

ORDINANCE NO. 43

TO AUTHORIZE AND DIRECT THE INCURRING OF NON-ELECTORAL DEBT THROUGH THE ISSUANCE OF A BOND ANTICIPATION NOTE OF THE COUNTY OF BUCKS, PENNSYLVANIA, IN THE MAXIMUM PRINCIPAL AMOUNT OF TWO MILLION SIX HUNDRED THOUSAND DOLLARS (\$2,600,000) FOR THE PURPOSE OF PROVIDING INTERIM FINANCING FOR AND TOWARD THE COST OF THE COUNTY OF BUCKS BRIDGE RECONSTRUCTION PROGRAM 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 CHAIRMAN OF THE COUNTY COMMISSIONERS AND THE CHIEF CLERK OF THE COUNTY TO PREPARE, VERIFY AND FILE THE REQUIRED DEBT STATEMENT; COVENANTING THAT THE COUNTY 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 REDEMPTION OF THE NOTE; STATING THAT THE NOTE SHALL BE PAYABLE WITHOUT DEDUCTION FOR CERTAIN TAXES; PROVIDING FOR THE METHOD OF EXECUTING THE NOTE; APPROVING THE FORM OF NOTE; AWARDED SUCH NOTE AT PRIVATE SALE; CREATING A SINKING FUND; COVENANTING TO OFFER FOR SALE AND ESTABLISHING THE PROVISIONS FOR THE GENERAL OBLIGATION BONDS OF THE COUNTY OF BUCKS FROM WHICH THE BOND ANTICIPATION NOTE WILL BE PAID; AUTHORIZING THE PROPER OFFICERS OF THE COUNTY TO CONTRACT WITH A BANK OR BANK AND TRUST COMPANY FOR ITS SERVICES AS SINKING FUND DEPOSITARY AND PAYING AGENT; AUTHORIZING AND DIRECTING THE CHIEF CLERK 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 COUNTY TO DO ALL THINGS NECESSARY TO CARRY OUT THE ORDINANCE; AND REPEALING ALL INCONSISTENT ORDINANCES.

The Board of County Commissioners of the County of Bucks, Pennsylvania ("County"), hereby ordains and enacts that:

Section 1. The corporate authorities of the County do hereby authorize and direct the incurring of non-electoral debt through the issuance of a bond anticipation note ("Note") of the County in the principal amount of Two Million Six Hundred Thousand Dollars (\$2,600,000) for the purpose of providing interim financing for and toward the cost of the County of Bucks Bridge Reconstruction Program and the costs relating to the issuance of such Note ("project").

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 forty (40) years.

Section 3. The Chairman of the County Commissioners and the Chief Clerk are hereby authorized and directed to prepare and verify a debt statement required by Section 410 of the Local

Government Unit Debt Act of July 12, 1972, P.L. 781, as amended ("Act")

Section 4. It is covenanted with the holders from time to time of the Note that the County shall include the amount of the debt service 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 budgeting, appropriation and payment, the County pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable; subject, as to the enforceability of remedies to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principals affecting the enforcement of creditors' rights.

Section 5. The Note shall be in fully registered, typewritten form, in the principal amount of Two Million Six Hundred Thousand Dollars (\$2,600,000), shall mature on July 1, 1980, shall be dated and shall bear interest from the date of issuance until maturity or prior redemption, payable at maturity and semi-annually thereafter if the maturity of the Note is extended, at a rate of four and twenty hundredths percent (4.20%) per annum. The Note shall be redeemable, without penalty, at the discretion of the Board of County Commissioners, upon fifteen (15) days written notice to the registered owner, unless such notice is waived in writing by said owner.

Section 6. The Note shall be payable as to both principal and interest in lawful money of the United States of America at the principal office of Industrial Valley Bank and Trust Company, Philadelphia, Pennsylvania or at the designated office of any additional or appointed alternate or successor paying agent or agents ("Paying Agent"), without deduction for any tax or taxes, except gift, succession franchise, excise or inheritance taxes, now or hereafter levied or assessed thereon under any present or future laws of the Commonwealth of Pennsylvania, all of which taxes, except as above provided, the County assumes and agrees to pay.

Section 7. The Note shall be executed by the Chairman of the County Commissioners, and shall have the corporate seal of the County affixed thereto, duly attested by the Chief Clerk of said County, and the said officers are hereby authorized to execute the Note in such manner. The Chairman is authorized and directed to deliver, or cause to be delivered, the Note to the purchaser thereof against the full payment of the purchase price.

Section 8. The form of the Note shall be substantially as follows:

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF BUCKS
BOND ANTICIPATION NOTE OF 1977

FOR VALUE RECEIVED, County of Bucks, Pennsylvania (the "County"), acknowledges itself indebted and promises to pay to Industrial Valley Bank and Trust Company the sum of Two Million Six Hundred Thousand Dollars (\$2,600,000) on July 1, 1980, unless such Note shall have been called for earlier redemption and payment with interest at the rate of four and twenty hundredths percent (4.20%) per annum, payable on July 1, 1980 and semi-annually thereafter until payment of this Note in full if the maturity of this Note be extended.

This Bond Anticipation Note shall be redeemable, in whole or in part, at par and accrued interest, at any time, at the option of the Board of County Commissioners upon at least fifteen (15) days prior written notice to the registered owner hereof, unless such notice is waived by such registered owner.

Both principal of, and interest on, this Bond Anticipation Note are payable at the principal office of Industrial Valley Bank and Trust Company, Philadelphia, Pennsylvania, or at the designated office of any additional or appointed alternate or successor paying agent or agents (the "Paying Agent"), without deduction for any tax or taxes, except gift, succession, franchise, excise or inheritance taxes, now or hereafter levied or assessed thereon under any present or future laws of the Commonwealth of Pennsylvania, all of which taxes, except as above provided, the County assumes and agrees to pay.

This Bond Anticipation Note is issued in accordance with the provisions of the Act of the General Assembly of the Commonwealth of Pennsylvania, approved July 12, 1972, P.L. 781, as amended (the "Act"), and by virtue of an ordinance of the County Commissioners duly enacted on November 23, 1977 (the "Ordinance"), and the sworn statement of the duly authorized officers of the County as appears of record in the office of the Pennsylvania Department of Community Affairs in Harrisburg, Pennsylvania.

This Note shall be payable as to principal at or prior to maturity, unless paid from other sources, solely by exchange for, or out of the proceeds of the sale by the County of, a series of general obligations bonds, to be issued in a principal amount equal to the principal amount of this Note and to be designated "General Obligation Bonds, Series of 1980" (the "1980 Series Bonds"). Unless this Note be paid from other sources, the County covenants that, on or before July 1, 1980, it will offer the 1980 Series Bonds for sale, said 1980 Series Bonds to mature as set forth in the Ordinance. If no proposals for the 1980 Series Bonds shall be received, stating

an interest rate or rates of seven percent (7%) per annum or less on all maturities, THE SOLE REMEDY of the holder of this Note shall be either (i) to accept the 1980 Series Bonds in exchange for this Note, at the interest rate and maturing as set forth in the Ordinance or (2) to extend the maturity of this Note for a minimum of two (ii) six (6) month periods, during which period the County shall offer the 1980 Series Bonds for sale at the same maximum interest rate and maturing as set forth in the Ordinance; but if no proposals are received for the 1980 Series Bonds at the maximum interest rate or less on all maturities during said additional periods the holder of this Note shall take the 1980 Series Bonds in exchange for this Note. The County agrees that, in any period of extension of the maturity of this Note in which any of the 1980 Series Bonds would have matured, it will prepay a like principal amount of this Note on such maturity date or later to the end that this Note be retired in accordance with the specified stated maturity dates of the 1980 Series Bonds.

It is covenanted with the holders from time to time of this Bond Anticipation Note that the County shall include the amount of the debt service for each fiscal year in which 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 this Bond Anticipation Note and the interest thereon at the date and places and in the manner stated in this Note according to the true intent and meaning hereof, and for such budgeting, appropriation and payment, the County pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable; subject, as to the enforceability of remedies to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights.

The County and the Paying Agent may deem and treat the person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest hereon, and for all other purposes. Neither the County nor the Paying Agent shall be affected by any notice to the contrary.

This Note is transferable by the registered owner hereof in person or by his attorney, duly authorized in writing, at the principal office of the Paying Agent, but such transfer shall not be valid unless registered on the Registry Book of the County to be kept for that purpose at such office of the Paying Agent and such registration is noted hereon by the Paying Agent; provided, however, that in lieu of such notation hereon, and upon surrender hereof, for cancellation, a new fully registered note of like date and number, and then outstanding principal amount, shall be issued to the transferee, at his sole expense, in exchange herefore.

IN WITNESS WHEREOF, County of Bucks, Pennsylvania has caused this Note to be signed by the Chairman of its County Commissioners and its corporate seal to be hereunto affixed, duly attest by the Chief Clerk of the County, and to be dated the 15th day of December, 1977.

COUNTY OF BUCKS


Chairman, County Commissioners

(SEAL)

Attest:


Chief Clerk

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto the within Note, and all rights thereunder, and hereby irrevocably constitutes and appoints its attorney to transfer said Note on the books of the within named Paying Agent, with full power of substitution in the premises.

Dated:

NOTICE: The name of the Assignor as it appears in the signature on this assignment must correspond with the name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

(FORM OF REGISTRATION)

NOTHING TO BE WRITTEN HERE EXCEPT BY AN OFFICER OF PAYING AGENT

<u>Date of Registry</u>	<u>:</u>	<u>In Whose Name Registered</u>	<u>:</u>	<u>Registrar</u>
	:		:	
	:		:	
	:		:	

The Note shall be executed in substantially the form as hereinabove set forth with such appropriate changes, additions or deletions as may be approved by the officers executing the Note in the manner provided in Section 7 hereof; such execution shall constitute approval by such officers on behalf of the County.

Section 9. The County Commissioners hereby accept the bid for the Note submitted by, and awards the Note at private sale to Industrial Valley Bank and Trust Company, at a price of par and accrued interest to the date of delivery, upon the terms set forth in its proposal, a copy of which is attached hereto and made a part hereof. As set forth in such proposal, the Note shall bear interest at the rate of four and twenty hundredths percent (4.20%) per annum on the unpaid principal amount hereof.

Section 10. There is hereby established a separate sinking fund for the County to be known as "Sinking Fund - Bond Anticipation Note, Series of 1977" and into said Fund there shall be paid all moneys

necessary to pay the debt service on the Note when and as the same are collected, and said Sinking Fund shall be applied exclusively to the payment of the interest covenanted to be paid upon the Note and to the principal thereof at maturity or prior redemption and to no other purpose whatsoever, except as may be authorized by law, until the same shall have been fully paid.

In each of the following fiscal years the following amounts shall be pledged to pay the debt service on the Note, and such amounts are annually hereby appropriated to the Sinking Fund for the payment thereof:

<u>Fiscal Year</u> <u>Ending December 31</u>	<u>Amount</u>
1978	\$ 109,200
1979	109,200
1980	2,659,150

Section 11. The County hereby covenants and agrees with the holder of the Note that, if the Note is not paid from other sources, it will offer for sale, not more than once unless the County shall otherwise elect, on or before July 1, 1980, an issue of general obligation bonds of the County to be designated "General Obligation Bonds, Series of 1980" (the "1980 Series Bonds") in the aggregate principal amount of Two Million Six Hundred Thousand Dollars (\$2,600,000), maturing as to principal semi-annually in eighty (80) installments, each installment to be due on the same day of every sixth month as the day of the month on which the Bonds were issued, commencing on such day of the sixth month next following the date of issuance of the Bonds, as follows:

<u>Year</u>	<u>1st</u>	<u>2nd</u>	<u>Year</u>	<u>1st</u>	<u>2nd</u>
1981	\$10,467.72	\$10,729.41	2001	\$28,106.50	\$28,809.16
1982	10,997.65	11,272.59	2002	29,529.39	30,267.62
1983	11,554.40	11,843.26	2003	31,024.31	31,799.92
1984	12,139.35	12,442.83	2004	32,594.92	33,409.79
1985	12,753.90	13,072.75	2005	34,245.04	35,101.16
1986	13,399.57	13,734.56	2006	35,978.69	36,878.16
1987	14,077.92	14,429.87	2007	37,800.12	38,745.11
1988	14,790.62	15,160.38	2008	39,713.74	40,706.59
1989	15,539.39	15,927.87	2009	41,724.25	42,767.36
1990	16,326.07	16,734.22	2010	43,836.54	44,932.46
1991	17,152.58	17,581.39	2011	46,055.77	47,207.16
1992	18,020.93	18,471.45	2012	48,387.34	49,597.03
1993	18,933.24	19,406.57	2013	50,836.95	52,107.87
1994	19,891.73	20,389.03	2014	53,410.57	54,745.83
1995	20,898.75	21,421.22	2015	56,114.48	57,517.34
1996	21,956.75	22,505.67	2016	58,955.28	60,429.16
1997	23,068.31	23,645.02	2017	61,939.88	63,488.38
1998	24,236.14	24,842.05	2018	65,075.60	66,702.49
1999	25,463.10	26,099.68	2019	68,370.05	70,079.30
2000	26,752.17	27,420.97	2020	71,831.28	73,627.06

The 1980 Series Bonds shall bear interest at a maximum interest rate not to exceed seven percent (7%) per annum on any maturity payable semi-annually, until maturity or redemption, on the same day of each month on which the Bonds were issued, commencing on such day of the sixth month following the date of issuance of the Bond. If no proposals for the 1980 Series Bonds shall be received on or prior to July 1, 1980, specifying a rate or rates of interest of seven percent (7%) per annum or less on all maturities, the sole remedy of the holder of the Note shall be either (i) to accept the 1980 Series Bonds in exchange for the Note, at the maximum interest rate and maturing as offered for sale, or (ii) to extend the maturity of the Note for a minimum of two (2) six (6) month periods, during which period the County shall offer the 1980 Series Bonds for sale, not more than once unless the County shall otherwise elect, at the same maximum interest rate as above provided and maturing as aforesaid; but if no proposals, specifying a rate or rates of interest of seven percent (7%) per annum or less on all maturities, are received for the 1980 Series Bonds during said additional period, the holder of the Note shall take the 1980 Series Bonds in exchange for the Note. The County further agrees that, in any period of extension of the maturity of the Note in which any of the 1980 Series Bonds would have matured, it will prepay a like principal amount of the Note on such maturity date or dates to the end that the Note be retired in accordance with the maturity dates of the 1980 Series Bonds specified above.

Section 12. The proper officers of the County are hereby authorized and directed to contract with the bank specified in Section 9 for its services as sinking fund depositary and paying agent with respect to such Note.

Section 13. The Chief Clerk of the County is hereby authorized to certify to and file with the Department of Community Affairs, in accordance with Section 411 of the Act, a complete and accurate copy of the proceedings taken in connection with the increase of debt authorized hereunder, including the debt statement hereinabove referred to and to pay the filing fees necessary in connection therewith.

Section 14. It is hereby covenanted that the County will make no use of the proceeds of the Note at any time during the term thereof which, if such use had been reasonably expected at the date of issuance of the Note, would have caused such Note to be an arbitrage bond within the meaning of Section 103(c) of the United States Internal Revenue Code of 1954, as amended, and applicable regulations.

Section 15. The proper officers of the County are hereby authorized and empowered on behalf of the County to execute any and all papers and documents and to do or cause to be done any and all acts and things necessary or proper for the carrying out of this Ordinance.

Section 16. All ordinances or parts thereof inconsistent herewith be and the same hereby are repealed.

ENACTED AND ORDAINED this 23rd day of November, A.D., 1977.

COUNTY OF BUCKS

R. Roger Lowers
Chairman

Attest:

Chief Clerk

(COUNTY SEAL)

I HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT COPY of an Ordinance duly enacted by the affirmative vote of a majority of the members of the Board of County Commissioners of the County of Bucks, Pennsylvania, at a meeting held the 23rd day of November, 1977; that proper notice of such meeting was duly given as required by law; and that said Ordinance has been duly recorded upon the records of said Board of Commissioners showing how each member voted thereon.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the County this 23rd day of November 1977.


Chief Clerk

(SEAL)