

NOTICE

NOTICE IS GIVEN that the Board of County Commissioners of the County of York, Pennsylvania (the "County"), proposes to enact, at a public meeting to be held within not less than three (3) days nor more than thirty (30) days, as calculated from the date of publication of this Notice, an ordinance (the "Ordinance"), the caption and summary of which is as follows:

"ORDINANCE NO. 2011-01

OF THE COUNTY OF YORK, PENNSYLVANIA, AUTHORIZING AND SECURING A GENERAL OBLIGATION NOTE IN THE MAXIMUM PRINCIPAL AMOUNT OF TWENTY MILLION DOLLARS (\$20,000,000), PURSUANT TO THE PENNSYLVANIA LOCAL GOVERNMENT UNIT DEBT ACT, TO FINANCE THE ACQUISITION AND CONSTRUCTION OF: (1) DISTRICT MAGISTRATE OFFICES; (2) IMPROVEMENTS TO THE COUNTY'S GOVERNMENT CENTER; (3) EXPANSION OF THE COUNTY ARCHIVES; (4) RENOVATIONS TO THE YORK COUNTY PRISON; AND (5) A NEW PRISON WORK RELEASE FACILITY, AND TO PAY RELATED COSTS; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THIS COUNTY IN SUPPORT OF THE GENERAL OBLIGATION NOTE; SETTING FORTH RELATED COVENANTS AND REPRESENTATIONS; AUTHORIZING OFFICERS AND AGENTS OF THIS COUNTY TO TAKE APPROPRIATE ACTIONS AND SIGN DOCUMENTS; AND CONTAINING RELATED PROVISIONS."

The proposed Ordinance is available for public inspection in the office of the County Administrator/Chief Clerk, in the York County Administrative Center, 28 East Market Street, 2nd Floor, York, Pennsylvania, on any open business day of the County between 8:30 a.m. and 4:30 p.m.

The Ordinance available for inspection contains blanks, as permitted by the Pennsylvania Local Government Unit Debt Act (the "Debt Act"), including the name of the lender,

the rate(s) of interest, and the maximum annual payment amounts and dates for the County's proposed general obligation note. The blanks will be filled in prior to the final enactment of the Ordinance from information in a loan proposal to be accepted by the Board of County Commissioners of the County.

An advertisement describing the final enactment of the Ordinance, including a description of amendments, will be made in accordance with the Debt Act. This Notice is given in accordance with Section 8003 of the Debt Act.

COUNTY OF YORK, PENNSYLVANIA
By: Charles R. Noll, Chief
Clerk/Administrator of the Board of
County Commissioners

COUNTY OF YORK, PENNSYLVANIA

ORDINANCE NO. 2011-01

OF THE COUNTY OF YORK, PENNSYLVANIA, AUTHORIZING AND SECURING A GENERAL OBLIGATION NOTE IN THE MAXIMUM PRINCIPAL AMOUNT OF TWENTY MILLION DOLLARS (\$20,000,000), PURSUANT TO THE PENNSYLVANIA LOCAL GOVERNMENT UNIT DEBT ACT, TO FINANCE THE ACQUISITION AND CONSTRUCTION OF: (1) DISTRICT MAGISTRATE OFFICES; (2) IMPROVEMENTS TO THE COUNTY'S GOVERNMENT CENTER; (3) EXPANSION OF THE COUNTY ARCHIVES; (4) RENOVATIONS TO THE YORK COUNTY PRISON; AND (5) A NEW PRISON WORK RELEASE FACILITY, AND TO PAY RELATED COSTS; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THIS COUNTY IN SUPPORT OF THE GENERAL OBLIGATION NOTE; SETTING FORTH RELATED COVENANTS AND REPRESENTATIONS; AUTHORIZING OFFICERS AND AGENTS OF THIS COUNTY TO TAKE APPROPRIATE ACTIONS AND SIGN DOCUMENTS; AND CONTAINING RELATED PROVISIONS.

WHEREAS, The County of York, Pennsylvania (the "County"), is a political subdivision of the Commonwealth of Pennsylvania (the "Commonwealth") and is governed by its Board of County Commissioners (the "Board"); and

WHEREAS, The County has determined to undertake capital projects consisting of the acquisition and construction of: (1) District Magistrate offices; (2) improvements to the County's Government Center; (3) expansion of the County archives; (4) renovations to the York

County Prison; and (5) a new prison work release facility, and to pay related costs (collectively, the "Projects"); and

WHEREAS, The County has determined that such general obligation note: (a) shall be offered at private sale by negotiation; and (b) shall be offered for sale at a price of not less than 100% of principal amount advanced, from time to time, thereunder; and

WHEREAS, The County has obtained realistic cost estimates for the Projects, through appraisals, professional estimates or otherwise, and has determined that such costs, as that term is defined in the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "Debt Act"); and

WHEREAS, A written proposal (the "Proposal") to purchase a general obligation note has been requested and received from _____ (the "Bank"), having an office in _____, Pennsylvania; and

WHEREAS, The Board desires to accept the Proposal, to authorize the issuance of a general obligation note, and to take appropriate action in connection with the Projects, all in accordance with the Debt Act.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED, by the Board of the County, as follows:

SECTION 1. The Board hereby authorizes and secures the issuance of the County's "General Obligation Note, Series of 2011 (the "Note"), in the maximum principal amount of \$20,000,000, constituting nonelectoral debt of the County under the Debt Act, to undertake the Projects.

SECTION 2. The Board finds that it is in the best financial interests of the County to sell the Note at private sale by negotiation. The Note is awarded to the Bank, in accordance with the Proposal, at a total purchase price of \$20,000,000 (100% of the maximum principal amount). The Proposal shall be executed in the name of and on behalf of the County by at least two members of the Board, and an executed original of which shall be placed on file with the Chief Clerk of the County.

SECTION 3. The estimated useful life of each of the Projects is at least 20 years. The County represents that the maturity date of the Note will be within two years after the issuance date of the Note.

SECTION 4. The Note shall be registered in form, in the maximum principal amount of \$20,000,000, and shall bear interest from the date of delivery thereof to the Bank at the rate or rates, including maximum rate, if applicable, described in the form of Note attached hereto as Exhibit "A", with appropriate insertions and amendments. Interest only shall be payable on the outstanding principal balance of the Note, quarterly, until maturity or until any earlier date on which the principal amount of the Note is repaid in full. The outstanding principal balance of the Note shall be payable in full, upon maturity, on April 15, 2013.

SECTION 5. A schedule setting forth the maximum annual payments due on the Note is attached hereto as Exhibit "B" and made a part hereof. Principal of the Note shall be advanced by the Bank to the County, from time to time, on a draw-down, non-revolving line of credit basis, until the maturity date of the Note. An estimated draw schedule illustrating expected advances for the Projects is attached hereto as Exhibit "C".

SECTION 6. The Note shall be subject to prepayment prior to maturity, at the option of the County, as a whole or in part, on any date, without premium or penalty. Any such prepayment, as a whole, shall be upon written notice addressed to the Bank at the time of such redemption, as the registrar and paying agent for the Note. On the date designated for prepayment, notice having been given, and money for payment of the principal and accrued interest being held by the Bank, as paying agent, interest on the principal of the Note selected for prepayment shall cease to accrue. If the principal of the Note has been prepaid in full, the Note shall cease to be entitled to any benefit or security under this Ordinance, and the registered owner of the Note shall have no rights with respect to the Note, except to receive payment of the principal of and accrued interest on such Note to the prepayment date.

SECTION 7. The principal of and interest on the Note shall be payable at any branch office of the Bank, including any office located in the County, in lawful money of the United States of America.

SECTION 8. The Note shall be executed in the name of and on behalf of the County by at least two members of the Board, and the official seal of the County shall be affixed thereto by the Chief Clerk of the Board who shall sign the Note in attestation thereof, and said officers are authorized to execute and to attest the Note.

SECTION 9. The County covenants to and with the registered owners, from time to time, of the Note outstanding pursuant to this Ordinance, that the County shall do the following: (i) include the amount of the debt service for the Note, for each fiscal year of the County in which such sums are payable, in its budget for that fiscal year, (ii) appropriate such amounts from its general revenues for the payment of such debt service, and (iii) duly and punctually pay or cause

to be paid from the sinking fund created hereunder, or any other of its revenues or funds, the principal of the Note and the interest thereon at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the County shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in the Debt Act, the foregoing covenant of the County shall be enforceable specifically.

SECTION 10. There is created, pursuant to the Debt Act, a sinking fund for the Note, to be known as the "Sinking Fund - General Obligation Note, Series of 2011" (the "Sinking Fund"), which Sinking Fund shall be administered in accordance with the Debt Act. The County covenants to make payments out of the Sinking Fund or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of the Note when due.

The Bank is appointed as the sinking fund depository for the Sinking Fund. Proper officials of the County are authorized and directed to contract with the Bank for its services as sinking fund depository in connection with the Sinking Fund.

SECTION 11. Officers and agents of the County are authorized and directed: (a) to prepare, to certify and to file the debt statement required by the Debt Act; (b) to prepare and to file the application with the Department of Community and Economic Development of the Commonwealth (the "Department"), together with a complete and accurate transcript of the proceedings relating to the incurring of debt, of which debt the Note, upon issue, will be evidence, as required by the Debt Act; (c) to prepare and to file any statements required by the Debt Act that are necessary to qualify all or any portion of nonelectoral or lease rental debt of the County that is subject to exclusion as self-liquidating or subsidized debt for exclusion from the appropriate debt

limit as self-liquidating or subsidized debt; (d) to pay or to cause to be paid to the Department all proper filing fees required by the Debt Act in connection with the foregoing; and (e) to take other required, necessary or appropriate action. Officers and agents of the County are also authorized and directed to prepare an appropriate borrowing base certificate to be appended to the debt statement authorized herein.

SECTION 12. The debt to be incurred hereby, together with any other indebtedness of the County, is not in excess of any applicable limitation imposed by the Debt Act upon the incurring of debt by the County, which is evidenced by the Note.

SECTION 13. The Chief Clerk of the Board of the County is authorized and directed to deliver the executed Note to the Bank, but only after the Department has certified its approval pursuant to the Debt Act.

SECTION 14. The County will make no use of the proceeds of the Note that will cause the Note to be or become an "arbitrage bond" within the meaning of Section 103(b)(2) and Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations implementing said Sections that duly have been published in the Federal Register or with any other regulations implementing said Sections, and the County further covenants to comply with all other requirements of the Code if and to the extent applicable to maintain continuously the Federal income tax exemption of the interest paid on the Note.

SECTION 15. 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 such remainder shall be and shall remain in full force and effect.

SECTION 16. All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

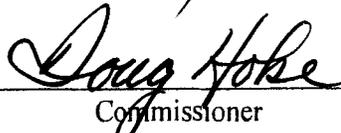
SECTION 17. This Ordinance shall be effective in accordance with the Debt Act.

DULY ENACTED AND ORDAINED, by the Board of County Commissioners of
the County of York, Pennsylvania, in lawful session duly assembled, this 9th day of March, 2011.

COUNTY OF YORK, PENNSYLVANIA

By: 
Commissioner

By: 
Commissioner

By: 
Commissioner

ATTEST:


Chief Clerk of the Board
of County Commissioners

(SEAL)

EXHIBIT "A"

COUNTY OF YORK, PENNSYLVANIA

GENERAL OBLIGATION NOTE, SERIES OF 2011

COUNTY OF YORK, Pennsylvania (the "County"), a political subdivision of the Commonwealth of Pennsylvania (the "Commonwealth"), promises to pay to the order of _____ BANK (the "Bank"), or registered assigns, on April 15, 2013, unless this General Obligation Note, Series of 2011 (the "Note"), shall have been duly called for previous redemption and payment of the redemption price shall have been made or provided for, the maximum principal sum of Twenty Million Dollars (\$20,000,000), or such lesser particular sum as shall represent the unpaid balance of such maximum principal sum advanced, from time to time, on a non-revolving, line of credit basis, and to pay interest on the principal sum hereof which, from time to time, shall be outstanding and shall remain unpaid, at the rate of _____ percent (____%), per annum, payable quarterly (each, an "Interest Payment Date"), and upon maturity or until any earlier date upon which the principal amount of the Note is paid in full or, in the event that this Note duly shall have been prepaid in full, and payment of the amount due shall have been made or provided for, until the date fixed for prepayment. Should any Interest Payment Date not be on a Business Day (defined as any day other than a Saturday, Sunday, or legal holiday), the interest payment will be made on the first Business Day following the regularly scheduled Interest Payment Date. Interest shall be calculated by multiplying the outstanding principal balance hereof by the effective rate of interest and

multiplying the product thereof by a factor equal to the number of days in such period divided by the actual number of days in the then current year (365 or 366, as applicable).

The principal of and interest on this Note shall be payable at any branch office of the Bank, in lawful money of the United States of America.

This Note is authorized and secured by Ordinance No. 2011-01, duly enacted by the County on March 9, 2011 (the "Ordinance").

The County, at its option, on any date, may prepay in whole or, from time to time, in part the principal of this Note, without premium or penalty. If this Note is prepaid in whole, the outstanding principal amount shall be paid together with accrued interest to the prepayment date. Any prepayment, as hereinbefore authorized, in whole, shall be upon written notice addressed to the registered owner hereof at the time of such redemption, as such registered owner and address shall appear upon books of the County to be kept by the Bank for such purpose, following written notice to the Bank. If the principal of this Note shall have been prepaid in full, this Note shall cease to be entitled to any benefit or security under the Ordinance authorizing issuance of this Note, and the registered owner of this Note shall have no rights with respect to this Note except to receive payment of the principal of and accrued interest to the prepayment date.

This Note is issued in accordance with provisions of the Act of the General Assembly of the Commonwealth known as the Local Government Unit Debt Act (the "Debt Act"), and by virtue of the Ordinance, duly enacted by the Board of County Commissioners of the County. The Debt Act, as such shall have been in effect when this Note was authorized, and the Ordinance

shall constitute a contract between the County and the registered owner or registered owners, from time to time, of this Note.

It is hereby certified that: (i) all acts, conditions and things required to be done, to happen or to be performed as conditions precedent to and in issuance of this Note or in creation of the debt of which this Note is evidence have been done, have happened or have been performed in due and regular form and manner, as required by law; and (ii) the debt represented by this Note, together with any other indebtedness of the County, is not in excess of any applicable limitation imposed by the Debt Act upon the incurring of the debt of the County which is evidenced by this Note.

The County has covenanted, in the Ordinance, to and with registered owners, from time to time, of this Note, outstanding, from time to time, pursuant to the Ordinance, that the County shall do the following: (i) include the amount of the debt service for this Note, for each fiscal year of the County in which such sums are payable, in its budget for that fiscal year, (ii) appropriate such amounts from its general revenues for the payment of such debt service, and (iii) duly and punctually pay or cause to be paid from the sinking fund established under the Ordinance or any other of its revenues or funds the principal of this Note and the interest thereon at the dates and place and in the manner stated herein, according to the true intent and meaning hereof; and, for such budgeting, appropriation and payment, the County has pledged and does pledge, irrevocably, its full faith, credit and taxing power. The Debt Act provides that the foregoing covenant of the County shall be enforceable specifically.

The County, in the Ordinance, has established a sinking fund with the Bank, as the sinking fund depository, into which funds for the payment of the principal of and the interest on this Note shall be deposited not later than the date fixed for the disbursement thereof. The County has covenanted, in the Ordinance, to make payments out of such sinking fund or out of any other of its revenues or funds, at such times in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of this Note.

This Note is transferable by the Bank, or by any other, subsequent registered owner in person or by his attorney duly authorized, in writing, at the principal office or at any branch office of the Bank, but only upon notation of such registration hereon and on the records of the County to be kept for that purpose at the principal office or at any branch office of the Bank by a duly authorized representative of the Bank acting on behalf of the County. The County and the Bank may deem and treat the person, from time to time, in whose name this Note shall be registered as the absolute owner hereof for the purpose of receiving payment hereof and of interest due hereon, for the purpose of redemption hereof prior to maturity and for all other purposes.

REGISTRATION RECORD

NOTHING TO BE WRITTEN HERE EXCEPT BY A DULY AUTHORIZED REPRESENTATIVE OF _____ BANK, ACTING AS REGISTRAR, ON BEHALF OF THE COUNTY OF YORK, PENNSYLVANIA

Date of Registry	Name of Registered Owner	Registrar (Authorized Representative)
_____, 2011		

EXHIBIT "B"

COUNTY OF YORK, PENNSYLVANIA
\$20,000,000 Maximum Principal Amount
General Obligation Note, Series of 2011

<u>Date</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance</u>
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SEE ATTACHED SHEET¹

¹Assumes the following: (a) the Note is issued by the County to the Bank on April 15, 2011, and the principal amount of the Note is drawn down entirely on that date, (b) quarterly interest only payments are due beginning on July 15, 2011, at the maximum interest rate of ___%, per annum, until maturity and (c) the principal amount of the Note is paid in full, upon maturity, on April 15, 2013.