

ORDINANCE NO. 2021-3

TAX ORDINANCE 2022

AN ORDINANCE OF THE BOROUGH OF DILLSBURG, YORK COUNTY, PENNSYLVANIA, FIXING CERTAIN TAX RATES FOR THE NON-EXEMPT REAL PROPERTY AND OCCUPATIONS FOR THE YEAR 2022

BE IT ENACTED AND ORDAINED by the Council of the Borough of Dillsburg, York County, Pennsylvania, in accordance with the Consolidated Ordinances of the Borough of Dillsburg, and by virtue of the power and authority vested in said Council, as follows:

Section 1: Tax Levy

A. Real Estate: There is hereby imposed and levied on all non-exempt real property located with the Borough of Dillsburg, for the fiscal year 2022, a tax calculated at the rate of 2.87 mills, based upon the assessed valuation as established by the Assessor for the Borough of Dillsburg, or in lieu thereof, as assessed by the York County Assessment Office.

B. Occupational Assessment: There is hereby imposed upon the occupation of all residents of the Borough of Dillsburg, for the fiscal year 2022, a tax collected at the rate of 1200 mills, based upon the assessed valuation as established by the Assessor for the Borough of Dillsburg, or in lieu thereof, as assessed by the York County Assessment Office.

Section 2: Notice and Payment of Tax

A. On or before the first day of April 2022, the Tax Collector shall send to each person, upon whom tax is imposed in Section 1 hereof, a notice of tax due. Such notice may be consolidated with a notice of any other tax to be collected by the Tax Collector provided, however, that each tax shall be stated separately thereon.

Section 3: Rebated and Penalties

A. Any taxpayer subject to the payment of a tax levied by this Ordinance shall be entitled to a discount of Two Percent (2%) of the amount of such tax upon making payment of the entire amount within two months after the date of the tax notice.

B. A taxpayer subject to payment of a tax levied by this Ordinance who shall fail to make the payment of such tax with four months after the due date of the notice shall be charged a penalty of Ten Percent (10%), which penalty shall be added to the tax by the Tax Collector, and shall be collected by the Tax Collector.

C. Real estate taxes, which remain unpaid by January 1st of the year following the year of imposition, shall be returned to the York County Tax Claim Bureau in accordance with the law.

Section 4: Effective Date

This Ordinance and the taxes imposed thereby shall become effective January 1, 2022.

Section 5: Repealer and Severability

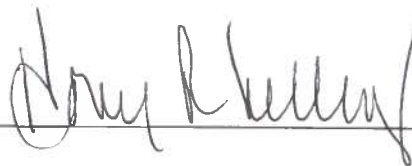
Any Ordinance or part thereof, conflicting with this Ordinance shall be, and hereby is, repealed insofar as it conflicts with this Ordinance. Further, the provisions of the Ordinance are severable. If any sentence, clause, or section of the Ordinance is for any reason found to be unconstitutional, illegal, or invalid, such unconstitutionally, illegality, or invalidity shall not affect or impair any of the remaining provisions of the Ordinance. It is hereby declared to be the intent of the Borough Council of the Borough of Dillsburg that this Ordinance would have been adopted had such unconstitutional, illegal or invalid sentence, clause, or section not been included herein.

ENACTED AND ORDAINED this 14th day of December, 2021.

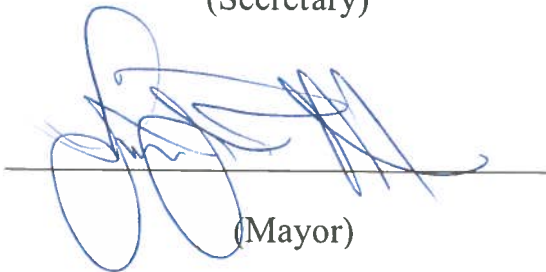
ATTEST:



(Secretary)



(President)



(Mayor)

ORDINANCE NO. 2021 – 1

OF THE BOROUGH COUNCIL OF THE BOROUGH OF DILLSBURG, YORK COUNTY, PENNSYLVANIA (THE “BOROUGH”), APPROVING AND AUTHORIZING THE INCREASE OF THE INDEBTEDNESS OF THE BOROUGH OF DILLSBURG, BY DIRECTING THE ISSUANCE OF A GENERAL OBLIGATION NOTE IN THE MAXIMUM PRINCIPAL AMOUNT OF \$2,500,000.00 TO BE ISSUED TO ACNB BANK (the “PURCHASER” OR THE “BANK”), PURSUANT TO THE LOCAL GOVERNMENT UNIT DEBT ACT, TO FUND THE CONSTRUCTION OF A NEW MUNICIPAL BUILDING TO SERVE THE DILLSBURG COMMUNITY (HEREINAFTER THE “PROJECT”); ACCEPTING A CERTAIN PROPOSAL FOR THE PURCHASE OF SUCH NOTE (THE “COMMITMENT LETTER” WHICH TERM INCLUDES ANY AMENDMENT THERETO, RESTATEMENT OR REISSUANCE THEREOF HEREAFTER MADE), AT PRIVATE SALE WHICH COMMITMENT LETTER IS HEREBY ACCEPTED AND APPROVED; RESTATING THE REALISTIC USEFUL LIFE OF SAID PROJECT; AUTHORIZING AND DIRECTING APPROPRIATE OFFICERS OF THE BOROUGH TO TAKE CERTAIN ACTIONS AND TO EXECUTE CERTAIN DOCUMENTS REQUIRED BY THE PENNSYLVANIA LOCAL GOVERNMENT UNIT DEBT ACT; APPROVING THE SUBSTANTIAL FORM, MAXIMUM PRINCIPAL AMOUNT, DATE, INTEREST, MATURITY, AND SOURCES OF PAYMENT OF SAID OBLIGATION, ISSUED AS NON-ELECTORAL, GENERAL OBLIGATION DEBT OF THE BOROUGH SECURED BY THE GENERAL REVENUES OF THE BOROUGH AND PLEDGING THE FULL FAITH, CREDIT, AND TAXING POWER OF THIS BOROUGH IN SUPPORT THEREOF; APPOINTING A PAYING AGENT AND SINKING FUND DEPOSITORY; MAKING CERTAIN COVENANTS WITH RESPECT THERETO AS REQUIRED BY THE DEBT ACT AND THE PENNSYLVANIA CONSTITUTION; PROVIDING FOR REPEAL OF ALL INCONSISTENT ORDINANCES OR PARTS OF ORDINANCES; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE.

WHEREAS, the Borough of Dillsburg (the “BOROUGH”) is a political subdivision of the Commonwealth of Pennsylvania (the “Commonwealth”) and is a “local government unit” under provisions of the “local Government Unit Debt Act”, 53 Pa C.S.A. §8001 et. seq. (the “Act”); and

WHEREAS, the BOROUGH has determined that it is in the best interest of the BOROUGH to construct a new municipal building to serve the residents of the BOROUGH; and

WHEREAS, the BOROUGH, with respect to the Project, has obtained from professional consultants realistic cost estimates with respect to the Project based upon professional estimates and has determined the estimated cost thereof, as defined in the Act, and specifying all costs related to the Project to be estimated at \$2,500,000.00; and

WHEREAS, the BOROUGH has determined that private sale by negotiation is in the best financial interest of the BOROUGH in regards to obtaining financing for the Project; and

WHEREAS, the BOROUGH solicited proposals from multiple financial institutions for the purchase of its general obligation note; and

WHEREAS, ACNB Bank (the “Purchaser” or “Bank”) has submitted a bid to purchase the general obligation note of the BOROUGH, and such bid has been duly opened, read, and considered; and

WHEREAS, the BOROUGH has received a commitment letter (the “Commitment Letter”) from the Bank for the purchase of the general obligation note in a maximum principal amount of \$2,500,000.00 for the purpose of providing financing for the Project; and

WHEREAS, financing for the Project is to be evidenced and secured by the BOROUGH’s 2021 General Obligation Note (the “Note”); and

WHEREAS, the BOROUGH desires to: accept the bid of the Purchaser at par with a maximum purchase price of \$2,500,000.00; award the Note to the Purchaser; and to incur the non-electoral debt in the maximum principal amount of \$2,500,000.00 pursuant to the provisions of the Act for the purpose of payment of costs and expenses related to the Project, including the cost of issuance; and

WHEREAS, the proposed increase of indebtedness 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 BOROUGH desires to reaffirm its approval and authorization of the Project; approve and authorize the financing, including acceptance of the Commitment Letter and issuance of debt in a principal amount not to exceed \$2,500,000.00 as evidenced by the Note; and authorize proper officers and officials of, and consultants to, the BOROUGH to take action and perform such acts as are necessary and proper for the completion of the Project.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED, by the Borough Council of the Borough of Dillsburg, York County, Pennsylvania, as follows:

ARTICLE I

SECTION 1.01. The BOROUGH hereby authorizes and directs the issuance of a General Obligation Note of this BOROUGH, as provided in Section 2.01 hereof and as permitted by the Pennsylvania Local Government Unit Debt Act, 53 Pa.C.S.A. §8001 et. seq. (the “Act”), pursuant to this Ordinance (the “Ordinance”) to provide funds for and towards the Project, and paying related costs, fees, and expenses of the Project, as such costs are permitted and defined in Section 8007 of the Act.

SECTION 1.02. The Recitals to this Ordinance, including the defined terms and description of the Project are hereby incorporated herein by reference as if set out at length.

SECTION 1.03. The BOROUGH specifies that the realistic, estimated, useful life of the Project is thirty-five (35) years. The BOROUGH estimates that the Project will be completed by December 31, 2021.

ARTICLE II

SECTION 2.01. The BOROUGH authorizes and directs, as permitted by the Act, the issuance of a general obligation note of this BOROUGH, in the maximum principal amount of \$2,500,000.00, to be designated generally as the 2021 General Obligation Note (the “Note”), to

the Purchaser, in accordance with the Act, for purposes of the Project, and hereby determines that the debt to be incurred hereby, of which debt the Note shall be evidence, shall be non-electoral debt of this BOROUGH.

SECTION 2.02. The BOROUGH covenants to and with the Purchaser and such other holders, from time to time, of the Note that this BOROUGH shall do the following: (i) include the amount of the debt service for the Note, for each fiscal year of this BOROUGH in which such sums are payable, in its budget for that fiscal year; (ii) appropriate such amounts from its tax and other general revenues for the payment of such debt service; and (iii) duly and punctually pay or cause to be paid from the sinking fund created pursuant to Section 2.07 hereof, or any other of its revenues or funds, the principal and interest due under the Note, at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, this BOROUGH does pledge, irrevocably, its full faith, credit, and taxing power. The foregoing covenant of this BOROUGH shall be specifically enforceable.

SECTION 2.03. The Note, when issued, will be a general obligation of this BOROUGH.

SECTION 2.04. The BOROUGH shall and does accept the proposal of the Purchaser (the "Commitment Letter"), for purchase of the Note at par with the maximum purchase price of \$2,500,000.00, and the Note shall be and is awarded to the Purchaser in accordance with the terms and conditions of the Commitment Letter, at private sale by negotiation. This BOROUGH finds that a private sale by negotiation is in the best financial interest of this BOROUGH.

SECTION 2.05. The form of the Note shall be substantially as set forth in Exhibit "A", which is attached hereto and made a part hereof, with appropriate insertions and variations. The Note shall be in the denomination, shall be subject to redemption, shall bear interest at the rates per annum, and principal and interest shall be payable in the amounts and on the dates substantially set forth in said form of the Note and in the schedule set forth as Exhibit "B", which is attached hereto and made a part hereof. In accordance with Section 8142 (b)(1) of the Act, the principal installments of the Note have been fixed so as to amortize the Note on at least an approximately level annual debt service plan during the term of the Note.

SECTION 2.06. The Note shall be executed in the name of and on behalf of this BOROUGH by the manual signature of the President or Vice President of the Borough Council of this Borough, and the official seal of this BOROUGH shall be affixed thereto and the manual signature of the Secretary or Assistant Secretary shall be affixed thereto in attestation thereof; and said officers are authorized to execute and attest the Note.

SECTION 2.07. There is created, pursuant to Section 8221 of the Act, a sinking fund for the Note, to be known as "Sinking Fund – 2021 General Obligation Note" (the "Sinking Fund"), which Sinking Fund shall be administered in accordance with applicable provisions of the Act.

SECTION 2.08. The BOROUGH appoints ACNB Bank, with a branch in Dillsburg, Pennsylvania (the "Bank"), as the sinking fund depository with respect to the Sinking Fund, and as Paying Agent. Appropriate officers of this BOROUGH are authorized and directed to contract with the Bank for its services as paying agent with respect to the Note and as sinking fund depository in connection with the Sinking Fund.

SECTION 2.09. The BOROUGH covenants to make payments out of the Sinking Fund, or out of any other of its revenues or funds, at such times and in such amounts as shall be sufficient for prompt and full payment of all obligations of the Note when due.

SECTION 2.10. The President or Vice President of Borough Council and the Secretary or Assistant Secretary, respectively, of this BOROUGH, which shall include their duly qualified successors in office, if applicable, are authorized and directed, as required, necessary and appropriate: (i) to prepare, to certify, and to file with the Department of Community and Economic Development of the Commonwealth (the "Department") the debt statement required by Section 8110 of the Act; (ii) to prepare for filing with the Department an appropriate borrowing base certificate as required by Section 8110 of the Act; (iii) to prepare and to file the application with the Department, together with a complete and accurate transcript of the proceedings for the required approval relating to the debt, of which debt the Note, upon issuance, will be evidence, as required by Section 8111 of the Act; (iv) to pay or cause to be paid to the Department all proper filing fees required in connection with the foregoing; and (v) to take other required, necessary and/or appropriate action.

SECTION 2.11. It is declared that the debt to be incurred hereby, together with any other indebtedness of this BOROUGH, is not in excess of any limitation imposed by the Act upon the incurring of debt by this BOROUGH.

SECTION 2.12. The principal of and interest on the Note shall be payable at the principal office, or any branch office of the Purchaser, in lawful money of the United States of America.

SECTION 2.13. The BOROUGH determines that it has not issued, and does not reasonably expect to issue, tax-exempt obligations, together with all tax-exempt obligations issued and reasonably expected to be issued by entities that must be aggregated with it pursuant to the Internal Revenue Code of 1986, as amended the (the "Code"), which, in the aggregate, exceed or will exceed Ten Million Dollars (\$10,000,000) during the 2021 calendar year and, accordingly, hereby designates the Note as a "qualified tax-exempt obligation," as defined in Section 265(b)(3)(B) of the Code, for the purposes and with the effect contemplated by Section 265 of the Code.

ARTICLE III

SECTION 3.01. For the purpose of providing funds for the financing of the Project, and to pay related costs and expenses in connection with the issuance of the Note, this BOROUGH hereby authorizes the execution and delivery of all other agreements, documents, certificates, and related instruments necessary or appropriate to issue and deliver the Note to the Purchaser (this Ordinance, the Note, and all other agreements, documents, certificates, and instruments to be executed and delivered concurrently with the issuance of the Note are collectively referred to herein as "Loan Documents"), and authorizes the taking of all actions necessary and required under the provisions of the Loan Documents.

SECTION 3.02. The forms, terms, and conditions of the Note and other documents, substantially in the forms submitted to this meeting, are hereby approved. The President or Vice President of this Borough Council is hereby authorized to execute all documents necessary to effectuate the issuance of the Note, subject to such changes and modifications, if any, as may be approved by such officers, the execution of such documents to constitute conclusive evidence of such approval, and the Secretary or Assistant Secretary of this BOROUGH is hereby authorized to cause the official seal of the BOROUGH to be affixed thereto and to attest to the same. Appropriate officers of this BOROUGH are further authorized to acknowledge the same, as appropriate, on behalf of this BOROUGH and to deliver said documents to the Purchaser.

SECTION 3.03. The Note shall be repaid at the times and in the amounts and is subject to early repayment all as set forth in the Loan Documents.

SECTION 3.04. Upon receipt, the proceeds of the Note shall be applied by this BOROUGH under the terms and conditions set forth in the Loan Documents.

SECTION 3.05. Appropriate officers of this BOROUGH are hereby authorized, empowered, and directed on behalf of this BOROUGH to execute any and all paper and documents and to do or cause to be done any and all acts and things necessary or proper for the execution and carrying out of this Ordinance and the Loan Documents.

SECTION 3.06. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of this BOROUGH that such remainder shall be and shall remain in full force and effect.

SECTION 3.07. All ordinances or parts of ordinances that are inconsistent herewith shall be and the same expressly are repealed.

SECTION 3.08. This Ordinance shall be effective in accordance with the Act.

DULY ENACTED AND ORDAINED, this 19 day of May, 2021, by the Council of the Borough of Dillsburg, in lawful session duly assembled.

BOROUGH OF DILLSBURG,
York County, Pennsylvania

Holly Kelley, President of Borough Council

ATTEST:

Debbi L. Beitzel, Secretary


(SEAL)

Honorable John Richardson,
Mayor of the Borough of Dillsburg


SECTION 3.08. This Ordinance shall be effective in accordance with the Act.

DULY ENACTED AND ORDAINED, this 19th day of May, 2021, by the
Council of the Borough of Dillsburg, in lawful session duly assembled.

BOROUGH OF DILLSBURG,
York County, Pennsylvania

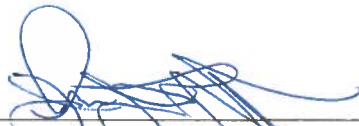

~~Holly Kelley, President of Borough Council~~
**MATTHEW FAWBER VP OF BOROUGH
COUNCIL**

ATTEST:



Debbi L. Beitzel, Secretary
Karen Deibler - Asst. Sec

(SEAL)



Honorable John Richardson,
Mayor of the Borough of Dillsburg