CITY OF COATESVILLE
CHESTER COUNTY, PENNSYLVANIA
Resolution No. 2012-30

2013 Tax Anticipation Note
Authorizing and Awarding Resolution

AUTHORIZING THE ISSUANCE AND SALE OF A 2013 TAX ANTICIPATION NOTE OF THE CITY OF COATESVILLE IN AN AGGREGATE PRINCIPAL AMOUNT OF $1,109,000.00; ESTABLISHING THE TERMS, CONDITIONS AND FORM OF SUCH NOTE, ACCEPTING A PROPOSAL TO PURCHASE THE NOTE; PROVIDING SECURITY FOR THE NOTE; AUTHORIZING CERTAIN OFFICIALS TO EXECUTE AND DELIVER THE NOTE AND TO PREPARE AND FILE CERTAIN CERTIFICATES AND OTHER PROCEEDINGS, AND AUTHORIZING OTHER NECESSARY ACTION.

WHEREAS, the City of Coatesville, Chester County, Pennsylvania (the "City") anticipates the receipt during the 2013 fiscal year of taxes and other revenues as yet uncollected; and

WHEREAS, based on monthly estimates of its expected taxes, revenues and expenditures, and cash flow for the 2013 fiscal year, the City has determined that it is necessary to borrow for the purpose of meeting current expenses by issuing a note to be repaid from said anticipated revenues; and

WHEREAS, the City is authorized, pursuant to the Local Government Unit Debt Act, as codified by the Act of December 19, 1996, P.L. 1158, No. 177 (the "Act"), to borrow money from time to time in any fiscal year in anticipation of the receipt of current taxes and other revenues and to evidence such borrowing by the issuance and sale of tax anticipation notes; and

WHEREAS, First Niagara Bank has submitted a proposal to purchase the City's 2013 Tax Anticipation Note in the aggregate principal amount of $1,109,000.00; and

WHEREAS, the City desires by the adoption of this Resolution to accept such proposal and authorize the issuance and sale of its tax anticipation note in accordance with the Act.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Coatesville, Chester County, Pennsylvania as follows:

1. The City hereby authorizes the issuance of its 2013 Tax Anticipation Note, in an aggregate principal amount of $1,109,000.00 (the "Note"), in anticipation of the receipt of current taxes and revenues in the 2013 fiscal year to be sold at private sale.

2. The Note shall be in the denomination of $1,109,000.00, shall be fully registered without coupons, shall be dated January 2, 2013, bear interest at the rate of 2.25(%) percent, shall mature on December 31, 2013 and shall be payable at any office of the Lender, shall be substantially in the form annexed to the resolution as Exhibit A and hereby made a part of the

resolution as though fully set forth in this place.

3. The proposal of First Niagara Bank ("Lender") to purchase the Note dated January 2, 2013, is hereby accepted and shall be incorporated into the minutes of this meeting. A true and correct copy of said Proposal is attached hereto as Exhibit B, and the appropriate executive officers are hereby authorized and directed to execute and deliver a duplicate original of the acceptance of said proposal to the Lender.

4. The Note may be prepayable in whole or in part, together with interest accrued on the amount prepaid, at any time at the option of the City prior to maturity without penalty or premium.

5. Any officer of the City is hereby authorized and directed to notify the Lender of the City's acceptance of its Proposal, to execute such acceptance on a duplicate original thereof, to deliver the same to the Lender and to file the original of the Proposal with the records of the City.

6. The Note shall be a general obligation of the City and shall be secured by a first lien and charge on its taxes to be received by the City during the period when the Note is outstanding to secure the payment of the indebtedness evidenced hereby and the interest thereon.

7. The President or Vice President of Council is hereby authorized and directed to execute in the name of, on behalf of, and under the seal of the City, the Note in the form and containing the terms described above, and the Manager of the City is hereby authorized and directed to attest the same. Such officers are hereby authorized and directed to deliver the Note to the Lender upon receipt of the proceeds thereof and upon compliance with all conditions precedent to such delivery required by the Act.

8. The appropriate executive or fiscal officer be and hereby is authorized and directed to prepare or cause to be prepared and to file a Certificate as to Taxes and Revenues to be Collected as required by Section 8128 of the Local Government Unit Debt Act. A true and correct copy of said certificate is attached as Exhibit C.

9. The appropriate executive or fiscal officer shall be and are hereby authorized and directed to cause certain documents and proceedings in connection with the authorization, issuance and sale of the Note (including certified copies of this Resolution and the Certificate and a true copy of the Proposal) to be filed with the Department of Community and Economic Development of the Commonwealth of Pennsylvania in accordance with the Act.

10. The City Manager as well as the appropriate officers of the City are hereby authorized and directed to execute all documents and to perform all other actions necessary and proper for the valid issuance, sale and delivery of the Note in accordance with the Act, the aforesaid proposal of the Lender and the provisions of this Resolution.

11. All resolutions or parts of resolutions heretofore adopted to the extent that the same are inconsistent in any manner herewith are hereby repealed.

12. This Resolution shall take effect immediately.

DULY ADOPTED, by the Council of the City of Coatesville, this 10th day of December, 2012.

CITY OF COATESVILLE
CHESTER COUNTY, PENNSYLVANIA

BY: _____
David Collins
City Council - President

ATTEST:

BY: _____
Kirby A. Hudson
City Manager

REVISED

Exhibit A

FORM OF NOTE

CITY OF COATESVILLE

CHESTER COUNTY

COMMONWEALTH OF PENNSYLVANIA

Tax Anticipation Note

Series of 2013

January 2, 2013

$1,109,000.00

The City of Coatesville, Chester County, Pennsylvania, hereinafter called the "City" intending to be legally bound, promises to pay to the order of First Niagara Bank, hereinafter called the "Lender" on or before December 31, 2013, the sum of One million one hundred nine thousand dollars ($1,109,000.00) dollars, in such coin or currency as at the place and time of payment is legal tender for the payment of public and private debts, with interest thereon from the date hereof on the unpaid principal balance from time to time outstanding at the rate of 2.25% per annum. Interest calculation based on 360 day year (actual/360).

Payment of the indebtedness evidenced hereby may be anticipated in whole or in part at any time and from time to time without penalty or premium.

The indebtedness evidenced hereby is a borrowing in anticipation of current taxes to be received during the fiscal year ending December 31, 2013 and is to be repaid from revenues received by it during said fiscal year.

REVISED

The City hereby pledges to the Lender and grants to the Lender a first lien and charge on its taxes to be received during the period when the Note is outstanding to secure the payment of the indebtedness evidenced hereby and the interest thereon.

Payment of principal and interest shall be made in the following amounts on the following dates:

DATE	PRINCIPAL	INTEREST	TOTAL AMOUNT
June 28, 2013	$1,109,000.00	$12,268.32	$1,121,268.32

This tax anticipation note is executed and delivered pursuant to resolution adopted by the City upon the affirmative vote of at least a majority of its Council members at a meeting held on December 10, 2012 and after filing with the Department of Community and Economic Development

of the Commonwealth of Pennsylvania the documents required by Section 8128 of the Local Government Unit Debt Act.

IN WITNESS WHEREOF, the City of Coatesville has caused this tax anticipation note to be executed by its presiding officer, its seal to be hereunto affixed, and the same to be attested by its Manager, and this Note to be delivered to the Lender this _____day of _____, 20_____.

CITY OF COATESVILLE

By: _____
David Collins
City Council - President

(SEAL)

ATTEST:

_____
Kirby A. Hudson
City Manager

Exhibit A

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CITY OF COATESVILLE

CHESTER COUNTY

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The City hereby pledges to the Lender and grants to the Lender a first lien and charge on its taxes to be received during the period when the Note is outstanding to secure the payment of the indebtedness evidenced hereby and the interest thereon.

The City agrees to maintain this obligation as a fully bank qualified tax-exempt obligation for the term of the Note. Any failure to maintain such tax-exemption according to IRS rules will result in a re-stated Default Taxable Rate to be determined at the time of the loss of Federal tax exemption.

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of the Commonwealth of Pennsylvania the documents required by Section 8128 of the Local Government Unit Debt Act.

IN WITNESS WHEREOF, the City of Coatesville has caused this tax anticipation note to be executed by its presiding officer, its seal to be hereunto affixed, and the same to be attested by its Manager, and this Note to be delivered to the Lender this 2ND day of JANUARY, 2013.

CITY OF COATESVILLE

By: _____
David Collins
City Council - President

(SEAL)

ATTEST:

_____
Kirby A. Hudson
City Manager

Exhibit B

PROPOSAL OF LENDER

CERTIFICATION

I, Kirby A. Hudson, Manager of the City of Coatesville, hereby certify that the foregoing is a true and correct copy of a resolution, duly adopted by the majority vote of City Council of the City of Coatesville, at a meeting duly held on the 10th day of December, 2012 and that the minutes of said meeting showing how each member voted have been duly recorded in the official minutes of the City.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this _____ day of December, 2012.

Kirby A. Hudson

City Manager

Exhibit C

CERTIFICATE OF TAXES AND REVENUES TO BE COLLECTED

Pursuant to Section 8126 of the Local Government Unit Debt Act, the undersigned officers of the City of Coatesville, Chester, County, Pennsylvania (hereinafter the "City") hereby certify that:

1. The undersigned have carefully estimated that the following amounts of dollars will be received from taxes presently levied and assessed, and other revenues to be received (including subsidies and reimbursements) during the following months in the 2013 fiscal year ending December 31, 2013.

DATE	AMOUNT
January	369,212
February	667,521
March	1,823,545
April	708,942
May	816,802
June	576,829
July	392,937
August	819,620
September	1,001,925
October	333,898
November	611,603
December	737,570

TOTAL: $8,860,404

2. In making the foregoing estimate, the undersigned have considered the past and

anticipated collection experience of the City and current economic conditions.

3. The amount of the borrowing pursuant to tax anticipation notes in the above-mentioned fiscal year, including the current obligation, does not exceed 85% of the revenues.

IN WITNESS WHEREOF, the undersigned have set their hands this _____ day of December, 2012.

CITY OF COATESVILLE

By: _____
David Collins
City Council - President

_____
Kirby A. Hudson
City Manager