

TOWNSHIP OF CRESCENT
Allegheny County, Pennsylvania
RESOLUTION NO. 04-2023

WHEREAS, the Township of Crescent, Allegheny County, Pennsylvania, (hereinafter the “Local Government Unit”) anticipates current revenues as yet uncollected;

WHEREAS, the Local Government Unit has determined it is necessary to borrow funds for the purpose of meeting current expenses by issuing a note to be repaid from said anticipated revenues;

WHEREAS, as required by Section 8126 of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, as codified by the Act of December 19, 1996 (P.L. 1158, No. 177), as amended (the “Debt Act”), the Chief Legislative Officer (being as appropriate, the President or Chairman) and/or the Chief Administrative Officer (being, as appropriate, the Secretary, Chief Clerk or Manager), or their duly elected and acting successors on the Governing Body (being, as appropriate, the Board of Commissioners, the Council or the Board of Supervisors), with properly delegated authority (the “Designated Officers”) of the Local Government Unit have, not more than thirty (30) days before the date on which this Note Resolution is being adopted and furthermore hereby confirm on this date, made an estimate, from taxes now levied and assessed and from other budgeted revenues, of the taxes and revenues to be received and the expenditures to be made during the period when the Note (hereinafter defined) will be outstanding and have certified that estimate by a duly executed document (the “Certificate as to Collections and Expenditures”); and

WHEREAS, Brentwood Bank (the “Lender”) has submitted a proposal to the Local Government Unit (the “Proposal”) to purchase a tax anticipation note of the Local Government Unit and the Local Government Unit desires by adoption of this resolution to accept such proposal and authorize the issuance and sale of its tax and revenue anticipation note;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Local Government Unit hereby authorizes the issuance of a tax and revenue anticipation note in the amount of \$300,000.00 in anticipation of the receipt of current taxes and revenues to be sold at private sale.
2. The note shall be in the denomination of \$300,000.00, shall be redeemable at any time at the option of the officers of the Local Government Unit without penalty or premium, shall be fully registered without coupons, shall be dated no later than February 15, 2023, shall bear interest at the fixed rate of 4.70 percent, shall mature on December 31, 2023, shall be payable at 411 McMurray Road, Bethel Park, Pennsylvania 15102, the office of the Lender, and shall be substantially in the form attached to this resolution as **Exhibit “A”**, and hereby made a part hereof.
3. The exact form of the Note will contain an unconditional promise to pay the principal of and interest on the Note to the owner when due, will pledge, and grant a security interest in, the collateral identified in this Resolution, will recite the valid issuance of the Note

under the Debt Act pursuant to proper corporate authority, will prohibit personal recourse against officials of the Local Government Unit, will certify proper achievement of all conditions precedent to the issuance of the Note and will designate the Note as a “qualified tax-exempt obligation” under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

4. The Note will be executed by the Chief Legislative Officer of the Governing Body and will have the corporate seal (or a facsimile thereof) of the Local Government Unit affixed thereto or printed thereon, duly attested by the Chief Administrative Officer. To the extent that any one signature on a Note is manual, the other signatures may be facsimile. The Designated Officers are fully authorized and directed to deliver the Note to the Lender, upon the terms and conditions hereinafter and in the Proposal provided, receive the proceeds therefor, execute and deliver such certificates and other closing documents and take such other action as may be necessary or appropriate in order to effectuate the proper issuance, sale and delivery of the Note.
5. The Designated Officer is hereby authorized and directed to certify and transmit copies of this Note Resolution, the Proposal and the Certificate as to Collections and Expenditures (which includes a calculation of the cumulative cash flow deficit calculated in accordance with the provisions of the Internal Revenue Code of 1986, as amended (the “Code”) and the United States Treasury Department Regulations §1.148-6(d)(3)), the contents of which are hereby approved, to the Department of Community and Economic Development of the Commonwealth of Pennsylvania, or, to the Lender for such filing.
6. The proposal of Lender to purchase the Note is hereby accepted and shall be incorporated into the minutes of this meeting. A true and correct copy of the Proposal is attached hereto as **Exhibit “B”**, and the appropriate officers are hereby authorized and directed to execute and deliver a duplicate original of the acceptance to the Lender.
7. Payment of the principal and interest shall be made as follows:
The Local Government Unit shall pay interest monthly, quarterly or semi-annually (at the Local Government Unit's preference), and the entire balance of the accrued and unpaid interest and the principal shall be payable in full on the maturity date, December 31, 2023.
8. The Local Government Unit hereby pledges to the Lender and grants to the Lender a first lien and charge on its tax and other revenues to be received during the period when the note is outstanding to secure payment of the indebtedness evidenced hereby and interest thereon.
9. The Local Government Unit hereby authorizes and directs the Lender to file a financing statement pursuant to the Uniform Commercial Code to perfect the security interest hereby created. All expenses of such filing shall be borne by the Local Government Unit.
10. In the event of any default on the Note or hereunder, the Local Government Unit agrees to pay the reasonable expenses of the Lender (including court costs and attorney's fees) incurred in collecting the amounts due.

11. The appropriate officers are hereby authorized and directed to execute and deliver in the name of, and on behalf of, and under the seal of the Local Government Unit, the tax and revenue anticipation note in the form and containing the terms described above, and the Secretary of the Local Government Unit is hereby authorized and directed to attest to the same.
12. The appropriate officer is hereby authorized and directed to prepare or cause to be prepared, and file a Certificate as to the Taxes and Revenues to be Collected as required by Section 8128 of the Local Government Unit Debt Act. A true and correct copy of said Certificate is attached hereto as **Exhibit "C"**.
13. The officers of the Local Government Unit are authorized and directed to perform all acts necessary and proper for the valid issuance and securing of the Note.
14. The Note issued pursuant to this Note Resolution shall be a general obligation of the Local Government Unit. The Local Government Unit hereby covenants with the Lender 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 Local Government Unit will either (1) include the amounts necessary to pay the Note in its budget for the next fiscal year, pursuant to Section 8125 of the Debt Act, to the extent then permitted by applicable law; (2) fund such amounts within the next fiscal year in accordance with Sections 8129 and 8130 of the Debt Act; or (3) provide for payment of the Note by any combination of (1) and (2), in all events, upon notice to and with the consent and agreement of the Lender, and provided furthermore that in such an event of default, if the Local Government Unit shall have executed and delivered certain credit, collateral and/or security application(s) or agreement(s) pursuant to Section 20 hereof, the general obligation pledge of payment made by this Section shall include and encompass all amounts in addition to stated principal and interest due in respect of the Note by the terms of such credit agreements and shall conform to the manner and procedures for payment, if any, set forth therein, or provided at the direction of the Lender, either as owner or subrogee of the Note.
15. The Local Government Unit hereby covenants with the owners from time to time of the Note that it will make no use of the proceeds of the Note which, if such use had been reasonably expected on the date of issue of the Note, would have caused the Note to be an "arbitrage bond" within the meaning of Section 148 of the Code and the Regulations thereunder and that it will comply with the requirements of the Code and the Regulations throughout the term of the Note.
16. If the principal amount of the Note, plus the principal amount of all other tax-exempt obligations issued and to be issued by the Local Government Unit, or by a subordinate governmental unit within its jurisdiction, during the calendar year in which the Note is to be issued, exceeds \$5,000,000, and if the gross proceeds of the Note are invested at a yield greater than the yield on the Note and are not expended, or deemed to have been expended pursuant to Section 148(f)(4)(B)(iii) of the Code, within six (6) months from the date of issuance, the Local Government Unit covenants that it will rebate to the U.S. Treasury, within sixty (60) days after the maturity date of the Note, that amount of investment income on the Note proceeds been invested at a yield equal to the yield on the Note.

17. The Local Government Unit hereby designates the Note as a Qualified Tax-Exempt Obligation pursuant to Section 265(b)(3) of the Code and represents and covenants that the total amount of its obligations so designated and to be designated during calendar year 2023 does not and will not exceed \$10,000,000.
18. The Note is hereby awarded and sold at private sale by negotiation to Lender, at par, in accordance with the Proposal and its Terms as set forth in the foregoing and attached Certificate and Transmittal, which, as presented at this meeting, is hereby accepted and directed to be executed by the Designated Officers. The Local Government Unit shall pay the Origination Fee, if any, set forth in the Terms.
19. All notice, filing and legal fees properly incurred in connection with issuance of the Note will be paid by the Local Government Unit. The Designated Officers are hereby authorized and directed to pay all such reasonable expenses at the time of Settlement on the Note.
20. The Local Government Unit acknowledges the right of the Lender to negotiate some or all of the Note to subsequent third-party owners, from time to time, and at any time, during the term of the Note. Moreover, the Local Government Unit recognizes that the Lender may choose, in its absolute discretion and at its own cost, to provide letters of credit, put agreements, collateral accounts and such other similar guarantees of payment by the Lender to the third-party owner as may be necessary to facilitate the negotiation of the Note to the subsequent owners. In consideration of the beneficial interest rate afforded the Local Government Unit by the increased and facilitate marketability of the Note, and in such event, the Local Government Unit agrees, and the Designated Officers are hereby directed, to execute and deliver any and all credit, collateral and security application(s) and agreement(s) as may be necessary in the reasonable discretion of the Lender and according to its standard business practices to provide further assurance to the Lender of its rights, either as owner or subrogee under a guaranty arrangement, to receive payment in full of the principal of and interest on the Note (and any other amounts due in respect thereof under the term of such credit agreement) when due. In the event any payment of principal or interest or both is made to any owner of any Note by a draw on a letter of credit issued by, or other guaranty of payment made by, the Lender of such payment will not extinguish the obligations of the Local Government Unit under such Note; the Lender shall become the owner/subrogee of the Note with full rights to enforce payment of the amounts due in respect of the same.
21. This Note Resolution is a contract with the owners, from time to time, of the Note.
22. All prior resolutions or parts thereof inconsistent herewith are hereby repealed.

[Remainder of Intentionally Blank]

IN WITNESS WHEREOF, this 23rd day of January, 2023.

ATTEST:

TOWNSHIP OF CRESCENT

By: Janice C. Adamski
Name: Janice C. Adamski
Title: Manager, Township of Crescent

By: Todd K. Miller
Name: Todd K. Miller
Title: President, Board of Commissioners

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