



The Mayor and Commissioners of the Town of Elkton

Resolution R15-2019 *Vehicle and Related Equipment Acquisition Loan*

A RESOLUTION of the Mayor and Commissioners of the Town of Elkton (hereinafter the “Board”) authorizing a loan from the PNC Bank (hereinafter the “Bank”) relating to the acquisition of vehicles and related equipment.

WHEREAS, the Board, in accordance with the Charter of the Town of Elkton, Article VIII § C8-3., B., is empowered to borrow money for purposes deemed appropriate by the Board; and

WHEREAS, the Board, on August 7, 2019, by Resolution R10-2019, approved the borrowing of \$616,000.00 from the Columbia Bank (currently the Fulton Bank) the repayment of which was based on an amortization period of 60 months at a fixed rate of interest of 2.99%; and

WHEREAS, the Town Administrator and the Finance Director subsequently contacted the PNC Bank to determine if the Bank would loan the Town the principal amount of \$656,000, which included the capital purchase of a truck for the Department of Public Works that was included in the FY 2020 budget; and

WHEREAS, the Bank agreed to a loan in the principal amount of \$656,000 for a 60-month period at a fixed interest rate of 2.64%; and

WHEREAS, the Board has determined that a loan, as set forth herein, relating to the acquisition of vehicles and related equipment is in the best interest of the Town of Elkton.

NOW, THEREFORE, the Board hereby resolves the following;

1. That the Town of Elkton shall finance the acquisition of vehicles and related equipment through a loan from the PNC Bank in the principal amount of \$656,000 amortized for a 60-month period at a fixed rate of 2.64 % with no penalty for pre-payment of principal; and
2. The Board authorizes the Mayor to execute all appropriate and necessary documents and instruments with regard to the aforesaid loan and to further negotiate the terms of the loan, including the amortization period, interest rate, repayment and reduction of principal, with the PNC Bank, as applicable, favoring the interest of the Town of Elkton; and
3. Resolution R10-2019 shall hereby be rescinded and this Resolution shall be effective as of the date executed by the Board.

READ AND PASSED THIS 20TH DAY OF NOVEMBER, 2019

Mayor and Commissioners
of the Town of Elkton

Mayor Robert J. Alt
Commissioner Jean A. Broomell
Commissioner Charles H. Givens, Sr.
Commissioner Robert M. Massimiano