

## **BOROUGH OF NORTHUMBERLAND**

### **ORDINANCE NO. 2026-01**

#### **AN ORDINANCE OF THE BOROUGH OF NORTHUMBERLAND AUTHORIZING THE ISSUANCE OF A TAX ANTICIPATION NOTE**

**WHEREAS**, the Borough of Northumberland (the "Borough") is a Borough duly organized and existing under the laws of the Commonwealth of Pennsylvania; and

**WHEREAS**, Borough Council has determined that it is necessary and in the best interests of the Borough to borrow funds in anticipation of the collection of current year taxes to meet current expenses and cash flow needs for general municipal operations; and

**WHEREAS**, the Borough is authorized pursuant to the Pennsylvania Borough Code, 53 P.S. § 46202, and the Local Government Unit Debt Act, 53 Pa.C.S. § 8001 et seq., to borrow money in anticipation of the collection of taxes; and

**WHEREAS**, Borough Council has determined that the issuance of a Tax Anticipation Note in the principal amount of Three Hundred Fifty Thousand Dollars (\$350,000) is necessary to provide adequate cash flow for general operations pending the collection of taxes.

**NOW, THEREFORE, the Borough Council hereby enacts the following:**

#### **Section 1. Authorization of Borrowing**

The Borough is hereby authorized to borrow the sum of Three Hundred Fifty Thousand Dollars (\$350,000) through the issuance of a Tax Anticipation Note (the "Note") in anticipation of the collection of taxes for the fiscal year 2026.

#### **Section 2. Terms of the Note**

The Note shall be issued with the following terms:

- A. Principal Amount: \$350,000
- B. Date of Issuance: \_\_\_\_\_, 2026
- C. Maturity Date: December 31, 2026
- D. Interest Rate: 3.00% per annum
- E. Interest Payment: Interest shall be payable at maturity
- F. Principal Payment: The entire principal amount shall be due and payable on the maturity date

#### **Section 3. Purpose**

The proceeds of the Note shall be used exclusively for general municipal operations and current expenses of the Borough pending the collection of current year taxes.

## **Section 4. Security and Source of Repayment**

The Note shall be a general obligation of the Borough, and the full faith, credit, and taxing power of the Borough are hereby irrevocably pledged for the payment of the principal of and interest on the Note. The Note shall be payable from and secured by the taxes to be collected by the Borough during fiscal year 2026, and any other legally available funds of the Borough.

## **Section 5. Form of Note**

The Note shall be in substantially the form approved by the Borough Solicitor and shall be executed by the President of Council and attested by the Borough Secretary, with the seal of the Borough affixed thereto. The Note shall contain such terms and conditions as are customary for tax anticipation notes and as are approved by the Borough Solicitor.

## **Section 6. Authorization of Officers**

The Borough Council is hereby authorized and directed to execute and deliver the Note and all other documents, certificates, and instruments necessary or appropriate to effectuate the borrowing authorized herein, and to take all actions necessary to complete the transaction, including but not limited to:

- A. Executing the Note and any related loan agreement or promissory note;
- B. Executing and delivering any certificates, opinions, or other documents required by the lender;
- C. Taking any other actions necessary or convenient to carry out the intent of this Ordinance.

## **Section 7. Lender**

The lender for the Note is Central Penn Bank & Trust.

## **Section 8. Compliance with Law**

The borrowing authorized herein shall comply with all applicable requirements of the Pennsylvania Borough Code, the Local Government Unit Debt Act, and any other applicable federal, state, or local laws or regulations.

## **Section 9. Professional Services**

The Borough Solicitor is authorized to prepare all necessary documentation and provide legal advice in connection with the issuance of the Note. The Borough's financial advisor or auditor, if any, is authorized to provide financial advice as may be necessary.

## **Section 10. Severability**

If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions hereof.

## **Section 11. Repealer**

All ordinances or parts of ordinances inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such inconsistency.

## **Section 12. Publication and Effective Date**

This Ordinance shall be published once in a newspaper of general circulation in the Borough as required by law. This Ordinance shall become effective five (5) days after such publication, or as otherwise provided by law.

DULY ORDAINED AND ENACTED this 3rd day of February, 2026, by the Borough Council of the Borough of Northumberland, Northumberland County, Pennsylvania.

Borough Council of Northumberland  
Borough, Northumberland County,  
Pennsylvania

By: \_\_\_\_\_  
Denise Guilbault, Council President

ATTEST:

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Lucas Martolf, Borough Secretary

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Mayor of Northumberland Borough