

TOWNSHIP OF MONTGOMERY
INDIANA COUNTY, PENNSYLVANIA

ORDINANCE NO. 11

AN ORDINANCE INCREASING THE INDEBTEDNESS OF THE TOWNSHIP OF MONTGOMERY, COUNTY OF INDIANA, PENNSYLVANIA, BY THE ISSUE OF A GENERAL OBLIGATION NOTE IN THE AMOUNT OF \$20,000.00 FOR THE PURPOSE OF CONSTRUCTING A STORAGE AND UTILITY BUILDING, FIXING THE FORM, NUMBER, DATE, INTEREST AND MATURITY THEREOF; MAKING A COVENANT FOR THE PAYMENT OF THE DEBT SERVICE ON THE NOTE; PROVIDING FOR THE FILING OF THE REQUIRED DOCUMENT; PROVIDING FOR THE APPOINTMENT OF A SINKING FUND DEPOSITORY FOR THE NOTE; AND AUTHORIZING EXECUTION, SALE AND DELIVERY THEREOF.

WHEREAS, it is necessary that the indebtedness of the Township of Montgomery, Indiana County, Pennsylvania, be increased for the purpose of constructing a storage and utility building; and

WHEREAS, the Township of Montgomery has been informed that \$20,000.00 will be needed for the construction of said building; and

WHEREAS, the proposed increase of debt, together with the non-electoral indebtedness and the lease rental indebtedness presently outstanding, will not cause the limitations of the Township's debt incurring power pursuant to constitutional and statutory authority to be exceeded.

NO, THEREFORE, BE IT ORDNANED AND ENACTED by the Supervisors of the Township of Montgomery, Indiana County, Pennsylvania, and it is hereby ordained and enacted by the authority of the same as follows:

Section 1: That the aggregate principal amount of the Note of the Township of Montgomery, County of Indiana, Commonwealth of Pennsylvania, proposed to be issued is \$20,000.00, the same to be issued for the foregoing purpose and the same to be incurred as non-electoral debt.

Section 2: Said indebtedness shall be evidenced by one general obligation Note, in registered form, in the principal sum of \$20,000.00, 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 12th day of July, 1972, being Act No. 185 of the 1972 Session, at the rate of interest of 11%, payable quarterly on April, July, October and January of each year, beginning January 15, 1982, together with interest on the 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 said Note as follows:

For the fiscal year 1982	4,000.00
For the fiscal year 1983	4,000.00
For the fiscal year 1984	4,000.00
For the fiscal year 1985	4,000.00
For the fiscal year 1986	4,000.00

The 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 date thereof, without notice of 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 3: The said Note is hereby declared to be a general obligation of the Township of Montgomery. The Township hereby covenants that the Township shall include in the amount of the 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 thereof 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 Township of Montgomery, Indiana County, Pennsylvania, is hereby irrevocably pledged.

Section 4: The form of said Note shall be substantially as follows:

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF INDIANA
TOWNSHIP OF MONTGOMERY

GENERAL OBLIGATION NOTE

\$20,000.00

KNOW ALL MEN BY THESE PRESENTS, that the Township of Montgomery County of Indiana, 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 Twenty Thousand Dollars (@0,000.00) in installments as follows:

Fiscal year 1982, the sum of \$4,000.00
Fiscal year 1983, the sum of \$4,000.00
Fiscal year 1984, the sum of \$4,000.00
Fiscal year 1985, the sum of \$4,000.00
Fiscal year 1986, the sum of \$4,000.00

with interest on the unpaid principal balance at the rate of eleven percent (11%) per annum, payable quarterly on April 15, July 15, October 15 and January 15, in each year, beginning January 15, 1982, together with interest on overdue principal, and to the extent permitted by law on overdue interest at the rate of six percent (6%) per annum (computed on the basis of 365 days to the year), with the option in the Township to anticipate any installment of principal or any payment of interest at any time prior to the respective dates thereof, without notice or penalty.

Both principal and interest are payable in such coin or currency as at the respective dates of payment hereof shall be legally tender for the payment of public and private debts, at the office of Marion Center National Bank, Marion Center, 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 12th day of July, 1972, being Act No. 185 of the 1972 Session.

It is hereby certified that all acts, conditions and things required to be or to be 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 have been performed in regular and due form and manner as required by law,

and that said Note, together with all other indebtedness of the said Township of Montgomery 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 the said Township of Montgomery are hereby irrevocably pledged.

It is hereby further certified that the Township 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, or appropriate such amounts to the payment of such debt service and to periodically pay or cause to be paid the principal and interest therein at the dates and places and in the manner stated herein, according to the true intent and meaning hereof.

IN WITNESS WHEREOF, the Township of Montgomery has caused this Note to be properly executed by the President of the Board of Supervisors of Montgomery Township, and by the other Supervisors as well, and its corporate seal to be hereto affixed and attested to by the Secretary of the Board of Supervisors of the Township of Montgomery as of the 17th day of September, 1981.

TOWNSHIP OF MONTGOMERY

By Gordon Snyder
President, Board of Supervisors

By Betty Buss
Supervisor

By Jack R. Henry
Supervisor

Attest:

Virginia Dudek
Secretary

Section 5: The said Note shall be executed in the name and under the seal of the Township of Montgomery by the Supervisors and attested to by the Secretary of the Board of Supervisors. The Board of Supervisors are hereby authorized and directed to deliver said Note to the purchaser and receive payment therefor on behalf of the Township. The President, Treasurer and Secretary of the Township and other proper officers of the Township are authorized and directed to prepare, verify and file the debt statement required by Sec. 410 of Act 185 of 1972, 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 6: The Township covenants to establish and there is hereby established a sinking fund for the payment of the Note hereby authorized, said fund to be known as "Sinking Fund 1981 General Obligation Note", with the bank selected as hereinafter set forth as sinking fund depository. The Township Supervisors shall pay into the sinking fund, which shall be maintained until such Note is paid in full, the amounts required pursuant to the covenant contained in Section 3 hereof, and in the appropriation to be made by the Township for the purpose of making payment of principal and interest due on the Note.

Section 7: The Township Supervisors of the Township of Montgomery are hereby authorized to contract with a bank for its services as sinking fund depository for the Note and paying agent for the same.

Section 8. The General Obligation Note in the amount of \$20,000.00 herein authorized to be issued and sold, is hereby awarded and sold to Marion Center National Bank, Marion Center, Pennsylvania, in accordance with its proposal to purchase said Note at par; provided the said Note is dated the date of delivery thereof to Marion Center National Bank and is in the form set forth in Section 4 of this Ordinance; and further provided that the proceedings authorizing the issuance of the said Note are approved by the Department of Community Affairs of the Commonwealth of Pennsylvania, if necessary.

Section 9: The action of the proper officers and the advertising of a summary of this Ordinance as required by law in the Indiana Evening Gazette is ratified and confirmed. The advertisement in said newspaper of the enactment of the Ordinance is hereby directed within seven days following the day of final enactment.

Section 10: All ordinances or parts of ordinances not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.

ORDAINED AND ENACTED this 17th day of September, 1981.

TOWNSHIP OF MONTGOMERY

By

Gordon Snyder
President, Board of Supervisors

By

Betty Buss
Supervisor

By

Jack R. Henry
Supervisor

Attest:

Virginia Dudek
Secretary