

ORDINANCE NO. 62
OF THE
COUNTY COMMISSIONERS
OF THE
COUNTY OF BUCKS

TO AUTHORIZE AND DIRECT THE INCURRING OF NON-ELECTORAL DEBT THROUGH THE ISSUANCE TO THE FARMERS HOME ADMINISTRATION OF THE UNITED STATES DEPARTMENT OF AGRICULTURE OF A GENERAL OBLIGATION BOND OF THE COUNTY OF BUCKS, PENNSYLVANIA, IN THE MAXIMUM PRINCIPAL AMOUNT OF TWO MILLION ONE HUNDRED THOUSAND (\$2,100,000.00) FOR THE PURPOSE OF REFUNDING THE COUNTY OF BUCKS GENERAL OBLIGATION TERM LOAN NOTE OF 1980 ISSUED TO INDUSTRIAL VALLEY BANK AND TRUST COMPANY FOR PROVIDING FINANCING FOR AND TOWARD THE COST OF THE COUNTY OF BUCKS BRIDGE RECONSTRUCTION PROGRAM, THE COMPLETION OF SUCH RECONSTRUCTION, AND THE COSTS RELATING TO THE ISSUANCE OF SUCH BOND; STATING THE REALISTIC ESTIMATED USEFUL LIFE OF THE BRIDGE RECONSTRUCTION PROJECT; DIRECTING ANY MEMBER 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 BOND, DENOMINATION, PRINCIPAL AND INTEREST PAYMENT DATES, AND PROVISION FOR REDEMPTION OF THE BOND; STATING THAT THE BOND SHALL BE PAYABLE WITHOUT DEDUCTION FOR CERTAIN TAXES; PROVIDING FOR THE METHOD OF EXECUTING THE BOND; APPROVING THE FORM OF BOND; AWARDED SUCH BOND AT PRIVATE SALE; CREATING OF SINKING FUND; 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 BOND SHALL NOT BE USED IN SUCH MANNER AS TO CAUSE THE BOND TO BE AN ARBITRAGE BOND UNDER FEDERAL TAX PROVISIONS; AUTHORIZING PROPER OFFICERS OF THE COUNTY TO DO ALL THINGS NECESSARY TO CARRY OUT THE ORDINANCE; FINDING THAT IT IS IN THE BEST FINANCIAL INTEREST OF THE COUNTY TO HAVE A PRIVATE SALE BY NEGOTIATION OF THE BOND; AND REPEALING ALL INCONSISTENT ORDINANCES.

WHEREAS, the Board of County Commissioners of the County of Bucks, Pennsylvania, (the "County") has determined that it is in the best interest of the County that the County complete a certain capital project (the "Project") known as the County of Bucks Bridge Reconstruction Program consisting of extraordinary repairs or rebuilding of bridges located on the following roads: Ivyland Road over Warminster Creek, Schoolhouse Road over West Brank Neshaminy Creek, Kansas Road over Little Neshaminy Creek, Lower Mountain Road over Mill Creek, Hill Road over Deep Run Creek, Uhlerstown Road over Delaware Canal, Orchard Road over Pleasant Springs Creek and East Pumping Station Road over Tonickon Creek; and

WHEREAS, the County has heretofore expended funds and obtained realistic estimates of the remaining costs of the Project in accordance with Section 106 of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, Act of July 12, 1972, No. 185, as reenacted, amended and revised by the Act of April 28, 1978, No. 52 (the "Act"), and the total estimated cost of the entire Project exceeds \$2,100,000; and

WHEREAS, the County now desires to refund the County's General Obligation Term Loan Note of 1980 issued to Industrial Valley Bank and Trust Company and to complete the

reconstruction Project; and

WHEREAS, the existing net non-electoral debt of the County as determined under the provisions of Article II of the Act, including the increase of non-electoral debt authorized hereby, does not in the aggregate exceed the limitations of the Act;

NOW, THEREFORE, the Board of County Commissioners of the 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 to the Farmers Home Administration of the United States Department of Agriculture of a general obligation bond ("Bond") of the County in the principal amount of Two Million One Hundred Thousand Dollars (\$2,100,000) for the purpose of refunding the County's General Obligation Term Loan Note of 1980, completing the reconstruction Project, and paying the costs relating to the issuance of the Bond.

Section 2. The Board of County Commissioners hereby confirms the designation of the Project as a capital project for which the said non-electoral debt was originally incurred. The description of the Project set forth in the recitals of this Ordinance is hereby approved and incorporated herein by reference.

Section 3. The realistic estimated useful life of the Project is estimated to be in excess of forty (40) years.

Section 4. Any member 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 Act.

Section 5. It is covenanted with the holders from time to time of the Bond 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 Bond and the interest thereon at the dates and places and in the manner stated in the Bond, 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 principles affecting the enforcement of creditors' rights. The County further covenants to apply revenues, received by it from the Commonwealth of Pennsylvania from Liquid Fuel Tax receipts, to the payment of such principal and interest; and it is anticipated that such revenues will be more than sufficient to pay the entire principal and interest on the Bond.

Section 6. The Bond shall be in fully registered, typewritten form, in the principal amount of Two Million One Hundred Thousand Dollars (\$2,100,000), shall mature in installments through six months after the thirty-sixth anniversary of the issuance of the Bond, shall be dated

and shall bear interest from the date of issuance until maturity or prior redemption, payable semi-annually each year until payment of the Bond in full, at a rate of five percent (5%) per annum on the unpaid and advanced balance thereof. The County shall make payments of principal and interest to the Paying Agent semi-annually in seventy-three installments, each in the amount of \$62,874 payable six months after the issuance date and twelve months after the issuance date, and on each semi-annual anniversary date of such six and twelve month periods, with the first such payment six months after the issuance date and the final payment six months after the thirty-sixth anniversary of the issuance date. Such payments shall be made by the County to the Paying Agent at such times as shall permit the Paying Agent to remit the funds to the holder of the Bond on the payment dates. The Bond shall be subject to redemption at par and accrued interest at the option of the Board of County Commissioners, in whole or in part at any time without premium or penalty upon fifteen (15) days written notice to the registered owner, unless such notice is waived in writing by said owner.

Section 7. The Bond shall be payable as to both principal and interest in lawful money of the United States of America at the District Office of the Farmers Home Administration of the United States Department of Agriculture, Allentown, Pennsylvania, without deduction for any taxes, except gift, succession, franchise, excise or inheritance taxes, now or hereafter levied or assured 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 8. The Bond shall be executed by the Chairman or any member 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 Bond in such manner. The Chairman is authorized and directed to deliver, or cause to be delivered, the Bond to the purchaser thereof against the full payment of the purchase price.

Section 9. The form of the Bond shall be substantially as follows:

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF BUCKS
GENERAL OBLIGATION BOND OF 1984

FOR VALUE RECEIVED, County of Bucks, Pennsylvania (the "County"), acknowledges itself indebted and promises to pay to the Farmers Home Administration of the United States Department of Agriculture ("Payee") the sum of Two Million One Hundred Thousand Dollars (\$2,100,000) on or before _____, as hereinafter set forth, unless this Bond shall have been called for earlier redemption and payment, with interest at the rate of five percent (5%) per annum on the advanced and unpaid balance hereof, payable from the date hereof semi-annually until payment of this Bond in full.

This Bond shall be subject to redemption at par and accrued interest, at the option of the Board of County Commissioners in whole or in part at any time without premium or penalty 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 are payable at the District Office of the Farmers Home Administration of the United States Department of Agriculture, Allentown, Pennsylvania 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 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 April 18, 1984 (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.

The County shall make payments of principal and interest to the holder of this Bond semi-annually in seventy-three installments, each in the amount of \$62,874 payable on _____ and _____ each year during the term of this Bond with the first such payment on _____ and the final payment on _____.

It is covenanted with the holders from time to time of this Bond 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 debt service, and shall duly and punctually pay or cause to be paid the principal of this Bond and the interest thereon at the date and places and in the manner stated in this Bond 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 may deem and treat the person in whose name this Bond 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. The County shall not be affected by any notice to the contrary.

This Bond is transferable by the registered owner hereof in person or by his attorney, duly authorized in writing, at the Allentown District office of the Payee, 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 Payee and such registration is noted hereon by the Payee, provided, however, that in lieu of such notation hereon, and upon surrender hereof, for cancellation, a new fully registered Bond of like date and number, and then outstanding principal amount, shall be issued to the transferee, at his sole expense, in exchange herefore.

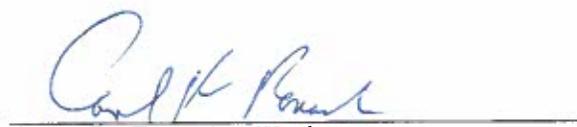
IN WITNESS WHEREOF, the County of Bucks, Pennsylvania, has caused this Bond to be signed by the Chairman or any member of its County Commissioners and its corporate seal to be hereunto affixed, duly attested by the Chief Clerk of the County, and to be dated the _____ day of _____, 1984.

COUNTY OF BUCKS

Attest:



Chief Clerk
(SEAL)



Carl F. Fonash, Chairman

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____ the within Bond, and all rights thereunder, and hereby irrevocably constitutes and appoints _____ its attorney to transfer said Bond on the books of the County of Bucks, 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 Bond in every particular, without alteration or enlargement or any change whatever.

(FORM OF REGISTRATION)

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

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

This Bond 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 Bond in the manner provided in Section 8 hereof; such execution shall constitute approval by such officers on behalf of the County.

Section 10. The County Commissioners hereby accept the bid for the Bond submitted by, and awards the Bond at private sale to, the Farmers Home Administration of the United States Department of Agriculture, 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 Bond shall bear interest at the rate of five percent (5%) per annum on the advanced and unpaid principal amount thereof.

Section 11. There is hereby established a separate sinking fund for the County to be known as "Sinking Fund - General Obligation Bond of 1984" and into said Sinking Fund there shall be paid all moneys necessary to pay the debt service on the Bond 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 Bond 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 the County's fiscal year commencing January 1, 1984, the amount of \$62,874 per year is hereby appropriated to the Sinking Fund for the payment of principal and interest on the Bond. In each of the County's fiscal years commencing on January 1, 1985 through the fiscal year commencing January 1, 2020, the amount of \$125,748 per year is hereby appropriated to the Sinking Fund for the payment of principal and interest on the Bond.

Section 12. The County hereby appoints Industrial Valley Bank and Trust Company as Sinking Fund Depository and Paying Agent with respect to the Bond. The proper officers of the County are hereby authorized to execute a contract with such Sinking Fund Depository and Paying Agent for its services.

Section 13. The Chief Clerk of the County is hereby authorized to certify and to 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 the debt authorized hereunder, including the debt statement hereinabove referred to and to pay the filing fees necessary in connection therewith.

Section 14. The County hereby covenants with the holder from time to time of the Bond that it will not make or permit any use of the proceeds of the Bond which, if such use had been reasonably expected on the date of issue of such Bond, would have caused such Bond to be an "arbitrage bond" within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, and the regulations and rulings thereunder, and that it will comply with the requirements of said section and regulations throughout the term of the Bond. No official of the County shall make or permit any investment inconsistent with the foregoing covenants. The proper officers of the County are hereby authorized and directed to execute and deliver a certificate setting forth their reasonable expectation regarding the use of "proceeds" of the Bond (as that term is defined in Section 103(c) of the Internal Revenue Code of 1954, as amended, and the regulations and rulings thereunder), and the facts and estimates upon which such expectations are based.

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. The Board of County Commissioners of the County, pursuant to the Act, do hereby find that it is in the best financial interest of the County to have a private sale be negotiation of the Bond.

Section 17. All ordinances or parts thereof inconsistent herewith be and the same hereby are repealed.

Section 18. The Loan Resolution attached is hereby adopted.

ENACTED AND ORDAINED this 18th day of April, 1984.

Attest:


 Chief Clerk
 (COUNTY SEAL)

COUNTY OF BUCKS

BY:


 Carl F. Fonash, Chairman


 Lucille M. Trench


 Andrew L. Warren