# TOWN OF STRATFORD 



Motion Carried
Motion Lost
Motion Withdrawn
Committee
Moved by
Seconded by

No. FT0003-2019 - Utility Loan Renewal


Council Chambers<br>Town Hall<br>March 13, 2019

WHEREAS a loan for Utility capital projects from 2003 has expired in the amount of approximately $\$ 172,000$, with an amortization of 5 years remaining on the loan; and

WHEREAS the amount of the loan requested is $\$ 172,000$ with option one being a 5 year term and amortization remaining option two being a 3 year term and amortization remaining; and

WHEREAS the amount of the loan requested of $\$ 172,000$ is within the $10 \%$ capital debt threshold of the Town of Stratford. The current borrowing limits for the Town of Stratford based on our total assessed tax base ( $\$ 764,949,889 \times 10 \%=\$ 76,494,989$ ) of which we are using $\$ 9,071,233$ as of December 31, 2017; and

WHEREAS we requested proposals from the following financial institutions:

- Bank of Montreal
- Provincial Credit Union
- CIBC
- Royal Bank
- Scotia Bank
- TD Bank

AND WHEREAS the request for proposals closed at 1:30 pm on March 13, 2019; and
WHEREAS the following 5 year rates and 5 year term were received:

| Term | CIBC <br> Rate | Royal <br> Rate | TD <br> Rate | Provincial <br> Credit <br> Rate |
| :---: | :---: | :---: | :---: | :---: |
| 5 | $3.60 \%$ | $2.86 \%$ | $3.01 \%$ | $3.75 \%$ |

AND WHEREAS the following 3 year rates and 3 year term were received:

| Term | CIBC <br> Rate | Royal <br> Rate | TD <br> Rate | Provincial <br> Credit <br> Rate |
| :---: | :--- | :--- | :--- | :--- |
| 3 | $3.39 \%$ | $2.73 \%$ | $2.92 \%$ | $3.55 \%$ |

BE IT RESOLVED that the tender for the loan with an amortization of 3 years remaining will be awarded to RBC for a 3 year term at a rate of $2.73 \%$.

This Resolution bears the recommendation of the Finance and Administration Committee as submitted via an email poll on March 13, 2019.

