

**BOROUGH OF SHENANDOAH**

**PRE 1988 - FINANCIAL HISTORY**

**1988- FINANCIAL STATUS**

**ESTIMATED 300-400K UNPAID BILLS**

**MARCH 30, 1988**

**BOROUGH PETITIONS DCA FOR DISTRESSED MUNICIPALITY DESIGNATION UNDER ACT 47**

**APRIL 18, 1988**

**BOROUGH FILES A PETITION OF MUNICIPAL BANKRUPTCY UNDER CHAPTER 9**

**DCA STRONGLY ADVISES AGAINST FILING PETITION FOR MUNICIPAL BANKRUPTCY**

**MAY 20, 1988**

**DCA SECRETARY DECLARES SHENANDOAH A FINANCIALLY DISTRESSED MUNICIPALITY UNDER ACT 47**

**FACTORS LEADING TO THE DISTRESSED DETERMINATION WERE AS FOLLOWS:**

- 1. A FAILURE OF THE BOROUGH TO PAY OBLIGATIONS IN A TIMELY MANNER AND CONSIDERABLE UNCERTAINTY AS TO THE AMOUNT OF PAST DUE OBLIGATIONS.**
- 2. THE FILING OF A MUNICIPAL DEBT ADJUSTMENT ACTION (FEDERAL BANKRUPTCY FILING) BY THE BOROUGH.**
- 3. AN INABILITY OF THE BOROUGH TO BALANCE ITS 1998 BUDGET DUE TO LARGE, UNANTICIPATED OBLIGATIONS.**
- 4. INEFFECTIVE FINANCIAL MANAGEMENT.**

**\$384,299.00 IDENTIFIED IN UNPAID BILLS INCLUDING \$170,065.00 IN DELINQUENT PAYROLL WITHHOLDINGS**

JULY, 1988

DCA APPROVES AN EMERGENCY LOAN IN THE AMOUNT OF \$292,100.00

PUBLIC FINANCIAL MANAGEMENT, INC. WAS DESIGNATED AS PLAN COORDINATOR AND CHARGED WITH PREPARING A RECOVERY PLAN FOR THE BOROUGH

RECOMMENDATIONS NOTED IN THE RECOVERY INCLUDED BUT NOT LIMITED TO:

1. UPDATED BOROUGH MANAGER ORDINANCE AND CONTINUE EFFORTS TO HIRE ONE.
2. DEVELOP JOB DESCRIPTIONS FOR PERSONNEL.
3. DEVELOP MANUAL FOR PURCHASING, ACCOUNTING AND OTHER ADMINISTRATIVE DUTIES.
4. ANNUAL BUDGET AND FINANCIAL PROCESSES SHOULD BE DOCUMENTED.
5. COMPUTERIZATION OF GARBAGE, SEWER AND PAYROLL ACCOUNTS.
6. EXPAND UTILIZATION OF COMPUTER SYSTEM TO INCLUDE ACCOUNTS PAYABLE.

REVENUE/ENHANCEMENTS, EXPENDITURE RECOMMENDATIONS INCLUDED

1. REAL ESTATE MILLAGE INCREASES.
2. USER FEE INCREASES FOR SEWER AND TRASH COLLECTION SERVICES.
3. UTILIZE COMPUTER SYSTEM TO MONITOR COLLECTION OF ACCOUNTS RECEIVABLE.
4. SALARY/BENEFIT INCREASES SHOULD BE CAPPED.
5. UTILIZE COUNTY DISPATCH SYSTEM.
6. RENEW CONSIDERATION OF REGIONAL POLICE FORCE.
7. UTILIZE TRAINING OPPORTUNITIES PROVIDED BY DCA.
8. PURSUE GRANT FUNDING FOR COMMUNITY/ECONOMIC DEVELOPMENT.
9. SUPPORT PUBLIC/PRIVATE PARTNERSHIPS.

APRIL 16, 1993

DCA SECRETARY KAREN MILLER LIFTS DISTRESSED DESIGNATION FOR THE  
BOROUGH OF SHENANDOAH

SUMMATION

DID ACT 47 WORK FOR THE BOROUGH OF SHENANDOAH?