

ORDINANCE 88-03

ORDINANCE ADOPTED PURSUANT TO THE LOCAL GOVERNMENT UNIT DEBT ACT

WHEREAS, the Board of Commissioners for the County of York, pursuant to the Local Government Unit Debt Act, Act of July 12, 1972, P.L. 781, as amended, 53 P.S. Section 6780-01 et seq., has obtained realistic cost estimates for the acquisition of capital assets to upgrade the County computer system and has obtained realistic cost estimates for the financing of such acquisition by lease and by borrowing; and

WHEREAS, the Board of Commissioners has determined that the County will realize substantial savings by borrowing to finance such acquisition rather than by lease; and

WHEREAS, the Board of Commissioners has determined that the terms of borrowing adopted herein are the most favorable among the proposals submitted,

NOW, THEREFORE, be it ordained:

1. That the County of York will borrow from The York Bank and Trust Company the amount of three hundred seventy-six thousand, eight hundred sixty-three dollars and sixty cents (\$376,863.60) to purchase a Wang VS-7310 computer along with word processing equipment and other software, implementation and installation services and will repay the borrowing with level payments of principal and interest to fully amortize the loan at the annual rate of 7.95% for a term of five (5) years in monthly payments of seven thousand six hundred thirty-two dollars and forty two cents (\$7,632.42), adjusted to reflect a first payment date of January 1, 1989 or an earlier or later date.

2. That the borrowing is intended to produce interest which is tax free to the lender. If any government authority with jurisdiction declares at any time during the term of the borrowing that the interest is not tax free to the lender, then the interest rate shall change and be increased for the entire term of the borrowing so that the lender shall receive interest equal to the lender's term prime rate.

3. That the borrowing will be paid from York County General Revenue Funds and will be secured by a first lien security interest covering all computer equipment and accessories purchased with the proceeds of the borrowing.

4. That the County of York will obtain and provide to the lender proof of fire insurance with extended coverage covering the said equipment and accessories, in the principal amount of the borrowing and naming the lender as loss payee, which said insurance shall be issued by an insurance company acceptable to the lender.

5. That the County of York will obtain and provide to the lender

a Landlord's Waiver of the right to distrain or execute, if applicable, on the computer equipment and accessories purchased with the proceeds of the borrowing.

6. That the borrowing is conditioned on the County of York obtaining and, at the time of closing, providing to the lender a legal opinion stating that the borrowing qualifies as a tax free loan to the lender and is in compliance with the requirements of the Local Government Unit Debt Act.

7. That the County of York does and shall have the right to prepay any or all principal and interest without penalty.

8. That this ordinance shall be effective and the County of York shall be authorized to enter into a binding agreement with the lender upon the accomplishment of the following:

a) not later than the 15th day after the final enactment of this ordinance, a notice of such enactment shall be advertised once in a newspaper of general circulation published in or circulating in York County, Pennsylvania, as required by Section 103 of the Local Government Unit Debt Act, 53 P.S. Section 6780-3.

b) the County of York shall, before becoming bound on the borrowing, cause to be certified to the Department of Community Affairs of the Commonwealth of Pennsylvania, under the signature of the County Chief Clerk/Administrator, a complete and accurate copy of the proceedings had for the incurring of debt as provided in Section 411 of the Local Government Unit Debt Act, 53 P.S. Section 6780-161, and the Department of Community Affairs of the Commonwealth of Pennsylvania shall have certified that the filing is in conformity with the Constitution and the Local Government Unit Debt Act.

ENACTED AND ORDAINED the 14th day of December, 1988.

BOARD OF COMMISSIONERS
FOR YORK COUNTY, PENNSYLVANIA

BY Lorraine B. Hovis
Lorraine B. Hovis, President

ATTEST:

BY Ronald E. Fitzkee
Ronald E. Fitzkee, Commissioner

Harry Seyler
Harry Seyler
Chief Clerk/Administrator

BY George M. Trout
George M. Trout, Commissioner