## TOWN OF STRATFORD RESOLUTION



## No. FT0003-2019 – Utility Loan Renewal

Motion Carried Motion Lost Motion Withdrawn		Council Chambers Town Hal March 13, 2019
Committee	Finance & Technology Committee	
Moved by	Gail MacDonald	
Seconded by	Darren MacDougall	

**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:

					Provincial
		CIBC	Royal	TD	Credit
_	Term	Rate	Rate	Rate	Rate
	5	3.60%	2.86%	3.01%	3.75%

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

					<b>Provincial</b>
		CIBC	Royal	TD	Credit
_	Term	Rate	Rate	Rate	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.