

TOWNSHIP OF BETHEL
BERKS COUNTY, PENNSYLVANIA

ORDINANCE NO. 1978- /

AN ORDINANCE INCREASING THE INDEBTED-
NESS OF THE TOWNSHIP OF BETHEL, COUNTY
OF BERKS, PENNSYLVANIA, BY THE ISSUE
OF A GENERAL OBLIGATION NOTE IN THE
AMOUNT OF FIFTY THOUSAND DOLLARS
(\$50,000.00) FOR PURCHASE OF A NEW
MUNICIPAL 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 DOCUMENTS; PROVIDING FOR THE
DEPOSITORY FOR THE NOTE; AND AUTHORIZ-
ING EXECUTION, SALE AND DELIVERY THEREOF

WHEREAS, it is necessary that the indebtedness of the Township of Bethel, Berks County, Pennsylvania, be increased for the purchase of a new municipal building for use by the Township for municipal offices, public recreation and a public library, said building being located along Route 501 (L.R. 06005), near the interchange with Interstate Route No. 78, in the Township of Bethel, Berks County, Pennsylvania; and

WHEREAS, the proposed increase of debt will not cause the limitations of the Township's debt incurring power pursuant to the constitutional and statutory authority to be exceeded.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Supervisors of the Township of Bethel, Berks County, Pennsylvania, and it is hereby ordained and enacted by the authority of the same, as follows:

Section 1. The proposed increase of debt will be incurred for the purpose of paying for the purchase of a building for use by the Township for municipal offices, public recreation and a public library, said building having a realistic estimated useful life of not less than fifty (50) years.

Section 2. The aggregate principal amount of the

note of the Township of Bethel, Berks County, Pennsylvania, proposed to be issued is Fifty Thousand Dollars (\$50,000.00), the same to be issued for the foregoing purpose and to be incurred as non-electoral debt.

Section 3. Said indebtedness shall be evidenced by one general obligation note in registered form in the principal sum of Fifty Thousand Dollars (\$50,000.00) 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 No. 1978-52, at the rate of interest of 6-1/8% per annum, payable quarterly on the unpaid balance of said note during the term of said note, together with interest on outstanding 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 first day of April of each fiscal year as follows:

Fiscal year 1979 - \$25,000.00
Fiscal year 1980 - \$25,000.00

The principal of the note, together with all interest remaining due at that time, shall be paid in full upon receipt by the Township of the funds from the Community Development Block Grant Program in accordance with the letter of the Redevelopment Authority - County of Berks dated September 8, 1978.

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 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 Township of Bethel, Berks County, Pennsylvania. The Township hereby covenants that the Township shall include the amounts 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 amount 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 Township of Bethel is hereby irrevocably pledged.

The amounts which the Township hereby covenants to pay in each of the following fiscal years on the basis of an interest rate of 6-1/8% are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
1979	\$25,000.00	\$1,531.25 or 6-1/8% of \$50,000.00 from receipt of funds to April 1, 1979, whichever is lesser
1980	\$25,000.00	\$1,531.25

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

UNITED STATES OF AMERICA, COMMONWEALTH
OF PENNSYLVANIA, COUNTY OF BERKS, TOWNSHIP OF BETHEL

GENERAL OBLIGATION NOTE

\$50,000.00

KNOW ALL MEN BY THESE PRESENTS that the Township of Bethel, County of Berks, Commonwealth of Pennsylvania, a municipal

corporation existing by and under the laws of said Commonwealth, for value received and intending to be legally bound hereby, acknowledges itself indebted and promises to pay to the purchaser the sum of Fifty Thousand Dollars (\$50,000.00) in installments as follows:

Fiscal year 1979 - \$25,000.00 on April 1, 1979.

Fiscal year 1980 - \$25,000.00 on April 1, 1980.

with interest on the unpaid principal balance at the rate of 6-1/8% per annum payable quarterly on the first day of April, January, July and October of each of the aforesaid years, 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) with the option in the Township 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.

The principal of the within note, together with all interest remaining due at that time, shall be paid in full upon receipt by the Township of the funds from the Community Development Block Grant Program in accordance with the letter of the Redevelopment Authority - County of Berks dated September 8, 1978.

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 Myerstown office of the American Bank and Trust Co. of Pa.

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 No. 1978-52, and an ordinance duly adopted by the Township supervisors pursuant to said Act.

IT IS HEREBY certified that all acts, conditions and things required to be done have been 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 is not in excess of any constitutional or statutory limitation and for the proper budget appropriations and the prompt and full payment of all the obligations of this note, the entire faith, credit and taxing power of said Township of Bethel 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, 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 Township of Bethel has caused this note to be properly executed by the Chairman and Secretary of the Board of Supervisors of the Township of Bethel and its corporate seal to be hereto affixed, attested by said Secretary, as of the *2nd* day of *October*, 1978.

TOWNSHIP OF BETHEL

By *Paul H. Brown*
Chairman

Attest:

John C. [Signature]
Secretary

Section 6. Said note shall be executed in the name and under the corporate seal of the Township of Bethel by the Chairman and Secretary of the Supervisors of the Township of Bethel. The Township Secretary is hereby authorized and directed to deliver said note to the purchaser and receive payment therefor on behalf of the Township. The President and Secretary of the Township are authorized and directed to prepare, verify and file the debt statement required by Section 410 of Act No. 1978-52 and to take all other necessary actions, including, if necessary or desirable, any statement required to qualify any

portion of the debt from the appropriate debt limit as self-liquidating or subsidized debt.

Section 7. 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 1978, General Obligation Note" with the bank or bank and trust company selected as hereinafter set forth as Sinking Fund Depository. The Township Treasurer 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 4 hereof, and in the appropriate manner to be made by the Township for the purpose of making payment of principal and interest due on the note.

Section 8. The Chairman and Secretary of the Supervisors of the Township of Bethel are hereby authorized to contract with American Bank and Trust Co. of Pa. for its services as sinking fund depository for the note and paying agent for the same.

Section 9. The General Obligation Note in the amount of Fifty Thousand Dollars (\$50,000.00) herein authorized to be issued and sold, is hereby awarded and sold to American Bank and Trust Co. of Pa. in accordance with its proposal to purchase the said note at par dated September 26, 1978; provided the said note is dated the date of delivery thereof to the American Bank and Trust Co. of Pa. and is in the form set forth in Section 5 of this Ordinance.

Section 10. The action of the proper officers and the advertising of a summary of this Ordinance as required by law in the Reading Eagle-Times is ratified and confirmed. The advertisement in said paper of the enactment of the Ordinance is hereby directed within fifteen (15) days following the date

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 *2nd* day of *October*,
1978.

TOWNSHIP OF BETHEL

Scott W. Brown

Edwin L. Gately

John O. Jankovics
