

A RESOLUTION AUTHORIZING BORROWING BY) RESOLUTION NO. 31
MUNICIPAL CORPORATIONS, QUASI-MUNICIPAL)
CORPORATIONS AND CIVIL SUBDIVISIONS)
PURSUANT TO ORS 287.442) FOR 1997

BE IT RESOLVED that the purpose of making repairs to Lebanon City Hall for which provision has been made pursuant to ORS 294.443 in the duly adopted budget of the City of Lebanon. Joseph A. Windell, City Recorder and Judith L. Wendland, Finance Director, acting for and on behalf of this City as its act and deed, be and they hereby are authorized and empowered to:

(a) borrow from Key Bank of Oregon, such sum or sums of money as in their judgement should be borrowed for the purpose of meeting current budgeted expenses of the said City, not exceeding the aggregate amount of \$150,000 to bear interest at the rate not to exceed seven percent;

(b) execute and deliver to said bank the promissory notes(s) of the said City, payable on the 5th business day of each month, beginning on January 5, 1998 and ending on or before January 5, 2008 on forms which may be submitted or approved by said bank;

(c) provide to said bank such further evidences and documents as it shall require and to do and perform such other acts and things to execute and deliver such other documents as may in their discretion appear reasonably necessary or proper in order to carry into effect any of the provision hereof.

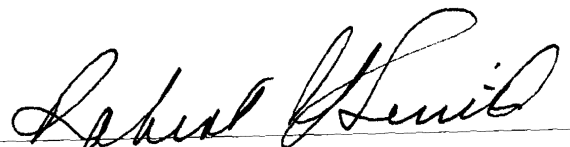
BE IT FURTHER RESOLVED that concurrently with any borrowing authorized by these resolutions, there be created a special fund to be known as the *real estate loan sinking fund* in which revenues shall be placed and from which notes issued pursuant to these resolutions shall be paid as provided by ORS 287.442(5).

BE IT FURTHER RESOLVED that any note(s) issued pursuant to these resolutions is/are hereby designated as "qualified tax exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986.

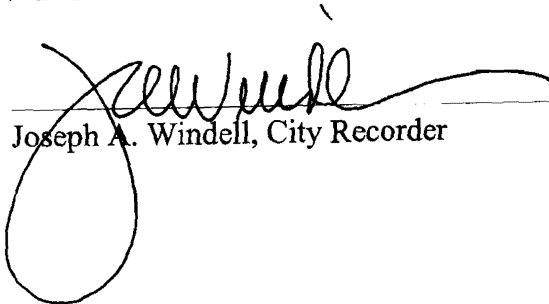
The City of Lebanon covenants not to so designate tax exempt obligations in the current calendar year 1997 in an aggregate amount of more than \$10,000,000. The City of Lebanon (including all entities thereof, if any) does not reasonably expect to issue more than \$10,000,000 of tax exempt obligations during calendar year 1997.

IT IS FURTHER CERTIFIED that the foregoing resolutions have been entered in the records of the said City and are in full force and effect and constitute all of the action of the said Lebanon City Council now in effect relating to the subject matter thereof.

Passed by the Council by a vote of 5 for and 0 against and approved this 12th day of November, 1997.


Robert G. Smith, Mayor

ATTEST:


Joseph A. Windell, City Recorder