

**BOROUGH OF WEST NEWTON
WESTMORELAND COUNTY, PENNSYLVANIA**

ORDINANCE NO. 2022 - 1

AN ORDINANCE INCREASING THE INDEBTEDNESS OF THE BOROUGH OF WEST NEWTON, WESTMORELAND COUNTY, PENNSYLVANIA, BY THE ISSUE OF A GENERAL OBLIGATION NOTE IN THE AMOUNT OF \$365,000.00 FOR PURPOSES OF SHORT-TERM FINANCING OF THE MAIN STREET SEWER LINE PROJECT; 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 West Newton, Westmoreland County, Pennsylvania be increased for the short-term financing of the Main Street Sewer Line Project; and

WHEREAS, the local government unit has received preliminary realistic cost estimates from professional consultants indicating the sum of \$365,000.00 will be needed complete the transaction; and

WHEREAS, the proposed increase of 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;

NOW THEREFORE, BE IT ORDAINED AND ENACTED by the Council for the Borough of West Newton, Westmoreland 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 Borough of West Newton, Westmoreland County, Pennsylvania, proposed to be issued is \$365,000.00, 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 pipeline 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 \$365,000.00 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 and known as the Local Government Unit Debt Act, at the rate of interest of 3.95 % per annum, payable on the unpaid balance of said Note on June 18, 2027 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 ___ % 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 follows:

(INSERT REPAYMENT SCHEDULE HERE
OR ATTACH AS AN EXHIBIT)

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 Borough of West Newton, Westmoreland 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 Borough of West Newton 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 3.95 % are as follows:

INSERT DEBT SERVICE SCHEDULE HERE
OR ATTACH AS AN EXHIBIT)

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

SECTION 6. The said Note shall be executed in the name and under the corporate seal of the local government unit by the President and Vice-President 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 President and Secretary of the local government unit 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. Commercial Bank & Trust of PA 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 2022 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 President and the Secretary of the local government unit are hereby authorized to contract with Commercial Bank & Trust of PA for its services as Sinking Fund Depository for the Note and paying agent for the same.

SECTION 9. In compliance with Section 8161 of the Act, the members of the governing body have determined that a private sale by negotiation rather than public sale is in the best financial interest of the local government unit. Therefore, the general obligation Note in the

amount of \$365,000.00, herein authorized to be issued and sold is hereby awarded and sold to Commercial Bank & Trust of PA (Lender) in accordance with its proposal to purchase the said Note at par; provided the said Note is dated the delivery thereof to the Commercial Bank & Trust of PA (Lender) and is in the form set forth in this Ordinance as Exhibit N; and further provided that the proceedings have been approved by the Department of Community and Economic Development if such approval is required under the provisions of the Act.

SECTION 10. The action of the proper officers and the advertising of a summary of this Ordinance as required by law in the Mon Valley Independent, 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.

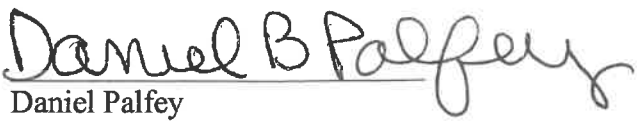
ORDAINED AND ENACTED THIS 18 day of August, 2022.

ATTEST:


Ashley Pergola, Secretary/Treasurer

BOROUGH OF WEST NEWTON

By: 
Brenda Maleski,
Council President

By: 
Daniel Palfey
Council Vice-President

CERTIFICATE

I, the undersigned Secretary of West Newton Borough, Westmoreland County, Pennsylvania, do hereby certify that the foregoing and attached is a true and correct copy of an Ordinance of said local government unit, which was duly enacted by the affirmative vote of the members of the governing body at a meeting thereof duly called and held on the 18th day of January, 2023, after due notice to the members and to the public and which was at all times open to the public, that the same was examined and approved by the members of the governing body and was duly recorded in the Ordinance Book of said local government unit and was published as required by law in the Mon Valley Independent, a newspaper of general circulation in said local government unit.

I further certify that the total number of members of the governing body of the local government unit is seven; that the vote upon said Ordinance was called and duly recorded on the minutes of said meeting and that the members voted in the manner following:

Maleski	yes
Palfey	_____
Berarducci	yes
Johnson	_____
Eckels	yes
Cooper	yes
Roebuck	_____

WITNESS my hand and the seal of the Borough of West Newton, Westmoreland County, Pennsylvania, this 18th day of January, 2023.

SEAL



Ashley Pergola,
Secretary/Treasurer


CERTIFICATE

I HEREBY CERTIFY that the attached is a true copy of an ordinance passed finally at a meeting of the Council for the Borough of West Newton, Westmoreland County, Pennsylvania, on Jan. 18th, 2023; that said meeting above referred to was held with proper notice having been given to members and to the public, and was at all times open to the public; that said ordinance was duly signed by the President, attested by the Secretary, and has been duly recorded in the Ordinance Book of the said local government unit.

I FURTHER CERTIFY that a copy of the ordinance was available for inspection by any citizen in the office of the Secretary.

WITNESS my hand and seal of the Borough of West Newton, Westmoreland, County, Pennsylvania, on this 18 th day of January, 2023.

SEAL


Ashley Pergola,
Borough Secretary