

MUNICIPAL TAX AND REVENUE ANTICIPATION LOAN ORDINANCE 291

AN ORDINANCE OF THE BOROUGH OF CLYMER, INDIANA COUNTY, PENNSYLVANIA
APPROVING THE BORROWING OF A MAXIMUM OF \$50,000.00 FROM LAUREL BANK AS A
TAX ANTICIPATION LOAN

WHEREAS, the Borough of Clymer, Indiana County, Pennsylvania, anticipates current taxes and other revenues as yet uncollected; and

WHEREAS, said Borough of Clymer has inadequate funds for current expenditures; and

WHEREAS, said Borough of Clymer desires to effect a loan which will be repaid from said anticipated taxes and revenues; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the Borough of Clymer and it is hereby resolved by the authority of said Council as follows:

SECTION I. The Borough of Clymer, Indiana County, Pennsylvania by its Council through its duly authorized officers, is hereby authorized to borrow and reborrow a maximum of Fifty Thousand Dollars (\$50,000.00) with interest at the rate of 5.0% interest per annum, but in no event shall the rate of interest be greater than 7%, in anticipation of the receipt of taxes and revenues of the Borough of Clymer to be received during the calendar year 1999 and that a Tax and Revenue Anticipation Note shall be executed by the President of the Council, attested by the Secretary of the Council under the seal of the Borough of Clymer and this constitutes the authority of said Borough of Clymer to incur this obligation.

SECTION II. This loan shall be procured from Laurel Bank. The interest on the Note shall be payable monthly and the payment of the principal indebtedness may be anticipated in whole or in part at any time and from time to time without any penalty but in no event not later than December 31 of the current calendar year.

SECTION III. That the President and Secretary of the Council of the Borough of Clymer are directed to make an estimate of the moneys to be received during the period when such note shall be outstanding from taxes then levied and assessed and other revenues to be received and further that said estimate shall be certified by the named officers in accordance with Section 506 of the "Local Government Unit Debt Act".

SECTION IV. The Note issued pursuant hereto shall be secured by a pledge of security interest in, and a lien and charge on, the taxes and revenues of the Borough of Clymer to be received between the first day of the month next following the date of the delivery of such note to the Laurel Bank and the last-stated maturity date of such note.

SECTION V. The President of the Council of the Borough of Clymer is directed to execute and file on behalf of the Borough, a financing statement or statements in accordance with the Uniform Commercial Code so that said pledge of security interest in, and a lien and charge on, the taxes and revenue of the Borough of Clymer shall be fully perfected as against said Borough of Clymer, all creditors thereof, and all third parties.

SECTION VI. The Secretary of the Council of the Borough of Clymer is directed to file certified copies of the authorizing and awarding resolution, the certificate as to taxes and revenues remaining to be collected and a true copy of the accepted proposal for the purchase of the Tax and Revenue Anticipation Note with the Department of Community Affairs.

SECTION VII. LAUREL Bank is hereby designated as the Sinking Fund Depository of the Note and there is hereby created a Sinking Fund for the payment of principal and the interest thereon which shall be deposited into the Sinking Fund no later than the date upon which the same shall become due and payable. The Treasurer of the Borough of Clymer shall deposit into the Fund sufficient amounts for payment of principal and interest on the Notes no later than the date upon which such payments shall become due. The Sinking Fund Depository shall, without further action by Council, withdraw available monies in the Sinking Fund and apply said monies to payment of the principal of and interest on the Note.

SECTION VIII. That the President and Secretary of the Council of the Borough of Clymer are hereby authorized and directed to do all acts necessary and proper for the issuance and securing the said Note.

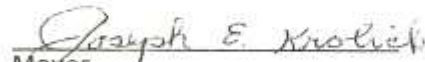
SECTION IX. All Resolutions and ordinances or parts of resolutions not in accordance with this Resolution are hereby repealed insofar as they conflict herewith.

ADOPTED THIS 20th DAY OF September, 1998.


President of the Council of the
Borough of Clymer


Secretary

APPROVED THIS 20th DAY OF September, 1998.


Mayor

WAK/ib

RESOLUTION AUTHORIZING
SMALL BORROWING FOR CAPITAL PURPOSES
UNDER SECTION 8109 OF THE LGUDA

WHEREAS, the Borough of Clymer County, Pennsylvania, hereinafter called the Local Government Unit, proposes to incur nonelectoral debt by the issuance of a general obligation note to finance the costs of the following project: Purchase acreage, a building; and renovate the building for a new municipal garage.

WHEREAS, Section 8109 of the Local Government Unit Debt Act authorizes any Local Government Unit to incur debt evidenced by notes to provide funds for a project as defined in the Act without notification to the Department of Community and Economic Development provided: (1) the aggregate of such debt outstanding at any one time shall not exceed the lesser of \$125,000 or 30% of the nonelectoral debt limit; (2) the principal shall mature within five years; and (3) the debt does not otherwise exceed the limits imposed in Section 8022 of the Act; and

WHEREAS, the sum of \$ 50,000 needed to finance the project will not cause the aggregate of such debt to exceed the lesser of \$125,000 or 30% of the nonelectoral debt limit of the Local Government Unit of \$ 50,000 and the limits imposed by Section 8022 of the Act.

NOW, THEREFORE, BE IT RESOLVED THAT;

(1) The Local Government Unit hereby authorizes the issuance of a general obligation note in the amount of \$ 50,000 to be issued for the foregoing purposes as nonelectoral debt.

(2) The period of useful life of the project for which this obligation is to be issued is estimated to be 50 years.

(3) The note shall be issued in the principal sum of \$ 50,000, shall be dated November 3, 19 99, bear interest at the rate of 2%, payable quarterly, and

shall mature in installments as follows:

Fiscal Year 19 __ 10,000... \$
Fiscal Year 19 __ 10,000... \$
Fiscal Year 19 __ 10,000... \$
Fiscal Year 19 __ 10,000... \$
Fiscal Year 19 __ 10,000... \$

The Local Government Unit reserves the right to anticipate any or all installments of principal or any payment of interest at any time prior to the respective payment dates thereof, without notice or penalty.

The principal and interest of said note shall be payable at DCED

(4) The said note is hereby declared to be a general obligation of the Local Government Unit which hereby covenants that it shall include the amount of debt service on the note for each fiscal year in which such sums are payable in its budget for that year; shall appropriate such amounts to the payment of such debt service; and shall duly and punctually pay or cause to be paid the principal of the note and the interest thereon at the dates and places and in the manner stated in the note according to the true intent and meaning thereof, and for such proper budgeting, appropriation, and payment, the full faith, credit and taxing power of the Local Government Unit is hereby irrevocably pledged.

(5) The form of note is attached hereto as Exhibit A.

(6) The said note shall be executed in the name and under the corporate seal of the Local Government Unit by the President ~~and~~ and attested to by the Secretary. The President and the Secretary are authorized and directed to prepare and verify the debt statement required by Section 8110 of the Act and to take other necessary action, including, if necessary or desirable, any statements required to qualify any portion of the debt from the appropriate debt limit as self-liquidating or subsidized debt.

(7) In compliance with Section 8161 of the Act, the members of the governing body have

determined that a private sale by negotiation rather than public sale is in the best interest of the Local Government Unit. Therefore, the general obligation note in the amount of \$ 50,000 herein authorized to be issued and sold is hereby awarded and sold to the DCED Bank in accordance with its proposal to purchase the said note.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand and affixed the seal of the Local Government Unit this 3rd day of November, 1999.

Clymer Borough
Name of Local Government Unit

BY: John Bracken
Executive Officer
John Bracken, Council President

SEAL
ATTEST:

Connie L. Custer
Secretary

Connie L. Custer