

7170

**BOROUGH OF CORSICA
JEFFERSON COUNTY, PENNSYLVANIA**

ORDINANCE NUMBER _____

**AN ORDINANCE INCREASING THE INDEBTEDNESS OF THE
BOROUGH OF CORSICA, JEFFERSON COUNTY, PENNSYLVANIA,
BY THE ISSUE OF A GENERAL OBLIGATION NOTE IN THE
AMOUNT OF \$125,000.00 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 Borough of Corsica, Jefferson County, Pennsylvania, hereinafter called the Local Government Unit, be increased for the following purpose: to pay the costs related to the engineering and design of the sewage system and treatment plant; and

WHEREAS, the proposed increase in debt, together with its nonelectoral 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; and

WHEREAS, the local government unit has received preliminary realistic cost estimates from professional consultants indicating the sum of \$125,000.00 will be needed to complete the project.

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

SECTION 1. The Local Government Unit hereby authorizes the issuance of a general obligation note in the amount of \$22,095.00 to be issued for the foregoing purposes 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 25 years.

SECTION 3. The note shall be issued in the principal sum of \$125,000.00, shall be dated March 4, 1997, bear interest at the rate of 1.0%, payable monthly, and shall mature in installments as follows:

Fiscal Year 1997	\$21,707.46
Fiscal Year 1998	\$28,943.28
Fiscal Year 1999	\$24,943.28
Fiscal Year 2000	\$24,943.28
Fiscal Year 2001	\$19,295.52

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 at Harrisburg, Pennsylvania.

SECTION 4. The said note is hereby declared to be a general obligation of the Borough of Corsica, Jefferson County, Pennsylvania, which 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 Borough of Corsica, Jefferson County, Pennsylvania, 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 1.0 % are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
1997	20,839.33	868.12
1998	28,029.93	913.35
1999	28,311.49	631.79

2000	28,595.93	347.35
2001	19,223.37	72.14

SECTION 5. The form of the note is attached hereto as 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 President of Council and attested to by the Secretary. The President and Secretary are authorized and directed to prepare and verify the debt statement required by Section 410 of Act 1978-52, 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. S&T Bank 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 1997 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 the principal of and interest on the obligation.

SECTION 8. The President and Secretary of the local government unit are hereby authorized to contract with S&T Bank for its services as Sinking Fund Depository for the Note and paying agent for the same.

SECTION 9. In compliance with Section 701 of Act 1978-52, the members of the governing body have determined that a private sale by negotiation rather than public sale is in the best interest of the local government unit. Therefore, the general obligation note in the amount of \$125,000.00, herein authorized to be issued and sold is hereby awarded and sold to the Pennsylvania Infrastructure Investment Authority (PENNVEST) in accordance with its proposal to purchase the said note.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand and affixed the seal of the Local Government Unit this 27th day of January, 1997.

BOROUGH OF CORSICA

By David Glew
President

(SEAL)

ATTEST:

Juliet L. Johnson
Secretary

And now, January 27, 1997,
The foregoing certifies is
truly approved

By: Timothy Scott Cochran
Mayor

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF JEFFERSON
BOROUGH OF CORSICA
ME#55026

GENERAL OBLIGATION NOTE

\$125,000.00

March 4, 1997

KNOW ALL PERSONS BY THESE PRESENTS, that the Borough of Corsica, County of Jefferson, 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 One Hundred Twenty Five Thousand Dollars (\$125,000.00) 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 Percent (1.000%) per annum for the five (5) year term, payable on _____, 19____, 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 payable 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, Pennsylvania 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 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 or specially 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, the Borough of Corsica 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 4th day of March 1997.

ATTEST:

BOROUGH OF CORSICA



(SEAL)

GLC/mkh/178/12/31/96

08333333 <month
1.000%<annual

53 <months

\$125,000.00 <principal

ods	payment	balance	principal	interest
1	\$2,411.94	\$122,692.23	\$2,307.77	\$104.17
2		\$120,382.53	\$2,309.70	\$102.24
3	Annual: \$28,943.28	\$118,070.91	\$2,311.62	\$100.32
4		\$115,757.36	\$2,313.55	\$98.39
5		\$113,441.89	\$2,315.48	\$96.46
6		\$111,124.48	\$2,317.40	\$94.53
7		\$108,805.15	\$2,319.34	\$92.60
8		\$106,483.88	\$2,321.27	\$90.67
9		\$104,160.67	\$2,323.20	\$88.74
10		\$101,835.54	\$2,325.14	\$86.80
11		\$99,508.46	\$2,327.08	\$84.86
12		\$97,179.44	\$2,329.02	\$82.92
13		\$94,848.49	\$2,330.96	\$80.98
14		\$92,515.59	\$2,332.90	\$79.04
15		\$90,180.74	\$2,334.84	\$77.10
16		\$87,843.95	\$2,336.79	\$75.15
17		\$85,505.22	\$2,338.74	\$73.20
18		\$83,164.53	\$2,340.69	\$71.25
19		\$80,821.90	\$2,342.64	\$69.30
20		\$78,477.31	\$2,344.59	\$67.35
21		\$76,130.77	\$2,346.54	\$65.40
22		\$73,782.27	\$2,348.50	\$63.44
23		\$71,431.81	\$2,350.45	\$61.49
24		\$69,079.40	\$2,352.41	\$59.53
25		\$66,725.03	\$2,354.37	\$57.57
26		\$64,368.69	\$2,356.34	\$55.60
27		\$62,010.39	\$2,358.30	\$53.64
28		\$59,650.13	\$2,360.26	\$51.68
29		\$57,287.90	\$2,362.23	\$49.71
30		\$54,923.70	\$2,364.20	\$47.74
31		\$52,557.53	\$2,366.17	\$45.77
32		\$50,189.39	\$2,368.14	\$43.80
33		\$47,819.27	\$2,370.12	\$41.82
34		\$45,447.18	\$2,372.09	\$39.85
35		\$43,073.11	\$2,374.07	\$37.87
36		\$40,697.07	\$2,376.05	\$35.89
37		\$38,319.04	\$2,378.03	\$33.91
38		\$35,939.04	\$2,380.01	\$31.93
39		\$33,557.05	\$2,381.99	\$29.95
40		\$31,173.07	\$2,383.98	\$27.96
41		\$28,787.11	\$2,385.96	\$25.98
42		\$26,399.16	\$2,387.95	\$23.99
43		\$24,009.22	\$2,389.94	\$22.00
44		\$21,617.29	\$2,391.93	\$20.01
45		\$19,223.36	\$2,393.93	\$18.01
46		\$16,827.44	\$2,395.92	\$16.02
47		\$14,429.52	\$2,397.92	\$14.02
48		\$12,029.61	\$2,399.92	\$12.02
49		\$9,627.69	\$2,401.92	\$10.02
50		\$7,223.78	\$2,403.92	\$8.02
51		\$4,817.86	\$2,405.92	\$6.02
52		\$2,409.93	\$2,407.92	\$4.01
53		\$0.00	\$2,409.93	\$2.01