

RESOLUTION 2012-06

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

WHEREAS, the Board of Supervisors of Hamiltonban Township, Adams 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: the purchase of a 2011 Caterpillar LP2 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 Local Government Unit has obtained preliminary cost estimates as required by the Act and determined that the sum of \$25,000 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 \$4,141,952 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 \$25,000 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 five (5) years.

(3) The note shall be issued in the principal sum of \$25,000, shall be dated February 1, 2012, bear interest at the rate of 2%, payable quarterly, and shall mature in installments as follows:

Fiscal Year 2012	\$3,949.98
Fiscal Year 2013	\$5,266.64
Fiscal Year 2014	\$5,266.64
Fiscal Year 2015	\$5,266.64
Fiscal Year 2016	\$5,266.64
Fiscal Year 2017	\$1,316.70

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 the office of the Department of Community and Economic Development

(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 Chairman and Vice-chairman and attested by the Secretary. The Chairman 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 \$25,000 herein authorized to be issued and sold is hereby awarded and sold to the Commonwealth of Pennsylvania in accordance with its proposal to purchase the said note. A copy of Lender's signed proposal is attached hereto as Exhibit B.


IN WITNESS WHEREOF, the undersigned has hereunto set his hand and affixed the seal of the Local Government Unit this 7th day of February, 2012.

HAMILTONBAN TOWNSHIP

BY: 
Robert L. Gordon, Chairman



ATTEST:


Deborah K. Feiler
Secretary/Treasurer

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA

County of ADAMS

HAMILTONBAN TOWNSHIP

GENERAL OBLIGATION NOTE

\$25,000
Dated: February 1, 2012

KNOW ALL MEN BY THESE PRESENTS, that Hamiltonban Township, Adams County, 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 \$25,000 dollars in installments as follows:

Fiscal Year 2012 the sum of \$3,949.98

Fiscal Year 2013 the sum of \$5,266.64

Fiscal Year 2014 the sum of \$5,266.64

Fiscal Year 2015 the sum of \$5,266.64

Fiscal Year 2016 the sum of \$5,266.64

Fiscal Year 2017 the sum of \$1,316.70

with interest on the unpaid principal balance at the rate of two percent (2%) per annum.

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 Department of Community and Economic Development.

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

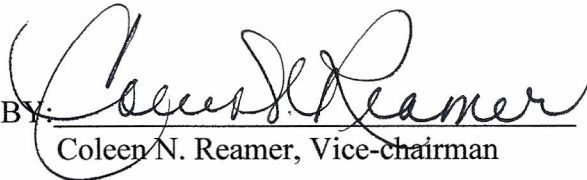
manner as required by law; and that this Note, together with all other indebtedness of the said local government unit is not in excess of any constitutional or statutory limitation and for the proper budgeting, appropriation, and the prompt and full payment of all the obligations of this Note the entire 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, Hamiltonban Township, Adams 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 7th day of February, 2012.

HAMILTONBAN TOWNSHIP


BY: 
Robert L. Gordon, Chairman

BY: 
Coleen N. Reamer, Vice-chairman



SEAL


ATTEST:


Deborah K. Feiler
Secretary/Treasurer

CERTIFICATION

I, Deborah K. Feiler, Secretary of Hamiltonban Township 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 7th day of February, 2012, 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 7th day of February, 2012.


Secretary/Treasurer Deborah K. Feiler

DEBT STATEMENT PURSUANT TO SECTION 8110
LOCAL GOVERNMENT UNIT DEBT ACT

Local Government Unit: Hamiltonban Township, Adams County

Statement as of: 12/31/2011

Section 8002 I. GROSS INCURRED DEBT

		Electoral	Nonelectoral	Lease Rental
A.	Bonds outstanding	\$ _____	\$ _____	\$ _____
	List and identify	\$ _____	\$ _____	\$ _____
	by year of issue	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____
B.	Notes Outstanding	\$ _____	\$800,000	\$ _____
	List and identify	\$ _____	\$ _____	\$ _____
	by year of issue	\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____
		\$ _____	\$ _____	\$ _____
	TOTAL	\$ _____	\$800,000	\$ _____

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	\$ _____	\$800,000	\$ _____

III. The aggregate principal amount of bonds or notes being issued or evidencing lease rental debt \$ 25,000

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.
(Refunding issues only) \$ _____

The borrowing base as shown by appended borrowing base certificate \$1,656,781

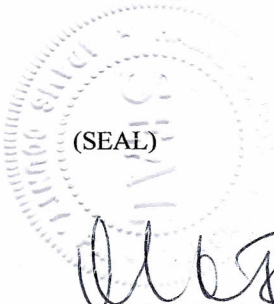
Applicable debt limitations

(a) nonelectoral
(250% of the borrowing base; 300% for counties) \$4,141,952

(a)(1) nonelectoral plus lease rental debt limit for school district borrowings
(225% of the borrowing base) \$ _____

(b) nonelectoral plus lease rental
(350% of the borrowing base; 400% for counties) \$5,798,733

Section 8110(a) IN WITNESS WHEREOF, we, Chairman Gordon, and Vice-chairman Reamer, being authorized to prepare, certify and file the foregoing statement, have hereunto set out hands and affixed the seal of Hamiltonban Township, this 7th day of February, 2012.



(SEAL)

A handwritten signature in black ink, appearing to be "A. R.", written over a horizontal line.

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: 12/31/2011

		<u>FISCAL YEAR</u>		
	(Three prior fiscal years)	<u>2009</u>	<u>2010</u>	<u>2011</u>
Total Revenues Received (money from <u>all</u> sources)		\$ <u>964,250</u>	\$ <u>1,871,401</u>	\$ <u>997,294</u>
<u>Less:</u>				
(1) State and Federal subsidies and reimbursements related to a particular project financed by debt		\$ _____	\$ _____	\$ _____
(2) Revenues, receipts, assessments, etc., pledged for self-liquidating debt		\$ _____	\$ _____	\$ _____
(3) Interest on moneys in sinking funds pledged for debt		\$ _____	\$ _____	\$ _____
(4) Grants and gifts-in-aid measured by construction or acquisition of specific projects		\$ _____	\$ _____	\$ _____
(5) Nonrecurring receipts		\$ _____	\$ _____	\$ _____
SUBTOTAL		\$ <u>964,250</u>	\$ <u>1,871,401</u>	\$ <u>997,294</u>
TOTAL NET REVENUES			\$ <u>3,832,945</u>	
BORROWING BASE (Total Net Revenues divided by 3)			\$ <u>1,277,648</u>	



(SEAL)

[Handwritten Signature]

Secretary

COMMONWEALTH OF PENNSYLVANIA : SS
COUNTY OF ADAMS :

Before me, the undersigned Notary Public, personally appeared Robert L. Gordon,
Coleen N. Reamer and Deborah K. Feiler, who
being duly sworn according to law depose and say that they are the Chairman,
(Title of Officer)
Vice-chairman and Secretary/Treasurer of
(Title of Officer) (Title of Officer)
Hamiltonban Township and that the facts set forth in the foregoing
(Name of Local Government Unit)
are true and correct.

[Signature]
Chairman
[Signature]
Vice-chairman
[Signature]
Secretary/Treasurer

Sworn to and subscribed before me
this 9th day of February, 20 12.

Notary Public Joan S. Sanders



NOTARIAL SEAL
JOAN S SANDERS
Notary Public
FAIRFIELD BOROUGH, ADAMS COUNTY
My Commission Expires Oct 21, 2012