ORDINANCE NO. 151

TO AUTHORIZE AND DIRECT THE INCURRING OF NON-ELECTORAL DEBT THROUGH THE ISSUANCE OF A GENERAL OBLIGATION TERM LOAN NOTE OF THE EAST NORRITON TOWNSHIP, MONTGOMERY COUNTY, PENNSYLVANIA, IN THE MAXIMUM PRINCIPAL AMOUNT OF TWO HUNDRED AND TWENTY FIVE THOUSAND DOLLARS ($225,000) FOR THE PURPOSE OF PROVIDING FUNDS FOR AND TOWARD THE PURCHASE OF BUILDING AND PROPERTY FOR TOWNSHIP ADMINISTRATION AND POLICE FUNCTIONS, AND THE COSTS RELATING TO THE ISSUANCE OF SUCH NOTE; STATING THE REALISTIC ESTIMATED USEFUL LIFE OF THE PROJECT FOR WHICH SAID NOTE IS ISSUED; DIRECTING THE TOWNSHIP FINANCE OFFICER AND SECRETARY OF THE BOARD OF SUPERVISORS OF EAST NORRITON TOWNSHIP TO PREPARE, CERTIFY AND FILE THE REQUIRED DEBT STATEMENT; THAT THE COVENANTING SHALL INCLUDE THE AMOUNT OF ANNUAL DEBT SERVICE IN ITS BUDGET FOR EACH FISCAL YEAR; PROVIDING FOR A FULLY REGISTERED NOTE, DENOMINATION. PRINCIPAL AND INTEREST PAYMENT DATES AND PROVISION FOR PREPAYMENT OF THE NOTE; STATING THAT THE NOTE SHALL BE PAYABLE WITHOUT DEDUCTION FOR TAXES; PROVIDING FOR THE METHOD OF EXECUTING THE NOTE; APPROVING THE FORM OF A SINKING FUND; AUTHORIZING THE PROPER OFFICERS OF EAST NORRITON TOWNSHIP TO CONTRACT WITH A BANK FOR ITS SERVICES AS SINKING FUND DEPOSITORY AND PAYING AGENT; AUTHORIZING AND DIRECTING THE SECRETARY TO CERTIFY AND TO FILE WITH THE DEPARTMENT OF COMMUNITY AFFAIRS CERTIFIED COPIES OF THE NECESSARY PROCEEDINGS; COVENANTING THAT THE PROCEEDS OF THE NOTE SHALL NOT BE USED IN SUCH MANNER AS TO CAUSE THE NOTE TO BE AN ARBITRAGE BOND UNDER FEDERAL TAX LAW PROVISIONS; AUTHORIZING PROPER OFFICERS OF THE BOARD OF SUPERVISORS OF EAST NORRITON TOWNSHIP TO DO ALL THINGS NECESSARY TO CARRY OUT THE ORDINANCE; AND REPEALING ALL INCONSISTENT ORDINANCES.

The Board of Supervisors of the East Norriton Township ordains and enacts as follows:

Section 1. The corporate authorities of the East Norriton Township do hereby authorize and direct the incurring of non-electoral debt through the issuance of a general obligation term loan note (the "Note") of the East Norriton Township in the principal amount of Two Hundred and Twenty-Five Thousand Dollars ($225,000.)for the purpose of providing funds for the purchase and renovations of Buildings and Property for Township Administration and Police Functions, and to pay the costs of financing.

Section 2. The realistic estimated useful life of the project for which the Note is to be issued is estimated to be in excess of Twenty-Five (25) years.

Section 3. Said indebtedness shall be evidenced by one general obligation note which shall be in fully registered form, in the aggregate principal sum of $225,000.00 dated and bearing interest from the earliest date of possible issue of said note under the statutory time requirements as set forth in the Act of the General Assembly of the Commonwealth of Pennsylvania approved the 28th day of April, 1978, being Act 52 of 1978 Session, at the rate of interest of 7.40% per annum, payable annually on the unpaid balance of said note on the anniversary date of said note during the term of said note, together with interest on overdue principal, and to the extent permitted by law, on overdue interest, at the rate of 6% per annum (computed on the basis of 365 days to the year) until paid, which note shall mature in installments on the annual anniversary date of the said note as follows:

Fiscal Year 1981	$ 61,650.00
Fiscal Year 1982	$ 58,320.00
Fiscal Year 1983	$ 54,990.00
Fiscal Year 1984	$ 51,660.00
Fiscal Year 1985	$ 48,330.00

The East Norriton Township reserves the right to anticipate any or all installments of principal or any payment of interest at any time prior to the respective payment dates thereof, without notice or penalty.

The principal and interest of said note shall be payable at the office of the sinking fund depository selected for the note as hereinafter provided.

Section 4. The said note is hereby declared to be a general obligation of the East Norriton Township. The municipality hereby covenants that the municipality shall include the amount of debt service on the note for each fiscal

year in which such sums are payable in its budget for that year; shall appropriate such amounts to the payment of such debt service; and shall duly and punctually pay or cause to be paid the principal of the note and the interest thereon at the dates and places and in the manner stated in the note according to the true intent and meaning thereof, and for such proper budgeting, appropriation, and payment, the full faith, credit and taxing power of the East Norriton Township is hereby irrevocably pledged.

The amounts which the municipality hereby covenants to pay in each of the following fiscal years on the basis of an interest rate of 7.40 % are as follows:

Year	Principal	Interest
1981	$ 45,000.00	$ 16,650.00
1982	$ 45,000.00	$ 13,320.00
1983	$ 45,000.00	$ 9,990.00
1984	$ 45,000.00	$ 6,660.00
1985	$ 45,000.00	$ 3,330.00

Section 5. The form of said note shall be substantially as follows:

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
County of Montgomery
East Norriton Township

GENERAL OBLIGATION NOTE

$225,000.00

KNOW ALL MEN BY THESE PRESENTS, that the Board of Supervisors of East Norriton Township, County of Montgomery, Commonwealth of Pennsylvania, a municipal corporation existing by and under the laws of said Commonwealth, for value received, hereby acknowledges itself indebted and promises to pay to the purchaser the sum of Two Hundred and Twenty-Five Thousand dollars ($225,000.00) in installments as follows:

Fiscal Year 1981, the sum of $ 45,000.00

Fiscal Year 1982, the sum of $ 45,000.00

Fiscal Year 1983, the sum of $ 45,000.00

Fiscal Year 1984, the sum of $ 45,000.00

Fiscal Year 1985, the sum of $ 45,000.00

with interest on the unpaid principal balance at the rate of seven and four tenths per cent (7.40%) per annum, payable annually on the anniversary date of said note, together with interest on overdue principal, and to the extent permitted by law, on overdue interest, at the rate of six per cent (6%) per annum (computed on the basis of 365 days to the year), with the option in the Municipality to anticipate any installment of principal or any payment of interest at any time prior to the respective payment dates thereof, without notice or penalty.

Both principal and interest are payable in such coin or currency as at the respective dates of payment thereof shall be legal tender for the payment of public and private debts, at the office of the American Bank, Norristown, Pennsylvania.

It is hereby recited that this note is authorized to be issued in accordance with the act of the General Assembly of the Commonwealth of Pennsylvania approved the 28th day of April, 1978, being Act 52 of the 1978 Session.

It is hereby certified that all acts, conditions, and things required to be or b done, happen, and be performed precedent to and in the issuance of this note or

in the creation of the debt of which it is evidence, have been done, happened, and been performed in regular and due form and manner as required by law; and that this note, together with all other indebtedness of the said East Norriton Township is not in excess of any constitutional or statutory limitation and for the proper budgeting, appropriation, and the prompt and full payment of all the obligations of this note the entire faith, credit, and taxing power of said East Norriton Township are hereby irrevocably pledged.

It is hereby further certified that the said Municipality has effectively covenanted to include the amount of the debt service on this note in each fiscal year for which such sums are due, in its budget for that year, to appropriate such amounts to the payment of such debt service, and to periodically pay or cause to be paid the principal and interest thereon at the dates and places and in the manner stated herein, according to the true intent and meaning hereof.

IN WITNESS WHEREOF, the East Norriton Township has caused this note to be properly executed by the proper officers of the East Norriton Township and its corporate seal to be hereto affixed, attested to by the Secretary of the East Norriton Township as of the 19th day of May, 1980.

EAST NORRITON TOWNSHIP

By _____
Township Manager

By _____
Finance Officer

ATTEST:

_____
Secretary

Section 6. The said note shall be executed in the name and under the corporate seal of the East Norriton Township by the Township Manager and Finance Officer and attested to by the Secretary of the East Norriton Township. The Treasurer is hereby authorized and directed to deliver said note to the purchaser, and receive payment therefor on behalf of the East Norriton Township. The Finance Officer and Secretary of the East Norriton Township are authorized and directed to prepare, verify and file the debt statement required by Section 410 of Act 52 of 1978, and to take other necessary action, including, if necessary or desirable, any statements required to qualify any portion of the debt from the appropriate debt limit as self-liquidating or subsidized debt.

Section 7. American Bank is hereby designated as the Sinking Fund Depository for the obligation herein authorized, and there is hereby created and established a Sinking Fund, to be known as "Sinking Fund 1980 General Obligation Note", for the payment of the principal and interest thereon which shall be deposited into the Sinking Fund no later than the date upon which the same becomes due and payable. The Treasurer shall deposit into the Sinking Fund, which shall be maintained until such obligation is paid in full, sufficient amounts for payment of principal and interest on the obligation no later than the date upon which such payments shall become due. The Sinking Fund Depository shall, as and when said payments are due, without further action by the East Norriton Township withdraw available monies in the Sinking Fund and apply said monies to payment of the principal of and interest on the obligation.

Section 8. The Township Manager and Finance Officer of the East Norriton Township are hereby authorized to contract with American Bank for its services as Sinking Fund Depository for the note and paying agent for same.

Section 9. The general obligation note in the amount of $225,000.00, herein authorized to be issued and sold, is hereby awarded and sold to the American Bank and Trust Company in accordance with its proposal to purchase the said note at par; provided the said note is dated the date of delivery thereof to the American Bank and is in the form set forth in Section 5 of this Ordinance; and further provided that the proceedings have been approved by the Department of Community Affairs if such approval is required under the provisions of the Act.

Section 10. The action of the proper officers and the advertising of a summary of this Ordinance as required by law in the Times Herald, a newspaper of general circulation, is ratified and confirmed. The advertisement in said paper of the enactment of the Ordinance is hereby directed within fifteen (15) days following the day of final enactment.

Section 11. All ordinances or parts of ordinances not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.

ORDAINED AND ENACTED THIS 19th day of May, 1980.

EAST NORRITON TOWNSHIP
BOARD OF SUPERVISORS

By Allan R. Saylah
Chairman

By John B. Lawley
Vice-Chairman

By Joseph C. Conroy Jr.
Supervisor

ATTEST:

Secretary