

ORDINANCE NO. 2023-03

AN ORDINANCE INCREASING THE INDEBTEDNESS OF THE TOWNSHIP OF ALLEN, NORTHAMPTON COUNTY, PENNSYLVANIA, BY THE ISSUE OF A GENERAL OBLIGATION NOTE IN THE AMOUNT OF \$ 6,825,250.00 FOR BUILDING RENOVATION TO ACCOMMODATE OFFICE AND MEETING SPACE NEEDS AT TOWNSHIP PROPERTY LOCATED AT 3530 HOWERTOWN ROAD, NORTHAMPTON, PA; 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 Allen, Northampton County, Pennsylvania be increased for the following purpose: building renovation to accommodate office and meeting space needs at Township property located at 3530 Howertown Road, Northampton, PA; and

WHEREAS, the Allen Township Board of Supervisors has received preliminary realistic cost estimates from professional consultants indicating the sum of \$ 8,825,250.00 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 Township of Allen, Northampton 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 Allen Township, County, Pennsylvania, proposed to be issued is \$6,825,250.00, 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 twenty-five years.

SECTION 3. Said indebtedness shall be evidenced by one general obligation Note, in fully registered form, in the sum of \$6,825,250.00 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 5.99% per annum, payable on the unpaid balance of said Note on December 1, 2028 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 5.99% 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: See 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 Allen, Northampton 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 Allen 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 5.99% are as follows:

Year	Payment Amount	Interest Accrued	Principal Paid	Ending Balance
2024 Totals:	\$415,646.35	\$415,646.35	\$0.00	\$6,825,250.00
2025 Totals:	\$531,603.96	\$411,175.98	\$120,427.98	\$6,704,822.02
2026 Totals:	\$531,603.96	403,655.11	\$127,948.85	\$6,576,873.17
2027 Totals:	\$531,603.96	\$395,664.57	\$135,939.39	\$6,440,933.78
2028 Totals:	\$6,829,226.64	\$388,292.86	6,440,933.78	0.00
TOTALS:	\$8,839,684.87	\$2,014,434.87	\$6,825.250.00	

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

SECTION 6. The said Note shall be executed in the name and under the corporate seal of the local government unit by the Allen Township Chairman of the Board of Supervisors 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 of the Board of Supervisors 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. The First Northern Bank and Trust 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 2023 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 Secretary of the local government unit are hereby authorized to contract with First Northern Bank and Trust 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 \$6,825,250.00, herein authorized to be issued and sold is hereby awarded and sold to First Northern Bank and Trust in accordance with its proposal to purchase the said Note at par; provided the said Note is dated the delivery thereof to the First Northern Bank and Trust and is in the form set forth in this Ordinance as Exhibit A; 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 Express Times, 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 24 day of October, 2023.

ATTEST:

Allen Township Board of Supervisors

BY Dale M. Hasler
CHAIRMAN

BY [Signature]

[Signature]
Secretary

Commonwealth of Pennsylvania - Notary Seal
Amber R. Averbeck, Notary Public
Northampton County
My commission expires May 1, 2027
Commission number 1347253

AMORTIZATION SCHEDULE

Principal \$6,825,250.00	Loan Date 12-01-2023	Maturity 12-01-2028	Loan No	Call / Coll	Account	Officer	Initials
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

Borrower: Allen Township

Lender: First Northern Bank and Trust Co.
P.O. Box 217
Fourth Street and Lafayette Avenue
Palmerton, PA 18071
(800) 344-2274

Disbursement Date: December 1, 2023
Interest Rate: 5.990

Repayment Schedule: Irregular
Calculation Method: 365/360 J.S. Rule

Payment Number	Payment Date	Payment Amount	Interest Paid	Principal Paid	Remaining Balance
1	01-01-2024	35,205.02	35,205.02	0.00	6,825,250.00
2	02-01-2024	35,205.02	35,205.02	0.00	6,825,250.00
3	03-01-2024	32,933.73	32,933.73	0.00	6,825,250.00
4	04-01-2024	35,205.02	35,205.02	0.00	6,825,250.00
5	05-01-2024	34,069.37	34,069.37	0.00	6,825,250.00
6	06-01-2024	35,205.02	35,205.02	0.00	6,825,250.00
7	07-01-2024	34,069.37	34,069.37	0.00	6,825,250.00
8	08-01-2024	35,205.02	35,205.02	0.00	6,825,250.00
9	09-01-2024	35,205.02	35,205.02	0.00	6,825,250.00
10	10-01-2024	34,069.37	34,069.37	0.00	6,825,250.00
11	11-01-2024	35,205.02	35,205.02	0.00	6,825,250.00
12	12-01-2024	34,069.37	34,069.37	0.00	6,825,250.00
2024 TOTALS:		415,646.35	415,646.35	0.00	
13	01-01-2025	44,300.33	35,205.02	9,095.31	6,816,154.69
14	02-01-2025	44,300.33	35,158.10	9,142.23	6,807,012.46
15	03-01-2025	44,300.33	31,713.11	12,587.22	6,794,425.24
16	04-01-2025	44,300.33	35,046.02	9,254.31	6,785,170.93
17	05-01-2025	44,300.33	33,869.31	10,431.02	6,774,739.91
18	06-01-2025	44,300.33	34,944.48	9,355.85	6,765,384.06
19	07-01-2025	44,300.33	33,770.54	10,529.79	6,754,854.27
20	08-01-2025	44,300.33	34,841.91	9,458.42	6,745,395.85
21	09-01-2025	44,300.33	34,793.13	9,507.20	6,735,888.65
22	10-01-2025	44,300.33	33,623.31	10,677.02	6,725,211.63
23	11-01-2025	44,300.33	34,689.01	9,611.32	6,715,600.31
24	12-01-2025	44,300.33	33,522.04	10,778.29	6,704,822.02
2025 TOTALS:		531,603.96	411,175.98	120,427.98	
25	01-01-2026	44,300.33	34,583.84	9,716.49	6,695,105.53
26	02-01-2026	44,300.33	34,533.72	9,766.61	6,685,338.92
27	03-01-2026	44,300.33	31,146.25	13,154.08	6,672,184.84
28	04-01-2026	44,300.33	34,415.50	9,884.83	6,662,300.01
29	05-01-2026	44,300.33	33,255.98	11,044.35	6,651,255.66
30	06-01-2026	44,300.33	34,307.54	9,992.79	6,641,262.87
31	07-01-2026	44,300.33	33,150.97	11,149.36	6,630,113.51
32	08-01-2026	44,300.33	34,198.49	10,101.84	6,620,011.67
33	09-01-2026	44,300.33	34,146.39	10,153.94	6,609,857.73
34	10-01-2026	44,300.33	32,994.21	11,306.12	6,598,551.61
35	11-01-2026	44,300.33	34,035.69	10,264.64	6,588,286.97
36	12-01-2026	44,300.33	32,886.53	11,413.80	6,576,873.17
2026 TOTALS:		531,603.96	403,655.11	127,948.85	
37	01-01-2027	44,300.33	33,923.88	10,376.45	6,566,496.72
38	02-01-2027	44,300.33	33,870.35	10,429.98	6,556,066.74
39	03-01-2027	44,300.33	30,543.99	13,756.34	6,542,310.40
40	04-01-2027	44,300.33	33,745.60	10,554.73	6,531,755.67
41	05-01-2027	44,300.33	32,604.35	11,695.98	6,520,059.69
42	06-01-2027	44,300.33	33,630.83	10,669.50	6,509,390.19
43	07-01-2027	44,300.33	32,492.70	11,807.63	6,497,582.56
44	08-01-2027	44,300.33	33,514.89	10,785.44	6,486,797.12
45	09-01-2027	44,300.33	33,459.26	10,841.07	6,475,956.05
46	10-01-2027	44,300.33	32,325.81	11,974.52	6,463,981.53
47	11-01-2027	44,300.33	33,341.57	10,958.76	6,453,022.77
48	12-01-2027	44,300.33	32,211.34	12,088.99	6,440,933.78
2027 TOTALS:		531,603.96	395,664.57	135,939.39	
49	01-01-2028	44,300.33	33,222.69	11,077.64	6,429,856.14
50	02-01-2028	44,300.33	33,165.55	11,134.78	6,418,721.36
51	03-01-2028	44,300.33	30,972.11	13,328.22	6,405,393.14