

ORDINANCE NO. 2-1990

SHENANGO TOWNSHIP
LAWRENCE COUNTY, PENNSYLVANIA

AN ORDINANCE INCREASING THE INDEBTEDNESS OF SHENANGO TOWNSHIP, LAWRENCE COUNTY, PENNSYLVANIA, BY THE ISSUE OF A GUARANTEED REVENUE NOTE IN THE AMOUNT OF \$942,950.00 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.

WHEREAS, it is necessary that the indebtedness of the Township of Shenango, Lawrence County, Pennsylvania, be increased for the purpose of expanding water service to areas currently serviced by private wells; and

WHEREAS, the local government unit has received preliminary realistic cost estimates from professional consultants indicating the sum of \$1,050,000.00 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 \$942,950.00, 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 guaranteed revenue note, in fully registered form, in the sum of \$942,950.00 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 2.023% per annum for the first five years and 4.046% 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 month (computed on the basis of 360 days to the 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 \$4,984.41 for 48 months and \$5,738.27 for 180 months.

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 and Recreation, 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 guaranteed revenue 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 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 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.

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

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF LAWRENCE
SHENANGO TOWNSHIP

GUARANTEED REVENUE NOTE

\$ 942,950.00

_____, 1990

KNOW ALL MEN BY THESE PRESENTS, that SHENANGO TOWNSHIP, County of Lawrence, Commonwealth of Pennsylvania, (the "Borrower") existing by and under the laws of said Commonwealth, for value received, hereby acknowledges itself indebted and promises to pay to the Pennsylvania Infrastructure Investment Authority, or registered assigns, the sum of Nine Hundred Forty Two Thousand Nine Hundred Fifty Dollars (\$942,950.00) in monthly installments beginning _____, 19__, until principal shall have been paid with interest on the unpaid principal balance at the rate of Two and Twenty Three Thousandths Percent (2.023%) per annum for the first five years and Four and Forty Six Thousandths Percent (4.046%) 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 Four Percent (4%) per month (computed on the basis of 360 days to the year), with the option of the Borrower to anticipate any installment of principal or any payment of interest at any time prior to the respective payment date thereof, without notice or penalty.

Both principal and interest are payable in such coin or currency as at the repsective date of payment thereof shall be legal tender for the payment of the 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, Pennsylvania 17108.

It is hereby recited that this Note is authorized to be issued in accordance with the Local Government Unit Debt Act of the Commonwealth of Pennsylvania as amended (the "Act") pursuant to an Ordinance of the Borrower duly and regularly enacted in accordance with the provisions of the Act.

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 of the obligations of this Note the entire faith, credit, and taxing power of said local government unit 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 revenue and revenues and receipts generated from the System to the payment of such debt service, and to periodically pay or cause to be paid the principal and interest thereon at the date and places in the manner stated herein, according to the true intent and meaning hereof.

IN WITNESS WHEREOF, the Township of Shenango 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 by the Secretary as of the _____ day of _____, 19__.

TOWNSHIP OF SHENANGO

ATTEST:

Chairman, Board of Supervisors

Secretary

Vice-Chairman, Board of Supervisors

Supervisor

(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 Infrastructure Investment Authority 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 1990 Guaranteed Revenue 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 becomes due 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 the Pennsylvania Infrastructure Investment Authority for its services as Sinking Fund Depository for the Note and paying agent for the same.

SECTION 9. 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 10. All ordinances or parts of ordinances not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.

ORDAINED AND ENACTED THIS 12th day of March,
1990.

TOWNSHIP OF SHENANGO

Ronald J. Golba
Ronald J. Golba, Chairman

ATTEST:

Joseph Budai
Joseph Budai, Vice-Chairman

Teresa K. Sibeto
Teresa K. Sibeto, Secretary

Andrew Piccuta
Andrew Piccuta, Supervisor