Staff Memorandum

To	Mayor A. Nuttall and Members of Executive Committee
Subject	Financial Impacts of Tariffs
Date	September 24, 2025
Ward	All
From	Colleen Smith, Interim Director of Finance
Executive Member Approval	J. Schmidt, General Manager Community & Corporate Services
CAO Approval	M. Prowse, Chief Administrative Officer

The purpose of this memorandum is to provide members of Executive Committee with an update concerning the financial impacts resulting from tariffs imposed by the United States (U.S.).

On March 4, 2025 Mayoral Direction MDIR001-25 directed that the City of Barrie support the approach instituted by the Federal and Provincial governments in response to tariffs being imposed by the U.S. on Canadian products by banning any new procurement of U.S. based vendors and removing any U.S. based vendors from the City's preferred vendor list for municipal projects as determined by the Chief Administrative Officer in consultation with the Mayor until direction is provided by higher government levels to remove such bans or the tariffs are rescinded, and that staff provide financial updates to Committee on any financial impacts resulting from the tariffs.

Purchasing Activity with U.S. Vendors

Since the Mayor's Directive on March 4, 2025, purchase orders have been created for 8 U.S. based vendors. The total purchase order value as well as spend justification for these 8 vendors is $764K CAD (see Appendix A). In contrast, 11,888 purchase orders with a value of $118.9M were issued for the same period to vendors in Canada. The value of purchase orders issued to U.S. based vendors is 0.64% of all purchase orders issued since March 4, 2025.

Vendor Disqualifications or Procurement Cancellations

Since the Mayor's Directive on March 4, 2025, the City has implemented compliance checks on vendor bids and has not had to disqualify any U.S. based vendors from the procurement process nor cancel any procurements due to submissions by only U.S. vendors.

Procurement By-law

While tariffs have continued, the landscape remains highly fluid and subject to rapid change. Despite these ongoing conditions, staff have been able to effectively navigate procurement challenges without amending the by-law. Given this flexibility and the uncertainty of the

external environment, staff recommend maintaining the current by-law at this time and will continue to monitor developments. Should conditions stabilize or significantly shift, staff can revisit the need for formal amendments at that time.

Appendix:

Appendix A – Purchasing Activity with U.S. vendors

Memo Author:

Colleen Smith, Interim Director of Finance, Finance Department

File #:

C05/A25

Pending #:

Not Applicable

Appendix A – Purchasing Activity with U.S. Vendors

	# of Vendors	Reason for post Directive Purchase Order	$ Value of POs	Notes
	3	Contract in place prior to March 4/25	$ 747,433	**1**
	3	No alternatives	$ 9,292	**2**
	2	Ongoing software licenses	$ 7,550	
	8		$ 764,275	
Note 1	1	Critical infrastructure machine components	$ 707,671	
	2	Software contracts	$ 39,761	
	3		$ 747,433	
Note 2	1	Critical parts required to maintain existing equipment	$ 947	
	1	Specialized software	$ 7,429	
	1	Required certifications for staff	$ 917	
	3		$ 9,292	