

Dec. 10/20/98 mf

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

WHEREAS, the Middletown Township of Susquehanna 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: New 310E John Deere Backhoe; and

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 \$ 38,850.00 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 \$ _____ 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 \$ 38,850.00 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 15-20 years.

(3) The note shall be issued in the principal sum of \$ 38,850.00, shall be dated October 5, 1998, bear interest at the rate of 3.95%, payable monthly, and

shall mature in installments as follows:

Fiscal Year 19~~98~~⁹⁸ ...14,31.24... \$ (2 months)

Fiscal Year 1999 ...8587.44. \$

Fiscal Year 19~~99~~⁰⁰ ...8587.44. \$

Fiscal Year 19~~99~~⁰¹ ...8587.44. \$

Fiscal Year 19~~99~~⁰² ...8587.44. \$

2003 7156.21 (10 months)

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 Dover, Pa

Bank, Methuen Pa 18801

(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 Bank and Township Board and attested to by the Secretary. The Board 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 \$ 38,850.00 herein authorized to be issued and sold is hereby awarded and sold to the Dominion 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 5th day of October, 1998.

Middletown Township
Name of Local Government Unit

BY: Edward J. Gage
Executive Officer

SEAL
ATTEST:

Mark K. Long
Secretary

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA

County of Susquehanna

Middletown Township
(Name of Local Government Unit)

GENERAL OBLIGATION NOTE

\$ 38,850.00

Dated: 10-5-98

KNOW ALL MEN BY THESE PRESENTS, that the Township of Middletown
County of Susquehanna, Commonwealth of Pennsylvania, a local government unit
existing by and under the laws of said Commonwealth, for value received, hereby acknowledges
itself indebted and promises to pay to the purchaser, or registered assigns, the sum of \$ Thirty eight

Thousand eight dollars (\$ 38,850.00) in installments as follows:
Hundred and fifty

Fiscal Year 1998 the sum of \$ 1431.24 (2 months)

Fiscal Year 1999 the sum of \$ 8587.44

Fiscal Year ~~1999~~²⁰⁰⁰ the sum of \$ 8587.44

Fiscal Year ~~1999~~²⁰⁰¹ the sum of \$ 8587.44

Fiscal Year ~~1999~~²⁰⁰² the sum of \$ 8587.44

with interest on the unpaid principal balance at the rate of 3.95 percent (3.95%) per annum,
payable on 11-1-98, 1998, together with interest on overdue principal, and to the
extent permitted by law, on overdue interest, at the rate of _____ percent (____%) (computed
on the basis of 365 days to the year), with the option in the local government unit to anticipate
any installment of principal or any payment of interest at any time prior to the respective

payment dates thereof, without notice or penalty.

Both principal and interest are payable in such coin or currency as at the respective dates of payment thereof shall be legal tender for the payment of public and private debts, at the office of the Sovereign Bank Montrose, Pennsylvania.

It is hereby recited that this Note is authorized to be issued in accordance with the Act of the General Assembly of the Commonwealth of Pennsylvania approved the 28th day of April, 1978, being Act 52 of the 1978 Session, as amended.

It is hereby certified that all acts, conditions, and things required to be done, happen, and be performed precedent to and in the issuance of this Note or in the creation of the debt of which it is evidence, have been done, happened, and been performed in regular and due form and manner as required by law; and that this Note, together with all other indebtedness of the said local government unit is not in excess of any constitutional or statutory limitation and for the proper budgeting, appropriation, and the prompt and full payment of all the obligations of this Note the entire full faith, credit, and taxing power of said local government unit are hereby irrevocably pledged.

It is hereby further certified that the said local government unit has effectively covenanted to include the amount of the debt service on this Note in each fiscal year for which such sums are due, in its budget for that year, to appropriate such amounts to the payment of such debt service, and to periodically pay or cause to be paid the principal and interest thereon at the dates and places and in the manner stated herein, according to the true intent and meaning hereof.

IN WITNESS WHEREOF, the Township of Middletown Berks County has caused this Note to be properly executed by the proper officers of the local government unit and its corporate seal to be hereto affixed, attested to by the Secretary as of the 5th day of October, 1998.

Middletown Township
(Name of Local Government Unit)

BY Edward J. Fager

SEAL

ATTEST:

Mary K. Long
Secretary

BY Edward J. Mager

CERTIFICATION

I, Mary K. Long, Secretary of Middletown Twp hereby certify that the foregoing is a true and correct copy of the resolution, duly adopted by the majority vote of said Local Government Unit, at a meeting duly held on the 5th day of October, 1998, and that the minutes of said meeting showing how each member voted have been duly recorded in the official minutes of said Local Government Unit.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 5th day of October, 1998.

Mary K. Long
Secretary

DEBT STATEMENT PURSUANT TO SECTION 8110
LOCAL GOVERNMENT UNIT DEBT ACT

Local Government Unit Middletown Township
Susquehanna County

Statement as of October 5, 1998
(Date)

Section 8002 I. GROSS INCURRED DEBT

	Electoral	Nonelectoral	Lease Rental
A. Bonds outstanding	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
List and identify	\$ _____	\$ _____	\$ _____
by year of issue	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
B. Notes Outstanding	\$ <u>0</u>	\$ <u>57,700.00</u>	\$ <u>0</u>
List and identify	\$ _____	\$ _____	\$ _____
by year of issue (8/93)	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
TOTAL	\$ <u>0</u>	\$ <u>57,700.00</u>	\$ <u>0</u>

II. CREDITS & EXCLUSIONS

Section. 8028(b)

Less:
(where applicable)

1. Sinking Funds, reserve accounts, bond proceeds	\$ _____	\$ _____	\$ _____
2. Current appropriations	\$ _____	\$ _____	\$ _____
3. Uncollected special assessments	\$ _____	\$ _____	\$ _____
4. Delinquent taxes and liens	\$ _____	\$ _____	\$ _____
5. Surplus cash	\$ _____	\$ _____	\$ _____
6. Solvent debts due	\$ _____	\$ _____	\$ _____
7. Indemnifying insurance	\$ _____	\$ _____	\$ _____
8. Self-liquidating and self-sustaining debt (Excluded under Sections 8024, 8025, 8026)	\$ _____	\$ _____	\$ _____
TOTAL NET INDEBTEDNESS	\$ <u>0</u>	\$ <u>57,700.00</u>	\$ <u>0</u>

- III. The aggregate principal amount of bonds or notes being issued or evidencing lease rental debt \$ 0
- IV. The principal amount of bonds or notes which will no longer be deemed to be outstanding pursuant to Section 8250 after settlement of the issue. \$ 0
(Refunding issues only)

The borrowing base as shown by appended borrowing base certificate \$ _____

Applicable debt limitations

- (a) nonelectoral
(250% of the borrowing base; 300% for counties) \$ 125,000.00
- (a)(1) nonelectoral plus lease rental debt limit for school district borrowings
(225% of the borrowing base) \$ 0
- (b) nonelectoral plus lease rental
(350% of the borrowing base; 400% for counties) \$ 0

Section 8110(a) IN WITNESS WHEREOF, we, The Board of Supervisors
of Middletown Township and County of Susquehanna
being authorized to prepare, certify and file the foregoing statement, have hereunto set out hands and affixed the seal
of the Middletown Township, this 5th day of October
(Name of Local Government Unit)

1998.

(SEAL)

Mary K. Long
Secretary

x Edward J. Gage
x Anne Lockfull
x Travis Sohart
Thomas J. Curley

BORROWING BASE CERTIFICATE - SECTION 8002

The borrowing base is the arithmetic average of total revenues received for the three proceeding fiscal years as set forth in a certificate stating the total revenues for each year and stating the average. The certificate may be executed by any authorized official of the local government unit or an independent accountant. The computation of the borrowing base must be done in accordance with the definition of revenues in Section 8002. The following method may be used:

BORROWING BASE CERTIFICATE

Prepared as of October 5, 1998
(Date)

FISCAL YEAR

	<u>1995</u>	<u>1996</u>	<u>1997</u>
<i>State Fund</i> Total Revenues Received (money from <u>all</u> sources)	\$ <u>134,872.00</u>	\$ <u>94,543.00</u>	\$ <u>93,063.00</u>
<u>Less:</u>			
(1) State and Federal subsidies and reimbursements related to a particular project financed by debt	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
(2) Revenues, receipts, assessments, etc., pledged for self-liquidating debt	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
(3) Interest on moneys in sinking funds pledged for debt	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
(4) Grants and gifts-in-aid measured by construction or acquisition of specific projects	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
(5) Nonrecurring receipts	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
SUBTOTAL	\$ <u>134,872.00</u>	\$ <u>94,543.00</u>	\$ <u>93,063.00</u>
TOTAL NET REVENUES			\$ <u>322,538.00</u>
BORROWING BASE (Total Net Revenues divided by 3)			\$ <u>107,509.33</u>

(SEAL)

Mary K. Long
Secretary

x Edward J. Gage
x Anne Lockefull
x Tom Sobush

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF Susquehanna

SS

Before me, the undersigned ^{Secretary} ~~Notary Public~~, personally appeared _____

_____ and _____, who

being duly sworn according to law depose and say that they are the Superintendents
(Title of Officer)

_____ and _____ of
(Title of Officer) (Title of Officer)

Middletown Township and that the facts set forth in the foregoing
(Name of Local Government Unit)

are true and correct.

x Edward J. Sage / Chairman

x Annie Rockefeller
(Title of Officer)

x Tom Sober
(Title of Officer)

x Francis Shaddock
(Title of Officer)

x Thomas J. Curley

Sworn to and subscribed before me

this 5th day of October, 1998.

Mary K. Hong

~~Notary Public~~

Banded Sec. Treas