

FAIRFIELD TOWNSHIP
WESTMORELAND COUNTY, PENNSYLVANIA

RESOLUTION #4 OF 2012

**RESOLUTION AUTHORIZING SMALL BORROWING FOR
CAPITAL PURPOSES PURSUANT TO 53 Pa. C. S. § 8109 OF THE
LOCAL GOVERNMENT UNIT DEBTA ACT**

WHEREAS, the Township of Fairfield of Westmoreland 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 of a 2011 Massey Ferguson Model 5455, tractor with 22' boom rotary; and

WHEREAS, Section 8109 of the Local Government Unit Debt Act authorizes the 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 principle 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 local government unit has obtained preliminary cost estimates as required by the Act and determined that the sum of \$82,136.00 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 Fairfield Township \$563,998.00 and the limits imposed by Section 8022 of the Act.

NOW THEREFORE BE IT RESOLVED;

(1) The local Government Unit hereby authorizes the issuance of the general obligation not to exceed the amount of \$82,136.00 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 (20) Twenty years.

(3) The note shall be issued in the principal sum of \$82,136.00, shall be dated July 11, 2012, bear interest at the rate of 2.610% and shall mature on or before June 30, 2017.

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 First National Bank of Pennsylvania.

(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 Fairfield Township by the Supervisors and attested to by the Secretary. The Supervisors are the Secretary and 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 \$82,136.00 herein authorized to be issued and sold is hereby awarded and sold to First National Bank of Pennsylvania in accordance with its proposal to purchase the said note.

APPROVED this 12th day of July, 2012.

SIGNED BY:

VAUGHN E. TANTLINGER, Chairman
Township of Fairfield

JAMES M. BROWN, Vice-Chairman
Township of Fairfield

Attest:

EMMA J. BRENDLINGER,
Secretary

PAUL J. ALTIMUS, Supervisor
Township of Fairfield