

**RESOLUTION R-2016-83
LUZERNE COUNTY COUNCIL**

AUTHORIZING THE ISSUANCE OF A TAX AND REVENUE ANTICIPATION NOTE, SERIES OF 2017 IN THE PRINCIPAL AMOUNT OF SEVENTEEN MILLION DOLLARS (\$17,000,000); PROVIDING FOR THE DATED DATE, INTEREST RATE, MATURITY DATE, PAYMENT AND PLACE OF PAYMENT IN RESPECT OF THE NOTE; ACCEPTING THE PROPOSAL ATTACHED HERETO AS EXHIBIT "B" FROM THE FINANCIAL INSTITUTION OR ENTITY NAMED THEREIN FOR THE PURCHASE OF THE NOTE; NAMING A SINKING FUND DEPOSIT OR PAYING AGENT; AUTHORIZING THE PROPER OFFICERS OF THE COUNTY TO EXECUTE AND DELIVER THE NOTE AND CERTAIN OTHER DOCUMENTS AND CERTIFICATES IN CONNECTION THEREWITH; AUTHORIZING AND DIRECTING THE PREPARATION, CERTIFICATION AND FILING OF THE NECESSARY DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT OF THE COMMONWEALTH OF PENNSYLVANIA; SETTING FORTH A FORM OF THE NOTE.

WHEREAS, the County of Luzerne, Pennsylvania (the "County"), anticipates receiving taxes and other revenues during the fiscal year ending December 31, 2017, which taxes and other revenues are currently uncollected; and

WHEREAS, the County has estimated, on a monthly basis, its expected taxes, revenues and expenditures for the fiscal year ending December 31, 2017, and has determined that during a portion of such fiscal year it will experience a "cumulative cash flow deficit" as such phrase is defined in the regulations promulgated under Sections 103 and 148 of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the County has determined to borrow monies for the purpose of funding, in part, such cumulative cash flow deficit by issuing a note to be repaid from the anticipated taxes and revenues, all in accordance with the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, Act 53 Pa. C.S. Chapters 80-82, as reenacted and amended (the "Debt Act"); and

WHEREAS, the County has received an acceptable proposal for the purchase of its Tax and Revenue Anticipation Note as hereinafter described; and

WHEREAS, as required by Section 8126 of the Debt Act, officials of the County have heretofore made an estimate of the taxes and revenues to be received during such fiscal year ending December 31, 2016, and, by their execution of a certificate with respect thereto dated this date, have certified to such estimate;

NOW, THEREFORE, BE IT RESOLVED by the Council of the County of Luzerne, Pennsylvania (the "Council"), in lawful session duly assembled, as follows:

Section 1. For the reasons and purposes recited above, the County hereby exercises its power and authority to borrow money and authorizes the issuance and sale of its Tax and Revenue Anticipation Note, Series of 2016, in the principal amount of Seventeen Million Dollars (\$17,000,000) (the "Note") in anticipation of the receipt of current taxes and revenues during the fiscal year ending December 31, 2017, such Note to be issued, sold and delivered as hereinafter provided.

Section 2. The Chair or Vice-Chair of the Council of the County and the County Manager, attested by the Clerk of County Council or Interim Clerk of County Council, is hereby authorized and directed, in the name and on behalf of the County, to prepare and file with the Department of Community and Economic Development of the Commonwealth of Pennsylvania a certified copy of the Resolution, a certificate setting forth the taxes and revenues to be collected in the fiscal year ending December 31, 2017, and a true copy of the accepted Proposal (hereinafter defined) for the purchase of the Note, all as set forth in and required by Section 8128 of the Debt Act. The Chair or Vice-Chair of the Council of the County and the County Manager, attested by the Clerk of County Council or Interim Clerk of County Council, is also hereby authorized and directed, in the name and on behalf of the County, to prepare and verify a certificate, in accordance with Sections 103 and 148 of the Code and the regulations applicable thereto, setting forth the anticipated use of the proceeds, to prepare and deliver to the Purchaser (hereinafter defined) of the Note the certificate required by Section 8127 of the Debt Act relating to the total amount of the County's tax and revenue anticipation notes outstanding on the date of delivery of the Note, and to take any and all other action, and to execute and deliver any and all other documents and instruments, as may be necessary, proper or desirable to effect the issuance and sale of the Note as contemplated herein. The certification made on the date of adoption of this Resolution by the aforementioned officials of the County, relating to the amount of taxes and other revenues remaining to be collected by the County in the fiscal year ending December 31, 20 IS, is hereby ratified and approved.

Section 3. The Note shall be designated "County of Luzerne, Pennsylvania, Tax and Revenue Anticipation Note, Series of 20 IS", shall be in registered form, without coupons, shall be prepayable prior to maturity, shall be in the principal amount of Seventeen Million Dollars (\$17,000,000), shall be in such denominations as requested by the Purchaser, shall be dated the date of issuance, shall bear interest at the rate of interest set forth in the Proposal, from the date of delivery until maturity, shall mature on June 30, 20 IS, and shall be payable as to principal and interest at the place and in the manner and be otherwise in substantially the form set forth in the form of Note attached as Exhibit "A" hereto and the Proposal attached as Exhibit "B" hereto.

Section 4. The Note, when issued, will be a general obligation of the County.

Section 5. The Note shall be executed by the Chair or Vice-Chair of the Council of the County and the County Manager, shall have the corporate seal of the County affixed thereto, and shall be duly attested by the Clerk of County Council or Interim Clerk of County Council. The Chair or Vice-Chair of the Council of the County and the County Manager is further authorized and directed to deliver the Note to the Purchaser hereinafter named upon the terms and conditions hereinafter provided and to execute and deliver such other documents and instruments, attested to by the Clerk of County Council or Interim Clerk of County Council, and to take such other action as may be necessary or appropriate to effect the issuance and sale of the Note in accordance with this Resolution and the Debt Act.

Section 6. The Note, together with any other tax and revenue anticipation notes issued, or to be issued, by the County during the County's fiscal year ending on December 31, 2016, shall, upon issuance thereof, be equally and ratably secured by a pledge of, security interest in, and a lien and charge on, the taxes and other revenues to be received by the County during the period when the Note is outstanding; and the Chair or Vice-Chair of the Council of the County or the County

Manager is hereby authorized and directed to prepare and file, or to have filed, such financing statements as may be necessary to fully perfect such pledge, security interest, lien and charge pursuant to the Pennsylvania Uniform Commercial Code and Section 8125 of the Debt Act.

Section 7. The County hereby covenants that it will not make any use of the proceeds of the Note or do or suffer any other action which, if such use or action had been reasonably expected on the date of issuance of the Note, would cause the Note to be an "arbitrage bond" or a "private activity bond" as such terms are defined in Section 148 or Section 141 of the Code and the regulations applicable thereto and further covenants that it will comply with Section 148 and Section 141 of the Code, and with any regulations applicable thereto, throughout the term of the Note, including without limitation, any requirements relating to a rebate of certain excess earnings pursuant to Section 148(1) of the Code of any regulations applicable thereto now existing or promulgated hereafter. In connection therewith, the Chair or Vice-Chair of the Council of the County and the County Manager, attested by the Clerk of County Council or Interim Clerk of County Council, is hereby authorized and directed to execute and to deliver, in the name and on behalf of the County, any and all documents or other instruments which Stevens & Lee, P.C., Bond Counsel, may reasonably request to provide its opinion that the 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 applicable thereto.

Section 8. The formal proposal (the "Proposal") of the lender identified therein (the "Purchaser"), presented to the Council is attached hereto as Exhibit "B", is hereby accepted and the Note is hereby awarded to the Purchaser at a private sale for the purchase price of \$17,000,000. The terms of the Proposal are incorporated herein by reference with the same effect as if set forth in full at this place. The Chair or Vice-Chair of the Council of the County and the County Manager, attested by the Clerk of County Council or Interim Clerk of County Council, is hereby authorized and directed to, accept the Proposal, in the name of and on behalf of the County, by executing the County's acceptance on an original copy of the Proposal, to deliver a copy of the same to the Purchaser and to file the original with the records of the County. The Chair or Vice-Chair of the Council of the County and the County Manager, is hereby authorized to deliver the Note to the Purchaser upon receipt of the full principal amount of the purchase price for such Note and upon compliance with all conditions precedent to such delivery as required by the Debt Act, this Resolution and the Proposal; and such Chair or Vice-Chair of the Council of the County and the County Manager, attested by the Clerk of County Council or Interim Clerk of County Council, is hereby authorized and directed to prepare, verify and deliver to the Purchaser concurrently with the delivery of the Note, the certificate required by Section 8127 of the Debt Act, a copy of which certificate shall be retained with the records of the County until all tax and revenue anticipation notes issued by the County during the fiscal year ending on December 31, 20 IS, shall have been paid in full.

Section 9. The form of the Note shall be substantially as set forth and attached hereto as Exhibit "A," which form is hereby incorporated by reference and adopted as it fully recited at length herein and said form is hereby approved by this Council, with such changes, insertions and variations as are necessary or appropriate to reflect the final terms, including, but not limited to, series designation, interest rate, principal amount, the name or designation and redemption and sinking fund provisions, of the Note as specified to the County in the delivery instructions of the Purchaser and such other changes as the Chair or Vice-Chair of the Council of the County and the

County Manager may approve upon advice of the Solicitor to the County, such approval to be evidenced by such officers' execution and delivery of the Note.

Section 10. The proper officers of the County are hereby authorized, empowered and directed to contract with a bank or bank or trust company authorized to do business in the Commonwealth of Pennsylvania (the "Paying Agent") for its services as paying agent and sinking fund depository in accordance with the terms of the Proposal, this Resolution and the Debt Act. The proper officers of the County are hereby authorized to establish a sinking fund for the Note with the Paying Agent for the benefit of the holder of the Note. The County Controller or other proper officer of the County is hereby authorized and directed to make deposits to the sinking fund to be held for the payment of principal of and interest on the Note as provided in the Proposal and the Note.

Thereafter, the Paying Agent shall, without further authorization or direction from the County or any of its officials, withdraw moneys from the sinking fund and apply such moneys to the payment of principal and interest then due on the Note. Deposit by the County into the sinking fund of the full amount of such money shall satisfy in full the obligation of the County to pay principal and interest with respect to the Note.

Section 11. The proper officers of the County are hereby authorized, jointly and severally, to do any and all other things necessary to effectuate the issuance, execution, delivery and sale of the Note, including the execution and delivery of any and all additional documents, representations, declarations, note purchase agreements, loan agreements, reimbursement agreements, security agreements, intercreditor agreements, sinking fund agreements, pledge agreements, escrow agreements, assignments, financing statements, certificates, authorizations, contracts, agreements, insurance binders and other papers as may be necessary to effectuate any of the foregoing, and such execution and delivery shall be conclusive evidence of the authorization and approval thereof by the County.

Section 12. Saul Ewing LLP is hereby appointed Bond Counsel in connection with the issuance and sale of the Note.

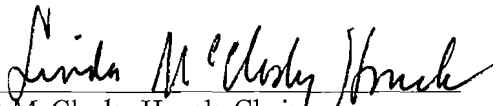
Section 13. The County Manager or the County Director of Budget and Finance is hereby authorized and directed to pay at, or subsequent to, the closing for the issuance of the Note, all costs and expense of the issuance incurred by or on behalf of the County or required to be paid by the County, all in accordance with the provisions of the Proposal. All such expenses incurred in connection with issuance of the Note shall be paid out of the proceeds derived from the issuance of the Note and the County Manager is authorized to approve requests for payment of such expenses and to direct the Purchaser to pay such expenses directly from the proceeds of the Note.

DULY ADOPTED, THIS 13TH DAY OF DECEMBER, 2016, BY THE COUNCIL
OF THE COUNTY OF LUZERNE, PENNSYLVANIA, IN LAWFUL REGULAR SESSION
DULY A S S E M B L E D .

ROLL CALL VOTE (9-2)

YES: Haas, Kelleher, McGinley, Schnee, Sorokas, SA Urban, Waitkus, Williams, and Houck
NO: Brominski and Dobash

LUZERNE COUNTY COUNCIL

By: 
Linda McClosky Houck, Chair

Attest: 
Sharon Lawrence, Clerk of Council

LUZERNE COUNTY MANAGER

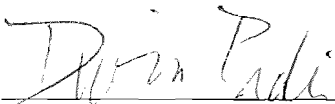
By: 
C. David Pedri, Esq., County Manager

EXHIBIT "A"

CERTIFICATE

COUNTY OF LUZERNE, PENNSYLVANIA
\$17,000,000 Tax and Revenue Anticipation Notes,
Series of 2017

CERTIFICATE AS TO TAXES AND REVENUES TO BE COLLECTED

Pursuant to Sections 8122 and 8126 of the Local Government Unit Debt Act, the undersigned officers of the County of Luzerne, Pennsylvania (the "County") DO HEREBY CERTIFY as follows in connection with the authorization by the County of its Tax and Revenue Anticipation Notes, Series of 2017, in a principal amount of \$17,000,000 (the "Notes"):

Section 1. This Certificate is given as of a date not more than thirty (30) days prior to the authorization, by resolution, by the Council of the County of the issuance and sale of the Notes.

Section 2. The Notes will be outstanding for a period ending no later than June 30, 2017.

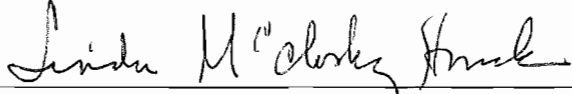
Section 3. The undersigned have carefully estimated that the aggregate amount of moneys to be received by the County from taxes presently levied and assessed, or anticipated to be levied and assessed, and other revenues to be received (including subsidies and reimbursements) during the 2017 fiscal year during the period when the Notes will be outstanding is not less than \$113,698,000 as shown in Column (C) of the attached Cash Flow Calculation Worksheet.

Section 4. In making the foregoing estimate, the undersigned have considered the past and anticipated collection experience of the County and current and projected economic conditions.

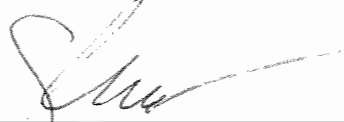
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IN WITNESS WHEREOF, the undersigned have set their hands as of December 19, 2016.

COUNTY OF LUZERNE, PENNSYLVANIA



Linda McClosky Houck, Chair of County Council



Sharon Lawrence, Clerk of County Council

(SEAL)

CASH FLOW CALCULATION WORKSHEET

County of Luzerne, Pennsylvania
 Cumulative Cash Flow Deficit Calculation for Fiscal Year Ending December 31, 2017

| A | B | C | D | E | F |
|--------------|-----------------|----------------------|-------------------------|-------------------------|------------------------------|
| Month | Opening Balance | Estimated Receipts | Estimated Disbursements | Month Surplus/(Deficit) | Cumulative Surplus/(Deficit) |
| January | \$500,000 | \$1,000,000 | \$12,353,630 | -\$11,353,630 | -\$10,853,630 |
| February | -10,853,630 | 4,975,000 | 8,832,000 | -3,857,000 | -14,710,630 |
| March | -14,740,630 | 30,578,000 | 9,501,500 | 21,076,500 | 6,365,870 |
| April | 6,365,870 | 54,705,000 | 16,332,000 | 38,373,000 | 44,738,870 |
| May | 44,738,870 | 12,941,000 | 15,744,069 | -2,803,069 | 41,935,801 |
| June | 41,935,801 | 9,499,000 | 12,066,564 | -2,567,564 | 39,368,237 |
| Total | | \$113,698,000 | \$74,829,763 | | |

| | |
|---------------------------------------------------------------|-----------------------|
| Highest 2017 Projected Deficit | (\$14,710,630) |
| Less: Working Capital Reserve Expenditures through 11/30/2016 | (\$4,500,000) |
| Maximum Allowable 2016 TRAN | (\$19,210,630) |

COUNTY OF LUZERNE, PENNSYLVANIA
\$17,000,000 Tax and Revenue Anticipation Note,
Series of 2017

RESOLUTION TRANSMITTAL


On this 16th day of December, 2016, I, the Clerk of County Council of the County of Luzerne, Pennsylvania, in accordance with the County Charter, have transmitted to the County Manager, the attached lawfully passed Resolution, captioned as follows:

AUTHORIZING THE ISSUANCE OF A TAX AND REVENUE ANTICIPATION NOTE, SERIES OF 2017 IN THE PRINCIPAL AMOUNT OF SEVENTEEN MILLION DOLLARS (\$17,000,000); PROVIDING FOR THE DATED DATE, INTEREST RATE, MATURITY DATE, PAYMENT AND PLACE OF PAYMENT IN RESPECT OF THE NOTE; ACCEPTING THE PROPOSAL ATTACHED HERETO AS EXHIBIT "B" FROM THE FINANCIAL INSTITUTION OR ENTITY NAMED THEREIN FOR THE PURCHASE OF THE NOTE; AUTHORIZING THE PROPER OFFICERS OF THE COUNTY TO EXECUTE AND DELIVER THE NOTE AND CERTAIN OTHER DOCUMENTS AND CERTIFICATES IN CONNECTION THEREWITH; AUTHORIZING AND DIRECTING THE PREPARATION, CERTIFICATION AND FILING OF THE NECESSARY DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT OF THE COMMONWEALTH OF PENNSYLVANIA; SETTING FORTH A FORM OF THE NOTE.

Very truly yours,

By: 
Title: Clerk of County Council

RECEIVED ON: December 16, 2016

By: 
Title: County Manager



Government Banking
15 South Franklin St.
Wilkes-Barre, PA 18701
(570) 821-7156 Fax (570) 821-8639
Email: rmcgowan@mtb.com
Ryan McGowan, Vice President

December 1, 2016

Mr. Brian Swetz
County of Luzerne
Budget and Finance Director
200 North River St.
Wilkes-Barre, PA 18711

Re: County of Luzerne, 2017 Tax Anticipation Note - \$17,000,000

Dear Mr. Swetz,

M&T Bank (the "Bank") appreciates the opportunity to offer our services in purchasing the proposed Tax Anticipation Note (the "TAN") financing for the County of Luzerne, PA (the "Borrower").

The attached summary includes only a brief description of the principal terms of the proposed TAN. The definitive terms of the proposed loan will be more fully evidenced in our intent letter and additional loan documentation including, but not limited to, a Note together with the other agreements, instruments, certificates and documents that M&T Bank may otherwise require. The Bank is of the understanding that the County's primary source of repayment for the TAN will be from tax revenues and receipts collected during 2017.

The settlement of the proposed TAN is subject to several conditions. First the County and Bank will discuss, negotiate and accept the conditions of this letter as provided below. After receiving the County's acceptance, the Bank will seek internal credit approval of the transaction. Upon Bank approval, definitive Note Documents will be prepared. This letter is subject to the statutory and other requirements by which M&T Bank is governed.

- 1) Amount of Note
\$17,000,000.00
- 2) Term of Note
6 Months, Maturity date of June 30, 2017
- 3) Type of Facility
Tax and Revenue Anticipation Note-Tax-Exempt, Non-Bank Qualified

4) Rate of Interest Per Annum

Please circle the bolded option you will select.

Fixed

The Note shall (subject to the following terms) bear interest on the outstanding principal balance at a tax-exempt rate (365/360-day basis). The interest rate will be equal to the tax-exempt equivalent fixed rate of the 6 month LIBOR Rate (1.30%) plus 1.60%. If the loan were to close today the rate would be **2.90%**.

If an Event of Default occurs, the interest rate on the unpaid principal shall immediately be automatically increased to five (5) percentage points per year above the otherwise applicable rate per year, and any judgment entered hereon or otherwise in connection with any suit to collect amounts due hereunder shall bear interest at such default rate.

If interest payable on the note is determined at any point during the term of the loan to not be "Tax-Exempt" or it is determined that the note served as an arbitrage note under Federal Law, the note will reset to its taxable equivalent rate, and the Borrower will pay to the bank the difference between the amount of interest which the bank should have received at the "Taxable Rate" and the actual amount of interest paid. The Borrower will also pay any and all interest and penalties assessed.

Variable

The Note shall (subject to the following terms) bear interest on the outstanding principal balance at a Bank qualified tax-exempt rate (365/360-day basis). The interest rate will be variable based upon the Bank's prevailing daily LIBOR Rate plus 1.64%. The rate will change daily. Currently, the daily LIBOR rate is 0.44%; therefore, today's rate would be **2.08%**. The interest rate floor is **2.08%** and the interest rate ceiling is **4.00%**. The interest rate is subject to change until settlement occurs.

If an Event of Default occurs, the interest rate on the unpaid principal shall immediately be automatically increased to five (5) percentage points per year above the otherwise applicable rate per year, and any judgment entered hereon or otherwise in connection with any suit to collect amounts due hereunder shall bear interest at such default rate.

If interest payable on the note is determined at any point during the term of the loan to not be "Tax-Exempt" or it is determined that the note served as an arbitrage note under Federal Law, the note will reset to its taxable equivalent rate, and the Borrower will pay to the bank the difference between the amount of interest which the bank should have received at the "Taxable Rate" and the actual amount of interest paid. The Borrower will also pay any and all interest and penalties assessed.

5) Repayment Terms

The County will agree to the following payback structure for repayment of the 2017 TAN:

- A. 1st Principal payment of \$5,000,000.00 pay down prior to April 30, 2017
- B. 2nd Principal payment of \$6,000,000.00 pay down prior to May 30, 2017
- C. Final Principal payment of \$6,000,000.00 and remaining interest owed pay down prior to maturity date of June 30, 2017

6.) Prepayment Privileges

Borrower will have the option to prepay the outstanding principal of the note at any time without any prepayment penalties.

7.) Security

2017 Real Estate Tax revenues and receipts of the County of Luzerne.

8.) Covenants/Conditions

The Borrower will provide the approved 2017 budget in a timely fashion to M&T Bank. Any questions or concerns M&T Bank has with the 2017 budget will be addressed prior to the closing.

The Borrower will be required to submit to the bank its financial reports within 180 days from the close of the Borrower's fiscal year.

The Borrower will be required to pay off the current Tax and Revenue Anticipation Note prior to entering into any additional Tax and Revenue Anticipation financings during 2017.

Borrower shall have delivered to M&T Bank, sufficiently in advance of closing, all documentation and other information required by M&T Bank in accordance with all applicable banking laws and regulations in effect from time to time, including, without limitation, the USA PATRIOT Act. Any failure by Borrower or any necessary third party to deliver to M&T Bank, in a timely manner, any material information requested, or any misrepresentation or inaccuracy with respect to any such information received, or if M&T's Bank due diligence reveals that opening the accounts contemplated herein would potentially violate M&T's Bank regulatory compliance policies or applicable law, shall permit M&T Bank, in its sole discretion, to withdraw and/or cancel this financing proposal/offer without liability, and retain all fees."

9.) Opinion of Counsel

An opinion of legal counsel shall be delivered in a form satisfactory to the bank evidencing the fact that this borrowing is non-bank qualified tax-exempt under all applicable laws of the Commonwealth of Pennsylvania and the United States of America; that this note is not an Arbitrage Bond; the Borrower is a valid and binding obligation of the Borrower.

10.) Fees and Expenses

A **\$30,000.00** fee will be assessed on the borrowing for the review of the 2017 TAN documents if the County of Luzerne will have their Solicitor/Bond Counsel prepare all documents associated with the 2017 Tax Anticipation Note.

A **\$37,500.00** fee will be assessed if the County of Luzerne will have M&T Bank and their selected Bond Counsel prepare all documents associated with the 2017 Tax Anticipation Note.

The Borrower agrees to indemnify the bank against any and all claims, which may be incurred in connection with this borrowing.

11.) Preparation of Documents

The Bank shall be listed as “**Manufacturers and Traders Trust Company**” in all documentation prepared by the Banks legal counsel and delivered to the Bank at least **seven days prior to closing for document review.**

- Original Executed Commitment Letter
- Original Executed Tax and Revenue Anticipation Note
- Original Executed Authorizing Resolution
- Original Executed Secretary’s Certificate
- Certification of Tax and Revenue to be Collected during the term of the note
- Original Executed Legal Opinion Letter as noted
- Internal Revenue Service Form 8038G as required
- Evidence of appropriate DCED filing

12.) Acceptance to advance

The above terms and conditions are intended to serve as an outline to support discussions of financing which may be available for the Borrower. This outline is not a commitment or an offer to provide credit accommodations and does not create any obligation on the part of the Bank. This outline is only a brief description of the principal terms of credit facility, which may be available and is intended for discussion purposes only.

During these turbulent economic periods, M&T Bank remains focused on its community banking roots. We recognize the importance to reliability, accuracy, and responsiveness to the County of Luzerne. Our commitment to our customers has been unwavering during this challenging economic environment.


Should you have any questions, please do not hesitate to contact me at (570) 821-7156.

Sincerely,



Ryan McGowan
Government Banking Division
Vice President

Accepted:



Signature of Authorized Officer

County MANAGER

Title of Signer

12/16/16

Date

Statement of Confidentiality:

The information provided in this proposal is **CONFIDENTIAL** in nature. It should be disclosed only to third parties who are directly involved in evaluating the proposal and who agree to maintain the confidentiality of this material. In no case should it be shared, in whole or in part, with any other parties without the written approval of M&T Bank. We thank you for your cooperation.

COUNTY OF LUZERNE, PENNSYLVANIA

December 20, 2016

Timothy Anstine, Esquire
Deputy Chief Counsel
Office of Chief Counsel
Department of Community and Economic Development
Commonwealth Keystone Building
400 North Street – Plaza Level
Harrisburg, PA 17120-0225

Re: County of Luzerne, Pennsylvania, \$17,000,000 Aggregate Principal Amount
Tax and Revenue Anticipation Note, Series of 2017

Dear Mr. Anstine:

Pursuant to Section 8128 of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, as amended, PA.C.S. 53, Chapters 80-82 (the "Act"), we enclose and hereby certify that each of the following documents is a complete and accurate copy of such document executed in connection with the issuance by the County of Luzerne, Pennsylvania (the "County"), of its \$17,000,000 aggregate principal amount Tax and Revenue Anticipation Note, Series of 2017:

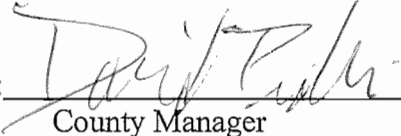
1. An original executed copy of the Resolution adopted by the Council of the County authorizing and awarding the sale of the Tax and Revenue Anticipation Note;
2. A true copy of the accepted proposal for the purchase of the Tax and Revenue Anticipation Note; and
3. The certificate as to taxes and revenues to be collected during the fiscal year ending December 31, 2017, or the portion thereof during which the Tax and Revenue Anticipation Note shall be outstanding, in accordance with Section 8126 of the Debt Act (including a Certificate of Cumulative Cash Flow).

Please return your acknowledgment of the receipt of these proceedings for filing via email to gmagnatta@saul.com, mbarnes@saul.com and Romilda.Crocamo@luzernecounty.org.

Closing on the Note is expected to occur on January 3, 2017. The Note will be dated the date of closing.

(SEAL)

COUNTY OF LUZERNE, PENNSYLVANIA

By: 
County Manager