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RESOLUTION 61-89

PTL SEWER IMPROVEMENT DISTRICT

A Resolution Authorizing the Establishment of
a Reserve Fund to be Used to Cure Deficits
in the Principal and Interest Fund or to Pay
Interest and Principal Upon the Final
Maturity of the Bonds

WHEREAS, the Board of Directors deems it necessary to establish a reserve fund pursuant to the provisions of A.R.S. 48-935(H) which monies may only be used to cure deficits in the principal and interest funds or to pay interest and principal upon the final maturity or maturities of the bonds; and

WHEREAS, the Board of Directors acknowledge that said reserve fund is being established within the first ten years the bonds are outstanding; and

WHEREAS, the reserve fund will be established from the annual assessment installments made in 1988 in the amount of \$25,000.00 and in 1989 in the amount of \$25,000.00, spread proportionately to each parcel in the assessment district that had not as of the date of these assessments been paid; and

WHEREAS, the reserve being created does not exceed 10% of the bond proceeds.

THEREFORE, BE IT RESOLVED THAT:

The Board of Directors of the PTL Sewer Improvement District authorizes that a reserve fund in an amount not to exceed 10% of the bond proceeds be established. Said reserve fund to be

established with funds from the 1988 and 1989 annual assessment installments in an amount not to exceed \$50,000.00.

ADOPTED THIS 12th day of June, 1989.

BY Larry Q. Lytle

ATTEST:

Sharon A. Keens