

ORDINANCE NO. 45

of

BOROUGH OF INDIAN LAKE

SOMERSET COUNTY, PENNSYLVANIA

WHEREAS, the Borough of Indian Lake (hereinafter ("Borough") deems it advisable to borrow Eighty-Six Thousand Nine Hundred Twenty-Eight And 25/100 (\$86,928.25) Dollars for the purpose of paying the obligation of Borough arising out of the terms of a certain Purchase Agreement dated October 1, 1973, between Borough, et al., and the Stonycreek Valley Sewer Authority (herinafter "Project"), without the issuance of bonds, pursuant to the Local Government Unit Debt Act (hereinafter "Act"), Act of July 12, 1972, No. 185 as amended; and,

WHEREAS, the cost of the Project has been determined to be approximately Eighty-Six Thousand Nine Hundred Twenty-Eight And 25/100 (\$86,928.25) Dollars; and,

WHEREAS, notice of the following Ordinance has been duly advertised in accordance with Section 103 of the Act; and,

WHEREAS, Somerset Trust Company, Somerset, Pennsylvania, (hereinafter "Bank") has presented a written proposal to this meeting to purchase a General Obligation Note of the Borough in the amount of Eighty-Six Thousand Nine Hundred Twenty-Eight And 25/100 (\$86,928.25) Dollars.

NOW, THEREFORE, BE IT AND IT IS HEREBY ORDAINED AND ENACTED

that:

1. The indebtedness of the Borough be increased in the amount of Eighty-Six Thousand Nine Hundred Twenty-Eight And 25/100 (\$86,928.25) Dollars to be evidenced by the issuance of a General Obligation Note (hereinafter "Note") in the amount of Eighty-Six Thousand Nine Hundred Twenty-Eight And 25/100 (\$86,928.25) Dollars in the form of the note presented to this meeting and incorporated into the Minutes hereof.

2. The debt to be incurred is non-electoral debt and is to be incurred to pay the cost of the Project.

3. The Note shall be sold at private sale.

4. The Borough accepts the proposal of the Bank to purchase the Note, at par, dated the date of delivery of the Note maturing in the following installments:

The principal amount, that is to say the sum of Eighty-Six Thousand Nine Hundred Twenty-Eight And 25/100 (\$86,928.25) Dollars shall be payable in five (5) equal annual installments of Seventeen Thousand Three Hundred Eighty-Five And 65/100 (\$17,385.65) Dollars each with the first such annual payment due one (1) year from the date hereof and so on in like manner for a total of five (5) payments. Interest on the unpaid principal shall be payable quarterly and shall be calculated at an annual rate (360 day basis) of 7.45 percent on a declining balance basis.

The first installment of interest shall be due three (3) months from the date hereof and so on in like manner until the principal amount is paid in full.

5. The proposal of the Bank presented to this meeting shall be incorporated into the Minutes hereof as an Exhibit and the President of Borough Council is hereby authorized and directed to execute and deliver on behalf of and under the seal of the Borough an acceptance of said proposal.

6. The President of Council and Secretary of the Borough are hereby authorized and directed to prepare, certify and file the Debt Statement required by Section 410 of the Local Government Unit Debt Act.

7. The Note shall be a general obligation of the Borough and the Borough hereby covenants with the holder, from time to time, of the Note that it will include the amount of the debt service for each fiscal year in which any installment of principal or interest is 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 and interest on said Note on the dates and at the places and in the manner stated therein according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the Borough hereby pledges its full faith, credit and taxing power.

8. Somerset Trust Company, Somerset, Pennsylvania, is hereby designated as the Sinking Fund Depository for the payment of the principal and interest thereon which shall be deposited in the Sinking Fund no later than the date upon which the same becomes due and payable.

The Treasurer of the Borough shall deposit into the Sinking Fund sufficient amounts for payment of principal and interest on the Note no later than the date upon which such payments shall become due. The Sinking Fund Depository shall, without further action by the Borough, withdraw available moneys in the Sinking Fund and apply said moneys to payment of the principal of and interest on said Note.

9. Upon approval of the Department of Community Affairs of the Commonwealth of Pennsylvania to issue the Note, the President of Council of the Borough shall execute and affix the seal of the Borough to the Note and the Secretary and Treasurer shall attest the same and either or all of such officers shall deliver the Note to the Bank.

10. The proper officers of the Borough are hereby authorized and directed to do all acts necessary and proper for the issuance and securing of the said Note.

ENACTED AND ORDAINED this 11th day of November, 1980.

Attest:

INDIAN LAKE BOROUGH

Claudia Dawson
Claudia Dawson, Secretary

By R. Vanyo
Robert Vanyo, President of Council

EXAMINED AND APPROVED this 11 day of NOVEMBER, 1980.

E. Logan
Ed Logan, Mayor