IN THE COURT OF COMMON PLEAS OF COUNTY, PENNSYLVANIA

IN RE: Petition of the Board of of the (Name of Local Government Unit) County, Pennsylvania of for authority to fund unfunded debt in the amount of \$

ORDER

| AND NO | W, this day of | , 20, after hearing, on |
|-------------------|--|---------------------------------------|
| due notice to the | local government unit and the taxpayer | rs thereof, the Court finds: |
| That the _ | | , a local government unit |
| of the County of | , Per | nnsylvania has unfunded debt incurred |
| for | | |

as defined in

Section 8129 of the Local Government Unit Debt Act, as amended, in the amount of \$

That the 's said unfunded debt was lawfully incurred; that it was not reasonable to foresee such unfunded debt obligations; that paying such debt by curtailing services may be dangerous to the public health and safety; that it is not feasible to levy additional taxes in the current fiscal year; and that additional taxes would be seriously regressive and not in the public interest;

That the requested funding of said unfunded debt, and the proposed maturities and interest, will not endanger the rendering of services or require the levying of excessive taxes; and

That the debt is within the statutory limitations of Section 8022 of the Local Government Unit Debt Act, as amended, and all such debt shall be charged against the nonelectoral debt limitations of said section. (Or, if requested by the local government unit, the Court may order that the debt not be charged against the debt limits).

NOW THEREFORE, it is hereby ordered:

1. That the ______ be and it is authorized to fund unfunded debt by the issuance of notes or bonds in the amount of \$ ______ by a series of general obligation bonds or notes.

2. That these general obligation bonds or notes shall mature within a period of years (not to exceed ten) from the date of issue, as follows:

(INSERT MATURITY SCHEDULE)

BY THE COURT:

IN THE COURT OF COMMON PLEAS OF _____ COUNTY, PENNSYLVANIA

IN RE: Petition of the Board of of the of ______ County, Pennsylvania for authority to fund unfunded debt in the amount of \$

PETITION

| To the Honorable, the Judges of said Court: | |
|---|------------------------------|
| The Petition of the Board of | of |
| , | County, |
| Pennsylvania, respectfully represents: | |
| 1. That the | , a local government unit of |
| the Commonwealth of Pennsylvania, has, inter alia, an unf | funded debt in the amount of |
| \$which was contracted | for |
| | |
| | |
| | |
| 2 That in the opinion of the Board of | of the |

2. That in the opinion of the Board of _______ of the ______ the local government unit cannot meet and pay the aforesaid debt of \$______ within the fiscal year without an unreasonable curtailment of services to an extent endangering the public health and safety or the levy of an excessive tax.

3. The Board of ______ proposes to relieve the present burden of said debt by funding the said unfunded debt by an issue of general obligation bonds or notes maturing within the period of ______ (not to exceed ten) years from the date thereof as authorized by Section 8130 of the Local Government Unit Debt Act, as amended. 4. That said debt in the amount of \$______ was within the debt incurring powers of the Board of ______ of the

when incurred and is a valid outstanding obligation of the local government unit. The proposed issuance of funding bonds or notes will not cause the local government unit to exceed its debt limits as set forth in Section 8022 of the Local Government Unit Debt Act. (Or, the local government unit may request that the funding debt not be charged against its debt limits).

WHEREFORE, your Petitioners pray Your Honorable Court that an Order be made granting authority to fund the aforesaid unfunded debt by the issue of general obligation bonds or notes pursuant to the provisions of Section 8130 of the Local Government Unit Debt Act, as amended.

Name of Local Government Unit

BY:

BY:

SEAL

Solicitor for the Local Government Unit

COMMONWEALTH OF PENNSYLVANIA COUNTY OF

Before me, the undersigned authority, personally appeared

| and | , | (Title) and |
|-----------------------------------|------------------------|---|
| | (Title) of the | , |
| | County, Pennsylva | ania, who being duly sworn according to |
| law depose and say that the facts | hereinbefore set forth | are true and correct and that they have |
| been duly authorized by the Boa | of the | |
| | | to make this Petition on behalf of the |
| said Board of | | |

| Sworn to and subscribed |
|-------------------------|
| before me this |
| day of, |
| 20 |

Notary Public: My Commission Expires:

IN THE COURT OF COMMON PLEAS OF _____ COUNTY, PENNSYLVANIA

IN RE: Petition of the Board of

of the

_____County, Pennsylvania for authority to fund unfunded debt in the amount of \$

ORDER OF COURT

| AND NOW, this | day of | , 20 |
|--------------------------------------|--------------------------------|-----------------------------------|
| upon presentation and due conside | eration of the within Petition | requesting authority to fund an |
| unfunded debt, it is ordered that a | hearing on said Petition be h | eld in open court on the |
| day of | , 20 | , at, prevailing |
| time, and that notice to the local g | overnment unit and taxpayer | s thereof be given by publication |
| of this Order of Court in the | | |
| at least days befo | ore the time of hearing. | |

BY THE COURT:

PROOF OF PUBLICATION OF NOTICE OF HEARING SHOULD BE INSERTED HERE

SUGGESTED FORMAT FOR GENERAL OBLIGATION NOTE ISSUED UNDER THE PROVISIONS OF THE LOCAL GOVERNMENT UNIT DEBT ACT

<u>These proceedings should be filed, along with Certified Copies of the Court Order and</u> <u>Petition to Fund Unfunded Debt</u>

The proceedings should be submitted in duplicate, two-hole punched at the top of the page, with a filing fee made payable to the Commonwealth of Pennsylvania, calculated as follows: Principal amount of obligation x .00003125, plus \$50

BECAUSE THE DEPARTMENT'S APPROVAL STAMP WILL BE PLACED AT THE TOP OF THE FIRST PAGE OF THE PROCEEDINGS, PLEASE ALLOW AT LEAST 4 INCHES OF BLANK SPACE AT THE TOP OF THE FIRST PAGE. . THE ATTACHED APPLICATION FORM FOLLOWS THIS FORMAT

> Proceedings should be submitted directly to the Office of Chief Counsel Department of Community and Economic Development Commonwealth Keystone Building 400 North Street 4th Floor Harrisburg, PA 17120-0225 For further information, call (717) 783-8452

TO: Department of Community and Economic Development Harrisburg, PA 17120

The ______, ____County, Pennsylvania, by its duly authorized officers, hereby applies for approval to issue and deliver its general obligation Note in the principal amount of \$______ and in support thereof the undersigned hereby certifies that attached hereto are the following:

1. A true and correct copy of an ordinance duly enacted by affirmative vote of the ________ authorizing and awarding the Note, prescribing the manner of sale and fixing the interest rate, with proofs of publication.

2. The proposal of ______ (Lender), for the purchase of the

Note which has been accepted by the said ______,

_____ County.

3. The Debt Statement prepared pursuant to Section 8110 of the Local Government Debt Act, together with the Borrowing Base Certificate prepared pursuant to Section 8002 of the Act.

WITNESS my hand and the seal of the ______,

_____County, Pennsylvania, this _____ day of _____,

20____.

SEAL

Secretary of

SUGGESTED FIRST ADVERTISEMENT OF THE ADOPTION OF THE ORDINANCE

(This Notice of Intent is required under Section 8003 of the Act and <u>must be advertised not less</u> <u>than three nor more than thirty days prior</u> to its enactment, <u>once</u> in a newspaper of general circulation, published or circulating in the area of the local government unit. <u>Proofs of</u> <u>publication</u> of this notice must be submitted with the proceedings for approval by the Department of Community and Economic Development.)

<u>NOTICE</u>

| NOTICE IS HEREBY GIVEN that on | , 20, at |
|---|--|
| M., at | , Pennsylvania, the |
| officers of the | , County, |
| Pennsylvania, will act on an ordinance (of which this no | tice is the summary) authorizing the |
| issuance of an awarding of its \$ | _, principal amount, general obligation |
| Note, at a private sale. If enacted, the ordinance will aw | vard the Note to the purchaser thereof, |
| approve the form of the Note, fix the rate of interest to b | be paid, pledge the full faith and credit of |
| the local government unit for the payment thereof, creat | e a sinking fund and authorize the proper |
| officers to take the necessary steps to issue the Note. The | ne funds to be obtained from the |
| borrowing will be used for the following purpose: | |

A copy of the full text of the proposed ordinance may be examined by any citizen in the office of the Secretary of the local government unit at

______, Pennsylvania, on any business day (except Saturdays and Sundays) between the hours of ______ A.M. and ______ P.M., prevailing time.

Secretary of

DATED: _____, 20

SUGGESTED SECOND ADVERTISEMENT OF THE ADOPTION OF THE ORDINANCE

(This Notice of Final Enactment is required under Section 8003 of the Act, and <u>must be</u> <u>advertised not later than the fifteenth day after the final enactment</u> of the ordinance, <u>once</u> in a newspaper of general circulation, published or circulating in the area of the local government unit. <u>Proofs of publication</u> of this notice must be submitted with the proceedings for approval by the Department of Community and Economic Development.)

NOTICE

| NOTICE IS HEREBY GIVEN that on | , 20, at |
|---|--------------------------------------|
| , P | ennsylvania, the officers of the |
| , | County, Pennsylvania, |
| enacted an ordinance authorizing the issuance of \$ | , principal amount of the |
| general obligation Note, and the private sale thereof to | , Lender, at par, |
| bearing interest at the rate of% per annum. The N | ote is a general obligation of the |
| local government unit and its officers are directed to do all a | cts necessary and proper for the |
| issuance and securing of said Note. No amendments were m | ade during the final passage of this |
| ordinance. | |

A copy of the full text of the ordinance as enacted may be examined by any citizen in the office of the Secretary of the local government unit at

______, Pennsylvania, on any business day (except Saturdays and Sundays) between the hours of ______ A.M. and _____ P.M., prevailing time.

Secretary of

DATED: _____, 20

CERTIFICATE

I HEREBY CERTIFY that the attached is a true copy of an ordinance passed finally at a meeting of the ______, ____County, Pennsylvania, on ______, 20___; 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 ______,

_____, County, Pennsylvania, on this ______ day of _____,

20____.

Secretary of

SEAL

(Name of Local Government Unit)

_____, County, Pennsylvania

ORDINANCE NO.

WHEREAS, it is necessary that the indebtedness of the

____, _____ County, Pennsylvania be increased for the following

purpose:

; and

WHEREAS, the local government unit has received preliminary realistic cost

estimates from professional consultants indicating the sum of \$_____ will be needed to complete the project; 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

_____ 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

______, ____County, Pennsylvania, proposed to be issued is \$______, 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 _____ years.

SECTION 3. Said indebtedness shall be evidenced by one general obligation Note, in fully registered form, in the sum of \$______ 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 _______% per annum, payable on the unpaid balance of said Note on _______, 20____ 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 _______, ______, 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 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 ______% 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 ______ and _____ 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

______ 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. _____ (Bank or Bank and Trust

Company) 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 20____ 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 ______ and _____ of the local government unit are hereby authorized to contract with

(Bank or Bank and Trust Company) 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 \$_____, herein authorized to be issued and sold is hereby awarded and sold to _____ (Lender) in accordance with its proposal to purchase the said Note at par; provided the said Note is dated the delivery thereof to the ____(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 ______, 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 ______ day of ______, 20 __. ATTEST: (Name of Local Government Unit) BY Secretary BY (If applicable:)

Approved this ______ day of _____, 20____.

Mayor of :

SAMPLE FORM OF NOTE EXHIBIT N

UNITED STATES OF AMERICA COMMONWEALTH OF PENNSYLVANIA

COUNTY OF

(Name of Local Government Unit)

GENERAL OBLIGATION NOTE

\$

DATED:

KNOW ALL MEN BY THESE PRESENTS, that the

______, _____County, 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 \$______ dollars (\$______) in installments as follows:

(INSERT REPAYMENT SCHEDULE)

with interest on the unpaid principal balance at the rate of _____ percent (____%) per annum, payable on ______, 20___, together with interest on overdue principal, and to the extent permitted by law, on overdue interest, at the rate of _____ percent (___%) per annum (computed on the basis of 365 days to the year), with the option in the local government unit to anticipate any installment of principal or any payment of interest at any time prior to the respective payment dates thereof, without notice of 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 __________,

Pennsylvania.

It is hereby recited that this Note is authorized to be issued in accordance with the Act of the General Assembly of the Commonwealth of Pennsylvania approved the 28th day of April,

1978, being Act 52 of the 1978 Session.

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 the obligations of this Note the entire full 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 such sums are due, in its budget for that year, to appropriate such amounts 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 and in the manner stated herein, according to the true intent and meaning hereof.

IN WITNESS WHEREOF, the _____

______, County, Pennsylvania, 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 ______, 20 ____.

(Name of Local Government Unit)

BY

BY

ATTEST:

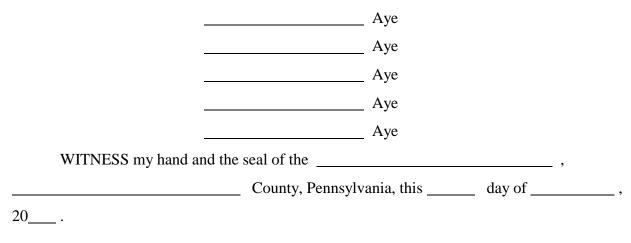
(Secretary) SEAL

CERTIFICATE

I, the undersigned Secretary of ______, 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 ______ day of ______, 20____, 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 ______, 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 _____; 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:



Secretary of

SEAL

PROOF OF PUBLICATION FOR FIRST ADVERTISEMENT SHOULD BE INSERTED HERE

PROOF OF PUBLICATION FOR SECOND ADVERTISEMENT SHOULD BE INSERTED HERE

LENDER'S EXECUTED PROPOSAL WHICH HAS BEEN ACCEPTED BY THE LOCAL GOVERNMENT UNIT SHOULD BE INSERTED HERE

DEBT STATEMENT PURSUANT TO SECTION 8110

LOCAL GOVERNMENT UNIT DEBT ACT

| Local Governme | ent Unit | | | | | |
|-----------------|----------|----------------------------|--|--------------------|--------------|--------------|
| | | | County | | | |
| Statement as of | | | (Date – within 60 day | rs of filing data) | | |
| | | | | s of filling date) | | |
| Section 8002 | I. | GROSS | INCURRED DEBT | | | |
| | | | | Electoral | Nonelectoral | Lease Rental |
| | A. | Bonds of | outstanding | \$ | \$ | \$ |
| | | List and | identify | \$ | \$ | \$ |
| | | by year | | \$ | \$ | \$ |
| | | | | \$ | \$ | \$ |
| | | | | \$ | \$ | \$ |
| | B. | Notes O | Outstanding | \$ | \$ | \$ |
| | | | identify | \$ | \$ | \$ |
| | | by year | | \$ | \$ | \$ |
| | | | | \$ | \$ | \$ |
| | | | | \$ | \$ | \$ |
| | | TOTAL | | \$ | \$ | \$ |
| | II. | CREDI | TS & EXCLUSIONS | | | |
| Section 8028(b) | | <u>Less</u> : (where ap | plicable) | | | |
| | | 1. | Sinking Funds, reserve accounts, bond proceeds | \$ | \$ | \$ |
| | | 2. | Current appropriations | \$ | \$ | \$ |
| | | 3. | Uncollected special assessments | \$ | \$ | \$ |
| | | 4. | Delinquent taxes and liens | \$ | \$ | \$ |
| | | 5. | Surplus cash | \$ | \$ | \$ |
| | | 6. | Solvent debts due | \$ | \$ | \$ |
| | | 7. | Indemnifying insurance | \$ | \$ | \$ |
| | | 8. | Self-liquidating and self-sustaining debt (Excluded under Sections | | | |
| | | | 8024, 8025, 8026) | \$ | \$ | \$ |
| | | TOTAL | NET INDEBTEDNESS | \$ | \$ | \$ |

| | III. | | | | \$ | |
|-----------------|---|---|---|---|-----------------------------------|----------------|
| | IV. The principal amount of bonds or notes which will no longer be deemed to be outstanding pursuant to Section 8250 after settlement of the issue. (<i>Refunding issues only</i>) | | | | \$ | |
| | The borrowing base as shown by appended borrowing base certificate | | | owing base certificate | \$ | |
| Section 8110(a) | IN WIT | Applicable debt (a) (a) (a)(1) (b) | nonelectoral (250% of the borr nonelectoral plus school district bo (225% of the borr nonelectoral plus (350% of the borr | s lease renta prowings owing base) lease rental owing base; | | \$ \$ \$ |
| | | | and | | | , |
| - | | · | | | ereunto set out hands a day of | |
| 20 (SEAL) | | | | | | |

Secretary

SECTION 8110(b) CERTIFICATE

(If claiming exclusions on the debt statement, the following certification must be included)

I hereby certify that no decrease in the amounts to be excluded is required by any change of circumstances other than decreases resulting from the payments of bonds or notes.

(note: if there is a decrease other than from payments, the Local Government Unit must reduce the amount being excluded to reflect the changed circumstances).

BORROWING BASE CERTIFICATE - SECTION 8002

The borrowing base is the arithmetic average of total revenues received for the three fiscal years preceding the fiscal year in which the debt ordinance is enacted, as set forth in a certificate stating the total revenues for each year and stating the average. The certificate may be executed by any authorized official of the local government unit or an independent accountant. The computation of the borrowing base must be done in accordance with the definition of revenues in Section 8002. The following method may be used:

BORROWING BASE CERTIFICATE

| Prepared as of |
|----------------|
| (Date) |

| | | | FISCAL YEAR | |
|----------|---|-------------|-------------|----|
| (Three J | prior fiscal years) | | | |
| Total R | evenues Received (money from all sources) | \$ | \$ | \$ |
| Less: | | | | |
| (1) | State and Federal subsidies and reimbursements related to a particular project financed by debt | \$ | \$ | \$ |
| (2) | Revenues, receipts, assessments, etc., pledged for self-liquidating debt | \$ | \$ | \$ |
| (3) | Interest on moneys in sinking funds pledged for debt | \$ <u> </u> | \$ | \$ |
| (4) | Grants and gifts-in-aid measured by construction or acquisition of specific projects | \$ | \$ | \$ |
| (5) | Nonrecurring receipts | \$ | \$ | \$ |
| | SUBTOTAL | \$ | \$ | \$ |
| | TOTAL NET REVENUES | | \$ | |
| | BORROWING BASE (Total Net Revenues divided by 3) | | \$ | |

(SEAL)

_

Secretary

| : | | |
|---|-------------|----------------|
| : | SS | |
| : | | |
| | : : : | : : SS : |

| Before me, the undersigned Notary Public, personally appeared | |
|---|---|
| | and, who |
| being duly sworn according to law depose and say that t | they are the, (Title of Officer) |
| | |
| (Title of Officer) | _ and of (Title of Officer) |
| | and that the facts set forth in the foregoing |
| (Name of Local Government Unit) | |
| are true and correct. | |
| | |
| | (Title of Officer) |
| | (Title of Officer) |
| | (Title of Officer) |
| Sworn to and subscribed before me | |
| this day of, 20 | · |

Notary Public