



## **Resolution 17-06**

**A RESOLUTION AUTHORIZING THE TOWN TO OBTAIN A LOAN IN  
THE AMOUNT OF \$354,000.00.**

**Sponsored By:**

**Proposed:** August 10, 2017

**Results:** Passed 6 In Favor, 1 Opposed

## **Resolution 17-06**

### **A RESOLUTION AUTHORIZING THE TOWN TO OBTAIN A LOAN IN THE AMOUNT OF \$354,000.00.**

**WHEREAS**, Section 406.1 Power to Borrow Money, of the Charter of the Town of Elsmere gives the Town the authority to incur indebtedness; and

**WHEREAS**, Section 406.2 Method of Borrowing Money, of the Charter of the Town of Elsmere sets the procedure the Town must take to incur this indebtedness.

#### **NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF ELSMERE AS FOLLOWS:**

1. That this resolution be presented to the residents of the Town of Elsmere at the August 10, 2017 council meeting; and
2. That at that meeting a public hearing shall be held on this resolution; and
3. That public notice of the meeting and that this resolution will receive a public hearing at that meeting be made in a newspaper of general of general circulation in New Castle County at least one week prior to the hearing date; and
4. That the following specific information be attached this resolution.
  - a. That the loan shall be obtained through PNC BANK, NATIONAL ASSOCIATION; and
  - b. That the amount borrowed be \$354,000.00; and
  - c. The rate of interest,

The Amounts outstanding under the NOTE will bear interest at a rate per annum (“Fixed Rate”) which is at all times equal to two and eighty-eight hundredths percent (2.88%)

- d. Payment Terms,

Principal and Interest shall be due and payable in fifty-nine (59) equal consecutive monthly installments in the amount of \$2,909.73 beginning September 10, 2017 and continuing on the same day of each month thereafter. Any outstanding principal and incurred interest shall be due and payable in full on August 10, 2022.

5. The amount of interest paid over the life of the loan will be \$41,516.26.
6. The purpose of applying for this loan is to pay a portion of the amount needed to install the new HVAC system at Town Hall.

**RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF ELSMERE ON THIS 10<sup>th</sup> DAY OF AUGUST 2017.**

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Eric Thompson  
Mayor

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Brian Hurst  
Secretary

## **Synopsis**

### **Resolution 17-06**

This resolution authorizes the Town to obtain a \$354,000.00 Loan from PNC Bank.

#### **Fiscal Impact**

The Town would be responsible to repay the principal amount of the loan (\$354,000.00) plus the amount of interest paid over the life of the loan will be \$41,516.26.