



County of Lackawanna

Lackawanna County
Administration Building
200 Adams Avenue
Scranton, Pennsylvania
18503

Certified Copy

Ordinance: 13-0042

File Number: 13-0042

Ordinance #225

Re-Adoption of the Issuance of General Obligation Note, Series Of 2013

First Reading: January 23, 2013

Second Reading: February 5, 2013

Re-Adoption: March 13, 2013

BOARD OF COMMISSIONERS
OF THE
COUNTY OF LACKAWANNA, PENNSYLVANIA

AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF LACKAWANNA, PENNSYLVANIA. SETTING FORTH ITS INTENT TO ISSUE A GENERAL OBLIGATION NOTE, SERIES OF 2013 OF THE COUNTY IN THE PRINCIPLE AMOUNT OF TWO MILLION EIGHT HUNDRED THIRTY FOUR THOUSAND, ONE HUNDRED EIGHT DOLLARS (\$2,834,108.00) PURSUANT TO THE ACT OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA, 53 PA.C.S. CHAPTERS 80-82, AS AMENDED, REENACTED AND SUPPLEMENTED AND KNOWN AS THE LOCAL GOVERNMENT UNIT DEBT ACT (THE "ACT"); FINDING THAT A PRIVATE SALE BY NEGOTIATIONS IS IN THE BEST FINANCIAL INTERESTS OF THE COUNTY; DETERMINING THAT SUCH 2013 NOTE SHALL EVIDENCE NONELECTORAL DEBT OF THE COUNTY; SPECIFYING THAT SUCH INDEBTEDNESS IS TO BE INCURRED TO PROVIDE FUNDS TO FINANCE A PROJECT OF THE COUNTY WHICH CONSISTS OF THE FOLLOWING: (1) FUNDING THE INSTALLATION OF A COUNTYWIDE WIRELESS NETWORK; AND (2) FUNDING THE COSTS AND EXPENSES OF ISSUANCE OF THE 2013 NOTE; SETTING FORTH THE REASONABLE ESTIMATED USEFUL LIFE OF THE PROJECT TO BE FINANCED BY THE 2013 NOTE; ACCEPTING A PROPOSAL FOR THE PURCHASE OF SUCH 2013 NOTE AT PRIVATE SALE BY NEGOTIATION; PROVIDING THAT SUCH 2013 NOTE, WHEN ISSUED, SHALL CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY; FIXING THE DENOMINATION, DATE, INTEREST PAYMENT DATES, INTEREST RATES, REDEMPTION PROVISIONS AND PLACE OF PAYMENT OF THE PRINCIPLE OF THE INTEREST ON SUCH 2013 NOTE; AUTHORIZING SPECIFIED OFFICERS OF THE COUNTY TO CONTRACT WITH THE PAYING AGENT FOR ITS SERVICES IN CONNECTION WITH THE 2013 NOTE; SETTING FORTH THE SUBSTANTIAL FORM OF THE 2013 NOTE; EVIDENCING THE DEBT; AUTHORIZING EXECUTION AND ATTESTATION OF SUCH 2013 NOTE; PROVIDING

COVENANTS RELATED TO DEBT SERVICE APPLICABLE TO SUCH 2013 NOTE TO THE EXTENT REQUIRED BY THE ACT AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE COUNTY IN SUPPORT THEREOF; CREATING A SINKING FUND IN CONNECTION WITH SUCH 2013 NOTE TO THE EXTENT REQUIRED BY THE ACT ; DESIGNATING THE PAYING AGENT TO BE THE SINKING FUND DEPOSITARY; PROVIDING A COVENANT TO INSURE PROMPT AND FULL PAYMENT FOR SUCH 2013 NOTE WHEN DUE; SETTING FORTH REGISTRATION AND TRANSFER PROVISIONS WITH RESPECT TO SUCH 2013 NOTE; AUTHORIZING THE EXECUTION OF ONE OF MORE INVESTMENT AGREEMENTS BY SPECIFIED OFFICERS OF THE COUNTY (IF APPLICABLE) AND THE PURCHASE OF CERTAIN U.S. TREASURY OBLIGATIONS OR ANY OTHER SECURITIES OR INVESTMENTS IN CONNECTION WITH THE PROJECT; AUTHORIZING AND DIRECTING SPECIFIED OFFICERS OF THE COUNTY TO DO, TO TAKE AND TO PERFORM CERTAIN SPECIFIED, REQUIRED, NECESSARY OR APPROPRIATE ACTS TO EFFECT THE ISSUANCE OF THE 2013 NOTE, INCLUDING WITHOUT LIMITATION, THE PREPARATION OF A DEBT STATEMENT AND BORROWING BASE CERTIFICATE AND THE FILING OF SPECIFIED DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, ALL AS REQUIRED BY THE ACT; DECLARING THAT THE DEBT TO BE EVIDENCED BY SUCH 2013 NOTE, TOGETHER WITH ALL OTHER INDEBTEDNESS OF THE COUNTY WILL NOT BE IN EXCESS OF ANY APPLICABLE LIMITATION IMPOSED BY THE ACT; AUTHORIZING PROPER OFFICERS OF THE COUNTY TO DELIVER THE 2013 NOTE UPON THE APPROVAL OF THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; SETTING FORTH CERTAIN COVENANTS PRECLUDING THE COUNTY FROM TAKING ACTIONS WHICH WOULD CAUSE THE 2013 NOTE TO BECOME AN "ARBITRAGE BOND" OR A "PRIVATE ACTIVITY BOND" AS THOSE TERMS ARE USED IN THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), AND APPLICABLE REGULATIONS PROMULGATED THERE UNDER; AUTHORIZING AND DIRECTING THE PREPARATION, EXECUTION AND DELIVERY OF ALL OTHER REQUIRED DOCUMENTS AND THE TAKING OF ALL OTHER REQUIRED ACTION; PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE; PROVIDING FOR SEVERABILITY OF PROVISIONS AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INSOFAR AS THE SAME SHALL BE INCONSISTENT THEREWITH.

WHEREAS, the County of Lackawanna, Pennsylvania the "(County)", is a home rule charter county operating under the Home Rule Charter and Optional Plans Law of the Commonwealth of Pennsylvania (the "Commonwealth"); and

WHEREAS, the Board of Commissioners of the County (the "Board") has determined to issue its General Obligation Note, Series of 2013, in the principle amount of \$2,834.108.00 (the "Note"); and

WHEREAS the project to be funded with the proceeds of the 2013 Note (the "Project") is as follows: (1) funding the installation of a countywide wireless network; (2) funding the costs and expenses of issuances of the 2013 Note: and

WHEREAS, it is necessary that the indebtedness of the County be increased for the purpose of funding 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 County, pursuant to constitutional and statutory authority, to be exceeded; and

WHEREAS, the county received a commitment letter for the financing of the Project (the "Commitment Letter"), which Commitment Letter is attached to this Ordinance as Exhibit "A", from the purchaser of the 2013 Note identified in the Commitment Letter (the "Purchaser"); and

WHEREAS, the County desires to formally approve the Project, to accept the Commitment Letter and to authorize the incurrence of nonelectoral debt under the Act, and the execution and delivery of the Commitment Letter.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED by the Board of Commissioners of the County of Lackawanna, Pennsylvania, and it is hereby enacted by the Board of the County as follows:

SECTION 1. Authorization of the 2013 Note. The principle amount of the 2013 Note of the County proposed to be issued pursuant to this Ordinance and the Act will be \$2,834,108.00. The 2013 Note shall be issued for the purpose of financing the Project and shall be incurred as nonelectoral debt of the County.

SECTION 2. Approval of the Project; Determination of Useful Life of the Project. The County hereby approves the Project to be undertaken collectively consisting of providing funds for the following: (1) installation of a wireless network for Lackawanna County; and (2) funding the costs and expenses of issuance of the 2013 Note.

It is hereby determined and declared that the estimated useful life of the project to be financed with the proceeds of the 2013 Note is at least 10 years. It is hereby certified that an aggregate principle amount of the 2013 Note at least equal to the realistic estimated cost of such project shall mature prior to the end of the useful life of such project.

Stated installments or maturities of principle of the 2013 Note will not be deferred beyond the later of one (1) year after the estimated date for the completion of the construction portion of the Project, if any, or two (2) years from the date of issuance of the 2013 Note.

The Board hereby finds and determined that the realistic cost estimates have been obtained for the costs of the Project from County officials, financial analysts, registered architects, professional engineers or other person's qualified experience to provide such estimates.

SECTION 3. Approval of the 2013 Note; Terms of Repayment. The indebtedness to be incurred hereunder shall be evidenced by one general obligation note of the County, to be designated "County of Lackawanna, Pennsylvania. General Obligation Note. Series of 2013".

The 2013 Note will be issued in the principle amount of \$2,834,108.00, dated and bearing interest from the date of issue, at a maximum rate of interest specified in the Commitment Letter, payable on the unpaid balance of the 2013 Note during the term of the 2013 Note. Interest is payable on the unpaid balance of the 2013 Note during its term until paid. The 2013 Note shall mature in installments of principle at the maximum tax-exempt rate or rates of interest as shown on the attached schedule hereinafter referred to as "Exhibit B-1". In accordance with the Commitment Letter, if the

Note shall at any time be considered taxable, it shall mature in installments of principle and at the maximum rate or rates of interest as shown on the attached schedule hereinafter referred to as "Exhibit B-2".

The County reserves the right to anticipate any or all installments of principle or any payment of interest at any time prior to the respective payment dates thereof, in accordance with the limitations as specified in the Commitment Letter, if any.

The Note is subject to extraordinary mandatory redemption by the County prior to maturity, as a whole or in part at any time, at 100% of the par amount thereof, plus accrued interest thereon to the date fixed for such extraordinary mandatory redemption to the extent that there are "available amounts" generated in the preceding fiscal year of the County as determined by the County under § 1.148-6(d)(3)(iii) of the regulations promulgated pursuant to the Internal Revenue Code of 1986, as amended. Such determination shall be made by the County at the end of the fiscal year of the County.

The principle and interest on the 2013 Note shall be payable at the office of the sinking fund depository selected for the 2013 Note as hereinafter provided.

SECTION 4. General Obligation Note of the County. The 2013 Note, when issued, will be a general obligation of the County. The County hereby covenants that (a) it shall include the amount of debt service on the 2013 Note for each fiscal year in which such sums are payable in its budget for that year; (b) it shall appropriate such amounts from its general revenues for the payment of such debt service; and (c) it shall duly and punctually pay or cause to be paid from its general revenues the principle of the 2013 Note and the interest thereon at the dates and places and in the manner stated in the 2013 Note according to the intent and meaning thereof, and (d) for such proper budgeting, appropriation, and payment, the full faith, credit, and taxing power of the County are hereby irrevocably pledged.

The Maximum amounts which the County hereby covenants to pay in each of the fiscal years that the 2013 Note is outstanding on the basis of the maximum tax-exempt rate or rates of interest as specified in the Commitment Letter are shown on "Exhibit A" hereto. If necessary, the maximum amounts which the County hereby covenants to pay in each of the fiscal years that the 2013 Note is outstanding on the basis of the minimum taxable rates of interest as specified in the Commitment Letter are shown on "Exhibit A-1" hereto.

SECTION 5. Covenants Regarding Use of Proceeds and Compliance with Tax Code Requirements. The County covenants to and with the registered owner of the 2013 Note that it will make no use of the proceeds of such issue or do or suffer any other action which, if such use or action had been reasonably expected on the date of issue of such 2013 Note, would cause the 2013 Note to be an "arbitrage bond" or a "private activity bond" as those terms are defined in Section 148 and Section 141 of the Code and the applicable regulations there under. The County further covenants that it will comply with the requirements of such Section 148 and Section 141 and with the regulations there under throughout the term of this issue. In addition, the chairman or any other Commissioners of the Board, being the official(s) responsible for issuing the 2013 Note, attested by the Chief of Staff or Assistant Chief of Staff of the County, are hereby authorized and directed to execute and deliver, in the name and on behalf of the County, any and all documents or other instruments which Bond Counsel may reasonably request in connection with the providing of its

opinion that the 2013 Note is not an “arbitrage bond” or a “private activity bond” within the meaning of Section 148 and Section 141 of the Code and the regulations promulgated there under, including, without limitation, a certificate dated the date of issuance and delivery of the 2013 Note, which certificate shall set forth the reasonable expectations of the County as to the amount and use of the proceeds of the 2013 Note.

SECTION 6. Form of 2013 Note. The form of the 2013 Note shall be substantially as shown on the attached: Exhibit C.” with such changes as may be approved by the officers of the County executing such 2013 Note.

SECTION 7. Execution of the 2013 Note and Other Documents and Instruments; Delivery and Payment. The 2013 Note shall be executed in the name and under the corporate seal of the County by the Chairman or any other Commissioner of the Board, and attested to by the Chief of Staff or Assistant Chief of Staff of the County. Such 2013 Note shall be in substantially the form attached hereto together with such changes, modifications, insertions and deletions as such officers, with the advice of Counsel, deem necessary and appropriate; their execution and delivery thereof shall be conclusive evidence of the approval and authorization by the County of the final terms of the 2013 Note. The Chief of Staff, Assistant Chief of Staff, Treasurer or other proper official of the County is hereby authorized and directed to deliver the 2013 Note to the Purchaser, and receive payment therefore on behalf of the County. The Chairman or any other Commissioner of the Board and the Chief of Staff or Assistant Chief of Staff of the County 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, the filing, either before or after the issuance of the 2013 Note, additional debt statements or any statements required to qualify any portion of the debt from the appropriate debt limit as self-liquidating or subsidized debt.

SECTION 8. Designation of Sinking Fund Depository and Paying Agent. The Chairman or any other Commissioner of the Board and the Chief of Staff or Assistant Chief of Staff of the County are hereby authorized empowered and directed to contract with Fidelity Deposit and Discount Bank or another bank or trust company authorized to do business in the Commonwealth of Pennsylvania. As selected by the Chairman of the Board (the “Paying Agent”), for its services as paying agent and sinking fund depository in accordance with the terms of the Proposal, this Ordinance and the Act and there is hereby created and established with the Paying Agent a sinking fund, to be known as the “County of Lackawanna, Pennsylvania, Sinking Fund-General Obligation Note, Series of 2013”(the “Sinking Fund”). The Sinking Fund shall be maintained until the 2013 Note has been paid in full. The Chief of Staff, Assistant Chief of Staff, Treasurer or other appropriate officer of the County shall deposit into the Sinking Fund amounts upon which such debt service on the 2013 Note becomes due and payable. The Paying Agent shall as and when said payments are due, without further action or direction by the County withdraw available monies in the Sinking Fund and apply said monies to payment of the principle of and interest on the 2013 Note.

SECTION 9. Sale of 2013 Note; Acceptance of Commitment Letter. In compliance with Section 8161 of the Act the Board has determined that a private sale by negotiation, rather than public sale, is in the best financial interest of the County. The Commitment Letter is hereby accepted and the 2013 Note in the principle amount of \$2,834,108.00, herein authorized to be issued and sold, is

hereby awarded and sold to the Purchaser in accordance with its commitment to purchase the 2013 Note at par; provided the 2013 Note is dated the date of delivery thereof to the Purchaser and is in substantially the form set forth in "Exhibit C" to this Ordinance with such changes as may be approved by the officers of the County executing such 2013 Note, and further provided that the proceedings have been approved by the Department of Community and Economic Development as required under the provisions of the Act. A copy of said Commitment Letter shall be attached hereto as "Exhibit A" and is hereby incorporated herein by reference.

SECTION 10. Investment of Proceeds. If necessary, the County hereby approves the execution of one or more investment agreements, the purchase of certain U.S. Treasury obligations or any other securities or investments (the "Investment") for investment of the proceeds of the 2013 Note in connection with the Project. The County hereby authorizes and directs the Chairman or any other Commissioner of the Board, to execute, and the Chief of Staff or Assistant Chief of Staff of the County to attest any investment agreement on behalf of the County, in the form approved by the Solicitor to the County. The Investments shall be limited to those authorized under law for proceeds of the 2013 Note.

SECTION 11. Payments of Expenses. All expenses incurred in connected with the issuance of the 2013 Note shall be paid out of the proceeds derived from the issuance of the 2013 Note and the Chairman or any other Commissioner of the Board is authorized to approve requests for payment of such expenses and to pay such expenses.

SECTION 12. Legal Advertisements. The action of the proper officers and the advertising of a summary of this Ordinance as required by law in a newspaper of general circulation in the County is ratified and confirmed. The advertisement of enactment in said newspaper is hereby directed within ten (10) days following the day of final enactment.

SECTION 13. Delivery of Documents and Instruments. The Board hereby authorizes and directs its Chairman, any other Commissioner of the County, the Chief of Staff, the Assistant Chief of Staff, the Treasurer and any other proper officer of the County (without limitation except as may be expressly set forth herein) to execute and deliver such other documents. Certificates, agreements, and other instruments and to take such other action as may be necessary, proper or desirable to effect the completion of the financing or the intent and purposes of this Ordinance.

SECTION 14. Severability. 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 the County that the remainder of the Ordinance shall remain in full force and effect.

SECTION 15. Conflicts. All ordinances or parts of ordinances not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.

SECTION 16. Effective Date. This Ordinance shall be effective in accordance with Section 8003 of the Act.

ADOPTED at a regular meeting of the Board of Commissioners of Lackawanna

County held on March 13, 2013.

COUNTY OF LACKAWANNA



COREY D. O'BRIEN



JIM WANSACZ



PATRICK M. O'MALLEY

ATTEST:



MARIA ELKINS
CHIEF OF STAFF

Approved as to form and legality:



DONALD J. FREDERICKSON, ESQUIRE
COUNTY SOLICITOR

EXHIBIT "A"

Commitment



County of Lackawanna

Lackawanna County
Administration Building
200 Adams Avenue
Scranton, Pennsylvania
18503

Certified Copy

Resolution: 12-0245

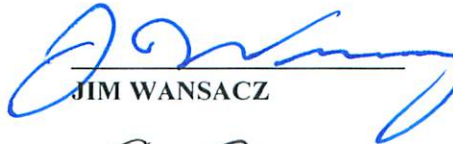
File Number: 12-0245

Entering into an Agreement with Fidelity Bank

BE IT RESOLVED, that the Board of Commissioners of Lackawanna County does hereby enter into an agreement with Fidelity Deposit & Discount Bank to finance the County's Carrier Grade Wireless Network, final terms pending bank underwriting.

ADOPTED at a regular meeting of the Board of Commissioners of Lackawanna County held on November 14, 2012.

COUNTY OF LACKAWANNA


JIM WANSACZ



COREY D. O'BRIEN


PATRICK M. O'MALLEY

ATTEST:


MARIA ELKINS
CHIEF OF STAFF

Approved as to form and legality:


DONALD J. FREDERICKSON, ESQUIRE
COUNTY SOLICITOR



November 7, 2012

Lackawanna County
Board of Commissioners
c/o Thomas Durkin, Director of Administrative Service/CFO
200 Adams Ave.
6th floor
Scranton, PA 18503

RE: Financing Proposal

Dear Board of Commissioners,

The Fidelity Deposit and Discount Bank is pleased to present the following financing proposal for your review. Our proposal is intended to be as flexible as possible as we would like to work with Lackawanna County to find the most cost effective financing option based on your financing needs.

<u>BORROWER:</u>	Lackawanna County
<u>AMOUNT:</u>	\$2,834,108
<u>LOAN TYPE:</u>	Equipment Lease or Equipment Term Loan
<u>PURPOSE:</u>	Carrier Grade Wireless Communications Network
<u>TERM:</u>	10 years
<u>INTEREST RATE:</u>	Option #1: Bank Qualified, Tax Free Rate of 75% of National Prime Floating, with a ceiling to be negotiated. Option #2: Bank Qualified, Tax Free Rate of 2.84% Fixed for 3 years, adjusting then and annually thereafter to 70% of National Prime, with a ceiling to be negotiated.

This is a proposal only. Final credit approval is required by Fidelity Deposit and Discount Bank.

Option #3: Bank Qualified, Tax Free Rate of 3.34% Fixed for 5 years, adjusting then and annually thereafter to 70% of National Prime, with a ceiling to be negotiated.

Option #4: Bank Qualified, Tax Free Rate of 4.25% Fixed for 10 years

(Rate options 1 through 3 apply the selection of Term Loan Financing, with rate option #4 applicable to both Lease Financing and Term Loan Financing)

PAYMENTS: Payments can be structured either; monthly, quarterly, semi-annually or annually.

COLLATERAL: Full Faith, credit and taxing power of Lackawanna County

* If term loan option is selected the loan would also be secured by a security interest in the "Carrier Grade Wireless Communications Network"

FEES AND COSTS: No fees, costs not to exceed \$2,500.

CONDITIONS:

- Annual Receipt of Borrower's Audited Financial Statements
- No Prepayment Penalty.
- To provide the Bank with the necessary information / documentation to establish that the Note or Lease will be a "bank qualified, tax-exempt obligation".

If you have interest in our proposed terms outlined above, we would like to schedule a meeting in the near future to discuss the financing options in more detail. Please call me at (570) 504-2252, with any questions or financing alternatives you would like Fidelity to consider. Fidelity Bank looks forward to continuing and expanding its banking relationship with Lackawanna County.

Sincerely,
Fidelity Deposit & Discount Bank



Nicholas Parise
Assistant Vice President

EXHIBIT "B-1"

Maximum Tax-Exempt Rate Amortization Schedule

Amortization Schedule						
Date	Description	Total Payment	P&I Payment	Principal Payment	Interest Payment	Principal Balance
Jan 23, 2013	Beginning Balance					2,834,168.00
Apr 23, 2013	Regular Payment	81,795.75	81,795.75	61,673.59	20,122.16	2,772,434.41
Jul 23, 2013	Regular Payment	81,795.75	81,795.75	61,892.76	19,902.99	2,710,541.65
Oct 23, 2013	Regular Payment	81,795.75	81,795.75	62,123.25	19,672.50	2,648,418.40
2013 Totals		245,387.25	245,387.25	185,689.60	59,697.65	
Jan 23, 2014	Regular Payment	81,795.75	81,795.75	62,574.12	19,221.63	2,585,844.28
Apr 23, 2014	Regular Payment	81,795.75	81,795.75	63,416.26	18,379.49	2,522,428.01
Jul 23, 2014	Regular Payment	81,795.75	81,795.75	63,697.67	18,108.08	2,458,720.35
Oct 23, 2014	Regular Payment	81,795.75	81,795.75	63,950.91	17,844.84	2,394,769.44
2014 Totals		327,183.00	327,183.00	253,648.96	73,534.04	
Jan 23, 2015	Regular Payment	81,795.75	81,795.75	64,415.05	17,380.70	2,330,354.39
Apr 23, 2015	Regular Payment	81,795.75	81,795.75	65,250.24	16,545.51	2,265,104.15
Jul 23, 2015	Regular Payment	81,795.75	81,795.75	65,534.82	16,260.93	2,199,569.33
Oct 23, 2015	Regular Payment	81,795.75	81,795.75	65,811.27	15,963.98	2,133,737.56
2015 Totals		327,183.00	327,183.00	261,031.88	66,181.12	
Jan 23, 2016	Regular Payment	81,795.75	81,795.75	66,209.56	15,486.19	2,067,428.00
Apr 23, 2016	Regular Payment	81,795.75	81,795.75	66,953.92	14,841.83	2,000,474.68
Jul 23, 2016	Regular Payment	81,795.75	81,795.75	67,434.57	14,361.18	1,933,039.51
Oct 23, 2016	Regular Payment	81,795.75	81,795.75	67,766.18	14,029.57	1,865,273.33
2016 Totals		327,183.00	327,183.00	268,484.23	58,718.77	
Jan 23, 2017	Regular Payment	81,795.75	81,795.75	68,253.02	13,537.73	1,797,015.31
Apr 23, 2017	Regular Payment	81,795.75	81,795.75	69,036.95	12,758.80	1,727,978.26
Jul 23, 2017	Regular Payment	81,795.75	81,795.75	69,390.79	12,404.96	1,658,587.57
Oct 23, 2017	Regular Payment	81,795.75	81,795.75	69,758.09	12,037.66	1,588,829.49
2017 Totals		327,183.00	327,183.00	276,443.85	50,739.15	
Jan 23, 2018	Regular Payment	81,795.75	81,795.75	70,264.38	11,531.37	1,518,565.10
Apr 23, 2018	Regular Payment	81,795.75	81,795.75	71,013.91	10,781.81	1,447,551.16
Jul 23, 2018	Regular Payment	81,795.75	81,795.75	71,483.95	10,391.80	1,376,147.21
Oct 23, 2018	Regular Payment	81,795.75	81,795.75	71,807.98	9,987.77	1,304,339.23
2018 Totals		327,183.00	327,183.00	284,490.25	42,692.75	
Jan 23, 2019	Regular Payment	81,795.75	81,795.75	72,329.15	9,456.60	1,232,010.68
Apr 23, 2019	Regular Payment	81,795.75	81,795.75	73,048.48	8,747.27	1,158,961.60
Jul 23, 2019	Regular Payment	81,795.75	81,795.75	73,475.70	8,320.05	1,085,485.90
Oct 23, 2019	Regular Payment	81,795.75	81,795.75	73,917.54	7,878.21	1,011,568.35
2019 Totals		327,183.00	327,183.00	292,770.87	36,412.13	
Jan 23, 2020	Regular Payment	81,795.75	81,795.75	74,454.02	7,341.73	937,114.24
Apr 23, 2020	Regular Payment	81,795.75	81,795.75	75,068.32	6,727.43	862,046.02
Jul 23, 2020	Regular Payment	81,795.75	81,795.75	75,607.22	6,188.53	786,438.80
Oct 23, 2020	Regular Payment	81,795.75	81,795.75	76,087.96	5,707.79	710,350.84
2020 Totals		327,183.00	327,183.00	301,217.92	25,965.48	
Jan 23, 2021	Regular Payment	81,795.75	81,795.75	76,640.19	5,155.56	633,710.65

Ⓐ Apr 23, 2021	Regular Payment	81,795.75	81,795.75	77,296.41	4,499.34	556,414.24
Ⓒ Jul 23, 2021	Regular Payment	81,795.75	81,795.75	77,801.32	3,994.43	476,612.92
Ⓓ Oct 23, 2021	Regular Payment	81,795.75	81,795.75	78,322.09	3,473.66	400,190.63
Ⓔ 2021 Totals		327,183.00	327,183.00	310,060.01	17,122.99	
Ⓕ Jan 23, 2022	Regular Payment	81,795.75	81,795.75	78,890.53	2,905.22	321,400.30
Ⓗ Apr 23, 2022	Regular Payment	81,795.75	81,795.75	79,513.81	2,281.94	241,866.49
Ⓙ Jul 23, 2022	Regular Payment	81,795.75	81,795.75	60,059.38	1,716.47	161,827.21
Ⓚ Oct 23, 2022	Regular Payment	81,795.75	81,795.75	80,621.25	1,174.50	81,205.96
Ⓛ 2022 Totals		327,183.00	327,183.00	319,084.07	8,098.13	
Ⓜ Jan 23, 2023	Regular Payment	81,795.33	81,795.33	81,205.96	569.37	
Ⓝ 2023 Totals		81,795.33	81,795.33	81,205.96	569.37	
Ⓟ Grand Total		3,271,829.58	3,271,829.58	2,834,108.00	437,721.50	

EXHIBIT "B-2"

Maximum Taxable Rate Amortization Schedule

EXHIBIT "C"

Form of 2013 Note

13116206130051

CLOSING AGENDA

Borrower: County of Lackawanna

Closing Date: April 10, 2013

Credit Facility: \$2,834,108 General Obligation Note Series 2013

Bank Counsel: Frank J. Bolock, Jr., Esquire

Borrower Counsel: Donald J. Frederickson, Esquire

<u>Documents</u>	<u>Provided By</u>
1. Closing Agenda	Bank
2. Commitment Letter	Bank
3. Loan Agreement	Bank
4. General Obligation Note	Bank
5. Ordinance, certified copy of the Ordinance duly enacted by the Affirmative vote of the Board of Commissioners of County of Lackawanna authorizing and awarding the General Obligation Note, prescribing the manner of sale and fixing the interest rate with, along with proofs of publication	Borrower Counsel
6. Certified copy of the approval issued by the Commonwealth of Pennsylvania, Department of Community and Economic	Borrower Counsel

13116200130051

Development pursuant to the Local Government Debt Act

- 7. Certified copy of the proceedings of the County of Lackawanna forwarded to the Commonwealth of Pennsylvania Department of Community and Economic Development containing the following:
 - a. The Debt Statement prepared pursuant to Section 8110 of the Local Government Debt Act;
 - b. The Borrowing Base Certificate prepared pursuant to Section 8002 of the Local Government Debt Act;
 - c. Proof of publication of the Notice of final enactment of the Debt Ordinance as per Section 8003 of the Local Government Debt Act;
 - d. A certified copy of the Debt Ordinance with attachments containing the re-payment schedule, form of the Note and Commitment Letter of The Fidelity Deposit and Discount Bank;

- 8. The UCC-1 Financing Statement establishing the security interest of The Fidelity Deposit and Discount Bank and the equipment and intellectual property associated with the wireless network to be constructed with the Loan proceeds; Borrower Counsel

- 9. A No Litigation Certificate Borrower Counsel

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|-----|--|------------------|
| 10. | Opinion of Counsel | Borrower Counsel |
| 11. | Incumbency Certificate | Borrower Counsel |
| 12. | Establishment of Escrow/Draw Account | Borrower Counsel |
| 13. | Copy of Construction Contract regarding the labor and materials associated with the installation of a county-wide wireless network | Borrower Counsel |
| 14. | IRS Form 8038 | Borrower Counsel |
| 15. | Settlement Statement | Bank |

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INCUMBENCY AND NO LITIGATION CERTIFICATE

The undersigned, being the Solicitor of the County of Lackawanna, Pennsylvania, does hereby certify that, as of the date hereof:

The official records of the County of Lackawanna disclose that the following individuals have been duly elected and qualified, and are serving in the offices set forth next to their names

- Corey D. O'Brien - Chairman, Board of Commissioners
- Jim Wansacz - Member, Board of Commissioners
- Patrick M. O'Malley - Member, Board of Commissioners
- Maria Elkins - Chief of Staff
- Gary DiBileo - County Controller
- Edward Karpovich - County Treasurer

I hereby certify that the County of Lackawanna is not a party to any litigation seeking to challenge the issuance of the County's General Obligation Note, Series of 2013, funding the installation of a countywide wireless network in the face amount of Two Million Eight Hundred Thirty-four Thousand One Hundred Eight (\$2,834,108.00) Dollars, to be purchased by Fidelity Discount and Deposit Bank, or any other matter concerning the incurring of debt by the County of Lackawanna

Given at Scranton, Pennsylvania this 10th day of April, 2013.



Donald J. Frederickson, Jr , Esq
Solicitor, County of Lackawanna



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Donald J. Frederickson, Jr., Esq.
Solicitor

County Administration Building
200 Adams Avenue, 6th Floor
Scranton PA 18503
t (570) 451-0600 t (570) 963-6800
f (570) 451-2976

April 8, 2013

Fidelity Deposit and Discount Bank
101 N. Blakely Street
Dunmore PA 18512

RE: \$2,834,108.00 General Obligation Note, Series of 2013

Dear Sir or Madam,

I am the Solicitor for the County of Lackawanna (the "County"). I am delivering this opinion in connection with issuance and sale of the County's General Obligation Note, Series of 2013, dated April 10, 2013, in the amount of \$2,834,108 00 (the "Note").

I have examined the relevant provisions of the Constitution of the Commonwealth of Pennsylvania; the U. S. Internal Revenue Code of 1986, as amended (the "Code"); the proceeding of the Board of County Commissioners of the County with respect to the authorization, issuance and sale of the Note; the certificates delivered by the officials of the County in respect of the Note, and such certifications, affidavits, receipts, decisions, other statutes and documents as I have considered relevant.

I am of the opinion that:

1. The County is validly organized under the Law of the Commonwealth of Pennsylvania with full power and authority to issue the Note, and all necessary action has been taken by the Board of County Commissioners (the "Board") of the County and by its proper officers to make the Note a validly issued and legally binding obligation of the County.
2. The Ordinance authorizing the issuance of the Note was duly adopted by the Board at a regular meeting of the Board in accordance with all requirements of law and rules of procedure of the County, and such Ordinance is in full force and effect on the date hereof.

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3. The following are the officers of the Board, holding the offices set forth next to their names:

<u>Name</u>	<u>Office held</u>
Corey D. O'Brien	Chairman
Jim Wansacz	Member
Patrick M. O'Malley	Member
Maria Elkins	Chief of Staff
Edward Karpovich	Treasurer
Gary DiBileo	Controller

and each of said individuals was duly elected or appointed to such office and is legally qualified to serve as such.

4. The Note is substantially in the form recited in said Ordinance, has been duly authorized, executed and delivered and is enforceable in accordance with its terms except as such enforcement may be limited by bankruptcy, insolvency or other laws or equitable principles affecting the enforcement of creditor's rights.
5. I have, as of the date hereof, made such investigation as is appropriate, and based thereon, am of the opinion that there is no litigation pending against the County contesting the validity of any action taken by the County in connection with the authorization, execution or delivery of the Note or the security thereof
6. The County has designated the Note as a "qualified tax-exempt obligation" and has covenanted that it will take no action which would adversely affect the tax-exempt status of the Note or its designation as a "qualified tax-exempt obligation".
7. The interest on the Note is exempt from Federal Income Tax as the Code is presently enacted and construed, and the cost to carry the Note is deductible pursuant to §265 of the Code to the extent of 80% thereof for federal income tax purposes.
8. Under the laws of the Commonwealth of Pennsylvania, as enacted and construed on the date hereof the Note is exempt from personal property taxes in Pennsylvania, and the interest on the Note is exempt from Pennsylvania Personal Income Tax.

Very truly yours,



Donald J. Frederickson, Jr.
Solicitor, Lackawanna County

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UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA

COUNTY OF LACKAWANNA
GENERAL OBLIGATION NOTE

\$2,834,108.00

DATED: APRIL 10, 2013

KNOW ALL MEN BY THESE PRESENTS, that the County of Lackawanna, Commonwealth of Pennsylvania, a Home Rule Charter Governmental Unit organized and existing in accordance with the Home Rule Charter and Optional Plans Law of the Commonwealth of Pennsylvania, for value received, hereby acknowledges itself indebted and promises to pay to the purchaser, or registered assigns, the sum of Two Million Eight Hundred Thirty Four Thousand One Hundred Eight Dollars (\$2,834,108.00) in accordance with the following terms for repayment:

- Term: 10-year term/10-year amortization.
- Rate: Bank qualified tax free rate of 2.84% fixed for three (3) years, then adjusting annually to 70% of national prime, with a floor of 2.84% and a ceiling of 5.50%.
- Re-Payment: Payment to be made on a quarterly basis in accordance with the amortization schedule, with the initial payment due and owing on or before July 15, 2013 and continuing on a quarterly basis thereafter.

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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 The Fidelity Deposit and Discount Bank , 101 N. Blakely Street, Dunmore, Pennsylvania 18512.

This Note is duly authorized by the County of Lackawanna and issued in accordance with the Laws of the Commonwealth of Pennsylvania, specifically the Local Government Unit Debt Act, Act 177 of 1996, P.L. 1158, as amended.

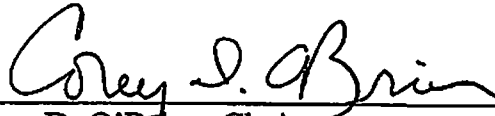
It is hereby certified that all acts, conditions, and things required to be or be done, happen, and be performed precedent to and in the issuance of this General Obligation Note or in the creation of the debt of which it is evidence, have been done, happened and been performed in regular and due form and manner as required by law. Further, that this General Obligation Note, together with all other indebtedness of the County of Lackawanna is not in excess of any Constitutional or statutory limitation and for the budgeting, appropriation, and the prompt and full payment of all the obligations of this General Obligation Note the entire full faith, credit and taxing power of the County of Lackawanna is hereby irrevocably pledged.

It is hereby further certified that the County of Lackawanna has effectively covenanted to include the amount of the debt service on this General Obligation 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 of Lackawanna , Commonwealth of Pennsylvania, has caused this General Obligation Note to be properly executed by the proper officers of the County of Lackawanna and its corporate seal to be affixed, attested to by the Chief Clerk as of the 10th day of April, 2013.

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County of Lackawanna
By:



Corey D. O'Brien, Chairman
County of Lackawanna Board of Commissioners

ATTEST:



Maria Elkins, Chief Clerk



Donald J. Frederickson, Esquire
Lackawanna County Solicitor

SEAL



Member FDIC



November 7, 2012

Lackawanna County
Board of Commissioners
c/o Thomas Durkin, Director of Administrative Service/CFO
200 Adams Ave.
6th floor
Scranton, PA 18503

RE: Financing Proposal

Dear Board of Commissioners,

The Fidelity Deposit and Discount Bank is pleased to present the following financing proposal for your review. Our proposal is intended to be as flexible as possible as we would like to work with Lackawanna County to find the most cost effective financing option based on your financing needs.

<u>BORROWER:</u>	Lackawanna County
<u>AMOUNT:</u>	\$2,834,108
<u>LOAN TYPE:</u>	Equipment Lease or Equipment Term Loan
<u>PURPOSE:</u>	Carrier Grade Wireless Communications Network
<u>TERM:</u>	10 years
<u>INTEREST RATE:</u>	Option #1: Bank Qualified, Tax Free Rate of 75% of National Prime Floating, with a ceiling to be negotiated. Option #2: Bank Qualified, Tax Free Rate of 2.84% Fixed for 3 years, adjusting then and annually thereafter to 70% of National Prime, with a ceiling to be negotiated.

This is a proposal only. Final credit approval is required by Fidelity Deposit and Discount Bank.

Option #3: Bank Qualified, Tax Free Rate of 3.34% Fixed for 5 years, adjusting then and annually thereafter to 70% of National Prime, with a ceiling to be negotiated.

Option #4: Bank Qualified, Tax Free Rate of 4.25% Fixed for 10 years

(Rate options 1 through 3 apply the selection of Term Loan Financing, with rate option #4 applicable to both Lease Financing and Term Loan Financing)

PAYMENTS:

Payments can be structured either; monthly, quarterly, semi-annually or annually.

COLLATERAL:

Full Faith, credit and taxing power of Lackawanna County

* If term loan option is selected the loan would also be secured by a security interest in the "Carrier Grade Wireless Communications Network"

FEES AND COSTS:

No fees, costs not to exceed \$2,500.

CONDITIONS:

- Annual Receipt of Borrower's Audited Financial Statements
- No Prepayment Penalty.
- To provide the Bank with the necessary information / documentation to establish that the Note or Lease will be a "bank qualified, tax-exempt obligation".

If you have interest in our proposed terms outlined above, we would like to schedule a meeting in the near future to discuss the financing options in more detail. Please call me at (570) 504-2252, with any questions or financing alternatives you would like Fidelity to consider. Fidelity Bank looks forward to continuing and expanding its banking relationship with Lackawanna County.

Sincerely,
Fidelity Deposit & Discount Bank



Nicholas Parise
Assistant Vice President



County of Lackawanna

Lackawanna County
Administration Building
200 Adams Avenue
Scranton, Pennsylvania
18503

Certified Copy

Resolution: 12-0245

File Number: 12-0245

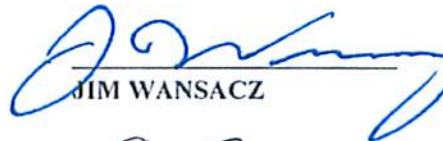
Entering into an Agreement with Fidelity Bank

BE IT RESOLVED, that the Board of Commissioners of Lackawanna County does hereby enter into an agreement with Fidelity Deposit & Discount Bank to finance the County's Carrier Grade Wireless Network, final terms pending bank underwriting.

ADOPTED at a regular meeting of the Board of Commissioners of Lackawanna

County held on November 14, 2012.

COUNTY OF LACKAWANNA


JIM WANSACZ



COREY D. O'BRIEN


PATRICK M. O'MALLEY

ATTEST:


MARIA ELKINS
CHIEF OF STAFF

Approved as to form and legality:


DONALD J. FREDERICKSON, ESQUIRE
COUNTY SOLICITOR



County of Lackawanna

Lackawanna County
Administration Building
200 Adams Avenue
Scranton, Pennsylvania
18503

Certified Copy

Ordinance: 13-0042

File Number: 13-0042

Ordinance #225

Re-Adoption of the Issuance of General Obligation Note, Series Of 2013

First Reading: January 23, 2013

Second Reading: February 5, 2013

Re-Adoption: March 13, 2013

BOARD OF COMMISSIONERS
OF THE
COUNTY OF LACKAWANNA, PENNSYLVANIA

AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF LACKAWANNA, PENNSYLVANIA. SETTING FORTH ITS INTENT TO ISSUE A GENERAL OBLIGATION NOTE, SERIES OF 2013 OF THE COUNTY IN THE PRINCIPLE AMOUNT OF TWO MILLION EIGHT HUNDRED THIRTY FOUR THOUSAND, ONE HUNDRED EIGHT DOLLARS (\$2,834,108.00) PURSUANT TO THE ACT OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA, 53 PA.C.S. CHAPTERS 80-82, AS AMENDED, REENACTED AND SUPPLEMENTED AND KNOWN AS THE LOCAL GOVERNMENT UNIT DEBT ACT (THE "ACT"); FINDING THAT A PRIVATE SALE BY NEGOTIATIONS IS IN THE BEST FINANCIAL INTERESTS OF THE COUNTY; DETERMINING THAT SUCH 2013 NOTE SHALL EVIDENCE NONELECTORAL DEBT OF THE COUNTY; SPECIFYING THAT SUCH INDEBTEDNESS IS TO BE INCURRED TO PROVIDE FUNDS TO FINANCE A PROJECT OF THE COUNTY WHICH CONSISTS OF THE FOLLOWING: (1) FUNDING THE INSTALLATION OF A COUNTYWIDE WIRELESS NETWORK; AND (2) FUNDING THE COSTS AND EXPENSES OF ISSUANCE OF THE 2013 NOTE; SETTING FORTH THE REASONABLE ESTIMATED USEFUL LIFE OF THE PROJECT TO BE FINANCED BY THE 2013 NOTE; ACCEPTING A PROPOSAL FOR THE PURCHASE OF SUCH 2013 NOTE AT PRIVATE SALE BY NEGOTIATION; PROVIDING THAT SUCH 2013 NOTE, WHEN ISSUED, SHALL CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY; FIXING THE DENOMINATION, DATE, INTEREST PAYMENT DATES, INTEREST RATES, REDEMPTION PROVISIONS AND PLACE OF PAYMENT OF THE PRINCIPLE OF THE INTEREST ON SUCH 2013 NOTE; AUTHORIZING SPECIFIED OFFICERS OF THE COUNTY TO CONTRACT WITH THE PAYING AGENT FOR ITS SERVICES IN CONNECTION WITH THE 2013 NOTE; SETTING FORTH THE SUBSTANTIAL FORM OF THE 2013 NOTE; EVIDENCING THE DEBT; AUTHORIZING EXECUTION AND ATTESTATION OF SUCH 2013 NOTE; PROVIDING

COVENANTS RELATED TO DEBT SERVICE APPLICABLE TO SUCH 2013 NOTE TO THE EXTENT REQUIRED BY THE ACT AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE COUNTY IN SUPPORT THEREOF; CREATING A SINKING FUND IN CONNECTION WITH SUCH 2013 NOTE TO THE EXTENT REQUIRED BY THE ACT ; DESIGNATING THE PAYING AGENT TO BE THE SINKING FUND DEPOSITARY; PROVIDING A COVENANT TO INSURE PROMPT AND FULL PAYMENT FOR SUCH 2013 NOTE WHEN DUE; SETTING FORTH REGISTRATION AND TRANSFER PROVISIONS WITH RESPECT TO SUCH 2013 NOTE; AUTHORIZING THE EXECUTION OF ONE OF MORE INVESTMENT AGREEMENTS BY SPECIFIED OFFICERS OF THE COUNTY (IF APPLICABLE) AND THE PURCHASE OF CERTAIN U.S. TREASURY OBLIGATIONS OR ANY OTHER SECURITIES OR INVESTMENTS IN CONNECTION WITH THE PROJECT; AUTHORIZING AND DIRECTING SPECIFIED OFFICERS OF THE COUNTY TO DO, TO TAKE AND TO PERFORM CERTAIN SPECIFIED, REQUIRED, NECESSARY OR APPROPRIATE ACTS TO EFFECT THE ISSUANCE OF THE 2013 NOTE, INCLUDING WITHOUT LIMITATION, THE PREPARATION OF A DEBT STATEMENT AND BORROWING BASE CERTIFICATE AND THE FILING OF SPECIFIED DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, ALL AS REQUIRED BY THE ACT; DECLARING THAT THE DEBT TO BE EVIDENCED BY SUCH 2013 NOTE, TOGETHER WITH ALL OTHER INDEBTEDNESS OF THE COUNTY WILL NOT BE IN EXCESS OF ANY APPLICABLE LIMITATION IMPOSED BY THE ACT; AUTHORIZING PROPER OFFICERS OF THE COUNTY TO DELIVER THE 2013 NOTE UPON THE APPROVAL OF THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; SETTING FORTH CERTAIN COVENANTS PRECLUDING THE COUNTY FROM TAKING ACTIONS WHICH WOULD CAUSE THE 2013 NOTE TO BECOME AN "ARBITRAGE BOND" OR A "PRIVATE ACTIVITY BOND" AS THOSE TERMS ARE USED IN THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), AND APPLICABLE REGULATIONS PROMULGATED THERE UNDER; AUTHORIZING AND DIRECTING THE PREPARATION, EXECUTION AND DELIVERY OF ALL OTHER REQUIRED DOCUMENTS AND THE TAKING OF ALL OTHER REQUIRED ACTION; PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE; PROVIDING FOR SEVERABILITY OF PROVISIONS AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INSOFAR AS THE SAME SHALL BE INCONSISTENT THEREWITH.

WHEREAS, the County of Lackawanna, Pennsylvania the "(County)", is a home rule charter county operating under the Home Rule Charter and Optional Plans Law of the Commonwealth of Pennsylvania (the "Commonwealth"); and

WHEREAS, the Board of Commissioners of the County (the "Board") has determined to issue its General Obligation Note, Series of 2013, in the principle amount of \$2,834.108.00 (the "Note"); and

WHEREAS the project to be funded with the proceeds of the 2013 Note (the "Project") is as follows: (1) funding the installation of a countywide wireless network; (2) funding the costs and expenses of issuances of the 2013 Note: and

WHEREAS, it is necessary that the indebtedness of the County be increased for the purpose of funding 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 County, pursuant to constitutional and statutory authority, to be exceeded; and

WHEREAS, the county received a commitment letter for the financing of the Project (the "Commitment Letter"), which Commitment Letter is attached to this Ordinance as Exhibit "A", from the purchaser of the 2013 Note identified in the Commitment Letter (the "Purchaser"); and

WHEREAS, the County desires to formally approve the Project, to accept the Commitment Letter and to authorize the incurrence of nonelectoral debt under the Act, and the execution and delivery of the Commitment Letter.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED by the Board of Commissioners of the County of Lackawanna, Pennsylvania, and it is hereby enacted by the Board of the County as follows:

SECTION 1. Authorization of the 2013 Note. The principle amount of the 2013 Note of the County proposed to be issued pursuant to this Ordinance and the Act will be \$2,834,108.00. The 2013 Note shall be issued for the purpose of financing the Project and shall be incurred as nonelectoral debt of the County.

SECTION 2. Approval of the Project; Determination of Useful Life of the Project. The County hereby approves the Project to be undertaken collectively consisting of providing funds for the following: (1) installation of a wireless network for Lackawanna County; and (2) funding the costs and expenses of issuance of the 2013 Note.

It is hereby determined and declared that the estimated useful life of the project to be financed with the proceeds of the 2013 Note is at least 10 years. It is hereby certified that an aggregate principle amount of the 2013 Note at least equal to the realistic estimated cost of such project shall mature prior to the end of the useful life of such project.

Stated installments or maturities of principle of the 2013 Note will not be deferred beyond the later of one (1) year after the estimated date for the completion of the construction portion of the Project, if any, or two (2) years from the date of issuance of the 2013 Note.

The Board hereby finds and determined that the realistic cost estimates have been obtained for the costs of the Project from County officials, financial analysts, registered architects, professional engineers or other person's qualified experience to provide such estimates.

SECTION 3. Approval of the 2013 Note; Terms of Repayment. The indebtedness to be incurred hereunder shall be evidenced by one general obligation note of the County, to be designated "County of Lackawanna, Pennsylvania. General Obligation Note. Series of 2013".

The 2013 Note will be issued in the principle amount of \$2,834,108.00, dated and bearing interest from the date of issue, at a maximum rate of interest specified in the Commitment Letter, payable on the unpaid balance of the 2013 Note during the term of the 2013 Note. Interest is payable on the unpaid balance of the 2013 Note during its term until paid. The 2013 Note shall mature in installments of principle at the maximum tax-exempt rate or rates of interest as shown on the attached schedule hereinafter referred to as "Exhibit B-1". In accordance with the Commitment Letter, if the

Note shall at any time be considered taxable, it shall mature in installments of principle and at the maximum rate or rates of interest as shown on the attached schedule hereinafter referred to as "Exhibit B-2".

The County reserves the right to anticipate any or all installments of principle or any payment of interest at any time prior to the respective payment dates thereof, in accordance with the limitations as specified in the Commitment Letter, if any.

The Note is subject to extraordinary mandatory redemption by the County prior to maturity, as a whole or in part at any time, at 100% of the par amount thereof, plus accrued interest thereon to the date fixed for such extraordinary mandatory redemption to the extent that there are "available amounts" generated in the preceding fiscal year of the County as determined by the County under § 1.148-6(d)(3)(iii) of the regulations promulgated pursuant to the Internal Revenue Code of 1986, as amended. Such determination shall be made by the County at the end of the fiscal year of the County.

The principle and interest on the 2013 Note shall be payable at the office of the sinking fund depository selected for the 2013 Note as hereinafter provided.

SECTION 4. General Obligation Note of the County. The 2013 Note, when issued, will be a general obligation of the County. The County hereby covenants that (a) it shall include the amount of debt service on the 2013 Note for each fiscal year in which such sums are payable in its budget for that year; (b) it shall appropriate such amounts from its general revenues for the payment of such debt service; and (c) it shall duly and punctually pay or cause to be paid from its general revenues the principle of the 2013 Note and the interest thereon at the dates and places and in the manner stated in the 2013 Note according to the intent and meaning thereof, and (d) for such proper budgeting, appropriation, and payment, the full faith, credit, and taxing power of the County are hereby irrevocably pledged.

The Maximum amounts which the County hereby covenants to pay in each of the fiscal years that the 2013 Note is outstanding on the basis of the maximum tax-exempt rate or rates of interest as specified in the Commitment Letter are shown on "Exhibit A" hereto. If necessary, the maximum amounts which the County hereby covenants to pay in each of the fiscal years that the 2013 Note is outstanding on the basis of the minimum taxable rates of interest as specified in the Commitment Letter are shown on "Exhibit A-1" hereto.

SECTION 5. Covenants Regarding Use of Proceeds and Compliance with Tax Code Requirements. The County covenants to and with the registered owner of the 2013 Note that it will make no use of the proceeds of such issue or do or suffer any other action which, if such use or action had been reasonably expected on the date of issue of such 2013 Note, would cause the 2013 Note to be an "arbitrage bond" or a "private activity bond" as those terms are defined in Section 148 and Section 141 of the Code and the applicable regulations there under. The County further covenants that it will comply with the requirements of such Section 148 and Section 141 and with the regulations there under throughout the term of this issue. In addition, the chairman or any other Commissioners of the Board, being the official(s) responsible for issuing the 2013 Note, attested by the Chief of Staff or Assistant Chief of Staff of the County, are hereby authorized and directed to execute and deliver, in the name and on behalf of the County, any and all documents or other instruments which Bond Counsel may reasonably request in connection with the providing of its

opinion that the 2013 Note is not an “arbitrage bond” or a “private activity bond” within the meaning of Section 148 and Section 141 of the Code and the regulations promulgated there under, including, without limitation, a certificate dated the date of issuance and delivery of the 2013 Note, which certificate shall set forth the reasonable expectations of the County as to the amount and use of the proceeds of the 2013 Note.

SECTION 6. Form of 2013 Note. The form of the 2013 Note shall be substantially as shown on the attached: Exhibit C.” with such changes as may be approved by the officers of the County executing such 2013 Note.

SECTION 7. Execution of the 2013 Note and Other Documents and Instruments; Delivery and Payment. The 2013 Note shall be executed in the name and under the corporate seal of the County by the Chairman or any other Commissioner of the Board, and attested to by the Chief of Staff or Assistant Chief of Staff of the County. Such 2013 Note shall be in substantially the form attached hereto together with such changes, modifications, insertions and deletions as such officers, with the advice of Counsel, deem necessary and appropriate; their execution and delivery thereof shall be conclusive evidence of the approval and authorization by the County of the final terms of the 2013 Note. The Chief of Staff, Assistant Chief of Staff, Treasurer or other proper official of the County is hereby authorized and directed to deliver the 2013 Note to the Purchaser, and receive payment therefore on behalf of the County. The Chairman or any other Commissioner of the Board and the Chief of Staff or Assistant Chief of Staff of the County 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, the filing, either before or after the issuance of the 2013 Note, additional debt statements or any statements required to qualify any portion of the debt from the appropriate debt limit as self-liquidating or subsidized debt.

SECTION 8. Designation of Sinking Fund Depository and Paying Agent. The Chairman or any other Commissioner of the Board and the Chief of Staff or Assistant Chief of Staff of the County are hereby authorized empowered and directed to contract with Fidelity Deposit and Discount Bank or another bank or trust company authorized to do business in the Commonwealth of Pennsylvania. As selected by the Chairman of the Board (the “Paying Agent”), for its services as paying agent and sinking fund depository in accordance with the terms of the Proposal, this Ordinance and the Act and there is hereby created and established with the Paying Agent a sinking fund, to be known as the “County of Lackawanna, Pennsylvania, Sinking Fund-General Obligation Note, Series of 2013”(the “Sinking Fund”). The Sinking Fund shall be maintained until the 2013 Note has been paid in full. The Chief of Staff, Assistant Chief of Staff, Treasurer or other appropriate officer of the County shall deposit into the Sinking Fund amounts upon which such debt service on the 2013 Note becomes due and payable. The Paying Agent shall as and when said payments are due, without further action or direction by the County withdraw available monies in the Sinking Fund and apply said monies to payment of the principle of and interest on the 2013 Note.

SECTION 9. Sale of 2013 Note; Acceptance of Commitment Letter. In compliance with Section 8161 of the Act the Board has determined that a private sale by negotiation, rather than public sale, is in the best financial interest of the County. The Commitment Letter is hereby accepted and the 2013 Note in the principle amount of \$2,834,108.00, herein authorized to be issued and sold, is

hereby awarded and sold to the Purchaser in accordance with its commitment to purchase the 2013 Note at par; provided the 2013 Note is dated the date of delivery thereof to the Purchaser and is in substantially the form set forth in "Exhibit C" to this Ordinance with such changes as may be approved by the officers of the County executing such 2013 Note, and further provided that the proceedings have been approved by the Department of Community and Economic Development as required under the provisions of the Act. A copy of said Commitment Letter shall be attached hereto as "Exhibit A" and is hereby incorporated herein by reference.

SECTION 10. Investment of Proceeds. If necessary, the County hereby approves the execution of one or more investment agreements, the purchase of certain U.S. Treasury obligations or any other securities or investments (the "Investment") for investment of the proceeds of the 2013 Note in connection with the Project. The County hereby authorizes and directs the Chairman or any other Commissioner of the Board, to execute, and the Chief of Staff or Assistant Chief of Staff of the County to attest any investment agreement on behalf of the County, in the form approved by the Solicitor to the County. The Investments shall be limited to those authorized under law for proceeds of the 2013 Note.

SECTION 11. Payments of Expenses. All expenses incurred in connected with the issuance of the 2013 Note shall be paid out of the proceeds derived from the issuance of the 2013 Note and the Chairman or any other Commissioner of the Board is authorized to approve requests for payment of such expenses and to pay such expenses.

SECTION 12. Legal Advertisements. The action of the proper officers and the advertising of a summary of this Ordinance as required by law in a newspaper of general circulation in the County is ratified and confirmed. The advertisement of enactment in said newspaper is hereby directed within ten (10) days following the day of final enactment.

SECTION 13. Delivery of Documents and Instruments. The Board hereby authorizes and directs its Chairman, any other Commissioner of the County, the Chief of Staff, the Assistant Chief of Staff, the Treasurer and any other proper officer of the County (without limitation except as may be expressly set forth herein) to execute and deliver such other documents. Certificates, agreements, and other instruments and to take such other action as may be necessary, proper or desirable to effect the completion of the financing or the intent and purposes of this Ordinance.

SECTION 14. Severability. 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 the County that the remainder of the Ordinance shall remain in full force and effect.

SECTION 15. Conflicts. All ordinances or parts of ordinances not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.

SECTION 16. Effective Date. This Ordinance shall be effective in accordance with Section 8003 of the Act.

ADOPTED at a regular meeting of the Board of Commissioners of Lackawanna

County held on March 13, 2013.

COUNTY OF LACKAWANNA



COREY D. O'BRIEN



JIM WANSACZ



PATRICK M. O'MALLEY

ATTEST:



MARIA ELKINS
CHIEF OF STAFF

Approved as to form and legality:



DONALD J. FREDERICKSON, ESQUIRE
COUNTY SOLICITOR

EXHIBIT "A"

Commitment

EXHIBIT "B-1"

Maximum Tax-Exempt Rate Amortization Schedule

Amortization Schedule						
Date	Description	Total Payment	PAI Payment	Principal Payment	Interest Payment	Principal Balance
Jan 23, 2013	Beginning Balance					2,034,160.00
Apr 23, 2013	Regular Payment	81,795.75	81,795.75	81,693.59	10,102.16	2,777,424.41
Jul 23, 2013	Regular Payment	81,795.75	81,795.75	81,692.75	10,102.00	2,710,541.65
Oct 23, 2013	Regular Payment	81,795.75	81,795.75	81,691.35	10,102.50	2,643,418.00
2013 Totals		245,387.25	245,387.25	245,077.69	30,306.56	
Jan 23, 2014	Regular Payment	81,795.75	81,795.75	81,574.12	10,221.63	2,565,044.38
Apr 23, 2014	Regular Payment	81,795.75	81,795.75	81,456.26	10,339.49	2,527,408.01
Jul 23, 2014	Regular Payment	81,795.75	81,795.75	81,337.67	10,456.08	2,489,719.35
Oct 23, 2014	Regular Payment	81,795.75	81,795.75	81,218.91	10,571.84	2,396,769.41
2014 Totals		327,163.00	327,163.00	326,648.96	40,514.04	
Jan 23, 2015	Regular Payment	81,795.75	81,795.75	81,095.61	10,700.14	2,305,354.27
Apr 23, 2015	Regular Payment	81,795.75	81,795.75	80,970.24	10,828.51	2,265,104.15
Jul 23, 2015	Regular Payment	81,795.75	81,795.75	80,844.62	10,956.13	2,199,519.33
Oct 23, 2015	Regular Payment	81,795.75	81,795.75	80,718.37	11,083.38	2,133,737.56
2015 Totals		327,163.00	327,163.00	318,639.86	48,523.14	
Jan 23, 2016	Regular Payment	81,795.75	81,795.75	80,590.56	11,210.19	2,067,428.00
Apr 23, 2016	Regular Payment	81,795.75	81,795.75	80,463.92	11,336.83	2,000,474.00
Jul 23, 2016	Regular Payment	81,795.75	81,795.75	80,337.37	11,463.38	1,933,019.31
Oct 23, 2016	Regular Payment	81,795.75	81,795.75	80,210.61	11,589.14	1,865,373.33
2016 Totals		327,163.00	327,163.00	318,404.23	48,758.77	
Jan 23, 2017	Regular Payment	81,795.75	81,795.75	80,081.02	11,715.73	1,797,018.31
Apr 23, 2017	Regular Payment	81,795.75	81,795.75	79,953.95	11,842.80	1,777,978.76
Jul 23, 2017	Regular Payment	81,795.75	81,795.75	79,826.79	11,970.06	1,650,581.57
Oct 23, 2017	Regular Payment	81,795.75	81,795.75	79,700.09	12,097.66	1,580,019.49
2017 Totals		327,163.00	327,163.00	316,443.85	48,719.15	
Jan 23, 2018	Regular Payment	81,795.75	81,795.75	79,569.48	12,224.27	1,510,565.10
Apr 23, 2018	Regular Payment	81,795.75	81,795.75	79,441.31	12,350.44	1,477,551.35
Jul 23, 2018	Regular Payment	81,795.75	81,795.75	79,312.85	12,476.90	1,376,147.31
Oct 23, 2018	Regular Payment	81,795.75	81,795.75	79,184.80	12,603.95	1,304,339.23
2018 Totals		327,163.00	327,163.00	316,400.43	49,682.57	
Jan 23, 2019	Regular Payment	81,795.75	81,795.75	79,053.15	12,742.60	1,237,010.00
Apr 23, 2019	Regular Payment	81,795.75	81,795.75	78,923.48	12,881.27	1,158,981.40
Jul 23, 2019	Regular Payment	81,795.75	81,795.75	78,792.70	13,019.05	1,085,485.60
Oct 23, 2019	Regular Payment	81,795.75	81,795.75	78,661.54	13,156.21	1,011,548.35
2019 Totals		327,163.00	327,163.00	316,770.67	53,417.33	
Jan 23, 2020	Regular Payment	81,795.75	81,795.75	78,529.82	13,293.93	937,114.34
Apr 23, 2020	Regular Payment	81,795.75	81,795.75	78,400.32	13,431.43	862,048.02
Jul 23, 2020	Regular Payment	81,795.75	81,795.75	78,269.72	13,568.03	786,418.80
Oct 23, 2020	Regular Payment	81,795.75	81,795.75	78,138.66	13,704.09	710,310.84
2020 Totals		327,163.00	327,163.00	316,217.91	54,211.09	
Jan 23, 2021	Regular Payment	81,795.75	81,795.75	78,006.91	13,840.84	633,710.63

Q Apr 23, 2011	Regular Payment	01,795.75	01,795.75	77,266.41	4,499.34	356,414.24
Q Jul 23, 2011	Regular Payment	01,795.75	01,795.75	77,501.32	3,894.43	478,012.92
Q Oct 23, 2011	Regular Payment	01,795.75	01,795.75	78,222.09	3,472.66	489,159.63
Q 2011 Totals		337,183.00	337,183.00	310,660.01	17,122.99	
Q Jun 23, 2012	Regular Payment	01,795.75	01,795.75	78,020.53	3,095.32	321,106.30
Q Apr 23, 2012	Regular Payment	01,795.75	01,795.75	78,513.01	2,281.94	241,886.69
Q Jul 23, 2012	Regular Payment	01,795.75	01,795.75	66,059.78	1,716.47	161,827.71
Q Oct 23, 2012	Regular Payment	01,795.75	01,795.75	86,621.25	1,176.59	01,205.66
Q 2012 Totals		337,183.00	337,183.00	219,064.87	8,098.13	
Q Jan 23, 2013	Regular Payment	01,795.33	01,795.33	01,203.66	569.37	
Q 2013 Totals		01,795.33	01,795.33	01,203.66	569.37	
Q Grand Total		3,271,819.48	3,271,819.36	2,894,109.00	437,721.50	

EXHIBIT "B-2"

Maximum Taxable Rate Amortization Schedule

EXHIBIT "C"

Form of 2013 Note

Amortization Schedule						
Date	Description	Total Payment	P&I Payment	Principal Payment	Interest Payment	Principal Balance
Apr 10, 2013	Beginning Balance					2,834,108.00
Jul 15, 2013	Fixed Regular Payment	81,795.75	81,795.75	60,332.11	21,463.64	2,773,775.09
Oct 15, 2013	Fixed Regular Payment	81,795.75	81,795.75	61,664.31	20,131.44	2,712,111.58
2013 Totals		163,591.50	163,591.50	121,996.42	41,595.08	
Jan 15, 2014	Fixed Regular Payment	81,795.75	81,795.75	62,111.05	19,683.93	2,649,999.73
Apr 15, 2014	Fixed Regular Payment	81,795.75	81,795.75	62,980.76	18,814.99	2,597,018.97
Jul 15, 2014	Fixed Regular Payment	81,795.75	81,795.75	63,723.83	18,571.92	2,523,795.14
Oct 15, 2014	Fixed Regular Payment	81,795.75	81,795.75	63,478.61	18,317.14	2,460,316.53
2014 Totals		327,183.00	327,183.00	251,795.05	75,387.95	
Jan 15, 2015	Fixed Regular Payment	81,795.75	81,795.75	63,939.32	17,856.43	2,396,377.21
Apr 15, 2015	Fixed Regular Payment	81,795.75	81,795.75	64,781.48	17,014.27	2,331,595.73
Jul 15, 2015	Fixed Regular Payment	81,795.75	81,795.75	65,057.49	16,738.26	2,266,538.24
Oct 15, 2015	Fixed Regular Payment	81,795.75	81,795.75	65,345.72	16,450.03	2,201,192.52
2015 Totals		327,183.00	327,183.00	259,124.01	68,038.99	
Jan 15, 2016	Fixed Regular Payment	81,795.75	81,795.75	65,819.99	15,975.76	2,135,372.53
Apr 15, 2016	Fixed Regular Payment	81,795.75	81,795.75	66,466.15	15,329.60	2,068,906.38
Jul 15, 2016	Fixed Regular Payment	81,795.75	81,795.75	66,943.31	14,852.44	2,001,963.07
Oct 15, 2016	Fixed Regular Payment	81,795.75	81,795.75	67,265.95	14,529.80	1,934,697.12
2016 Totals		327,183.00	327,183.00	266,495.40	60,687.60	
Jan 15, 2017	Fixed Regular Payment	81,795.75	81,795.75	67,754.15	14,041.60	1,866,942.97
Apr 15, 2017	Fixed Regular Payment	81,795.75	81,795.75	68,540.46	13,255.29	1,798,402.51
Jul 15, 2017	Fixed Regular Payment	81,795.75	81,795.75	68,885.22	12,910.53	1,729,517.29
Oct 15, 2017	Fixed Regular Payment	81,795.75	81,795.75	69,243.30	12,552.45	1,660,273.99
2017 Totals		327,183.00	327,183.00	274,423.13	52,759.87	
Jan 15, 2018	Fixed Regular Payment	81,795.75	81,795.75	69,745.86	12,049.89	1,590,528.13
Apr 15, 2018	Fixed Regular Payment	81,795.75	81,795.75	70,503.01	11,292.74	1,520,025.12
Jul 15, 2018	Fixed Regular Payment	81,795.75	81,795.75	70,883.66	10,912.09	1,449,141.46
Oct 15, 2018	Fixed Regular Payment	81,795.75	81,795.75	71,278.21	10,517.54	1,377,863.25
2018 Totals		327,183.00	327,183.00	282,410.74	44,772.16	
Jan 15, 2019	Fixed Regular Payment	81,795.75	81,795.75	71,795.53	10,000.22	1,306,067.72
Apr 15, 2019	Fixed Regular Payment	81,795.75	81,795.75	72,522.67	9,273.08	1,233,545.05
Jul 15, 2019	Fixed Regular Payment	81,795.75	81,795.75	72,940.27	8,855.48	1,160,604.78
Oct 15, 2019	Fixed Regular Payment	81,795.75	81,795.75	73,372.34	8,423.41	1,087,232.44
2019 Totals		327,183.00	327,183.00	290,630.81	36,552.19	
Jan 15, 2020	Fixed Regular Payment	81,795.75	81,795.75	73,904.86	7,890.89	1,013,327.58
Apr 15, 2020	Fixed Regular Payment	81,795.75	81,795.75	74,521.19	7,274.56	938,806.39
Jul 15, 2020	Fixed Regular Payment	81,795.75	81,795.75	75,056.17	6,739.58	863,750.22
Oct 15, 2020	Fixed Regular Payment	81,795.75	81,795.75	75,526.85	6,268.90	788,223.37
2020 Totals		327,183.00	327,183.00	299,009.07	28,173.93	
Jan 15, 2021	Fixed Regular Payment	81,795.75	81,795.75	76,075.00	5,720.75	712,148.37

Ⓕ Apr 15, 2021	Fixed Regular Payment	81,795.75	81,795.75	76,739.50	5,056.25	635,408.87
Ⓖ Jul 15, 2021	Fixed Regular Payment	81,795.75	81,795.75	77,234.23	4,561.52	558,174.64
Ⓕ Oct 15, 2021	Fixed Regular Payment	81,795.75	81,795.75	77,744.65	4,051.10	480,429.99
Ⓖ 2021 Totals		327,183.00	327,183.00	307,793.28	19,389.62	
Ⓕ Jan 15, 2022	Fixed Regular Payment	81,795.75	81,795.75	78,308.90	3,486.85	402,121.09
Ⓖ Apr 15, 2022	Fixed Regular Payment	81,795.75	81,795.75	78,940.70	2,855.05	323,180.39
Ⓖ Jul 15, 2022	Fixed Regular Payment	81,795.75	81,795.75	79,475.68	2,328.07	243,704.71
Ⓕ Oct 15, 2022	Fixed Regular Payment	81,795.75	81,795.75	80,027.00	1,768.75	163,677.71
Ⓖ 2022 Totals		327,183.00	327,183.00	316,752.28	10,439.72	
Ⓖ Jan 15, 2023	Fixed Regular Payment	81,795.75	81,795.75	80,607.82	1,187.93	83,069.89
Ⓖ Apr 15, 2023	Fixed Regular Payment	81,795.75	81,795.75	81,205.96	569.79	1,863.93
Ⓖ Jul 15, 2023	Fixed Regular Payment	1,877.31	1,877.31	1,863.93	13.38	
Ⓖ 2023 Totals		165,468.81	165,468.81	163,677.71	1,791.10	
Ⓕ Grand Total		3,273,707.31	3,273,707.31	2,824,108.00	439,599.31	