

Resolution No. 1 of 2014
Township of Fairfield, County of Westmoreland,
Commonwealth of Pennsylvania

A resolution authorizing the issuance of a Tax Anticipation Loan and providing for repayment thereof.

**RESOLUTION AUTHORIZING
TAX AND REVENUE ANTICIPATION NOTE**

WHEREAS, the Township of Fairfield, of Westmoreland County, Pennsylvania, hereinafter called the Local Government Unit, anticipates current revenues as yet uncollected; and

WHEREAS, the said Local Government Unit has inadequate funds for current expenditures; and

WHEREAS, the said Local Government Unit has determined that it is necessary to borrow for the purpose of meeting current expenses by issuing a note to be repaid from said anticipated revenues; and

WHEREAS, the First National Bank has submitted to the said Local Government Unit a proposal to purchase a tax anticipation note of the Local Government Unit and the Local Government Unit desires by the adoption of this resolution to accept such proposal and authorize the issuance and sale of its tax and revenue anticipation note;

NOW THEREFORE, Be It Resolved that:

- (1) The Local Government Unit hereby authorizes the issuance of a tax and revenue anticipation note in the amount of \$50,000.00 in anticipation of the receipt of current taxes and revenues to be sold at private sale.
- (2) The note shall be in the denomination of \$50,000.00, shall be redeemable at any time at the option of the officers of the Local Government Unit without penalty or premium, shall be fully registered without coupons, shall be dated January 9, 2014, bear interest at the rate of 2.83 percent, shall mature on December 31, 2014, and shall be payable at the New Florence, Pennsylvania office of the Lender, shall be substantially in the form

annexed to the resolution as Exhibit A and hereby made a part of the resolution as though fully set forth in this place.

- (3) The proposal of the First national Bank to purchase the note dated January 9, 2014, is hereby accepted and shall be incorporated into the minutes of this meeting. A true and correct copy of said Proposal is attached hereto as Exhibit B, and the appropriate executive officers are hereby authorized and directed to execute and deliver a duplicate original of the acceptance of said proposal to the Lender.
- (4) The Local Government Unit hereby pledges to the Lender and grants to the Lender a first lien and charge on its taxes and revenues to be received during the period when the note is outstanding to secure the payment of the indebtedness evidenced hereby and the interest thereon.
- (5) Payment of the principal and interest shall be made in the following amounts and on the following dates:

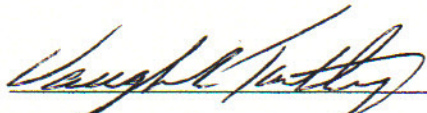
Date	Interest	Principal	Balance
January 2014	\$117.92	\$4,112.90	\$45,887.10
February 2014	\$108.22	\$4,122.60	\$41,764.51
March 2014	\$98.49	\$4,132.32	\$37,632.19
April 2014	\$88.75	\$4,142.06	\$33,490.12
May 2014	\$78.98	\$4,151.83	\$29,338.29
June 2014	\$69.19	\$4,161.62	\$25,176.66
July 2014	\$59.37	\$4,171.44	\$21,005.22
August 2014	\$49.54	\$4,181.28	\$16,823.95
September 2014	\$39.68	\$4,191.14	\$12,632.81
October 2014	\$29.29	\$4,201.02	\$8,431.79
November 2014	\$19.88	\$4,210.93	\$4,220.86
December 2014	\$9.95	\$4,220.86	\$0.00

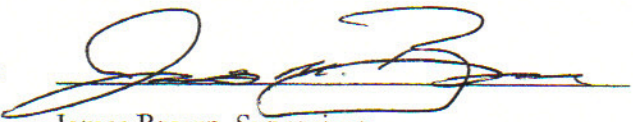
- (6) The appropriate executive officer be and hereby is authorized and directed to execute and deliver in the name of, on behalf of, and under the seal of, the Local Government Unit, the tax and revenue anticipation note in the form and containing terms described

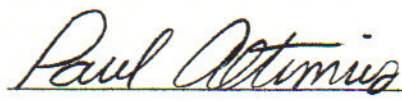
above, and the Secretary of the Local Government Unit be and hereby is authorized and directed to attest the same.

- (7) The appropriate executive or fiscal officer be and hereby is authorized and directed to prepare or cause to be prepared and to file a Certificate as to Taxes and Revenues to be Collected as required by Section 8128 of the Local Government Unit Debt Act. A true and correct copy of said Certificate is attached hereto as Exhibit C.
- (8) The executive officers of the Local Government Unit be and hereby are authorized and directed to perform all acts which are necessary and proper for the valid issuance and securing of the note.

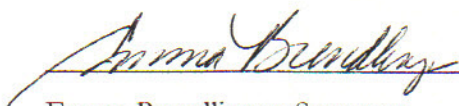
IN WITNESS WHEREOF, the undersigned has hereunto set his hand and affixed the seal of the Local Government Unit this 9th day of January, 2014.

By: 
Vaughn Tantlinger, Supervisor

By: 
James Brown, Supervisor

By: 
Paul Altimus, Supervisor

Attest:


Emma Brendlinger, Secretary

CERTIFICATION

I, Emma Brendlinger, Secretary of Fairfield Township, hereby certify that the foregoing is a true and correct copy of a resolution, duly adopted by the majority vote of said Local Government Unit, at a meeting duly held on the 9th day of January, 2014, 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 9th day of January, 2014.

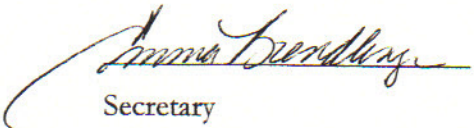

Secretary

Exhibit A

**FAIRFIELD TOWNSHIP
WESTMORELAND COUTY
PENNSYLVANIA**

**Tax and Revenue Anticipation Note
Series 1 of 2014**

\$50,000.00

The Township of Fairfield, Westmoreland County, Pennsylvania, hereinafter called the Local Government Unit, intending to be legally bound, promises to pay to the order of First National Bank at its office at New Florence, Pennsylvania, on or before December 31, 2014, Fifty Thousand dollars, in such coin or currency as at the place and time of payment is legal tender for the payment of public and private debts, with interest thereon from the date hereof on the unpaid principal balance from time to time outstanding at the rate of 2.83 percent per annum.

Payment of the indebtedness evidenced hereby may be anticipated in whole or in part at any time and from time to time without penalty or premium.

The indebtedness evidence hereby is a borrowing in anticipation of current taxes and other current revenues to be received during the fiscal year ending December 2014 and is to be repaid from revenues received by it during said fiscal year.

The Local Government Unit hereby pledges to the Lender and grants to the Lender a first lien and charge on its taxes and revenues to be received during the period when the note is outstanding to secure the payment of the indebtedness evidence hereby and the interest thereon.


Payment of the principal and interest shall be made in the following amounts on the following dates:

Date	Interest	Principal	Balance
January 2014	\$117.92	\$4,112.90	\$45,887.10
February 2014	\$108.22	\$4,122.60	\$41,764.51
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December 2014	\$9.95	\$4,220.86	\$0.00


The tax and revenue anticipation note is executed and delivered pursuant to resolution adopted by the Local Government Unit upon the affirmative vote of at least a majority of its members at a meeting held on January 9, 2014, and after filing with the Department of Community and Economic Development of the Commonwealth of Pennsylvania the documents required by Section 8128 of the Local Government Unit Debt Act.

IN WITNESS WHEREOF, the Local Government Unit has caused this tax and revenue anticipation note to be executed by its executive officer, its seal to be hereunto affixed, and the same to be attested by its Secretary, and this note to be delivered to the Bank this 9th day of January, 2014.


By:


Vaughn Tantlinger, Supervisor

By:


James Brown, Supervisor

By:


Paul Altimus, Supervisor

Attest:

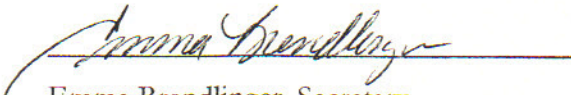

Emma Brendlinger, Secretary

Exhibit B

PROPOSAL OF LENDER

The Lender's proposal will not be prepared by the Local Government officers. Each Lender will have its own form for this purpose. It should specify the amount, interest rate, issuance date, and maturity date of the note.

A copy of the accepted executed proposal of the Lender must be filed with the Department of Community and Economic Development

Exhibit C

CERTIFICATE OF TAXES AND REVENUES TO BE COLLECTED

Pursuant to Section 8126 of the Local Government Unit Debt Act, the executive officers of Fairfield Township, Westmoreland County, Pennsylvania (hereinafter the "Local Government Unit") hereby certify that:

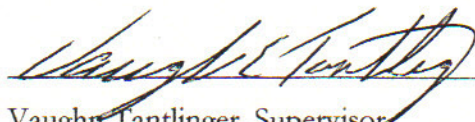
1. The undersigned have carefully estimated that the following amounts of monies will be received from taxes presently levied and assessed, and other revenues to be received (including subsidies and reimbursements) during the following months in the fiscal year ending December 2014.

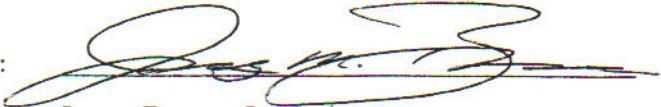
DATE	AMOUNT
January 2014	15,644
February 2014	18,830
March 2014	25,894
April 2014	22,751
May 2014	55,980
June 2014	34,083
July 2014	22,410
August 2014	15,957
September 2014	19,419
October 2014	14,871
November 2014	17,446
December 2014	28,664

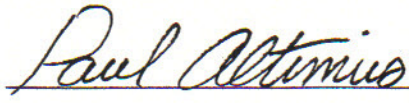
2. In making the foregoing estimate, the undersigned have considered the past and anticipated collection experience of the Local Government Unit and current economic conditions.

3. The amount of the borrowing pursuant to tax and revenue anticipation notes in the above-mentioned fiscal year, including the current obligation, does not exceed 85% of the sum of the revenues.


IN WITNESS WHEREOF, the undersigned have set their hands this 9th day of January 2014.

By: 
Vaughn Tantlinger, Supervisor

By: 
James Brown, Supervisor

By: 
Paul Altimus, Supervisor

Attest:


Emma Brendlinger, Secretary

BORROWING BASE CERTIFICATE – SECTION 8002

The borrowing base is the arithmetic average of total revenues received for the three fiscal years preceding the fiscal year in which the debt ordinance is enacted, 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 January 9, 2014
(Date)

	<u>FISCAL YEAR</u>		
(Three prior fiscal years)	(2012)	(2011)	(2010)
Total Revenues Received (money from <u>all</u> sources)	<u>\$696,632</u>	<u>\$602,654</u>	<u>\$562,341</u>
<u>Less:</u>			
(1) State and Federal subsidies and reimbursements related to a particular project financed by debt	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
(2) Revenues, receipts, assessments, etc., pledged for self-liquidating debt	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
(3) Interest on moneys in sinking funds pledged for debt	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
(4) Grants and gifts-in-aid measured by construction or acquisition of specific projects	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
(5) Nonrecurring receipts	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
SUBTOTALS	<u>\$696,632</u>	<u>\$602,654</u>	<u>\$562,341</u>
TOTAL NET REVENUES		<u>\$1,861,627</u>	
BORROWING BASE (Total Net Revenues divided by 3)		<u>\$620,542</u>	

(SEAL)


EMMA BRENDLINGER, Secretary