

ORDINANCE NO 1-1995

SHENANGO TOWNSHIP
LAWRENCE COUNTY, PENNSYLVANIA

AN ORDINANCE INCREASING THE INDEBTEDNESS OF SHENANGO TOWNSHIP, LAWRENCE COUNTY, PENNSYLVANIA, BY THE ISSUE OF A GENERAL OBLIGATION NOTE IN THE AMOUNT OF \$295,418.00 FOR SUNDRY PURPOSES; FIXING THE FORM, NUMBER, DATE, INTEREST AND MATURITY THEREOF; MAKING A COVENANT FOR THE PAYMENT OF THE DEBT SERVICE ON THE NOTE; PROVIDING FOR THE FILING OF THE REQUIRED DOCUMENT; PROVIDING FOR THE APPOINTMENT OF A SINKING FUND DEPOSITORY FOR THE NOTE; AND AUTHORIZING EXECUTION, SALE AND DELIVERY THEREOF; AWARDING THE NOTE.

WHEREAS, it is necessary that the indebtedness of the Township of Shenango, Lawrence County, Pennsylvania, be increased for the purpose of constructing a storm water collection system to be located on Brookshire Street and Moravia Street; and

WHEREAS, the local government unit has received preliminary realistic cost estimates from professional consultants indicating the sum of \$295,418.00 will be needed to complete the project; and

WHEREAS, the proposed increase of debt, together with its non-electoral indebtedness and its lease rental indebtedness presently outstanding, will not cause the limitations of the local government unit debt incurring power, pursuant to constitutional and statutory authority to be exceeded;

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Township of Shenango, Lawrence County, Pennsylvania, and it is hereby ordained and enacted by the authority of same as follows:

SECTION 1. That the aggregate principal amount of the Note of the Township of Shenango, County of Lawrence, Pennsylvania, proposed to be issued is \$295,418.00, same to be issued for the foregoing purposes and same to be incurred as non-electoral debt.

SECTION 2. The period of useful life of the improvements for which this obligation is to be issued is estimated to be in excess of 50 years.

SECTION 3. Said indebtedness shall be evidenced by one general obligation note, in fully registered form, in the sum of \$295,418.00 dated and bearing interest from the earliest date of possible issue of said Note under the statutory time requirements as set forth in the Act of the General Assembly of the Commonwealth of Pennsylvania approved the 28th day of April, 1978, being Act 52 of 1978 Session, at the rate of interest of 1.508% per annum for the first five years and 2.860% per annum for the remainder of the twenty year term, together with interest on overdue principal, and to the extent permitted by law, on overdue

interest, at the rate of 4%, per moth (computed on the basis of 360 days per year) until paid, which Note shall mature as follows: interest only on the unpaid principal balance shall be payable in 12 monthly installments commencing on the first day of the calendar month following a Loan advance from the Pennsylvania Infrastructure Investment Authority to or for the benefit of Shenango Township. The unpaid principal balance then outstanding and all accrued and unpaid interest shall become due and payable as follows:

Principal and interest shall be payable in 228 consecutive monthly installments commencing on the first day of each calendar month beginning with the 15th month from the date of the Note and continuing the first day of each calendar month thereafter to and including the remainder of the 20 year term. The principal and interest installments for the 228 months shall be approximately \$ 1,527.72. On the first day of the last calendar month of the 20 year term, all the unpaid principal sum then outstanding and all accrued and unpaid interest shall become due and payable.

The Local government unit reserves the right to anticipate any or all installments of principal or any payment of interest at any time prior to the respective payment dates thereof, without notice or penalty.

The principal and interest of said Note shall be payable in such coin or currency as at the respective date

of payment thereof shall be legal tender for the payment of public and private debts, at the office of the Commonwealth of Pennsylvania, Public Protection, Comptroller's Office, Pennsylvania Infrastructure Investment Authority Fund, P.O. Box 11905, Federal Square Station, Harrisburg, Pennsylvania 17108.

SECTION 4. The said Note is hereby declared to be a general obligation note of the Township of Shenango. The municipality hereby covenants that the municipality shall include the amount of debt service on the Note for each fiscal year in which sums are payable in its budget for that year and 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 proper budgeting, appropriation, and payment, the full faith, credit and taxing power of the Township of Shenango is hereby irrevocably pledged.

The amounts which the Municipality hereby covenants to pay in each fiscal year of the Note on the basis of 1.508% for the first five years and 2.860% for the remaining fifteen year are as follows:

Year	Payment	Principal	Interest
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1	\$18,332.64	\$13,974.06	\$4,358.58
2	\$18,332.64	\$14,186.25	\$4,146.39
3	\$18,332.64	\$14,401.66	\$3,930.98
4	\$18,332.64	\$14,620.35	\$3,712.29
5	\$18,332.64	\$14,842.35	\$3,490.29
6	\$18,332.64	\$12,101.40	\$6,231.24
7	\$18,332.64	\$12,452.07	\$5,880.57
8	\$18,332.64	\$12,812.91	\$5,519.73
9	\$18,332.64	\$13,184.20	\$5,148.44
10	\$18,332.64	\$13,566.25	\$4,766.39
11	\$18,332.64	\$13,959.37	\$4,373.27
12	\$18,332.64	\$14,363.89	\$3,968.75
13	\$18,332.64	\$14,780.12	\$3,552.52
14	\$18,332.64	\$15,208.42	\$3,124.22
15	\$18,332.64	\$15,649.13	\$2,683.51
16	\$18,332.64	\$16,102.60	\$2,230.04
17	\$18,332.64	\$16,569.22	\$1,763.42
18	\$18,332.64	\$17,049.37	\$1,283.27
19	\$18,332.64	\$17,543.42	\$ 789.22
20	\$18,331.81	\$18,050.96	\$ 280.85

SECTION 5. The form of said Note shall be substantially as follows:

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF LAWRENCE
SHENANGO TOWNSHIP
ME #58011
GENERAL OBLIGATION NOTE

\$295,418.00

_____, 1995

KNOW ALL MEN BY THESE PRESENTS, that SHENANGO TOWNSHIP, County of Lawrence, 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 to the purchaser, or registered assigns, the sum of Two Hundred Ninety Five Thousand Four Hundred Eighteen Dollars (\$295,418.00) in installments more specifically described in Exhibit A attached hereby and made a part hereof with interest on the unpaid principal balance at the rate of One and Five Hundred Eight Thousandths Percent (1.508%) per annum for the five (5) year term and Two and Eight Hundred Sixty Thousandths Percent (2.860%) per annum for the remainder of the twenty (20) year term, payable on _____, 1995, together with interest on overdue principal, and to the extent permitted by law, on overdue interest, at the rate of Four Percent (4%) per month (computed on the basis of 360 days to the year), with the option in the Municipality to anticipate any installment of principal or any payment of interest at any time prior to the respective payment dates thereof, without notice or penalty.

Both principal and interest are payableⁿ in such coin or currency as at the respective dates of payment thereof shall be legal tender for the payment of public and private debts, at the office of the Commonwealth of Pennsylvania, Public Protection and Recreation, Comptroller's Office,

Pennsylvania Infrastructure Investment Authority Fund, P.O. Box 11905, Federal Square Station, Harrisburg, PA 17108. An amortization schedule is attached hereto and made a part hereof as Exhibit A.

It is hereby recited that this Note is authorized to be issued in accordance with Act 16 of the General Assembly of the Commonwealth of Pennsylvania approved the 1st day of March 1988, of the 1988 Session, 35 P.S. Section 751.1 et. seq.

It is hereby certified that all act, 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 of the obligations of this Note the entire faith, credit and taxing power of said local government are hereby irrevocably pledged.

It is hereby further certified that the said local government unit has effectively covenanted to include the amount of the debt service on this Note in each fiscal year

for which sums are due, in its budget for that year, to appropriate such amounts from its general or specifically pledged revenues 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 in the manner stated herein, according to the true intent and meaning hereof.

IN WITNESS WHEREOF, Shenango Township 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, attested to the Secretary as of the ____ day of _____, 1995.

ATTEST:

SHENANGO TOWNSHIP

(SEAL)

SECTION 6. The said Note shall be executed in the name and under the corporate seal of the local government unit by the Chairman, Vice-Chairman and third Supervisor, and attested to by the Secretary. The Treasurer is hereby authorized and directed to deliver said Note to the purchaser, and receive payment therefor on behalf of the

local government unit. The Chairman, and Secretary of the local government unit are authorized and directed to prepare, verify and file the debt statement required by Section 410 of Act 52 of 1978, 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.

SECTION 7. The Pennsylvania Local Government Investment Trust (PLGIT) is hereby designated as the Sinking Fund Depository for the obligation herein authorized and there is hereby created and established a Sinking Fund, to be known as "Sinking Fund 1995 General Obligation Note" for the payment of the principal and interest thereon which shall be deposited into the Sinking Fund no later than the date upon which the same become due and payable. The Treasurer shall deposit into the Sinking Fund, which shall be maintained until such obligation is paid in full, sufficient amounts for payment of principal and interest on the obligation no later than the date upon which such payments shall become due. The Sinking fund depository shall, as and when said payments are due, without further action by the local government unit withdraw available monies in the Sinking Fund and apply said monies to payment of the principal of and interest on the obligation.

SECTION 8. The Chairman, Vice-Chairman, and Supervisor of the local government unit are hereby authorized to contract with PLGIT for its services as Sinking Fund Depository for the Note and paying agent for the same.

SECTION 9. The General Obligation Note in the amount of \$295,418.00, herein authorized to be issued and sold, is hereby awarded and sold to the Pennsylvania Infrastructure Investment Authority in accordance with its proposal to purchase the said note; the General Obligation Note is being awarded by private sale by negotiation, said sale by negotiation being previously found by resolution to be in the best financial interest of Shenango Township.

SECTION 10. The action of the proper officers and the advertising of a summary of this Ordinance as required by law in the New Castle News, a newspaper of general circulation, is ratified and confirmed. The advertisement in said paper of the enactment of the ordinance is hereby directed within fifteen (15) days following the day of final enactment.

SECTION 11. All ordinances or parts of ordinances not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.

ORDAINED AND ENACTED THIS 17th day of February,
1995.

ATTEST:

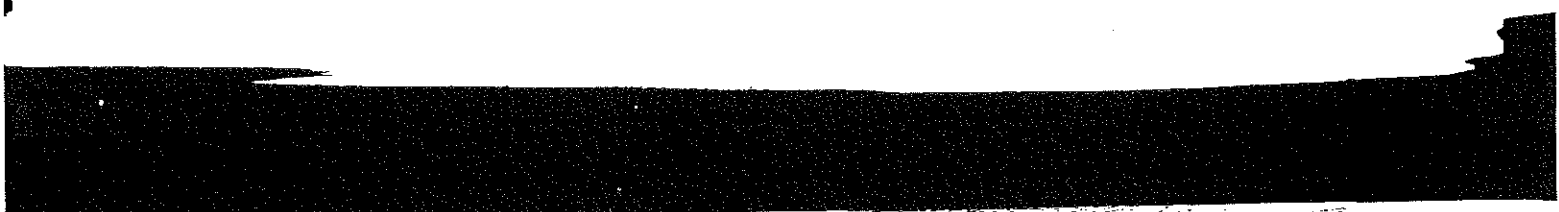
TOWNSHIP OF SHENANGO

Teresa K. Sparacino
Teresa K. Sparacino
Secretary-Treasurer

Richard L. Schweinsberg
Richard L. Schweinsberg
Chairman

Joseph J. Budai
Vice-Chairman

Andrew T. Piccuta
Andrew T. Piccuta
Supervisor



DEBT STATEMENT
Pursuant to Section 410 of Act 52 of 1978

Municipality: Shenango Township
 County: Lawrence County
 Address: 1000 Willowbrook Road
 New Castle, Pennsylvania 16101

Statement as of February 1, 1995

A. Outstanding Debt (See Exhibit "A")

	<u>Electoral</u>	<u>Non-Electoral</u>	<u>Lease Rental</u>
1. Gross Indebtedness	N/A	\$ 2,372,273.00	N/A
2. Minus Credits/Excl.	N/A	\$ 687,273.00	N/A
3. Sub-Total	N/A	\$ 1,685,000.00	N/A
4. Add Current Interest	N/A	\$ -0-	N/A
5. Net Outstanding Debt	N/A	\$ 1,685,000.00	N/A

B. Proposed New Non-Electoral Debt (See Exhibit "B")

1. Aggreg. Principal Amt of Non-Electoral Debt	\$ 295,418.00
2. Minus Credits and Exclusions	-0-
3. Sub-Total	\$ 295,418.00
4. Add Current Interest Due	\$ -0-
5. Proposed New Non-Electoral Debt	\$ 295,418.00

C. Aggregate Net Debt to be Outstanding After Settlement of Proposed New Non-Electoral Debt Issue

1. Non-Electoral (Line A5 column 2 and B5 above)	\$1,980,418.00
2. Lease Rental	-0-
3. Net Non-Electoral plus Net Lease Rental Debt	\$1,980,418.00

D. Borrowing Base of \$1,202,149.00
(see Exhibit "C")

E. Applicable Debt Limit

1. Non-Electoral Debt Limit (250% of Line D Above)	\$3,005,372.00
2. Non-Electoral plus Lease Rental Debt Limit (350% of Line D above)	\$4,207,521.00

Exhibit "A" to Debt Statement

DETERMINATION OF EXISTING NET NON-ELECTORAL DEBT
AND NET NON-ELECTORAL DEBT PLUS LEASE RENTAL DEBT

Pursuant to Section 208 of Act 52 of 1978

A. Determination of Gross Non-Electoral Debt

1.	Gross Principal Amount of all Incurred Debt	\$2,372,273.00
2.	Minus:	
	a. Gross Incurred Electoral Debt	
	b. Gross Incurred Lease Rental Debt.	
3.	Gross Non-Electoral Debt	\$2,372,273.00

B. Determination of Net Non-Electoral and Net Lease Rental Debt

	<u>Non-Electoral</u>	<u>Lease Rental</u>	
1.	Gross Debt	\$ 2,372,273.00	N/A
2.	Minus:		
	a. Sinking Funds	-0-	
	b. current approp. for payment/int on non-elect debt	-0-	
	c. Uncoll. assess.	-0-	
	d. Delinq. taxes less reserve and current exp	-0-	
	e. Subs. debt/self liqu.	687,273.00	
	f. Unappr. surplus	-0-	
	g. Other solvent debts due	-0-	
	h. Ins. coverage	-0-	
	i. Total credits and exclusions	687,273.00	
3.	Gross Debt Less Credits and Exclusions (Line 1 less 2i)	\$1,685,000.00	
4.	Add current interest	-0-	
5.	Net Debt (Line 3 plus Line 4)	\$1,685,000.00	

SCHEDULE 1 TO EXHIBIT A
Debt Statement

Prior Issues:

1. Non-Electoral

1990 Non Electoral Debt, Approval Number SRN-42,
June 21, 1990

Original Amount: \$763,032.11
Amount Outstanding: \$ 687,273.00

2. Non-Electoral

1994 Non Electoral Debt, Approval Number 12200
March 18, 1994

Original Amount: \$1,765,000
Amount Outstanding: \$1,685,000

Total Outstanding: \$ 2,372,273.00

CERTIFICATION

RE: NON-ELECTORAL DEBT OF \$942,950
APPROVED June 21, 1990 (SRN-42)

Pursuant to the provisions of Section 410(b) of the LGUDA, this is to certify that no decrease in the amount of self-liquidating debt is required by any change of circumstances. The total amount outstanding is \$687,273.00.

ATTEST:

Teresa K. Sparacino
Teresa K. Sparacino, Sec.

SHENANGO TOWNSHIP:

Richard L. Schweinsberg
Richard L. Schweinsberg, Chairman

Joseph J. Budai, Vice-Chairman

Andrew T. Piccuta
Andrew T. Piccuta, Supervisor

Exhibit "C" to Debt Statement
CERTIFICATION OF BORROWING BASE

As Required by Section 102 (c)(3) of Act 52 of 1978

Municipality: Shenango Township
County: Lawrence
Address: 1000 Willowbrook Road
New Castle, Pennsylvania 16110

Dated: February 1, 1995

A. Total Revenues (as defined in Section 102(c)(16) of Act 52

<u>Fiscal Year Ending</u>	<u>Total Revenue</u>
1994	\$ 1,336,246.00
1993	\$ 1,207,135.00
1992	\$ 1,063,067.00
Total	\$ 3,606,448.00

B. Borrowing Base
Total Revenue divided by 3 \$ 1,202,149.30

I, the undersigned, appointed Certified Public Accountant of the Township of Shenango regularly auditing the books of account of Shenango Township hereby certify taht the above figures and arithmetic computation are true and correct to the best of my knowledge and belief.

Deno A. DeLorenzo, CPA



Exhibit "B" to Debt Statement

DETERMINATION OF PROPOSED NEW NON-ELECTORAL DEBT

1.	Gross Amount of Proposed New Non-Electoral Debt		\$ 295,418.00
2.	Minus Permitted Exclusions:		
	a.	Applicable Sinking Funds/reserve accounts	-0-
	b.	Current appropriation for paym.. of interest on General Oblig. Debt	-0-
	c.	Uncollected assessments	-0-
	d.	Delinquent taxes less reserve and current expenses	-0-
	e.	Subsidized Debt	-0-
	f.	Unappropriated cash surplus	-0-
	g.	Other solvent debts due	-0-
	h.	Total credits/exclusions	-0-
3.	Gross Debt Less Credits and Exclusions (Line 1 minus 2h)		\$ 295,418.00
4.	Add Current Interest Payable on Debt		\$ 0.00
5.	Net Debt (Line 3 plus Line 4)		\$ 295,418.00

AFFIDAVIT OF DEBT STATEMENT


We, the undersigned duly authorized officers of Shenango Township being sworn depose and say:


That we are authorized by an ordinance duly adopted to execute this Debt Statement on behalf of Shenango Township.

That the Debt Statement being attached hereto and dated February 1, 1995 is true and correct to the best of our knowledge, information and belief.

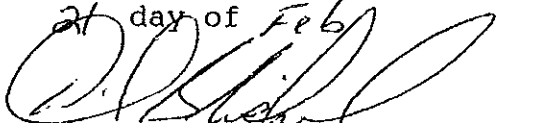
ATTEST:

SHENANGO TOWNSHIP


Teresa K. Sparacino
Secretary


Richard L. Schweinsberg
Chairman

Sworn and subscribed to me this
21 day of Feb, 1995


Notary Public

DAVID B. RISHEL, D.J.
DISTRICT COURT 53-3-03
2797 NEW BUTLER RD.
NEW CASTLE, PA 16101-3228

DAVID B. RISHEL
District Justice 53-3-03
My term expires 1st Mon. 2000