

ORDINANCE NO. 46

of

BOROUGH OF INDIAN LAKE
SOMERSET COUNTY, PENNSYLVANIA

WHEREAS, the Borough of Indian Lake (hereinafter ("Borough")) deems it advisable to borrow Forty Thousand (\$40,000.00) Dollars for the purpose of purchasing a new municipal building (hereinafter "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 Borough has obtained a suitable location and acceptable arrangements for the project have been made; 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 Forty Thousand (\$40,000.00) 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 Forty Thousand (\$40,000.00) Dollars to be evidenced by the issuance of a General Obligation Note (hereinafter "Note") in the amount of Forty Thousand (\$40,000.00) 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, the usefulness of which is at least fifteen (15) years.

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 Forty Thousand (\$40,000.00) Dollars, together with interest thereon at the rate of Nine and one-half (9.5%) percent shall be payable in One Hundred Eighty (180) equal monthly installments of Four Hundred Seventeen And 69/100 (\$417.69) Dollars each, with the first monthly installment due one (1) month from the date of the advance of principal.

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 and the Secretary are 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 into 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 10th day of March, 1981.

Attest:

BOROUGH OF INDIAN LAKE

Emily Barbusehak
Secretary

By Franklin Redon
President of Council

EXAMINED AND APPROVED this 10 day of March, 1981.

E. Shogant II
Mayor