

RESOLUTION NO. 23-20

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

WHEREAS, the MILLERSBURG BOROUGH INC. of Dauphin County, Pennsylvania, hereinafter called the Local Government Unit, proposes to incur nonelectoral debt by the issuance of a general obligation Tax-Exempt Note to finance the costs of the following project: The purchase of a property being designated as Dauphin County Tax Parcel No. 45-002-011-000-0000 from William D. Hale for the sum of One Hundred Twenty Thousand Dollars (\$120,000.00).

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 \$125,000.00 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 a cost estimate as required by the Act and determined that the sum of \$120,000.00 needed to finance the project will not cause the aggregate of such debt to exceed the lesser of \$125,000.00 or 30% of the nonelectoral debt limit of the Local Government Unit 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 Tax-Exempt Note in the amount of \$120,000.00 to be issued for the foregoing purposes as nonelectoral debt. The lender will be the Mid Penn Bank.
- (2) The Tax-Exempt Note shall be issued in the principal sum of \$120,000.00, shall be dated October 25, 2023, with the Tax-Exempt Note amortized over 20 years with a balloon payment in 5 years. The Lender will be the Mid Penn Bank.

The principal and interest of said Tax-Exempt Note shall be payable at the offices of the Mid Penn Bank.

- (3) The said Tax-Exempt 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 Tax-Exempt 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 Tax-Exempt Note and the interest thereon at the dates and places and in the manner stated in the Tax-Exempt Note according to the true intent and meaning thereof, and for such proper budgeting, appropriation, any payment, the full faith, credit and taxing power of the Local Government Unit is hereby irrevocably pledged.

- (4) The said Tax-Exempt Note shall be executed in the name of Millersburg Borough Inc. by the Council President and attested to by the Secretary.
- (5) The acquisition of the aforementioned property, as well as the authorization for the Council President to sign the Agreement of Sale and the Mid Penn Bank loan documents was approved at a meeting of the Millersburg Borough Council held on September 13, 2023. This approval included not only the purchase price of \$120,000.00 but also closing costs including, but not limited to, transfer tax, recording costs, lender fees, notary fees, title insurance fees, and any other standard closing costs.
- (6) All requirements of the Pennsylvania Borough Code have been satisfied.

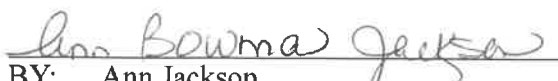
IN WITNESS WHEREOF, the undersigned has hereunto set its hand and affixed the seal of the Local Government Unit this 25th day of October, 2023.

MILLERSBURG BOROUGH INC.


By: Christopher C. Dietz
Council President

SEAL

ATTEST:


BY: Ann Jackson
Borough Secretary