

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
CONTRACT EXTENSION**

Project Award	Contract Extension for Banking Services
Recommendation	Staff is recommending a contract extension with Scotiabank for the provision of banking services to the Town of Milton for a 5-year period beginning October 1, 2026.
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>The current contract was awarded to Scotiabank in 2016 through report CORS-005-16 following a competitive request for proposal process. The contract consisted of the waiving of fees for the Town for most services, combined with a competitive rate of return for balances within the Town's accounts. The original contract term was for a 5-year period to October 2021. A 5-year renewal period was also provided for and was exercised, resulting in a revised contract end date of October 2026.</p> <p>Throughout 2025 and 2026, the Town has progressed with the implementation of a new Financial Management System (FMS), which beginning in Q2 2026 will process all of the Town's procurement, accounts payable, accounts receivable and general ledger activity (amongst other modules). As part of this process, time has been required in order to develop the required integrations between the FMS and Scotiabank systems, and testing of those integrations and related business processes has been undertaken by staff and representatives of both Workday and Scotia.</p> <p>Given the importance of stability in the new FMS system following go-live, staff engaged with Scotiabank early in 2026 to discuss the possibility of an extension. Scotia has responded by offering the Town a 5-year extension wherein the terms of the agreement would continue, and the Town would be provided with an increased rate of return on its interest-bearing business account.</p> <p>Based on the need for stability for the new FMS system, the value the Town has received through the existing banking relationship to date, and the further strengthening of the agreement through an improved rate of return during the extension period, staff are recommending a 5-year extension.</p>
Financial Planning Section: Budget Impact (Note 1)	
Account Number(s)	2905 - 3205
Account Description	General Government - Banking
Contract Budget	\$0

Actual (Net of HST Rebate)	\$0
Variance (Note 2)	\$0
Funding Source	N/A

Note 1: Financial impact includes any non-refundable portion of HST.

Note 2: Through the existing agreement, fees are waived by the financial institution for regular banking activity. The Town also receives interest revenue in relation to the balances held in its interest bearing accounts. During 2025, as reported through report ES-017-26, a total of \$5.6 million in interest was earned on the Town’s business and notice accounts, which are primarily related to this contract.