

TOWN OF STRATFORD RESOLUTION

<u>No. FT004-2019 – Emergency Services Facility (ESF)</u> <u>Financing</u>

Motion Carried _____ Motion Lost _____ Motion Withdrawn _____ Council Chambers Town Hall March 13, 2019

Committee	Finance & Technology Committee
Moved by	Gail MacDonald
Seconded by	Gary Clow

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WHEREAS the Town of Stratford is currently constructing an Emergency Services Facility which will be the future location of RCMP, Cross Roads Rural Fire Company and Island EMS Ambulance services. The expected date of completion is by September 30, 2019; and

WHEREAS the Town of Stratford asked for proposals for Interim construction financing of \$8,405,000. It is the Town of Stratford's intention to replace the construction financing net of funding from other funding partners with term financing on or before September 30, 2019; 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 construction financing is planned to be approximately \$8,405,000 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 x 10% = \$76,494,989) of which we are using \$9,071,233 as of December 31, 2017; and

WHEREAS the following rates were received for construction financing:

Royal Bank:	Prime (3.95%)25 = 3.70%
TD Bank:	Prime (3.95%)50 = 3.45%
CIBC:	2.80% subject to market fluctuations prior to closing

BE IT RESOLVED that the construction financing be awarded to CIBC bank at a rate 2.80% subject to market fluctuations prior to closing.

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