

**CITY OF SHAMOKIN
NORTHUMBERLAND COUNTY
PENNSYLVANIA**

RESOLUTION NO. 2014- 15

**A RESOLUTION AUTHORIZING THE
EXECUTION AND PRIVATE SALE OF A
TAX AND REVENUE ANTICIPATION NOTE
TO SUSQUEHANNA BANK AND PLEDGING
ANTICIPATED TAXES AND REVENUES AS
SECURITY.**

WHEREAS, in the opinion of the City Council of the City of Shamokin, Northumberland County, Pennsylvania (the "City") it is necessary to borrow money in anticipation of the receipt of current taxes and current revenues to pay the operating expenses of the City for the balance of the fiscal year; and

WHEREAS, the proposed tax and revenue anticipation borrowing will not exceed the statutory limitations on amount of tax and revenue anticipation notes, nor will it exceed the estimated money to be received during the period when the Note will be outstanding.

NOW, THEREFORE, the CITY COUNCIL of the CITY OF SHAMOKIN hereby resolves as follows:

SECTION 1. PRINCIPAL AMOUNT The aggregate principal amount of the tax anticipation Note of the City proposed to be issued is Three Hundred Fifty Thousand Dollars (\$350,000.00) the same to be issued for general budgetary purposes in anticipation of tax collections and other revenues.

SECTION 2. TERM OF NOTE; INTEREST The Note authorized to be issued shall commence on January 2, 2015, mature not later than December 31, 2015, and shall bear interest from the date of issue at the rate of Three and One Quarter Percent (3.25%) per annum.

SECTION 3. SECURITY FOR TAX ANTICIPATION NOTE. The taxes and other revenue to be received by the City are hereby pledged as security for the tax anticipation Note authorized herein, and the Note holder is hereby granted a security interest in and a lien or charge on the taxes and other revenue to be received to the extent of the obligation.

SECTION 4. EXECUTION AND DELIVERY OF NOTE; CERTIFICATION The said Note shall be in the form attached to and made part of this Resolution as an exhibit, and shall be executed in the name and under the corporate seal of the City by the Mayor and attested by the City Clerk of the City. The City Clerk is hereby authorized and directed to deliver said Note to the purchaser on or after January 2, 2015, and receive payment therefor on behalf of the City. The City Clerk is authorized and directed to prepare, verify, and file the Certification as to Taxes and Revenues to be Collected required by the Local Government Unit Debt Act of December 19, 1996, No. 177, as amended, and to file with the Pennsylvania Department of Community and Economic Development certified copies of this Resolution, a Certificate as to Taxes and Revenues Remaining to be Collected, and a true copy of the accepted proposal, all as required by the aforesaid Act. The City Clerk is further authorized to execute such other documents and to perform all other actions necessary and desirable for the valid issuance, sale, and delivery of the Note in accordance with the provisions of this Resolution.

SECTION 5. NOTE AWARDED The tax anticipation Note herein authorized to be issued and sold is hereby awarded and sold to Susquehanna Bank in accordance with its proposal to purchase said Note at par. It is hereby certified to said purchaser that the amount of said tax anticipation Note will not exceed the limitations of Section 8122 of the Act of Dec. 19, 1996, P.L. 1158, No. 177, as amended.

SECTION 6. SINKING FUND DEPOSITORY Susquehanna Bank is hereby appointed Paying Agent and Sinking Fund Depository with respect to the Note.

There is hereby established with the Sinking Fund Depository a sinking fund in the name of the City to be known as Series of 2015 Tax and Revenue Anticipation Note Sinking Fund (the "Sinking Fund") into which the City covenants to deposit, and into which the Treasurer or other proper officer is hereby authorized and directed to deposit, on or before the date of delivery and the date of maturity, respectively, adequate amounts as necessary to pay the obligations of the Note. The Paying Agent shall, without further authorization from the City, withdraw from the Sinking Fund the amounts necessary to pay principal of, and interest on, the Note when due, to the holders of the same, but only upon surrender of the Note against which payment is to be made.

SECTION 7. INVESTMENT OF FUNDS Any monies in the Sinking Fund not required for prompt expenditure may, at the direction of the authorized officer of the City, be invested in bonds or obligations which are direct obligations of, or are fully guaranteed as to principal and interest by, the United States of America or may be deposited in time accounts or certificates of deposit or other interest bearing accounts of any bank or bank and trust company, savings and loan association or building and loan association. To the extent that such deposits are insured by the Federal Deposit Insurance Corporation or similar Federal agency, they need not be secured. Otherwise, such deposits shall be secured as public deposits, except that monies held in the Sinking Fund may be secured as trust funds. Any such investments or deposits shall mature or be subject to redemption at the option of the holder, or be subject to withdrawal at the option of the depositor, not later than the date upon which such monies are required to be paid to holder of the Note.

SECTION 8. COVENANT FOR PAYMENT. The Note issued pursuant to this Resolution shall be a general obligation of the City. The City hereby covenants with the holder from time to time of the Note that if funds are not available for the full payment of the Note within the fiscal year in which issued, then the City will either (1) include the amounts necessary to pay the Note in its budget for the next fiscal year, to the extent then permitted by applicable

law, or (2) fund such amounts within the next fiscal year in accordance with Section 509 of the Debt Act, or (3) provide for payment of the Note by any combination of (1) and (2).

SECTION 9. BANK QUALIFIED DESIGNATION. The City hereby designates the borrowing authorized herein as a "bank qualified" issue within the meaning of Section 265 of the Internal Revenue Code.

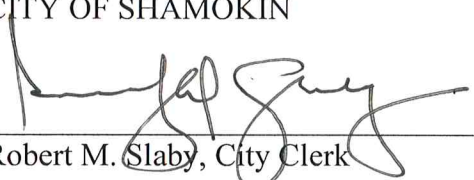
SECTION 10. CONTRACT This resolution shall be a contract with the owner, from time to time, of the Note.

SECTION 11. REPEAL All prior resolutions or parts thereof inconsistent herewith are hereby repealed.

RESOLVED this 8th day of December, 2014.

CITY OF SHAMOKIN

By:


Robert M. Slaby, City Clerk

(CITY SEAL)

APPROVED this 8th day of December, 2014.


William D. Milbrand, Mayor