



TOWN OF STRATFORD RESOLUTION

No. FT008-2024 – Utility Loan Renewal

Motion Carried X
Motion Lost
Motion Withdrawn

Council Chambers
Town Hall
June 12, 2024

Committee Finance & Technology Committee
Moved by Councillor Ron Dowling
Seconded by Councillor Gordie Cox

WHEREAS a loan for Utility capital projects from 2014 has expired in the amount of approximately \$506,000, with an amortization of 10 years remaining on the loan; and

WHEREAS the amount of the loan requested for the Stratford Utility Corporation is \$506,000 with the following options:

- Option one being a 5 year term and 10 year amortization remaining
- Option two being a 10 year term and 10 year amortization remaining
- Option three being a 5 year term and 5 year amortization; and

WHEREAS the amount of the loan requested of \$506,000 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 is ($\$1,261,487,555 \times 10\% = \$126,148,715$) of which we are using \$15,911,256 as of March 31, 2023; 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 1:00 pm on June 10, 2024; and

WHEREAS the following 5 year rates and 10 year amortization were received:

Fixed Term	Term	<u>TD</u>	<u>RBC</u>	<u>CIBC</u>
Option 1	5 years	4.792%	4.84%	5.43%
	10 years amortization			

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

	Term	<u>TD</u>	<u>RBC</u>
Option 2	10 years	4.955%	4.90%
	10 years amortization		

AND WHEREAS the following 5 year rates and 5 year amortization were received:

Fixed Term	Term	<u>TD</u>	<u>RBC</u>	<u>CIBC</u>
Option 3	5 years	4.856%	4.94%	5.667%
	5 years amortization			

BE IT RESOLVED that the tender for the loan with an amortization of 10 years remaining will be awarded to TD Bank for a 5 year term at a rate of 4.792%.

This Resolution bears the recommendation of the Finance and Technology Committee as submitted via an email poll on June 10, 2024