



TOWN OF STRATFORD RESOLUTION

No. FT014-2020 – Utility Loan Renewal

Motion Carried ✓
Motion Lost
Motion Withdrawn

Council Chambers
Town Hall
June 10, 2020

Committee Finance & Technology Committee
Moved by Gail MacDonald
Seconded by Darren MacDougall

WHEREAS a loan for Utility capital projects from 2010 has expired in the amount of approximately \$174,000, with an amortization of 10 years remaining on the loan; and

WHEREAS the amount of the loan requested for the Stratford Utility Corporation is \$174,000 with option one being a 5 year term and amortization remaining option two being a 10 year term and amortization remaining; and

WHEREAS the amount of the loan requested of \$174,000 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 ($\$829,534,696 \times 10\% = \$82,953,469$) of which we are using \$8,839,771 as of March 31, 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 June 8, 2020; and

WHEREAS the following 5 year rates and 5 year term were received:

Term	CIBC Rate	Royal Rate	TD Rate	Provincial Credit Rate	BMO Rate
5	2.96%	2.83%	2.05%	3.24%	2.55%

AND WHEREAS the following 10 year rates and 10 year term were received:

Term	CIBC Rate	Royal Rate	TD Rate	Provincial Credit Rate	BMO Rate
10	3.64%	Not Avail	2.40%	3.56%	3.42%

BE IT RESOLVED that the tender for the loan with an amortization of 10 years remaining will be awarded to TD Bank for a 10 year term at a rate of 2.40%.

This Resolution bears the recommendation of the Finance and Technology Committee as submitted via an email poll on June 8, 2020