TOWN OF STRATFORD
RESOLUTION

No. FT010-2024 – Community Campus Water and Sewer Infrastructure Long Term Financing Stratford Utility Corporation

Motion Carried	**X**	**Council Chambers**
Motion Lost		**Town Hall**
Motion Withdrawn		**October 9, 2024**

Committee Finance & Technology Committee
Moved by Ron Dowling
Seconded by Jody Jackson

WHEREAS the Stratford Utility Corporation has completed the Community Campus water and sewer infrastructure; and

WHEREAS the Stratford Utility Corporation asked for proposals for long term financing of $2,200,000; 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 p.m. on October 8, 2024; and

WHEREAS the long term financing of $2,200,000 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 ($1,261,487,155 x 10% = $126,148,715) of which we are using $18,564,267 as of March 31, 2024; and

WHEREAS the following rates were received for long term financing:

Option 1: Fixed Term Loan with an amortization of 20 years.

Fixed Term	Term	TD	RBC	Scotiabank	CIBC
Option 1	1	4.40%	4.22%	4.799%	
	2	4.13%	4.02%	4.727%	
	3	4.12%	4.04%	4.734%	
	4	4.16%	3.99%	4.804%	
	5	4.14%	4.11%	4.897%	5.43%

Option 2 – CORRA Rate Loan and Interest Rate Swap based on a 20 year amortization.

CORRA Rate		TD	RBC	Scotiabank
Option 2	1	4.46%	4.43%	5.04%
	2	4.19%	4.19%	4.79%
	3	4.07%	4.00%	4.67%
	5		4.05%	
	7		4.09%	
	10		4.22%	
	15		4.35%	
	20		4.37%	

BE IT RESOLVED that the Stratford Utility Corporation enter a fixed term loan of two (2) years with an amortization of 20 years with RBC for the Community Campus water and sewer infrastructure at the rate of 4.02% and that the Mayor and Chief Administrative Officer be authorized to enter into the loan Agreement with RBC, on behalf of the Stratford Utility Corporation.

This Resolution bears the recommendation of the Finance and Technology Committee as submitted via an email poll on October 8, 2024.