and Treasurer authorized the overbudget contract and financing of the deficit from the Equipment Reserve
24-18	RFQ – Burnley Creek Bridge Rehabilitation	KB Civil Constructors Inc.	\$950,000.00	\$708,250.41	\$241,749.59	

24-20	RFQ for 2024 Pavement Markings	Apex Pavement Markings Inc.	See comments	\$473,295.93 (County Portion of the project)	N/A	The County portion of this joint procurement is included in the Roads Operations budget.
24-21	RFQ – For 330 King Street Waterline Replacement and Parking Lot Expansion	Dig Tech Infrastructure	\$273,000.00	\$246,135.56	\$26,864.44	

### Financial Impact

See chart above.

### Member Municipality Impacts

Many of the purchases completed in Q2 have a piggyback clause which allows all Member Municipalities to acquire goods/services based upon contract awards.

### Conclusion

To maintain trust, confidence, and transparency in the stewardship of public funds and the County’s Purchasing program, this report is being submitted to provide a summary of the County’s procurement activity for the second quarter period ending June 30, 2024, in accordance with the reporting requirements set out in the Procurement By-law 21-2022.

### Attachments

N/A