

RESOLUTION 24-19

**A RESOLUTION AUTHORIZING THE FINANCE DIRECTOR TO USE \$550,000 FROM THE WATER FUND TO OPEN A STATEMENT SAVINGS ACCOUNT AT PEOPLES STATE BANK, AND TO ENTER INTO A LOAN AGREEMENT WITH PEOPLES STATE BANK FOR THE STATE ROUTE 93 REAL ESTATE PURCHASE, PLEDGING THE SAVINGS ACCOUNT AS COLLATERAL AND DECLARING AN EMERGENCY.**

**WHEREAS**, the Village of New Lexington (the "Village") has determined the necessity to purchase real estate on State Route 93 for public use; and

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**WHEREAS**, the Village requires funds for the purchase of said real estate; and

**WHEREAS**, the Village has available funds in the Water Fund that can be utilized to secure financing for the real estate purchase; and

**WHEREAS**, Peoples State Bank offers a statement savings account yielding interest at 0.25%; and

**WHEREAS**, Peoples State Bank has agreed to provide a loan in the amount of \$550,000 for the real estate purchase, with the savings account as collateral, at an interest rate of 2.75% (2.5% over the deposit rate of 0.25%), to be amortized over a period of 30 years;

**NOW, THEREFORE, BE IT RESOLVED** by the Village Council of New Lexington, Ohio:

**SECTION 1.** The Finance Director is hereby authorized to transfer \$550,000 from the Water Fund to open a statement savings account at Peoples State Bank, yielding an interest rate of 0.25%.

**SECTION 2.** The Finance Director is further authorized to enter into a loan agreement with Peoples State Bank to borrow \$550,000 for the purchase of real estate on State Route 93, pledging the aforementioned savings account as collateral. The loan shall bear interest at a rate of 2.75% per annum and shall be amortized over a period of 30 years.

**SECTION 3.** The Finance Director is authorized to execute any and all documents necessary to effectuate the opening of the savings account and the loan agreement.

**SECTION 4.** This resolution shall take effect and be in force from and after the earliest period allowed by law.

Passed 5-20-2024

  
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Mayor

  
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Council President

Attest:  
  
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Council Clerk