

O F F I C I A L  
BOROUGH OF AVALON  
ORDINANCE NO. 1130

AN ORDINANCE OF THE BOROUGH OF AVALON  
AUTHORIZING, DIRECTING AND PROVIDING FOR  
THE INCURRING NON-ELECTORAL DEBT OF THE  
BOROUGH IN THE AGGREGATE PRINCIPAL AMOUNT  
OF \$150,000.00 TO BE EVIDENCED BY GENERAL  
OBLIGATION INSTALLMENT NOTE IN THAT  
PRINCIPAL AMOUNT FOR THE PURPOSE OF PRO-  
VIDING FUNDS TO PAY THE COST OF THE PAVING  
OF ORCHARD AVENUE IN THE  
BOROUGH OF AVALON AND AUTHORIZING AND  
DIRECTING BOROUGH OFFICIALS TO DO AND PER-  
FORM ALL OTHER NECESSARY ACTS IN CONJUNCTION  
WITH THE ISSUING OF SAID NOTE.

BE IT ORDAINED AND ENACTED by the Council of the Borough  
of Avalon and it is hereby ordained and enacted and with the  
authority of the same as follows:

FIRST: The Council of the Borough of Avalon deems it  
advisable to borrow \$150,000.00 without the issuance of bonds  
pursuant to the local government Unit Debt Act (hereinafter  
called the "Act") for the purpose of paving

of Orchard Avenue in the Borough of Avalon, (hereinafter called the "Project").

SECOND: The Borough of Avalon has received advertised bids and has accepted the lowest proposed bid for the Project at a regular meeting of the Council of the Borough of Avalon on March 26, 1980.

THIRD: The cost has been determined to be \$ 211,110.00.

FOURTH: Notice of the within Ordinance has been duly advertised in accordance with Section 103 of the Act.

FIFTH: Equibank NA has presented a written proposal to the Borough of Avalon dated March 11, 1980 which was accepted by the Borough on March 19, 1980.

SIXTH: The indebtedness of the Borough is increased in the amount of \$150,000.00 to be evidenced by the issuance of an installment note (herein the "Note") in the form of the Note presented to this meeting and incorporated into the minutes hereof as Exhibit A.

SEVENTH: The debt to be incurred is non-electoral debt and is to be incurred to pay the costs of the Project, the useful life of which is ten (10) years.

EIGHTH: The Note shall be sold at a private sale.

NINTH: The Borough accepts the proposal of the Bank to purchase the Note, at par, dated the date of delivery of the Note maturing in the following installments:

- (a) One year from the date thereof, 20 % of the principal amount or \$30,000.00;

- (b) Two years from the date thereof, 20 % of the principal amount or \$30,000.00;
- (c) Three years from the date thereof, 20 % of the principal amount or \$30,000.00;
- (d) Four years from the date thereof, 20 % of the principal amount or \$30,000.00;
- (e) Five years from the date thereof, 20 % of the principal amount or \$30,000.00

bearing interest at the rate of Municipal Prime, plus one and one half (1-1/2%) percent (at the time of take down) on the unpaid balance until maturity and thereafter at the highest rate permitted by law, payable semi-annually, in the manner and at the place of payment of the principal installment, redeemable at the option of the Borough at any time without premium or penalty.

TENTH: The proposal of the Bank presented March 19, 1980 incorporated into the minutes hereof as Exhibit B and the President of the Council and the Secretary are hereby authorized and directed to execute and deliver on behalf of and under the seal of the Borough an acceptance of said proposal.

ELEVENTH: The President of the Council and Secretary are hereby authorized and directed to prepare, certify and file the debt statement required by Section 410 of the Local Government Unit Debt Act.

TWELFTH: The Note shall be a general obligation of the Borough and the Borough hereby covenants with the holder, from time to time, of the Note that it will include the amount of the debt service for each fiscal year in which any installment of principal or interest is 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 and interest on said Note on the dates and at the places and in the manner stated therein according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the Borough hereby pledges its full faith, credit and taxing power.

THIRTEENTH: Equibank N.A. is hereby designated as the Sinking Fund Depository for the Note and there is hereby created a Sinking Fund for the payment of the principal and the interest thereon which shall be deposited into the Sinking Fund no later than the date upon which the same becomes due and payable. The Treasurer of the Borough shall deposit into the Sinking Fund sufficient amounts for payment of principal and interest on the Note no later than the date upon which such payments shall become due. The Sinking Fund Depository shall, without further action by the Borough withdraw available monies in the Sinking Fund and apply said monies to payment of the principal of and interest on the Note.

FOURTEENTH: The Secretary of Avalon Borough hereby certifies that as of the date of issue, it is not expected that the proceeds of the issue of obligations will be used in a manner that would cause them to be arbitrage bonds. The proper officers of the Borough are hereby authorized and directed to execute such certification. In addition, if the issue exceeds \$2,500,000, the certification shall be accompanied by an opinion of counsel in the form prescribed by Reg. Sec. 1.103-13 as proposed on May 3, 1973.

FIFTEENTH: Upon approval of the Department of Community Affairs of the Commonwealth of Pennsylvania to issue the Note, the President of the Borough shall execute and affix the seal of the Borough to the Note and the Secretary shall attest the same and either or both officers shall deliver the Note to the Bank.

SIXTEENTH: The proper officers of the Borough are hereby authorized and directed to do all acts necessary and proper for the issuance and securing the said Note.

SEVENTEENTH: All Ordinances or parts of Ordinances not in accordance with this Ordinance, are hereby repealed insofar as they conflict herewith.

ADOPTED this 10TH day of APRIL, One thousand nine hundred and eighty (1980).

Dorothy C. Rowland  
President

of the BOROUGH OF AVALON

(SEAL)

ATTEST:

Raymond Costello  
Secretary

EXAMINED AND APPROVED BY ME THIS  
10th DAY OF April, 1980.

Joseph J. Collins  
MAYOR