

PLYMOUTH BOROUGH COUNCIL
SPECIAL MEETING-JANUARY 26, 2022 at 6:00PM

Mr. Kobusky began the light work session by asking Mr. Morehart to speak regarding a meeting he attended earlier that day with the Lower South Valley COG.

Mr. Adam Morehart – The new membership fee will be increased to \$3500.00. The Coal Street Project was discussed and the COG is ready to send letters of support to us for getting any funding we may be eligible for. The municipal fueling station was also discussed

Mr. Ron Kobusky – The COG is very interested in the Coal Street Project because if we lose the 36-inch main then most of the towns in the COG would be affected.

Mr. Cunningham – no comments

Ms. Eroh – The Civil Service test is scheduled for February 5th, 2022. Last day applications will be accepted is Friday, January 28,2022. Thanked Mr. John Frey for being the proctor for the exam.

Mr. John Thomas – no comments

Mr. Kobusky – Advised Mr. Thomas that the car accident that took place last week, Main and Academy Sts., took out approx. 100 ft of wire for the Christmas Lights. DPW tied the wires up. The accident sheared the middle of the cable. Insurance will be billed.

Mr. Bill Dixon – Mr. Kobusky, Mr. John Thomas, Mr. Earl Cunningham and Mr. Dixon met with John Levitski who is a Watershed Specialist regarding Coal St. Project. We do not have any answers at this point. Plans to reach out to our State Representative and visit Mr. Cartwright's office in the near future.

Reminder to residents that when there is a lot of snow you only need to shovel 30" on your sidewalk, not the whole sidewalk. Please do not throw the snow into the street. It causes problems for the plow when it clears streets.

The special meeting was called to order and the Pledge of Allegiance was recited followed by a moment of silence.

The roll was called: 5 members physically present:

Mr. Cunningham; Ms. Eroh; Mr. Morehart; Mr. Dixon & Mr. Kobusky

Mr. Thomas attended by phone and

Mr. Ryncavage was not present, but excused.

There were no Citizens comments regarding agenda items.

There were no Citizens comments regarding general items.

AGENDA VOTING:

Motion was made to approve Resolution No. 2 of 2022:

RESOLUTION NO. 2 OF 2022. A RESOLUTION OF PLYMOUTH BOROUGH, LUZERNE COUNTY, AUTHORIZING A TAX AND REVENUE TAX ANTICIPATION NOTE SERIES OF 2022 IN AGGREGATE PRINCIPAL AMOUNT OF \$250,000 TO BE ISSUED IN FEBRUARY OF 2022 AND TO MATURE ON DECEMBER 31, 2022 WITH THE TERMS SET FORTH IN THE FOREGOING APPROVING A FORM OF NOTE; AUTHORIZING AND DIRECTING THE FILING OF PROCEEDINGS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; PROVIDING FOR PAYMENT AND SECURITY OF THE NOTE; MAKING CERTAIN FEDERAL INCOME TAX COVENANTS IN RESPECT OF THE NOTE; ACCEPTING THE PROPOSAL OF FIRST KEYSTONE COMMUNITY BANK FOR THE PURCHASE OF THE NOTE; AND REPEALING INCONSISTENT RESOLUTIONS.

RESOLUTION 2 of 2022

WHEREAS the Borough of Plymouth, Luzerne County, Pennsylvania, hereinafter called the "Borough", duly organized and subsisting as a political subdivision of the Commonwealth of Pennsylvania, anticipates the receipt of both current taxes and current revenues, yet uncollected, during fiscal year ending December 31, 2022; and

WHEREAS based upon monthly estimates of its expected taxes, revenues and expenditures for the upcoming fiscal year, the Borough anticipates that its cash on hand and certain times during such fiscal year may temporarily be reduced to undesirable low levels; and

WHEREAS the Borough is authorized, pursuant to the Local Government Unit Debt Act (the "Debt Act"), as codified by the Act of December 19, 1996, P.L. 1158 No. 177, as amended; to borrow money from time to time in any fiscal year in anticipation of the receipt of current taxes and other revenues and to evidence such borrowing by the issuance and sale of tax and revenue anticipation notes; and

WHEREAS First Keystone Community Bank (the "Purchaser"), has submitted a proposal to purchase the Borough's tax and anticipation note in aggregate principal amount of \$250,000.00; and

WHEREAS the Borough desires by adoption of this Resolution to accept such proposal and authorize issuance and sale of its tax and revenue anticipation note in accordance with the Debt Act,

NOW, THEREFORE, BE IT RESOLVED by the Plymouth Borough Council as follows;

1. Plymouth Borough hereby authorizes the issuance of a Tax and Revenue Anticipation Note, Series 2022 in an aggregate principal amount of TWO HUNDRED FIFTY THOUSAND (\$250,000.00) DOLLARS (the "Note") in anticipation of receipt of current taxes and revenues in the 2022 fiscal year. Said Note shall be sold at a private sale and be under the terms and conditions in Exhibit "A" attached which is a copy if the loan commitment from First Keystone Community Bank.

2. The Note shall be as a registered note, in the denomination of \$250,000.00, shall be dated as in February of 022 and mature in December 31, 2022, shall bear interest (calculated on the base is of a 360-day year and actual number of days elapsed) at a fixed rate of interest of 1.00% percent. The Note shall be substantially in the form attached hereto as Exhibit "B" with such changes as the President of Council shall deem appropriate.
3. The principal of and interest on the Note shall be payable at maturity, in lawful money of the United States of America at the office of First Keystone Community Bank in Berwick, Pennsylvania, which is hereby appointed paying agent and registrar for the Note and sinking fund depository and is hereafter called "Paying Agent".
4. The Principal of the Note may be prepaid in whole or part, at any time at the opinion of the Borough prior to maturity without any premium or penalty in accordance with the terms of the Note attached hereto and made a part hereof.
5. The proposal of the Purchaser presented to the Borough Council this day to purchase the Note at a price of par (the "Note Purchase Proposal") is hereby accepted and approved, and the Note is hereby awarded to the Purchaser. In the event the sale is a negotiated sale, the Borough Council hereby finds and determines, based on all information available to Council that a private sale of the Note by negotiation is in the best financial interest of the Borough.
6. Any officer of the Borough is hereby authorized and directed to notify the Purchaser of the Borough's acceptance of the Note Purchase Proposal, attached as Exhibit "A", incorporated herein by reference, to execute such acceptance on a duplicate original thereof, to deliver the same to the Purchaser and to file the original of the Note Purchase Proposal with the records of the Borough.
7. The Note shall be a general obligation of the Borough and shall be equally and ratably secured by the pledge of, security interest in, and a first lien and charge on, the taxes and other revenues to be received by the Borough during the period the Note will be outstanding, together with all proceeds thereof. Such pledge, lien and charge shall be fully perfected as against the Borough, all its creditors and all third parties from and after the filing of appropriate financing statements in accordance with the Uniform Commercial Code and Section 8125 of the Debt Act. The execution and filing of such financing statements are hereby authorized and directed.
8. The Borough hereby establishes a sinking fund for the Note to be held by the Paying Agent in the name of the Borough but subject to withdrawal only by the Paying Agent. The Borough covenants and agrees to deposit in said sinking fund not later than December 31, 2022, the principal of the interest on the Note due on December 31, 2022. The Paying Agent shall without further authorization, withdraw moneys from the sinking fund and apply such moneys to the payment of the principal of and interest on the Note.
9. The President or Vice President of Council is hereby authorized and directed to execute in the name of, on behalf of, and under the seal of, the Borough, the Note in a form and containing the terms described above, and the Secretary or Assistant Secretary of Treasurer of the Borough is hereby authorized and directed to attest to the same. Such officers are hereby authorized and directed to deliver the Note to the Purchaser upon receipt or the proceeds thereof and upon compliance with all conditions precedent to

such delivery required by the Debt Act, this Resolution, and the Note Purchase Proposal. Immediately, upon receipt of the purchase price for the Note, the President or Vice President of Council is authorized to make disbursements to pay the financing costs incurred on conjunction with the issuance of the Note.

10. The President and Secretary of the Borough have been authorized and directed to prepare a Certificate as to the Taxes and Revenues to be Collected (the "Certificate"), attached as Exhibit "C" and a calculation of the maximum anticipated cumulative cash flow deficit (the "Cash Flow Calculation Worksheet"), each of which, if prepared and submitted to the Council of Commissioners in accordance with Sections 8122 and 8126 of the Debt Act and in accordance with United States Treasury Regulations, respectively, is hereby approved.
11. It is hereby determined that the aggregate principal amount of the Note does not exceed the lesser of: (i) eighty-five percent (85%) of the sum of the taxes and revenues to be collected or received in the 2022 fiscal year during the period when the Note will be outstanding as estimated by the President and Secretary of the Borough in the Certificate; or (ii) the maximum anticipated cash flow deficit of the Borough for the 2022 fiscal year, as reported by the President and Secretary of the Borough in the Cash Flow Worksheet.
12. The president or Vice President of Council of Council and the Secretary or Assistant Secretary of the Borough are hereby authorized to certify to the Purchaser at the time of delivery of the Note that the amount of the Note to remain outstanding will not exceed the limitations of Section 8122 of the Debt Act. A copy of such certificate shall be retained by the Borough until maturity of the Note.
13. The Borough covenants to comply with the requirements of Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amend (the "Code"), and all requirements regarding the use of investments of the proceeds of the Series Note and the rebate requirements in Section 148(f) of the Code.
14. The Borough hereby represents and warrants, after due investigation and to the best of its knowledge, that (i) the Borough is a governmental unit with general taxing powers; (ii) the Note is not a "private activity bond" within the meaning of Section 141 of the Code; (iii) ninety-five percent (95%) or more of the net proceeds of the Note is to be used for local governmental activities of the Borough (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Borough); and (iv) the aggregate face amount of all tax-exempt obligations (other than "private activity bonds") issued or to be issued by the Borough and all other entities which must be aggregated with it pursuant to the Code during the 2012 calendar year, including the Note is not reasonably expected to exceed \$5,000,00.00. The Borough hereby authorizes the proper officers of the Borough to execute a certificate to that effect at the time of closing. The Borough hereby further represents and warrants, after due investigation and to the best of its knowledge, that (i) the Note is not a "private activity bond" within the meaning of Section 141 of the Code; (ii) the aggregate face amount of "qualified tax-exempt obligations" within the meaning of Section 265 (b)(3)(B) of the Code (which includes qualified 501 (c) (3) bonds but not any other aggregated with it pursuant to the Code in

the 2012 calendar year, including the Note is not reasonably expected to exceed \$10,000,000.00 The Borough hereby designates the Note as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Code (relating to the disallowance of the interest deduction for indebtedness incurred by banks, thrift institutions and other financial institutions to purchase or carry tax-exempt obligations). The Borough hereby authorizes the proper officials of the Borough to execute a certificate to that effect at the time of closing. Therefore, the Borough expects that the bank, thrift institutions and other financial institutions to purchase or carry the Note will be denied under Sections 265(b)(1) and 291€(1)(B) of the Code.

15. The President of Vice President of Council and the Secretary of Assistant Secretary of the Borough are hereby authorized and directed to cause certain documents and proceedings in connection with the authorization, issuance and sale of the Note (including certified copies of this Resolution and the Certificate and a true copy of the Note Purchase Proposal) to be filed with the Department of Community and Economic Development of the Commonwealth of Pennsylvania in accordance with Section 8128 of the Debt Act.
16. The Borough hereby warrants to the Purchaser, its successors and assigns, that it has not encumbered or pledged its anticipated tax receipts or other revenues for the 2013 fiscal year and further covenants that, except for outstanding operating expenses incurred for the current fiscal year, for the payment of which the Note is being issued and sold, it will not as long as the principal of or interest on the Note shall remain unpaid, incur any further obligations against such tax receipts or other revenue ranking prior to or on parity with the Note without the prior written consent of the Purchaser.
17. The proper officers of the Borough are hereby authorized and directed to perform all other actions necessary or desirable for the valid issuance, sale and delivery of the Note in accordance with the Debt Act, the aforesaid proposal of the Purchaser and the provisions of the Resolution.
18. Inconsistent Actions. All prior resolutions or parts thereof inconsistent herewith are hereby repealed.
19. This Resolution shall be effective immediately upon adoption.

This Resolution approved and duly adopted at an advertised and properly constituted Special Meeting of the Plymouth Borough Council held January 26, 2022, and recorded in the minutes of Plymouth Borough.

Motion: Mr. Dixon
2nd: Mr. Cunningham
Motion passed-6 yes

Motion to adjourn by Mr. Cunningham

Respectfully submitted:



Gail Burdulis, Borough Secretary

Approved at regular meeting April 12, 2022