

## Report to Council

**Date:** 6/23/2025  
**From:** Kirsten Rahm, Manager of Finance - Treasurer  
**Re:** Capital Infrastructure Borrowing Options

### RECOMMENDATION

THAT the Council of the Corporation of the Village of Merrickville-Wolford receive for information the finance report on the cost of borrowing for capital infrastructure.

### BACKGROUND

At the Committee of the Whole meeting of June 9<sup>th</sup>, 2025, Council asked staff to look into various borrowing options for capital infrastructure.

Using the Infrastructure Ontario interest rates and lending calculator, staff calculated the annual cost of borrowing:

- \$10,000,000, using 15, 20, 25 and 30 year terms
- \$15,000,000, using 15, 20, 25 and 30 year terms
- \$20,000,000, using 15, 20, 25 and 30 year terms

### ANALYSIS

The annual repayment requirements for each option are summarized below.

	Terms and Interest Rate			
Amount	15 years @ 4.29%	20 years @ 4.59%	25 years @ 4.73%	30 years @ 4.8%
\$10,000,000	\$910,901	\$769,465	\$686,263	\$632,404
\$15,000,000	\$1,366,351	\$1,154,197	\$1,029,395	\$948,607
\$20,000,000	\$1,821,802	\$1,538,930	\$1,372,527	\$1,264,809

Currently, infrastructure is being funded in part through capital reserve contributions. The 2024 budgeted reserve contribution was \$650,000, and the 2025 budget contribution is \$730,000.

Submitted by:

---

Kirsten Rahm,  
Manager of Finance - Treasurer

Approved by:

---

Darlene Plumley, CAO