

Resolution 1998-4

BOROUGH OF INDIAN LAKE
SOMERSET COUNTY, PENNSYLVANIA

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

WHEREAS, the Borough of Indian Lake, Somerset County, Pennsylvania, hereinafter called the "Local Government Unit", proposes to incur non-electoral debt by the issuance of a general obligation note to finance the costs of the following project: purchase of a 1998 Ford Explorer for use as a police vehicle; and

WHEREAS, Section 8109 of the Pennsylvania Local Government Unit Debt Act (the "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 that: (1) the aggregate amount of such debt outstanding at any one time shall not exceed the lesser of \$125,000.00 or 30% of the non-electoral 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 \$12,211.00 needed to finance the project will not cause the aggregate of such debt to exceed the lesser of \$125,000.00 or 30% of the non-electoral debt limit of the Local Government Unit, which is \$1,030,352.00, and the limits imposed by Section 8022 of the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE BOROUGH COUNCIL OF THE BOROUGH OF INDIAN LAKE THAT:

(1) The Local Government Unit hereby authorizes the issuance of a general obligation note in the amount of \$12,211.00 to be issued for the foregoing purposes as non-electoral debt.

(2) The period of useful life of the project for which this obligation is to be issued is estimated to be three (3) years.

(3) The note shall be issued in the principal sum of \$12,211.00, shall be dated June 9, 1998, shall bear interest at the rate of two percent (2%) per annum and shall mature in quarterly installments. A payment schedule for same is attached hereto, marked Exhibit "A", and made a part hereof. The amounts of principal to be paid in each fiscal year during the term of the note are as follows:

Fiscal Year 1998	\$2,984.58
Fiscal Year 1999	\$4,049.56
Fiscal Year 2000	\$4,131.16
Fiscal Year 2001	<u>\$1,045.70</u>
TOTAL	\$12,211.00

The Local Government Unit reserves the right to anticipate and prepay 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 Pennsylvania Department of Community Development, 408 Forum Building, Harrisburg, Pennsylvania, 17120, or such other place as the Obligee may designate.

(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 B.

(6) The said note shall be executed in the name and under the corporate seal of the Local Government Unit by the President and Vice President of the Borough Council and shall be attested

to by the Borough Secretary. The Borough Manager and the Borough 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, all statements required to qualify any portion of the debt from the appropriate debt limit as self-liquidating or subsidized debt.

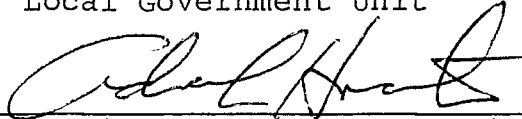
(7) In compliance with Section 8161 of the Act, the members of the governing body have determined that a private sale by negotiation, rather than a public sale, is in the best interests of the Local Government Unit. Therefore, the general obligation note in the amount of \$12,211.00 herein authorized to be issued and sold is hereby awarded and sold to The Commonwealth of Pennsylvania, Department of Community and Economic Development, in accordance with its proposal to purchase the said note.

IN WITNESS WHEREOF, the Borough Council of the Borough of Indian Lake, Somerset County, Pennsylvania, has caused this Resolution to be duly executed and the Borough seal to be affixed

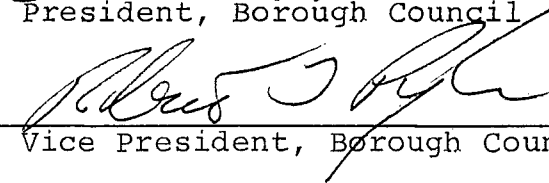
hereto this 9th day of June, 1998.

Borough Council of the
Borough of Indian Lake,
Local Government Unit

By:



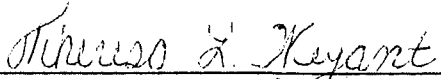
President, Borough Council



Vice President, Borough Council

SEAL

ATTEST:



Borough Secretary

CERTIFICATION

I, Theresa L. Weyant, Secretary of the Borough of Indian Lake, Somerset County, Pennsylvania, hereby certify that the foregoing is a true and correct copy of a Resolution duly adopted by the majority vote of the Borough Council at a meeting duly held on the 9th day of June, 1998, and that the minutes of the said meeting showing how each member voted have been duly recorded in the official minutes of the said Borough Council.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 9th day of June, 1998.

Theresa L. Weyant
Borough Secretary