

RESOLUTION NO. 2009-23

COPY

TOWNSHIP OF EAST ROCKHILL.
BUCKS COUNTY, PENNSYLVANIA

A RESOLUTION OF EAST ROCKHILL TOWNSHIP, BUCKS COUNTY, PENNSYLVANIA, INCREASING THE INDEBTNESS OF THE TOWNSHIP THROUGH A SMALL CAPITAL BORROWING UNDER THE LOCAL GOVERNMENT UNIT DEBT ACT IN THE PRINCIPAL AMOUNT OF \$60,000.00, FOR THE APPLICATION TOWARDS THE ACQUISITION OF A CONSERVATION EASEMENT FOR OPEN SPACE PURPOSES ON THE PROPERTY OF WILLIAM HART RUFÉ AND JEWEL RUFÉ, KNOWN AS PART OF TAX PARCEL NO. 12-009-225-001 AND 12-009-225; ACCEPTING A PROPOSAL TO PURCHASE THE NOTE; PROVIDING SECURITY; AUTHORIZING CERTAIN OFFICIALS TO EXECUTE AND DELIVER THE NOTE AND TO PREPARE AND FILE CERTAIN CERTIFICATES AND OTHER PROCEEDINGS; AND AUTHORIZING OTHER NECESSARY ACTION.

WHEREAS, the Board of Supervisors of East Rockhill, Bucks County, Pennsylvania, hereafter called the "Local Government Unit", proposes to incur nonelectoral debt by the issuance of a general obligation note to finance the acquisition of a conservation easement on the property of William Hart Rufe and Jewel Rufe known as part of Tax Parcel No. 12-009-225-001 and 12-009-225 pursuant to the Township's Open Space Plan; and

WHEREAS, Section 8109 of the Local Government Unit Debt Act authorizes any Local Government Unit to incur debt evidenced by notes to provide funds for a project as defined in the Act without notification to the Department of Community and Economic Development provided: (1) the aggregate of such debt outstanding at any one time shall not exceed the lesser of \$125,000 or 30% of the nonelectoral debt limit; (2) the principal shall mature within five (5) years; and (3) the debt does not otherwise exceed the limits imposed in Section 8022 of the Act; and

WHEREAS, the sum of \$60,000.00 needed to finance the project will not cause the aggregate of such debt to exceed the lesser of \$125,000 or 30% of the nonelectoral debt limit of the Local Government Unit of \$7,981,665 and the limits imposed by Section 8022 of the Act.

WHEREAS, William Hart Rufe and Jewel Rufe have submitted a Proposal in the form of an Agreement of Sale dated as of September 15, 2009 to issue a General Obligation Note of the Local Government Unit, and the Local Government Unit desires by the adoption of this Resolution, to accept such Proposal and authorize the issuance and sale of its General Obligation Note; and

NOW, THEREFORE, BE IT RESOLVED by the Township of East Rockhill, Bucks County, Pennsylvania, and it is hereby **RESOLVED** by the authority of same, as follows:

1. East Rockhill Township hereby accepts the proposal of William Hart Rufe and Jewel Rufe ("Rufe") dated as of September 15, 2009 and authorizes the issuance of a General Obligation Note to Rufe in the principal amount of \$60,000.00 to be issued for the foregoing purposes as nonelectoral debt:

2. The period of useful life of the project is estimated to be in excess of thirty (30) years.

3. Said indebtedness shall be evidenced by one General Obligation Note, in fully registered form, in the sum of \$60,000.00 dated and bearing no interest under the statutory requirements as set forth in the Act of General Assembly of the Commonwealth of Pennsylvania approved the 28th day of April, 1978, being Act 52 of 1978 Session and known as the Local Government Unit Debt Act (the "Act"). The Note shall bear no interest and shall be due and payable in full, in a single installment, on December 31, 2010 ("Maturity Date").

4. The Local Government Unit reserves the right to anticipate the single installment of principal at any time prior to the Maturity Date, without notice or penalty.

5. The said Note, a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference, is hereby declared to be a general obligation of the Township of East Rockhill, Bucks County, Pennsylvania, and constitutes nonelectoral debt under the Local Government Unit Debt Act. The principal and interest of said note shall be payable at 1890 North Fifth Street, Perkasie, Pennsylvania, 18944.

6. The amount which the Local Government Unit hereby covenants to pay in fiscal year 2010 is as follows: the entire principal sum of the Note. No principal shall be due in fiscal year 2009.

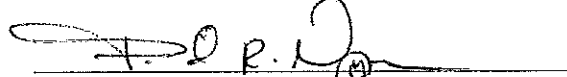
7. East Rockhill Township hereby covenants that it shall include the amount of debt service on the Note for each fiscal year in which such sums are payable in its budget for that year; shall appropriate such amounts to the payment of such debt service; and shall duly pay or cause to be paid the principal of the Note thereon at the dates and places and in the manner stated in the Note according to the true intent meaning thereof, and for proper budgeting, appropriation, and payment, the full faith, credit and taxing power of East Rockhill Township is hereby irrevocably pledged.

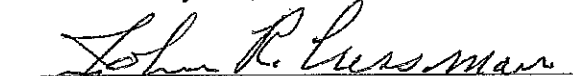
8. The said Note shall be executed in the name and under the corporate seal of the Local Government Unit by any one of the Chairman or Vice Chairman of the Board of Supervisors and attested to by the Secretary. The Chairman or Vice Chairman of the Board of Supervisors is hereby authorized and directed to deliver the Note to the purchaser and receive payment therefore on behalf of the Local Government Unit. The Chairman or Vice Chairman of the Board of Supervisors and the Secretary of the Local Government Unit are authorized and directed to prepare, verify and file the debt statement required by Section 8110 of the Act 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.

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SO RESOVED, this 15th day of September, 2009.

EAST ROCKHILL TOWNSHIP
BOARD OF SUPERVISORS


David R. Nyman, Chairman


John R. Cressman, Vice Chairman



Gary W. Volovnik, Member

EXHIBIT "A"

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF BUCKS
TOWNSHIP OF EAST ROCKHILL

GENERAL OBLIGATION NOTE

\$60,000.00

Dated: _____, 2009

KNOW ALL MEN BY THESE PRESENTS, that the Township of East Rockhill, County of Bucks, Commonwealth of Pennsylvania, a local government unit existing by and under the laws of said Commonwealth, for value received, hereby acknowledges itself indebted and promises to pay the purchaser, William Hart Rufe and Jewel Rufe, or registered assigns, the sum of Sixty Thousand Dollars (\$60,000.00), with no interest. The entire principal sum, if not sooner paid, shall be paid in full no later than December 31, 2010 (the "Maturity Date"). The local government unit shall have the option to anticipate the amount of principal, in whole or in part, without notice or payment of any prepayment fee or penalty.

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 19th day of December, 1996, being Act 177 of the 1996 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 local government unit 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 full faith, credit and taxing power of said local government unit are hereby irrevocably pledged.

It is hereby further certified that said local government unit 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 thereof.

IN WITNESS WHEREOF, the Township of East Rockhill has caused this Note to be properly executed by the proper officers of the local government unit and its corporate seal to be hereto affixed, as of the _____ day of _____, A.D., 2009.

EAST ROCKHILL TOWNSHIP

By:

Name:

Title: