

SAMPLE TAX AND REVENUE ANTICIPATION NOTE PROCEEDINGS

(A copy of these documents must be filed with the Department of Community and Economic Development prior to issuance of the note. This is a sample, and may require modification to fit your particular proposal, subject to the requirements of the Act. This form does not provide for a sinking fund which may be required by your lender.)

RESOLUTION AUTHORIZING  
TAX AND REVENUE ANTICIPATION NOTE

Whereas, the \_\_\_\_\_, of \_\_\_\_\_  
(County), Pennsylvania, hereinafter called the Local Government Unit, anticipates current revenues as yet uncollected; and

Whereas, the said Local Government Unit has inadequate funds for current expenditures; and

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

Whereas the \_\_\_\_\_ (Lender) has submitted to the said Local Government Unit a proposal to purchase a tax anticipation note of the Local Government Unit and the Local Government Unit desires by the 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 that:

(1) The Local Government Unit hereby authorizes the issuance of a tax and revenue anticipation note in the amount of \$ \_\_\_\_\_ 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 \$ \_\_\_\_\_, 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 \_\_\_\_\_, 20 \_\_, bear interest at the rate of \_\_\_\_\_ percent, shall mature on \_\_\_\_\_, 20 \_\_ and shall be payable at the \_\_\_\_\_ office of the Lender, shall be substantially in the form

annexed to the resolution as Exhibit A and hereby made a part of the resolution as though fully set forth in this place.

(3) The proposal of the \_\_\_\_\_ (Lender) to purchase the note dated \_\_\_\_\_, 20\_\_\_, is hereby accepted and shall be incorporated into the minutes of this meeting. A true and correct copy of said Proposal is attached hereto as Exhibit B, and the appropriate executive officers are hereby authorized and directed to execute and deliver a duplicate original of the acceptance of said proposal to the Lender.

(4) The Local Government Unit hereby pledges to the Lender and grants to the Lender a first lien and charge on its taxes and revenues to be received during the period when the note is outstanding to secure the payment of the indebtedness evidenced hereby and the interest thereon.

(5) Payment of principal and interest shall be made in the following amounts and on the following dates:

(INSERT REPAYMENT SCHEDULE HERE)

(6) The appropriate executive officer be and hereby is authorized and directed to execute and deliver in the name of, on behalf of, and under the seal of, the Local Government Unit, the tax and revenue anticipation note in the form and containing terms described above, and the Secretary of the Local Government Unit be and hereby is authorized and directed to attest the same.

(7) The appropriate executive or fiscal officer be and hereby is authorized and directed to prepare or cause to be prepared and to file a Certificate as to 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.

(8) The executive officers of the Local Government Unit be and hereby are authorized and directed to perform all acts which are necessary and proper for the valid issuance and securing of the note.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand and affixed the seal of the Local Government Unit this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Name of Local Government Unit)

By \_\_\_\_\_  
(Executive Officer)

(Seal)

Attest:

\_\_\_\_\_  
(Secretary)

CERTIFICATION

I, \_\_\_\_\_, Secretary of \_\_\_\_\_  
\_\_\_\_\_, hereby certify that the foregoing is a true and correct copy of a resolution, duly  
adopted by the majority vote of said Local Government Unit, at a meeting duly held on the  
\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, 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 \_\_\_\_\_ day  
of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Secretary

Exhibit A

SUGGESTED FORMAT FOR FORM OF NOTE

(may be modified to fit your proposal,  
subject to the provisions of the Act

\_\_\_\_\_  
Name of Local Government Unit

\_\_\_\_\_  
County

Pennsylvania

Tax and Revenue Anticipation Note

Series \_\_\_\_\_ of 20 \_\_

\$ \_\_\_\_\_

The \_\_\_\_\_, \_\_\_\_\_ County, Pennsylvania, hereinafter called the Local Government Unit, intending to be legally bound, promises to pay to the order of \_\_\_\_\_ (Lender) at its office at \_\_\_\_\_, Pennsylvania, on or before \_\_\_\_\_, 20 \_\_, \_\_\_\_\_ dollars, in such coin or currency as at the place and time of payment is legal tender for the payment of public and private debts, with interest thereon from the date hereof on the unpaid principal balance from time to time outstanding at the rate of \_\_\_\_% per annum.

Payment of the indebtedness evidenced hereby may be anticipated in whole or in part at any time and from time to time without penalty or premium.

The indebtedness evidenced hereby is a borrowing in anticipation of current taxes and other current revenues to be received during the fiscal year ending \_\_\_\_\_, 20 \_\_ and is to be repaid from revenues received by it during said fiscal year.

The Local Government Unit hereby pledges to the Lender and grants to the Lender a first lien and charge on its taxes and revenues to be received during the period when the note is outstanding to secure the payment of the indebtedness evidenced hereby and the interest thereon.

Payment of principal and interest shall be made in the following amounts on the following dates:

(INSERT REPAYMENT SCHEDULE \*payments must be within same fiscal year as issuance)

This tax and revenue anticipation note is executed and delivered pursuant to resolution adopted by the Local Government Unit upon the affirmative vote of at least a majority of its members at a meeting held on \_\_\_\_\_, 20\_\_ and after filing with the Department of Community and Economic Development of the Commonwealth of Pennsylvania the documents required by Section 8128 of the Local Government Unit Debt Act.

IN WITNESS WHEREOF, the Local Government Unit has caused this tax and revenue anticipation note to be executed by its executive officer, its seal to be hereunto affixed, and the same to be attested by its Secretary, and this note to be delivered to the Bank this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Name of Local Government Unit

By \_\_\_\_\_  
Executive Officer

(SEAL)

ATTEST:

\_\_\_\_\_  
Attesting Officer

Exhibit B

PROPOSAL OF LENDER

The Lender's proposal will not be prepared by the Local Government officers. Each Lender will have its own form for this purpose. It should specify the amount, interest rate, issuance date, and maturity date of the note.

A copy of the accepted executed proposal of the Lender must be filed with the Department of Community and Economic Development.

Exhibit C

CERTIFICATE OF TAXES AND REVENUES TO BE COLLECTED

Pursuant to Section 8126 of the Local Government Unit Debt Act, the executive officers of \_\_\_\_\_, \_\_\_\_\_, County, Pennsylvania (hereinafter the "Local Government Unit") hereby certify that:

1. The undersigned have carefully estimated that the following amounts of moneys will be received from taxes presently levied and assessed, and other revenues to be received (including subsidies and reimbursements) during the following months in the fiscal year ending \_\_\_\_\_, 20\_\_\_\_. (NOTE: Use only months during which the note will be outstanding)

DATE	AMOUNT

TOTAL: \$ \_\_\_\_\_

2. In making the foregoing estimate, the undersigned have considered the past and



anticipated collection experience of the Local Government Unit and current economic conditions.

3. The amount of the borrowing pursuant to tax and revenue anticipation notes in the above-mentioned fiscal year, including the current obligation, does not exceed 85% of the sum of the revenues.

IN WITNESS WHEREOF, the undersigned have set their hands this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_

Executive Officer

\_\_\_\_\_

Secretary