

**SHOHOLA TOWNSHIP**  
**PIKE COUNTY, PENNSYLVANIA**

Ordinance No. 82



ORDINANCE NO. 82

AN ORDINANCE INCREASING THE INDEBTEDNESS OF SHOHOLA TOWNSHIP, PIKE COUNTY, PENNSYLVANIA, BY THE ISSUE OF A GENERAL OBLIGATION NOTE IN THE AMOUNT OF ONE MILLION, TWO HUNDRED SIXTY EIGHT THOUSAND AND TWENTY-NINE DOLLARS (\$1,268,029.00) 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 Shohola, Pike County, Pennsylvania be increased for the purpose of funding various road maintenance and improvement projects that become necessary from time to time; and

WHEREAS, the local government unit has received preliminary realistic cost estimates from professional consultants indicating that this sum will be necessary to complete anticipated road maintenance and improvement projects; 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 Board of Supervisors of Shohola Township, Pike County, Pennsylvania, by the authority of same as follows:

SECTION 1. That the aggregate principal amount of the aforesaid Note proposed to be issued is \$1,268,029.00, same to be issued for the foregoing purposes and same to be incurred as nonelectoral 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 ten (10) years.

SECTION 3. Said indebtedness shall be evidenced by one general obligation Note, in fully registered form, in the sum of \$1,268,029.00 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 28<sup>th</sup> day of April, 1978, being Act 52 of 1978 Session and known as the Local Government Unit Debt Act, at the rate of interest of 2.375% per annum, payable on the unpaid balance of said Note during the term of said Note, together with interest on overdue principal, and to the extent permitted by law, on overdue interest, at the rate of 2.375% per annum (computed on the basis of 365 days to the year) until paid, which Note shall mature in installments on the annual anniversary date of said Note as set forth in the attached Exhibit A.

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 payments dates thereof, without notice or penalty.

The principal and interest of said Note shall be payable at the office of the sinking fund depository selected for the Note as hereinafter provided.

SECTION 4. The said Note is hereby declared to be a general obligation of the Township of Shohola, Pike County, Pennsylvania. The local government unit 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 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 Shohola is hereby irrevocably pledged.

The amounts which the local government unit hereby covenants to pay in each of the following fiscal years on the basis of an interest rate of 2.375% are as set forth in the attached Exhibit B.

SECTION 5. The form of said Note shall be substantially as set forth in the attached Exhibit A.

SECTION 6. The said Note shall be executed in the name and under the corporate seal of the local government unit by the Chairman of the Board of Supervisors and the Treasurer of Shohola Township, 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 Treasurer and Secretary of Shohola Township 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.

SECTION 7. Wayne Bank, a subsidiary of Norwood Financial Corp., 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 2018 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 becomes 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 principal and interest on the obligation.

SECTION 8. The Chairman of the Board of Supervisors and the Treasurer of Shohola Township are hereby authorized to contract with The Wayne Bank 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 Pike County Dispatch, 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 8<sup>th</sup> day of November, 2018.

ATTEST:

SHOHOLA TOWNSHIP BOARD OF SUPERVISORS

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
, Chairman

\_\_\_\_\_  
, Vice Chairman

\_\_\_\_\_  
, Supervisor

## Exhibit B

