

TOWNSHIP OF
HONEY BROOK, CHESTER COUNTY, PENNSYLVANIA
ORDINANCE NO. 20 - 1974

AN ORDINANCE INCREASING THE INDEBTEDNESS OF THE TOWNSHIP OF HONEY BROOK, CHESTER COUNTY PENNSYLVANIA, BY THE ISSUE OF A GENERAL NOTE IN THE AMOUNT OF FIFTEEN THOUSAND DOLLARS (\$15,000.00) FOR THE PURCHASE OF ROAD MACHINERY; FOR SUNDRY PURPOSES; FIXING THE FORM, NUMBER, DATE, INTEREST, AND MATURITY THEREOF; MAKING A COVENANT FOR THE PAYMENT OF THE DEBT ON SAID NOTE; PROVIDING FOR THE FILING OF THE REQUIRED DOCUMENT; AND AUTHORIZING EXECUTION, SALE, AND DELIVERY THEREOF.

WHEREAS, it is necessary that the indebtedness of the Township of Honey Brook, Chester County, Pennsylvania, be increased for the following purpose: purchase of a John Deere Loader;

WHEREAS, the Township has received preliminary realistic cost estimates indicating the sum of Fifteen Thousand Dollars (\$15,000.00) will be needed to complete the purchase of said equipment;

WHEREAS, the proposed increase of debt, together with its nonelectoral indebtedness and its lease rental indebtedness presently outstanding, will not cause the limitations of the Townships debt incurring power, pursuant to constitutional and statutory authority to be exceeded;

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

SECTION 1. That the aggregate principal amount of the note of the Township of Honey Brook, Pennsylvania, proposed to be issued is Fifteen Thousand Dollars (\$15,000.00), same to be issued for the foregoing purposes and same to be incurred as nonelectoral debt.

SECTION 2. Said indebtedness shall be evidenced by one general obligation note, in registered form, in the principal sum of Fifteen Thousand Dollars (\$15,000.00) 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 185 of the 1972 Session, at the rate of five (5) per cent per annum, payable one year from the date hereof, together with interest on principal, and to the extent permitted by the law, on overdue interest, until paid in full, which payment shall be made in full not later than one date from the date of the issuance of said note.

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.

SECTION 3. The said note is hereby declared to be a general obligation note to the Township of Honey Brook. The Township hereby covenants that the Borough 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 Township of Honey Brook is hereby irrevocably pledged.

The Township covenants to pay one year from the date of issuance of said note the entire principal sum of Fifteen Thousand Dollars (\$15,000.00) plus a crude interest at five (5) per cent, per annum.

SECTION 4. The form of said note shall be substantially as follows:

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF CHESTER
TOWNSHIP OF HONEY BROOK

GENERAL OBLIGATION NOTE

KNOW ALL MEN BY THESE PRESENTS, that the Township of Honey Brook, County of Chester, Pennsylvania, 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 \$15,000.00 Fifteen Thousand Dollars (\$15,000.00), payable one year from the date hereof with interest at five (5) per cent, per annum, payable one year from the date hereof, with the option in the Township to anticipate the payment of principal and or interest 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 First National Bank of Honey Brook, Honey Brook, 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 185 of the 1972 Session.

It is hereby certified that all acts, conditions, and things required to be or 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 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 Township of Honey Brook 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 Township of Honey Brook are hereby irrevocably pledged.

It is hereby further certified that the Borough 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 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 Honey Brook has caused this note to be properly executed by the Township Supervisors, attested to by the Secretary, and its corporate seal to be hereto affixed, as of the 8 day of Sept, 1974.

TOWNSHIP OF HONEY BROOK

Attest:
Robert C. Bachman
Secretary of Twp. Supervisors

BY _____
Chairman of Twp. Supervisors

BY _____

SECTION 5. The said note shall be executed in the name and under the corporate seal of the Township of Honey Brook and attested to by the Secretary of the Township. The Township Treasurer is hereby authorized and directed to deliver said note to the purchaser, and receive payment therefor on behalf of the Township. The Chairman is authorized and directed to prepare, verify and file the debt statement required by Section 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 1974 General Obligation Note", with the bank or bank 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 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 Chairman and Treasurer of the Township Supervisors are hereby authorized to contract with a bank or bank and trust company 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 Fifteen Thousand Dollars (\$15,000.00) herein authorized to be issued and sold, is hereby awarded and sold to the First National Bank of Honey Brook 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 First National Bank of Honey Brook 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.

SECTION 9. The action of the proper officers and the advertising of a summary of this Ordinance as required by law in the Northern Chester County Herald is ratified and confirmed. The advertisement in said paper 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 8 day of Sept, 1974.

TOWNSHIP OF HONEY BROOK

BY James A. Imble
CHAIRMAN

Raymond Means
SUPERVISOR

Robert Bachman

Attest:

Robert Bachman
SECRETARY