

## FINANCE COMMITTEE MEETING AGENDA

February 2, 2012

4:00 p.m.

Page  
No.

1. Web presentation on Network of Care by Bruce Bronzan, Pres., Trilogy Integrated Resources.
  
- 3        2. Ordinance Number 10, 2012, "First 2012 Public Safety Fund Budget Supplemental Appropriation Of \$30,307 And Creation Of New Line Items For HMRF Grant" (FR 1-24-12)
  
- 6        3. Ordinance Number     , 2012, "2012 Public Safety Fund Budget Supplemental Appropriation Of \$453,252 And The Creation Of New Line Items For COPS Grant Numbers #0189, #0190, And #0115"
  
- 9        4. Ordinance Number     , 2012, "2012 General Fund Budget Supplemental Appropriation Of \$13,154 And Creation Of New Line Item For Reassessment Expenditures Associated With Appeals"
  
- 15       5. Ordinance Number     , 2012, "2012 Liquid Fuels Fund Budget Supplemental Appropriations Of \$19,900 In Emergency Liquid Fuels Passed By The Emergency Liquid Fuels Board For Springfield Township"
  
- 26       6. Ordinance Number     , 2012, "An Ordinance Of The County Of Erie, Pennsylvania (The "County") Authorizing And Directing The Execution And Delivery Of A Guaranty Agreement For The Benefit Of Pleasant Ridge Manor ("Pleasant Ridge") And Compliance With The Provisions Thereof And Incurring Lease Rental Debt Thereby; Approving A \$1,000,000 Committed Line Of Credit Note From Pleasant Ridge To PNC Bank, National Association; Directing The Proper Officers Of The County To Take Necessary Actions; And Repealing All Inconsistent Ordinances"

- 45            7.    Ordinance Number     , 2012, "An Ordinance Of The County Of Erie, Pennsylvania (The "County") Authorizing And Directing The Execution And Delivery Of A Guaranty Agreement For The Benefit Of Pleasant Ridge Manor ("Pleasant Ridge") And Compliance With The Provisions Thereof And Incurring Lease Rental Debt Thereby; Approving A \$1,700,000 Letter Of Credit Agreement From Pleasant Ridge To PNC Bank, National Association; Directing The Proper Officers Of The County To Take Necessary Actions; And Repealing All Inconsistent Ordinances"
- 63            8.    Ordinance Number     , 2012, "Amending Ordinance Number 113, 2010 And The Administrative Code Of Erie County Article III, Section I Purchasing Code"
- 66            9.    Ordinance Number     , 2012, "2012 Capital Projects Fund Supplemental Appropriation Of \$104,102 And Creation Of A New Line Item For County Technology Projects"
- 69            10.   Resolution Number     , 2012, "A Resolution To Approve And Endorse The Inclusion Of North East Township As A Member Of The Erie Area Council Of Governments"
- 71            11.   Resolution Number     , 2012, "A Resolution To Approve And Endorse The Inclusion Of Girard Borough As A Member Of The Erie Area Council Of Governments"
- 73            12.   Resolution Number     , 2012, "Ratifying The GASB 54 Fund Balance Policy In The County Of Erie"
- 74            13.   Appointment of Sister Christine Vladimiroff to the Erie County Housing Authority.
- 75            14.   Reappointment of Rev. Nettie Smith to the Erie County Board of Health.
- 76            15.   Analysis of General Fund Unrestricted Fund Balance
16.   Executive session concerning negotiations between Pleasant Ridge Manor and the AFSCME Union.  
(Attorney George Joseph)

**ORDINANCE NUMBER 10, 2012**

**First 2012 Public Safety Fund Budget Supplemental Appropriation  
Of \$30,307 And Creation of New Line Items For HMRF Grant**

**BE IT ENACTED** by the County Council of the County of Erie pursuant to Article II, Sections 3 B (1), 3B (2)(f) and Article VIII, Section 8 of the Erie County Home Rule Charter and certified by the County Executive that this 2012 Public Safety Fund Budget supplemental appropriation of a Hazardous Material Response Fund (HMRF) Grant in the amount of \$30,307, is hereby approved as outlined on the attached Exhibit A.

This ordinance shall be effective immediately upon adoption.

COUNTY COUNCIL OF THE  
COUNTY OF ERIE, PENNSYLVANIA

Attest:

\_\_\_\_\_  
Douglas R. Smith  
County Clerk

\_\_\_\_\_  
Phil Fatica, Chairman

Date: \_\_\_\_\_

\_\_\_\_\_  
Joseph F. Giles, Vice Chairman

\_\_\_\_\_  
Ebert Beeman

Approved by:

\_\_\_\_\_  
Ronald G. Cleaver

\_\_\_\_\_  
Barry Grossman  
County Executive

\_\_\_\_\_  
Kyle Foust

Date: \_\_\_\_\_

\_\_\_\_\_  
Fiore Leone

\_\_\_\_\_  
Carol J. Loll

**Certificate of the County Executive**

I, Barry Grossman, County Executive for the County of Erie, do hereby certify pursuant to the provisions of Article VIII, Section 8, of the Home Rule Charter for the County of Erie, that there is a grant in the amount of \$30,307.00 which is available for supplemental appropriation for creation of new bureau for HMRF Grant.



Barry Grossman,  
County Executive

1-17-12

Date

**Exhibit A  
 2012 Public Safety Fund Budget  
 Supplemental Appropriation of \$30,307  
 and Creation of New Bureau for  
 HMRF Grant**

<u>Account Title</u>	<u>Account Number</u>	<u>Amount</u>
<u>Total Revenue</u>		
Grant	063-018802-051300*	(30,307)
Total Revenue		<u>(30,307)</u>
<u>Total Expenditures</u>		
Telephone	063-018802-002280*	2,215
Postage	063-018802-002290*	150
Maintenance & Repair	063-018802-002330*	1,675
Vehicle Maintenance	063-018802-002390*	2,500
Medical Services	063-018802-002710*	1,500
Computer Supplies	063-018802-003090*	4,902
All Other Supplies	063-018802-003330*	9,159
Other Equipment	063-018802-004070	8,206
Total Expenditures		<u>30,307</u>

\* Denotes creation of a new line item

**ORDINANCE NUMBER , 2012**

**\_\_\_\_\_ 2012 Public Safety Fund Budget Supplemental Appropriation Of \$453,252  
And The Creation Of New Line Items For COPS Grant Numbers #0189, #0190, And #0115**

**BE IT ENACTED** by the County Council of the County of Erie pursuant to Article II, Sections 3B (1), 3B (2)(f) and Article VIII, Section 8 of the Erie County Home Rule Charter and certified by the County Executive that this 2012 Public Safety Fund Budget supplemental appropriation of \$453,252 and the creation of a new line items, for COPS Grants Numbers 0189, #0190, and #0115, are hereby approved as outlined on the attached Exhibit A.

This ordinance shall be effective immediately upon adoption.

COUNTY COUNCIL OF THE  
COUNTY OF ERIE, PENNSYLVANIA

Attest:

\_\_\_\_\_  
Douglas R. Smith  
County Clerk

\_\_\_\_\_  
Phil Fatica, Chairman

Date: \_\_\_\_\_

\_\_\_\_\_  
Joseph F. Giles, Vice Chairman

\_\_\_\_\_  
Ebert Beeman

Approved by:

\_\_\_\_\_  
Ronald G. Cleaver

\_\_\_\_\_  
Barry Grossman  
County Executive

\_\_\_\_\_  
Kyle Foust

Date: \_\_\_\_\_

\_\_\_\_\_  
Fiore Leone

\_\_\_\_\_  
Carol J. Loll

**Exhibit A**  
**2012 Public Safety Fund Budget**  
**Supplemental Appropriation of \$453,252**  
**For COPS Grants #0189,0190,and 0115**

<u>Account Title</u>	<u>Account Number</u>	<u>Amount</u>
<u>Total Revenue</u>		
Grant #0189	063-012101-051300	(81,839)
Grant #0190	063-012102-051300	(196,413)
Grant #0115	063-012103-051300	(175,000)
Total Revenue		<u>(453,252)</u>
<u>Total Expenditures</u>		
Other Equipment - #0189	063-012101-004070	81,839
Tower Maintenance - #0190	063-012102-002334	(6,630)
Professional Fees - #0190	063-012102-002520	18,950
Computer Supplies - #0190	063-012102-003090*	1,830
Computer Equipment - #0190	063-012102-004050	524,150
Other Equipment - #0190	063-012102-004070	(341,887)
Data Processing - #0115	063-012103-002200	(13,923)
Professional Fees - #0115	063-012103-002520	99,639
Computer Supplies - #0115	063-012103-003090*	4,700
All Other Supplies - #0115	063-012103-003330	(3,055)
Computer Equipment - #0115	063-012103-004050*	144,072
Computer Software - #0115	063-012103-004051*	21,420
Other Equipment - #0115	063-012103-004070	(77,853)
Total Expenditures		<u>453,252</u>

\* Denotes creation of a new line item

	2011	2012	Revised 2012 Budget	Gallop/Wireless		Data911		Velocity/Network	
				Expenditure	Balance	Expenditure	Balance	Expenditure	Balance
<b>012101 - #0189</b>									
Other Equipment - 004070	233,825.00	151,986.00	233,825.00	233,825.00	0.00		0.00		0.00
<b>Total</b>	<b>233,825.00</b>	<b>151,986.00</b>	<b>233,825.00</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>
<b>012102 - #0190</b>									
Tower Maintenance - 002334	10,200.00	6,630.00	0.00						
Professional Fees - 002520	25,000.00	16,250.00	35,200.00	25,000.00	10,200.00		10,200.00		10,200.00
Computer Supplies - 003090			1,830.00		1,830.00		0.00		0.00
Computer Equipment - 004050	525,980.00	341,887.00	524,150.00	339,150.00	185,000.00		0.00		0.00
<b>Total</b>	<b>561,180.00</b>	<b>364,767.00</b>	<b>561,180.00</b>	<b>364,150.00</b>	<b>197,030.00</b>		<b>186,830.00</b>		<b>10,200.00</b>
<b>012103 - #0115</b>									
Data Processing - 002200	21,420.00	13,923.00	0.00						
Professional Fees - 002520	132,060.00	85,839.00	185,478.00	153,728.00	31,750.00		31,750.00		0.00
Computer Supplies			4,700.00		4,700.00		4,700.00		4,700.00
All Other Supplies - 003330	4,700.00	3,055.00	0.00						
Computer Equipment - 004050			144,072.00		144,072.00		0.00		0.00
Other Equipment - 004070	341,820.00	222,183.00	144,330.00	5,200.00	139,130.00		139,130.00		0.00
Computer Software - 004051			21,420.00		21,420.00		21,420.00		21,420.00
<b>Total</b>	<b>500,000.00</b>	<b>325,000.00</b>	<b>500,000.00</b>	<b>158,928.00</b>	<b>341,072.00</b>		<b>144,072.00</b>		<b>170,880.00</b>

8

**ORDINANCE NUMBER , 2012**

**2012 General Fund Budget Supplemental Appropriation Of \$13,154 And  
Creation Of New Line Item For Reassessment Expenditures Associated With Appeals**

**BE IT ENACTED** by the County Council of the County of Erie pursuant to Article II Sections 3B (1), 3B (2)(f) and Article VIII, Section 8 of the Erie County Home Rule Charter and certified by the County Executive that this 2012 General Fund Budget supplemental appropriation in the amount of \$13,154 and the creation of a new line item for reassessment expenditures associated with formal and informal appeals are hereby approved as outlined on the attached Exhibit A.

This ordinance shall be effective immediately upon adoption.

COUNTY COUNCIL OF THE  
COUNTY OF ERIE, PENNSYLVANIA

Attest:

\_\_\_\_\_  
Douglas R. Smith  
County Clerk

\_\_\_\_\_  
Phil Fatica, Chairman

Date: \_\_\_\_\_

\_\_\_\_\_  
Joseph F. Giles, Vice Chairman

\_\_\_\_\_  
Ebert Beeman

Approved by:

\_\_\_\_\_  
Ronald G. Cleaver

\_\_\_\_\_  
Barry Grossman  
County Executive

\_\_\_\_\_  
Kyle Foust

Date: \_\_\_\_\_

\_\_\_\_\_  
Fiore Leone

\_\_\_\_\_  
Carol J. Loll

**Certificate of the County Executive**

I, Barry Grossman, County Executive for the County of Erie, do hereby certify pursuant to the provisions of Article VIII, Section 8, of the Home Rule Charter for the County of Erie, that there are funds in the amount of \$13,154.00 which are available for supplemental appropriation for reassessment expenditures associated with informal and formal appeals.

\_\_\_\_\_  
Barry Grossman,  
County Executive

\_\_\_\_\_  
Date

**Exhibit A  
 2012 General Fund Budget  
 Supplemental Appropriation of \$13,154  
 For Reassessment Expenditures  
 Associated with Informal and  
 Formal Appeals**

<u>Account Title</u>	<u>Account Number</u>	<u>Amount</u>
<u>Total Revenue</u>		
Fund Balance Appropriated	001-000990-099500	(13,154)
Total Revenue		<u>(13,154)</u>
<u>Total Expenditures</u>		
Data Processing	001-002370-002200	2,500
Rent	001-002370-002320	2,930
Equipment Rental	001-002370-002340*	7,724
Total Expenditures		<u>13,154</u>

\* Denotes creation of a new line item

//



**Sanner Office Supply Company, Inc.**  
 1225 State Street • P.O. Box 209 • Erie, PA 16512-0209  
 (814) 454-6374 • Fax (814) 454-0942

January 25, 2012

Luigi Pasquale  
 Director of Purchasing  
 Erie County Courthouse  
 Erie, PA 16501

RE: Assessment Office at Summit Location

Dear Luigi,

Per our discussions for the temporary offices needed at the Summit location for the Assessment Offices. I have submitted a drawing to accommodate 6 office areas, waiting area, greeter desk and staff work areas. This furniture can be reconfigured.

The following is pricing to furnish and a one-time reconfigure of necessary furniture as per drawing:

			<u>Purchase</u>	<u>Rental 9 mos.</u>
7	SC66 clerical chair	109.00ea	763.00	9.00ea \$ 63.00 mo
36	OFFE01PC poly armless Stack chair p. 159 item A	69.00ea	2,484.00	4.95ea \$178.20 mo.
	<i>*Alternate: fold chair as before 29.00 ea</i>			<i>2.60ea \$ 93.60 mo*</i>
15	OFOP7249 panel 48x72h p. 62 item X	179.00	2,685.00	12.50ea \$187.50 mo
22	OFOP7261 panel 60w x 72h p. 62 item Y	189.00	4,158.00	13.50ea \$297.00 mo
17	Misc. panel hardware	33.00	561.00	2.00ea \$34.00 mo
6	OF12COX3072 folding table 72x30 white p. 169 item A	99.00	594.00	7.50ea \$45.00 mo
3	OF12COX3096 folding table 96x30 white p. 169 item B	139.00	417.00	9.50ea \$28.50mo
1	Devon stock double pedestal Desk 60x30	350.00	350.00	25.00ea \$25.00 mo
<b>Total:</b>			<b>\$12,012.00</b>	<b>Rental Total Mo: \$858.20</b>

I will need a minimum of 3 weeks to order/receive the necessary product. Rental is for a 9 month minimum period with no buy out option or early cancellation.

## Reassessment Summit Towne Center Unit

Rent	Monthly	\$3,000.00	X 9	\$27,000.00	rent
CAM	Monthly	\$470.00	X 9	\$4,230.00	rent
Furniture Rent	Monthly	\$858.20	X 9	\$7,723.80	equip rent
Sewer	Quarterly Average	\$75.00	X 3	\$225.00	rent
Water	Quarterly Average	\$22.00	X 3	\$66.00	
Electric	Monthly Average	\$612.00	X 9	\$5,509.00	
Gas	Monthly Average	\$100.00	X 9	\$900.00	
Internet	Monthly	\$80.00	X 9	\$720.00	data process
Phone/Verizon	Total Bill for 9 Mo	\$388.88	X 9	\$3,500.00	telephone
Phone/Ronco	Installation & Phones	\$1,000.00	X 1	\$1,000.00	telephone
Internet	Install	\$150.00	X 1	\$150.00	data process

XXX = ONE TIME CHARGE



**ORDINANCE NUMBER , 2012**

**2012 Liquid Fuels Fund Budget Supplemental Appropriations Of \$19,900  
In Emergency Liquid Fuels Passed By The Emergency Liquid Fuels Board  
For Springfield Township**

**BE IT ENACTED** by the County Council of the County of Erie pursuant to Article II, Sections 3B (1), 3B (2)(f) and Article VIII Section 8 of the Erie County Home Rule Charter and certified by the County Executive that this 2012 Liquid Fuels Fund Budget supplemental appropriation of Emergency Liquid Fuels in the amount of \$19,900, passed by the Emergency Liquid Fuels Board to address a culvert/road project in Springfield Township, is hereby approved as outlined on the attached Exhibit A.

This ordinance shall be effective immediately upon adoption.

COUNTY COUNCIL OF THE  
COUNTY OF ERIE, PENNSYLVANIA

Attest:

\_\_\_\_\_  
Douglas R. Smith  
County Clerk

\_\_\_\_\_  
Phil Fatica, Chairman

Date: \_\_\_\_\_

\_\_\_\_\_  
Joseph F. Giles, Vice Chairman

\_\_\_\_\_  
Ebert Beeman

Approved by:

\_\_\_\_\_  
Ronald G. Cleaver

\_\_\_\_\_  
Barry Grossman  
County Executive

\_\_\_\_\_  
Kyle Foust

Date: \_\_\_\_\_

\_\_\_\_\_  
Fiore Leone

\_\_\_\_\_  
Carol J. Loll

**Exhibit A**  
**2012 Liquid Fuels Fund Budget**  
**Supplemental Appropriation of \$19,900**  
**For Emergency Liquid Fuels Passed**  
**by Emergency Liquid Fuels Board**

<u>Account Title</u>	<u>Account Number</u>	<u>Amount</u>
<u>Total Revenue</u>		
Emergency Account	058-019050-009900	(19,900)
Total Revenue		<u>(19,900)</u>
<u>Total Expenditures</u>		
Springfield Township	058-19040-009830	19,900
Total Expenditures		<u>19,900</u>

**Certificate of the County Executive**

I, Barry Grossman, County Executive for the County of Erie, do hereby certify pursuant to the provisions of Article VIII, Section 8, of the Home Rule Charter for the County of Erie, that there are emergency account funds in the amount of \$19,900.00 which are available for supplemental appropriation for Emergency Liquid Fuels passed by Emergency Liquid Fuels Board.

\_\_\_\_\_  
Barry Grossman,  
County Executive

\_\_\_\_\_  
Date



BMS MS-991 CLF Funds Usage: CLF991-25000-2011v1-00913  
BMS MS-339 Municipal Aid Request: MS339-25000-2011v3-150

Status: Sponsor Submits  
User: Ms. Melissa Plyler  
Role: Authorized Official  
[Logout](#)

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You are here: > MS-339

**APPLICATION FOR COUNTY AID**

**SECTION 1: To be completed by Municipality. Upon completion submit to the County**

**THEREFORE BE IT RESOLVED**, that we, the Officials of Springfield Township, Erie County Pennsylvania, in regular session, do hereby make application to the county for an allocation of County Liquid Fuels Tax Funds.

**Project Description:**

remove and replace culvert pipe located at Tubbs Road

*Two ordered incorrect culvert pipe. PennDot will not approve. IT WAS Deducted from their orig request of \$31,000.*

*Approve on 12/5/11*

53 of 100

Total Estimated Project Cost \$61,850

ALLOCATION REQUESTED \$19,900

It is certified by the Municipality and the officers who execute this application that all materials used and work done hereunder shall conform to the current Pennsylvania Department of Transportation Specifications and that all work will be done within the legal right of way or with permissions of the abutting property owners.

Duly adopted on (Date): 12/5/2011

ATTEST: (Seal)

Signature of Municipal Officials

Meredith Borstorff

(SIGNATURE-SECRETARY/CITY CLERK)

Springfield Township

(NAME OF MUNICIPALITY)

13300 Ridge Road  
West Springfield, PA 16443

44 of 100

(ADDRESS)

18

Erie County Emergency Liquid Fuels Application

Municipality: Springfield Township

Presented By: JEFFREY EATON

1. Type of Damage and Location: SEVERE ROAD EROSION (Tubbs Road)  
DUE TO STREAM UNDER MINING CULVERT PIPE / WE HAD  
TO CLOSE ROAD FOR BEING UNSAFE

2. How long has condition existed: EXTREME DAMAGE BECAME APPARENT  
OCT 10, 2011 WE WAS CALL OUT FOR SINK HOLE OCT 15, 2011

3. Total Project Cost

\$ 62,000<sup>00</sup>

Less: Other Funding Sources

Federal Grant \_\_\_\_\_

State Grant \_\_\_\_\_

Private Donations \_\_\_\_\_

Other \_\_\_\_\_

Net project cost

\$ 62,000<sup>00</sup>

Less: Local share\* (50%)

General Fund

\$ 31,000<sup>00</sup>

County Liquid Fuel \_\_\_\_\_

In-Kind services \_\_\_\_\_

Other \_\_\_\_\_

4. Emergency Request (50%)

\$ 31,000<sup>00</sup>

\* Local share must be at least 50% of net project cost

5. Estimate start and completion date of project

WE ARE LOOKING AT SOMETIME IN NOV. DATES FOR  
CONTRACTING & ORDER OF REPLACEMENT CULVERT WAS NOT SET

6. Date, amount and use of all emergency allocations received from Erie County

WE HAD AN EMERGENCY APPLICATION JUNE 9, 2010 WAS APPROVED

WE STARTED PROJECT NOV 2, 2010 FINISHED JULY 26, 2011 AND RECEIVED PAYMENT

7. Current tax millage and tax millage for last five years

OCT. 4, 2011

.436

8. Reason why project is considered an emergency

WE HAD TO CLOSE ROAD FOR SAFETY DUE TO ROAD WASHOUT

9. Reason why project cannot be funded through local budget

The Money That is in our GENERAL Fund Savings is not Budgeted  
For 2011 and our Liquid Fuels is Low This Time of Year

10. Required documents\*\* This Project is going to be very costly

- a) Letter of approval from Borough or Township association (ECATO)
- b) Letter of Approval from PennDOT
- c) Financial statements prior year and current
- d) Scope and pictures of project

\*\* Distribution of Emergency Liquid Fuel funds is pending review and approval of required documentation by the Emergency Liquid Fuels Board.

All emergency projects must be in accordance with the Policies and Procedures Manual for the Administration of County Liquid Fuels Tax Act of 1931 and the Liquid Fuels Act 655 dated 1958, as amended.

I hereby certify that the above information is true and correct to the best of my knowledge and belief.

Revised 12/10/96

Signed

Jeffrey Eaton

Date

OCT 19, 2011



**pennsylvania**  
DEPARTMENT OF TRANSPORTATION  
www.dot.state.pa.us

October 31, 2011

**Erie County  
Springfield Township  
Emergency Liquid Fuels Project**

**Jeffrey Eaton  
Springfield Township  
13300 Ridge Road  
West Springfield, PA 16443**

Dear Mr. Eaton:

The Department of Transportation will grant "tentative project" approval in accordance with the Liquid Fuels Policies and Procedures Manual, Publication 9, for the use of Erie County's emergency liquid fuels funds.

It is to be applied towards Springfield Township's emergency road culvert replacement across Tubbs Road.

Upon approval by Erie County, completion of form MS-339 is required.

If you have any additional questions, please contact Jim Cooper, of my staff, at (814) 678-7042.

Sincerely,

A handwritten signature in black ink, appearing to read "Terry Nye".

Terry Nye, P.E.  
Assistant District Executive - Maintenance  
Engineering District 1-0

cc: Melissa Plyter (faxed 11/3/11)

21



# ERIE COUNTY ASSOCIATION OF TOWNSHIP OFFICIALS

---

AMITY

CONCORO

CONNEAUT

ELK CREEK

FAIRVIEW

October 29, 2011

FRANKLIN

Ms. Melissa Plyler, Administrator of Emergency Liquid Fuels  
Department of Finance - Room 111

GIRARD

Erie County Court House  
140 West 6<sup>th</sup> Street

GREENE

Erie, PA 16501

GREENFIELD

Dear Ms. Plyler,

HARBORCREEK

At the regular meeting of the Erie County Association of Township Officials (ECATO), held on October 27, 2011, it was unanimously voted to approve the application of Springfield Township to replace a culvert on Tubbs Road.. The road has been closed to traffic. The Springfield Township Officials are requesting \$31,000 Emergency Liquid Fuels moneys to do the project.

LAWRENCE PARK

LEBOEUF

MCKEAN

MILLCREEK

NORTH EAST

SPRINGFIELD

SUMMIT

UNION

VENANGO

cc: Springfield Township Officials

WASHINGTON

WATERFORD

WAYNE

Sincerely yours,  
ERIE COUNTY ASSOCIATION OF  
TOWNSHIP OFFICIALS

Martha Sherman  
Secretary



**MONAHAN & MONAHAN, P.C.**

CERTIFIED PUBLIC ACCOUNTANTS

100 State St. Suite 500 Erie, PA 16507 814 / 459-4345

E-mail: monahan@monahancpa.com Fax 814 / 456-7133

### *INDEPENDENT AUDITOR'S REPORT*

Board of Supervisors  
Springfield Township, Erie County, Pennsylvania

We have audited the accompanying financial statements of the general fund, special revenue funds, capital projects funds, debt service funds, enterprise funds, internal service funds, trust and agency funds, and the general fixed assets and general long term debt account groups, included in the Department of Community and Economic Development's (DCED) prescribed form, of Springfield Township, Erie County, Pennsylvania, as of and for the year ended December 31, 2010, which collectively comprise the financial statements as shown in the DCED prescribed form. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The Township prepared these financial statements included in the DCED prescribed form using the cash basis of accounting which is permitted by the Pennsylvania Department of Community and Economic Development, Governor's Center for Local Government Services, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the significant differences between the cash basis of accounting and accounting principles generally accepted in the United States of America are that revenues are recorded when received rather than earned and expenditures are recognized when paid rather than incurred. Only related organizations' receivables are recognized as assets while no fixed assets nor infrastructure assets are capitalized and depreciated; and, payroll taxes payable and non-capital related loans payable to third parties are recognized as liabilities while other long-term obligations, such as compensated absences, are not recognized.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2010, or changes in financial position for the year then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective assets, liabilities and fund balances of the general fund, special revenue funds, capital projects funds, debt service funds, enterprise funds, internal service funds, trust and agency funds, and the general fixed assets and general long term debt account groups of the Township as of December 31, 2010, and its revenues and expenditures for the year then ended, on the basis of accounting described in the third paragraph above.

This report is intended solely for the information and use of the governing body and management of Springfield Township, Erie County, Pennsylvania, and for filing with the Pennsylvania Department of Community and Economic Development and the Erie County Prothonotary and is not intended to be and should not be used by anyone other than these specified parties.

*Monahan & Monahan*

Monahan & Monahan, P.C.  
Certified Public Accountants

February 8, 2011

## Tubbs Road Culvert Project #1

### COST

2ft x 2ft x 6ft Wing Wall Blocks	\$25Ea.	\$1,400
12ft Round Structural Steel-plated Culvert Pipe 70ft long		\$ 22,050
Gravel	600 tons	\$ 5,000
Engineering and Permits		\$ 2,500
Contractor		\$ 21,000
Township Labor		\$ 3,500
Pavement 19mm	\$70/ton	\$ 3,360
Truck Cost (FEMA'S RATES)		
1 Single Axle	\$ 35/hr	\$ 1,120
2 Tandem Axles	\$ 60/hr	<u>\$ 1,920</u>
Total Project		\$ 61,850

COUNTY COUNCIL  
COUNTY OF ERIE, PENNSYLVANIA  
ORDINANCE NO. \_\_\_\_\_ - 2012

AN ORDINANCE OF THE COUNTY OF ERIE, PENNSYLVANIA (THE "COUNTY") AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF A GUARANTY AGREEMENT FOR THE BENEFIT OF PLEASANT RIDGE MANOR ("PLEASANT RIDGE") AND COMPLIANCE WITH THE PROVISIONS THEREOF AND INCURRING LEASE RENTAL DEBT THEREBY; APPROVING A \$1,000,000 COMMITTED LINE OF CREDIT NOTE FROM PLEASANT RIDGE TO PNC BANK, NATIONAL ASSOCIATION; DIRECTING THE PROPER OFFICERS OF THE COUNTY TO TAKE NECESSARY ACTIONS; AND REPEALING ALL INCONSISTENT ORDINANCES.

WHEREAS, effective as of May 17, 1976, the County of Erie ("County") duly provided for the incorporation of the Erie County Geriatric Center, now known as Pleasant Ridge Manor ("Pleasant Ridge"), as a Pennsylvania nonprofit corporation, empowered to provide on behalf of the County on a public, nonsectarian, charitable basis, health and hospital care to indigent persons within the County who require such care because of physical infirmity, the assets of which entity, upon its dissolution, shall be paid and distributed to the County; and

WHEREAS, Pleasant Ridge desires to obtain funds for certain capital acquisitions and improvements with a realistic estimated useful life in excess of five years, as further described in the 2012 Capital Budget Request attached as Exhibit A hereto, and reasonable initial working capital related to such acquisitions and improvements (the "Project"); and

WHEREAS, Pleasant Ridge has determined to finance the Project through the execution and delivery of a \$1,000,000 Committed Line of Credit Note (the "Note") to PNC Bank, National Association (the "Bank"); and

WHEREAS, to achieve a lower interest rate and considerable savings thereby to Pleasant Ridge and to the citizens of the County, the County Council has determined to enact this Ordinance and to thereby approve the guaranty of the Note as a general obligation of the County for which the County pledges its full faith, credit and general taxing power; and

WHEREAS, this Ordinance is enacted in accordance with the provisions of the Act of December 19, 1996, No. 177, the Local Government Unit Debt Act (the "Act"); and

WHEREAS, there has been presented to this meeting a form of the Guaranty Agreement (the "Guaranty Agreement") whereby the County will guarantee payment of the Note as a general obligation of the County for which the County pledges its full faith, credit and general taxing power.

NOW, THEREFORE, the County Council of the County of Erie, Pennsylvania hereby ordains that:

1. The Project is hereby approved.

2. The aggregate principal amount of indebtedness to be incurred by Pleasant Ridge and guaranteed by the County pursuant to the provisions of the Guaranty Agreement is \$1,000,000. The terms of the Note, including the amount, interest rate, maturity dates, and provisions for payment and redemption of the Note, are hereby approved. The schedule of maximum lease rental payments attached hereto as Exhibit B is hereby approved.

3. The debt to be incurred hereby is lease rental debt. The source of any payment under the Guaranty will be the general revenues of the County.

4. The County Clerk is hereby authorized and directed to certify and file with the Department of Community and Economic Development a complete and accurate copy of the proceedings taken in connection with the increase of debt authorized hereunder. The County Executive, Chair or Vice Chair of County Council and County Clerk are authorized and directed to execute and deliver the Guaranty Agreement and to take other necessary action for the purposes set forth herein.

5. The County Executive and County Clerk are hereby authorized and directed to prepare, verify, execute and file the Debt Statement required by the Act and to take all necessary action to comply with the provisions of the Act, including specifically the authority to prepare and file, as it shall become necessary or required, both originally and annually thereafter, such statements under the Act as are necessary to qualify all or any portion of the authorized to be incurred as excluded from any debt limit, either as self-liquidating debt or as subsidized debt or both.

6. The County does hereby guarantee the payment of the Note, which obligation hereby created is a general obligation of the County and the County hereby authorizes the incurrence of lease rental debt thereby. The County covenants with the registered owners of the Note that the County shall include the amount of the debt service as set forth in the attached schedule and the amounts payable in respect of its guaranty for each fiscal year in which such sums are payable in its budget for that year, shall appropriate such amounts to the payment of such debt service, and shall duly and punctually pay or cause to be paid from general revenues the principal of the Note and the interest thereon at the dates and places and in the manner stated in the Note, according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the County pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable.

7. The existing net non-electoral debt of the County as determined under the provisions of the Act, including the debt to be incurred hereby, does not in the aggregate exceed the limitations of the Constitution or of the Act.

8. The proper officers of the County are hereby authorized and directed to execute any and all papers and to do and cause to be done any and all acts and things necessary and proper for the purpose of carrying out the provisions of this Ordinance and the covenants of the County as contained in the Guaranty Agreement.

9. There is hereby directed to be established a Sinking Fund with PNC Bank, National Association, for the deposit of the amounts necessary to be paid by the County pursuant to the Guaranty Agreement.

10. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.

11. This Ordinance shall become valid and effective as provided in the Act.

ATTEST:

COUNTY COUNCIL OF THE COUNTY OF  
ERIE, PENNSYLVANIA

\_\_\_\_\_  
Douglas R. Smith  
County Clerk

\_\_\_\_\_  
Phil Fatica, Chairman

Date: \_\_\_\_\_

\_\_\_\_\_  
Joseph F. Giles, Vice Chairman

APPROVED BY:

\_\_\_\_\_  
Ebert Beeman

\_\_\_\_\_  
Barry Grossman  
County Executive

\_\_\_\_\_  
Ronald G. Cleaver

Date: \_\_\_\_\_

\_\_\_\_\_  
Kyle W. Foust

\_\_\_\_\_  
Fiore Leone

\_\_\_\_\_  
Carol J. Loll

# 999714.v1

**EXHIBIT A**

**PRM CAPITAL BUDGET REQUEST - 2012**

Dept. #	Description	2012 Dept.
712 / 714	Misc. Facility Computer Equipment	6,000
	Copier	6,000
	<b>TOTAL - Finance &amp; Computer Equipment:</b>	<b>12,000</b>
821	Rolling Stand-up Walker	950
	<b>TOTAL - Physical Therapy</b>	<b>950</b>
831	IV Pumps	2,000
	<b>TOTAL - Pharmacy</b>	<b>2,000</b>
Nursing West	Fall Mats (12)	1,320
	Low Air Mattress (2)	3,080
	Gerl-Chairs (6)	3,000
	Highback Recliner Wheelchairs (6)	2,400
	Standard Wheelchairs (12)	4,200
	Bariatric Trapeze	1,200
	Regular Trapeze (2)	2,400
	Linen Carts (18)	4,000
	Unit A & C Bedroom Furniture	218,000
	<b>TOTAL - Nursing West</b>	<b>239,600</b>
911	Steamer	16,000
	Food Delivery Cart (5)	8,000
	Trash Bins (2)	1,600
	Tray System - Domes, trays, etc.	5,000
	<b>TOTAL - Dietary West</b>	<b>30,600</b>
912	Roof - 1925 Building	225,000
	Roof - 1963 Building Resident Rooms	250,000
	Roof - 1963 Building Center Portion	122,000
	Sprinkler System	425,000
	HVAC Units (5)	15,000
	Hot Water Heater	7,500
	Dishmachine - Pump, Motor & Impeller	3,500
	Sewage Treatment Plant: Replace Aerator	40,000
	<b>TOTAL - Maintenance West</b>	<b>1,088,000</b>
913 / 914	Milnor Washer Motor/ Gearbox	5,500
	Front Load Washer	1,000
	Floor Scrubber 32"	9,000
	Vacuum Cleaner (5)	2,300
	<b>TOTAL - Laundry / Hskg. West</b>	<b>17,800</b>
<b>TOTAL PRM CAPITAL REQUESTS:</b>		<b>1,390,950</b>

**EXHIBIT B**

**Pleasant Ridge Manor**

Compound Period .....: Exact Days

Nominal Annual Rate ...: 18.000 %

**CASH FLOW DATA**

Event	Start Date	Amount	Number	Period	End Date
1 Loan	02/29/2012	1,000,000.00	1		
2 Payment	04/01/2012	Interest Only	11	Monthly	02/01/2013
3 Payment	02/28/2013	1,013,500.00	1		

**AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year**

Date	Payment	Interest	Principal	Balance
Loan 02/29/2012				1,000,000.00
1 04/01/2012	16,000.00	16,000.00	0.00	1,000,000.00
2 05/01/2012	15,000.00	15,000.00	0.00	1,000,000.00
3 06/01/2012	15,500.00	15,500.00	0.00	1,000,000.00
4 07/01/2012	15,000.00	15,000.00	0.00	1,000,000.00
5 08/01/2012	15,500.00	15,500.00	0.00	1,000,000.00
6 09/01/2012	15,500.00	15,500.00	0.00	1,000,000.00
7 10/01/2012	15,000.00	15,000.00	0.00	1,000,000.00
8 11/01/2012	15,500.00	15,500.00	0.00	1,000,000.00
9 12/01/2012	15,000.00	15,000.00	0.00	1,000,000.00
2012 Totals	138,000.00	138,000.00	0.00	
10 01/01/2013	15,500.00	15,500.00	0.00	1,000,000.00
11 02/01/2013	15,500.00	15,500.00	0.00	1,000,000.00
12 02/28/2013	1,013,500.00	13,500.00	1,000,000.00	0.00
2013 Totals	1,044,500.00	44,500.00	1,000,000.00	
Grand Totals	1,182,500.00	182,500.00	1,000,000.00	

**GUARANTY AGREEMENT**  
(\$1,000,000 Committed Line of Credit Note)

Dated as of February 29, 2012  
By, Between and Among

**PLEASANT RIDGE MANOR,**

**COUNTY OF ERIE,**

**AND**

**PNC BANK, NATIONAL ASSOCIATION, as Lender**

THIS GUARANTY AGREEMENT dated as of February 29, 2012, by, between and among **PLEASANT RIDGE MANOR** (the "Borrower"), **COUNTY OF ERIE**, a county of the third class organized pursuant to the provision of the Act of August 9, 1955, P.L. 323 §101, as amended (the "Guarantor"), and **PNC BANK, NATIONAL ASSOCIATION**, a national banking association (the "Lender").

WHEREAS, the Borrower is a non-profit corporation organized under and pursuant to the laws of the Commonwealth of Pennsylvania;

WHEREAS, the Guarantor is authorized by law to guarantee the payment of obligations of other municipal corporations when appropriate and in the best interest of serving the health, safety and welfare of each of its citizens; and

WHEREAS, the Borrower deems it necessary to borrow money for working capital purposes and to that end has authorized and directed the issuance of its Note in the principal amount of \$1,000,000.00 (the "Note") and;

WHEREAS, as a condition precedent to the lending of the money, the Lender has required a guaranty by the Guarantor of the payment of debt service under the Note, and

WHEREAS, the Guarantor desires to guarantee repayment of the Note in the event the Borrower is unable to make such repayment.

NOW, THEREFORE, the parties hereto, in consideration of the foregoing and intending to be legally bound, do hereby covenant and agree as follows:

1. Certain Definitions. Unless the context clearly indicates otherwise, the following terms, for all purposes of this Guaranty, have the meanings hereby ascribed to them. Moreover, such terms shall be read and understood in a manner consistent with the provisions of the Debt Act, the corporate resolution (the "Resolution"), financing documents and instruments of the Borrower, and the Guarantor, as generally interpreted by courts maintaining competent jurisdiction. Words or phrases importing the masculine gender shall be read and understood to include the feminine and neuter genders and those importing number shall include singular or plural, both as appropriate to the context. The word "person", in addition to natural persons, shall mean and include corporations, associations and public bodies and their successors unless the context shall indicate otherwise.

"Debt Act" shall mean the Local Government Unit Debt Act, codified by the Act of December 19, 1996, P.L. 1158, No. 177.

"Debt Ordinance" shall mean the formal action taken by the Guarantor according to the requirements of the Debt Act in order to authorize and incur the indebtedness represented by the Guaranty, in respect of the Note.

“Guaranty” shall mean this Guaranty Agreement dated as of February 29, 2012, by, between and among the Borrower, the Guarantor and the Lender.

“Interest Payment Date” shall mean the 1st day of each month.

“Maturity Date” shall mean February 28, 2013.

2. Representations and Warranties.

A. The Borrower represents and warrants that:

(i) The Borrower is a non-profit corporation organized and existing under the laws of the Commonwealth of Pennsylvania;

(ii) The Borrower is authorized by law to execute, deliver and perform its duties under this Guaranty and to borrow moneys upon the terms and conditions provided in the Resolution; and the execution and delivery of the Note, the Resolution and this Guaranty have each been duly authorized by all necessary action on the part of the Borrower;

(iii) There are no actions, suits or proceedings pending, or, to the best of the Borrower, threatened against or affecting the Borrower before any court or any governmental department or agency which may adversely affect the Borrower or its ability to make or carry out the provisions of this Guaranty, the Resolution, or its ability to repay the Note issued thereunder; there are not, to the knowledge of the Borrower, any claims involving the Borrower except immaterial claims arising in the ordinary course of its operations; the Borrower is not a party to any contract or agreement or subject to any charter or other restriction of any kind which adversely affects its present or prospective operations, properties or assets or its ability to repay the Note; and neither the execution and delivery of the Guaranty, the Resolution, the consummation of the transactions contemplated herein or therein, nor compliance with the terms and conditions hereof or thereof or of the Note will conflict with or result in a breach of the terms, conditions or provisions of the Articles of Incorporation or Bylaws of the Borrower or of any indenture, agreement or other instrument to which the Borrower is a party or by which it is bound; and

B. The Guarantor represents and warrants that:

(i) The Guarantor is a third class county of the Commonwealth of Pennsylvania, organized under and existing pursuant to the provisions of the Act of August 9, 1995, P.L. 323 §101, as amended;

(ii) The Guarantor is authorized by law, including the Debt Act, to execute, deliver and perform its duties under this Guaranty has been duly authorized by all necessary corporate action on the part of the Guarantor;

(iii) The Guarantor will enact and will keep in force an Ordinance which authorizes execution of this Guaranty;

(iv) There are no actions, suits or proceedings pending or, to the knowledge of the Guarantor, threatened, before any court or any governmental department or agency which may adversely affect the Guarantor or its ability to make or carry out the provisions of this Guaranty; there are not, to the knowledge of the Guarantor, any claims involving the Guarantor except immaterial claims arising in the ordinary course of its operations; the Guarantor is not a party to any contract or agreement or subject to any charter or other corporate restriction of any kind which adversely affects its present or prospective operations, properties or assets or its ability to satisfy its obligations hereunder; and neither the execution and delivery of this Guaranty, the consummation of the transactions contemplated herein, nor compliance with the terms and conditions hereof will conflict with or result in a breach of the terms, conditions or provisions of any contract, agreement or other instrument to which the Guarantor is a party or by which it is bound.

3. Guaranty. The Guarantor hereby unconditionally guarantees, as a primary obligor, and becomes surety for, the full and prompt payment of the principal of and interest on the Note as and when due and payable, whether on an Interest Payment Date or at the Maturity Date, by acceleration or other requirement of the provisions of the Note or otherwise (the "Obligations"), as and to the extent that the principal, and interest are not paid as and when due and payable by the Borrower. If the Borrower defaults under the Obligations, the Guarantor will pay the amount due to the Lender.

In furtherance thereof, the Guarantor covenants and agrees with the Lender that if the Borrower fails to pay the principal of or interest on or in respect of the Note as and when due and payable, the Guarantor shall duly and punctually advance the moneys required, on the dates and at the places and in the manner stated in the Note according to the true intent and meaning thereof. The Guarantor further represents and covenants to the Lender that it will promptly pay or cause to be paid \$1,000,000.00 plus accrued interest and all costs and expenses of Lender incurred in connection with the negotiation, enforcement or collection of amounts due under the Note, payable in respect of this Guaranty, for the fiscal year in which such amount shall be payable, in its budget for that year, (b) appropriate such amount from its general revenues, and (c) promptly pay or cause to be paid \$1,000,000.00 plus accrued interest, as and when due and payable, at the times and places, under the conditions and in the manner prescribed in the Note according to the true intent and meaning thereof. For such budgeting, appropriation and full and prompt payment of said amounts, the Guarantor hereby pledges its full faith, credit and taxing power, including unlimited ad valorem taxes to be levied upon all property of the Guarantor taxable for municipal purposes, and other general revenues of the Guarantor available for such purposes. The Guarantor agrees that this covenant is specifically enforceable and intends that it be unlimited as to rate and amount. All payments by the Guarantor will be paid in lawful money of the United States of America.

This is a guaranty of payment and not of collection and the Lender shall not be required, as a condition of the Guarantor's liability, to make any demand upon or pursue any of its rights against the Borrower, or to pursue any rights which may be available to it with respect to any other person who may be liable for the payment of the Note.

This is an absolute, unconditional, irrevocable and continuing guaranty and will remain in full force and effect until the Note has been indefeasibly paid in full, and the Lender has terminated this Guaranty. This Guaranty will remain in full force and effect even if there is no principal balance outstanding at a particular time or from time to time. This Guaranty will not be affected by any surrender, exchanges, acceptance, compromise or release by the Lender of any other party, or any other guaranty or any security held by it for the Note, by any failure of the Lender to take any steps to perfect or maintain its lien or security interest in or to preserve its rights to any security or other collateral for the Note, or any guaranty, or by any irregularity, unenforceability or invalidity of the Note or any part thereof or any security or other guaranty thereof. The Guarantor's obligations hereunder shall not be affected, modified or impaired by any counterclaim, setoff, deduction or defense based upon any claim the Guarantor may have against the Borrower or the Lender except payment or performance of the Note.

Notice of acceptance of this Guaranty, notice of default, diligence, presentment, notice of dishonor, protest, demand for payment, and any defense based upon the Lender's failure to comply with the notice requirements under Sections 9-611 and 9-612 of Uniform Commercial Code as in effect from time to time are hereby waived.

The Lender shall exercise reasonable care and diligence in monitoring the affairs of the Borrower and the performance of its obligations under the Note in order to advise the Guarantor, when possible, of any pending default by the Borrower; provided, however, that no such action of the Lender shall be a precondition to performance by the Guarantor of its duties hereunder and each and every notice and demand for payment by the Lender hereunder shall have immediate effect, with no period of notice or anticipation.

The Lender at any time and from time to time, without notice to or the consent of the Guarantor, and without impairing or releasing, discharging or modifying the Guarantor's liabilities hereunder, may (a) change the manner, place, time or terms of payment or performance of or interest rates on the Obligations; (b) renew, substitute, modify, amend or alter, or grant consents or waivers relating to the Obligations, any other guaranties, or any security for the Obligations or guaranties; (c) apply any and all payments by whomever paid or however realized including any proceeds of any collateral, to any obligations of the Borrower in such order, manner and amount as the Lender may determine in its sole discretion; (d) settle, compromise or deal with any other person, including the Borrower or the Guarantor, or the Obligations in such manner as the Lender deems appropriate in its sole discretion; (e) substitute, exchange or release any security or guaranty; or (f) take such actions and exercise such remedies hereunder as provided herein.

4. Reimbursement. The Borrower covenants and agrees with the Guarantor (and these covenants are specifically enforceable or in lieu thereof may be administered by the

Guarantor) that it will not, without the prior written consent of the Guarantor, which consent shall not be unreasonably withheld, (i) make or consent to any alteration including, without limitation, any extension of the time of payment of principal of, or interest on the Note; or (ii) fail, neglect or refuse to adjust its rates, or other charges in a manner satisfactory to the interest of its successors or assigns.

In the event that the Guarantor shall make any payments under this Guaranty, the Borrower covenants to repay to the Guarantor on demand from its receipts and revenues, all moneys paid or advanced by the Guarantor pursuant to this Guaranty.

5. Repayments or Recovery from the Lender. If any demand is made at any time upon the Lender for the repayment or recovery of any amount received by it in payment or on account of the Obligations and if the Lender repays all or any part of such amount by reason of any judgment, decree or order of any court or administrative body or by reason of any settlement or compromise of any such demand, the Guarantor will be and remain liable hereunder for the amount so repaid or recovered to the same extent as if such amount had never been received originally by the Lender. The provisions of this section will be and remain effective notwithstanding any contrary action which may have been taken by the Guarantor in reliance upon such payment, and any such contrary action so taken will be without prejudice to the Lender's rights hereunder and will be deemed to have been conditioned upon such payment having become final and irrevocable.

6. Enforceability of Obligations. No modification, limitation or discharge of the Obligations arising out of or by virtue of any bankruptcy, reorganization or similar proceeding for relief of debtors under federal or state law will affect, modify, limit or discharge the Guarantor's liability in any manner whatsoever and this Guaranty will remain and continue in full force and effect and will be enforceable against the Guarantor to the same extent and with the same force and effect as if any such proceeding had not been instituted. The Guarantor waives all rights and benefits which might accrue to it by reason of any such proceeding and will be liable to the full extent hereunder, irrespective of any modification, limitation or discharge of the liability of the Borrower that may result from any such proceeding.

7. Events of Default. The occurrence of any of the following shall be an "**Event of Default**": (i) any Event of Default (as defined in the Obligations); (ii) any default under the Obligations that does not have a defined set of "Events of Default" and the lapse of any notice or cure period provided in such Obligations with respect to such default; (iii) the Guarantor's failure to perform any of its obligations hereunder; (iv) the falsity, inaccuracy or material breach by the Guarantor of any written warranty, representation or statement made or furnished to the Lender by or on behalf of the Guarantor; or (v) the termination or attempted termination of this Guaranty. Upon the occurrence of any Event of Default, (a) the Guarantor shall pay to the Lender the amount of the Obligations; or (b) on demand of the Lender, the Guarantor shall immediately deposit with the Lender, in U.S. dollars, all amounts due or to become due under the Obligations, and the Lender may at any time use such funds to repay the Obligations; or (c) the Lender in its discretion may exercise with respect to any collateral any one or more of the rights

and remedies provided a secured party under the applicable version of the Uniform Commercial Code; or (d) the Lender in its discretion may exercise from time to time any other rights and remedies available to it at law, in equity or otherwise.

8. Costs. To the extent that the Lender incurs any costs or expenses in protecting or enforcing its rights under the Obligations or this Guaranty, including reasonable attorneys' fees and the costs and expenses of litigation, such costs and expenses will be due on demand, will be included in the Obligations and will bear interest from the incurring or payment thereof at the Default Rate (as defined in any of the Obligations).

9. Postponement of Subrogation. Until the Obligations are indefeasibly paid in full, expire, are terminated and are not subject to any right of revocation or rescission, the Guarantor postpones and subordinates in favor of the Lender or its designee (and any assignee or potential assignee) any and all rights which the Guarantor may have to (a) assert any claim whatsoever against the Borrower based on subrogation, exoneration, reimbursement, or indemnity or any right of recourse to security for the Obligations with respect to payments made hereunder, and (b) any realization on any property of the Borrower, including participation in any marshalling of the Borrower's assets.

10. Preservation of Rights. No delay or omission on the Lender's part to exercise any right or power arising hereunder will impair any such right or power or be considered a waiver of any such right or power, nor will the Lender's action or inaction impair any such right or power. The Lender's rights and remedies hereunder are cumulative and not exclusive of any other rights or remedies which the Lender may have under other agreements, at law or in equity. The Lender may proceed in any order against the Borrower, the Guarantor or any other obligor of, or collateral securing, the Obligations.

11. Changes in Writing. No modification, amendment or waiver of, or consent to any departure by the Borrower or the Guarantor from, any provision of this Guaranty will be effective unless made in a writing signed by the Lender, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Borrower or the Guarantor will entitle the Borrower or the Guarantor to any other or further notice or demand in the same, similar or other circumstance.

12. Entire Agreement. This Guaranty (including the documents and instruments referred to herein) constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, between the Guarantor and the Lender with respect to the subject matter hereof; provided, however, that this Guaranty is in addition to, and not in substitution for, any other guarantees from the Guarantor to the Lender.

13. Remedies Cumulative; No Waiver. No delay or failure of the Lender in exercising any right, power or privilege hereunder or under the Note shall affect such right, power or privilege; nor shall any single or partial exercise thereof or any abandonment or discontinuance of the enforcement or such a right, power or privilege preclude any further exercise thereof or of any other right, power or privilege. The rights and remedies of the Lender

hereunder and under the Note are cumulative and not exclusive of any right or remedies which would otherwise have either under this Guaranty, the Note or any provision of law. Any waiver, permit, consent or approval of any kind or character on the part of the Lender of any breach or default under this Guaranty or any such waiver of any provision or condition of this Guaranty must be in writing and shall be effective only to the extent specified. In the event of any action at law or suit in equity in relation to this Guaranty, or the Note, the Guarantor, in addition to all other sums which the Guarantor may be required to pay, will pay a reasonable sum for attorney's fees incurred by the Lender in connection with such action or suit.

All representations, warranties, covenants and agreements of the Borrower and the Guarantor contained herein or made in writing in connection herewith shall survive the execution and delivery of this Guaranty and the issuance of the Note except as herein otherwise expressly provided.

14. Notices. All notices, statements, requests and demands given to or made upon any party hereto shall be deemed to have been given or made when deposited with the United State Postal Service, first class mail, postage prepaid, addressed as follows:

IF TO THE BORROWER:                      Pleasant Ridge Manor  
8300 West Ridge Road  
Girard, PA 16417

IF TO THE GUARANTOR:                      County of Erie  
140 West Sixth Street  
Erie, PA 16501

IF TO THE LENDER:                              PNC Bank, National Association  
901 State Street  
Erie, PA 16501

15. Counterparts. This Guaranty may be executed in as many counterparts as may be deemed necessary and convenient, each of which shall be regarded for all purposes as an original, but such counterparts shall constitute but one and the same instrument.

16. Binding Effect. This Guaranty shall be binding upon and inure to the benefit of the Lender, the Borrower, the Guarantor and their respective successors and assigns, except that neither the Borrower nor the Guarantor may voluntarily transfer or assign its rights hereunder.

17. Pennsylvania Law. The Guaranty is executed and delivered by the parties hereto with the intention that the laws of the Commonwealth of Pennsylvania shall govern its interpretation, application and enforcement.

IN WITNESS WHEREOF, the parties hereto, by their officer thereunto duly authorized, have executed this Guaranty Agreement as of this 29th day of February, 2012.

PLEASANT RIDGE MANOR

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

COUNTY OF ERIE

By: \_\_\_\_\_  
Print Name: Douglas R. Smith  
Title: County Clerk

By: \_\_\_\_\_  
Print Name: Barry Grossman  
Title: County Executive

By: \_\_\_\_\_  
Print Name: Phil Fatica  
Title: Chairman, County Council

PNC BANK, NATIONAL ASSOCIATION

By: \_\_\_\_\_  
Print Name: Colleen Gildea  
Title: Vice President

# 999721.v1

CERTIFICATE

I, Douglas R. Smith, County Clerk of the County of Erie, Pennsylvania, do hereby certify the foregoing to be a true and correct copy of a certain Ordinance duly adopted by the County Council of the County of Erie, Pennsylvania at a regular meeting thereof duly held on the \_\_\_\_\_ day of February, 2012.

Witness my hand and the seal of the County of Erie, Pennsylvania, hereto affixed this \_\_\_\_\_ day of February, 2012.

\_\_\_\_\_  
Douglas R. Smith

# 999714.v1

**APPLICATION FOR APPROVAL**  
**ERIE COUNTY, PENNSYLVANIA**  
**LEASE RENTAL DEBT**  
**\$1,000,000 PLEASANT RIDGE MANOR**  
**COMMITTED LINE OF CREDIT NOTE**

In accordance with the provisions of the Local Government Unit Debt Act, the Act of December 19, 1996, No. 177, Erie County, Pennsylvania hereby submits the following Application for the approval of borrowing procedures pursuant to the Act:

1. Erie County is a county of the Commonwealth of Pennsylvania.
2. As duly authorized by Ordinance enacted by the County Council of the County of Erie on February \_\_, 2012, a certified copy of the same being attached hereto, said Ordinance having been adopted in accordance with the provisions of the aforesaid Act, Erie County will incur lease rental debt through a Guaranty Agreement with respect to \$1,000,000 principal amount Committed Line of Credit Note from Pleasant Ridge Manor to PNC Bank, National Association. The Note and the Guaranty Agreement are to be dated as of February 29, 2012.
3. A duly certified copy of the borrowing base and Debt Statement as prepared and verified by officers of the County, indicating that the aggregate principal amount of the Note is not in excess of any statutory or constitutional limitation.
4. Attached hereto is the filing fee in the amount of \$81.25.

Respectfully submitted,

ERIE COUNTY

By: \_\_\_\_\_  
Douglas R. Smith, County Clerk



PLEASANT RIDGE MANOR  
\$1,000,000 COMMITTED LINE OF CREDIT NOTE  
SERIES OF 2012  
(COUNTY OF ERIE GUARANTY)  
FEBRUARY 29, 2012

INCUMBENCY CERTIFICATE

I, Douglas R. Smith, County Clerk, Erie County, Pennsylvania (the "County"), do hereby certify that the persons named below are the duly qualified and actively serving officials of the County, in the respective offices set opposite their names, that they now hold said offices and that the signatures appearing opposite their respective names are the genuine signatures of said officers.

<u>Name</u>	<u>Office</u>	<u>Signature</u>
Barry Grossman	County Executive	_____
Phil Fatica	Chairman, County Council	_____
Douglas R. Smith	County Clerk	_____

IN WITNESS WHEREOF, I have hereunto set my signature as County Clerk as of this 29th day of February, 2012.

\_\_\_\_\_  
Douglas R. Smith, County Clerk

PLEASANT RIDGE MANOR  
\$1,000,000 COMMITTED LINE OF CREDIT NOTE  
SERIES OF 2012  
(COUNTY OF ERIE GUARANTY)  
FEBRUARY 29, 2012

NO LITIGATION CERTIFICATE

The undersigned, Barry Grossman, County Executive, Erie County, Pennsylvania (the "County"), does hereby certify that there is no litigation pending or threatened which affects the validity of the County's Guaranty of the \$1,000,000 Committed Line of Credit Note, Series of 2012 (the "Note"), currently being issued by the Pleasant Ridge Manor, said Guaranty being dated February 29, 2012.

And further, I do hereby certify that there has been no increase in the indebtedness of the County since the adoption of the Ordinance authorizing the Guaranty as lease rental indebtedness of the County and that no authority or proceeding for the issuance, execution or delivery of the said Note or of the adoption of the corporate seal of the County, has been repealed or rescinded.

---

Barry Grossman, County Executive

# 999727.v1

COUNTY COUNCIL  
COUNTY OF ERIE, PENNSYLVANIA  
ORDINANCE NO. \_\_\_\_\_ - 2012

AN ORDINANCE OF THE COUNTY OF ERIE, PENNSYLVANIA (THE "COUNTY") AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF A GUARANTY AGREEMENT FOR THE BENEFIT OF PLEASANT RIDGE MANOR ("PLEASANT RIDGE") AND COMPLIANCE WITH THE PROVISIONS THEREOF AND INCURRING LEASE RENTAL DEBT THEREBY; APPROVING A \$1,700,000 LETTER OF CREDIT AGREEMENT FROM PLEASANT RIDGE TO PNC BANK, NATIONAL ASSOCIATION; DIRECTING THE PROPER OFFICERS OF THE COUNTY TO TAKE NECESSARY ACTIONS; AND REPEALING ALL INCONSISTENT ORDINANCES.

WHEREAS, effective as of May 17, 1976, the County of Erie ("County") duly provided for the incorporation of the Erie County Geriatric Center, now known as Pleasant Ridge Manor ("Pleasant Ridge"), as a Pennsylvania nonprofit corporation, empowered to provide on behalf of the County on a public, nonsectarian, charitable basis, health and hospital care to indigent persons within the County who require such care because of physical infirmity, the assets of which entity, upon its dissolution, shall be paid and distributed to the County; and

WHEREAS, Pleasant Ridge desires to obtain a letter of credit in the principal amount of \$1,700,000 from PNC Bank, National Association (the "Bank") in favor of the Commonwealth of Pennsylvania Department of Labor and Industry in order to support Pleasant Ridge's self-insured workers compensation program (the "Project"); and

WHEREAS, Pleasant Ridge's obligation to reimburse the Bank for drafts on the Letter of Credit will be memorialized through the execution and delivery of a reimbursement agreement and/or loan agreement (the "Agreement") in favor of the Bank; and

WHEREAS, to achieve lower insurance costs and considerable savings thereby to Pleasant Ridge and to the citizens of the County, the County Council has determined to enact this Ordinance and to thereby approve the guaranty of the Agreement as a general obligation of the County for which the County pledges its full faith, credit and general taxing power; and

WHEREAS, this Ordinance is enacted in accordance with the provisions of the Act of December 19, 1996, No. 177, the Local Government Unit Debt Act (the "Act"); and

WHEREAS, there has been presented to this meeting a form of the Guaranty Agreement (the "Guaranty Agreement") whereby the County will guarantee payment of the amounts due under the Agreement as a general obligation of the County for which the County pledges its full faith, credit and general taxing power.

NOW, THEREFORE, the County Council of the County of Erie, Pennsylvania hereby ordains that:

1. The Project is hereby approved.

2. The aggregate principal amount of indebtedness to be incurred by Pleasant Ridge and guaranteed by the County pursuant to the provisions of the Guaranty Agreement is \$1,700,000. The terms of the Agreement, including the amount, interest rate, maturity dates, and provisions for payment, are hereby approved. The schedule of maximum lease rental payments attached hereto as Exhibit A is hereby approved.

3. The debt to be incurred hereby is lease rental debt. The source of any payment under the Guaranty will be the general revenues of the County.

4. The County Clerk is hereby authorized and directed to certify and file with the Department of Community and Economic Development a complete and accurate copy of the proceedings taken in connection with the increase of debt authorized hereunder. The County Executive, Chair or Vice Chair of County Council and County Clerk are authorized and directed to execute and deliver the Guaranty Agreement and to take other necessary action for the purposes set forth herein.

5. The County Executive and County Clerk are hereby authorized and directed to prepare, verify, execute and file the Debt Statement required by the Act and to take all necessary action to comply with the provisions of the Act, including specifically the authority to prepare and file, as it shall become necessary or required, both originally and annually thereafter, such statements under the Act as are necessary to qualify all or any portion of the authorized to be incurred as excluded from any debt limit, either as self-liquidating debt or as subsidized debt or both.

6. The County does hereby guarantee payment of the amounts due under the Agreement, which obligation hereby created is a general obligation of the County and the County hereby authorizes the incurrence of lease rental debt thereby. The County covenants with the registered owners of the Agreement that the County shall include the amount of the debt service as set forth in the attached schedule and the amounts payable in respect of its guaranty for each fiscal year in which such sums are payable in its budget for that year, shall appropriate such amounts to the payment of such debt service, and shall duly and punctually pay or cause to be paid from general revenues the principal of the Agreement and the interest thereon at the dates and places and in the manner stated in the Agreement, according to the true intent and meaning thereof, and for such budgeting, appropriation and payment, the County pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable.

7. The existing net non-electoral debt of the County as determined under the provisions of the Act, including the debt to be incurred hereby, does not in the aggregate exceed the limitations of the Constitution or of the Act.

8. The proper officers of the County are hereby authorized and directed to execute any and all papers and to do and cause to be done any and all acts and things necessary and proper for the purpose of carrying out the provisions of this Ordinance and the covenants of the County as contained in the Guaranty Agreement.

9. There is hereby directed to be established a Sinking Fund with PNC Bank, National Association, for the deposit of the amounts necessary to be paid by the County pursuant to the Guaranty Agreement.

10. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.

11. This Ordinance shall become valid and effective as provided in the Act.

ATTEST:

COUNTY COUNCIL OF THE COUNTY OF  
ERIE, PENNSYLVANIA

\_\_\_\_\_  
Douglas R. Smith  
County Clerk

\_\_\_\_\_  
Phil Fatica, Chairman

Date: \_\_\_\_\_

\_\_\_\_\_  
Joseph F. Giles, Vice Chairman

APPROVED BY:

\_\_\_\_\_  
Ebert Beeman

\_\_\_\_\_  
Barry Grossman  
County Executive

\_\_\_\_\_  
Ronald G. Cleaver

Date: \_\_\_\_\_

\_\_\_\_\_  
Kyle W. Foust

\_\_\_\_\_  
Fiore Leone

\_\_\_\_\_  
Carol J. Loll

# 1000687.v1

EXHIBIT A

Principal: \$1,700,000.00, or such lesser amount as may be due to the Bank as reimbursement for amounts drafted under Letter of Credit, payable on demand.

Interest: PNC Bank Prime plus 3%, at maximum rate not to exceed 18% per annum, if reimbursement is not made on demand.

GUARANTY (LEASE RENTAL) AMORTIZATION SCHEDULE

<u>Date</u>	<u>Principal</u>	<u>Interest</u> <sup>3</sup>	<u>Total</u>
April 30, 2012 <sup>1</sup>	\$1,700,000.00	0	\$1,700,000.00
April 30, 2013 <sup>2</sup>	\$1,700,000.00	306,000.00	\$2,006,000.00

*NOTE: As this relates to a standby letter of credit facility, there is no set amortization. This schedule illustrates the range of exposure in the event of an immediate drawdown with immediate repayment, or no repayment until stated maturity (expiration) date.*

- <sup>1</sup> If Letter of Credit is drafted in full on earliest possible date (April 30, 2012) and payment under Guaranty is made immediately.
- <sup>2</sup> If Letter of Credit is drafted in full on earliest possible date (April 30, 2012) and interest accrues until maturity (expiration) date, April 30, 2013 (maximum amount due).
- <sup>3</sup> At 18% per annum; interest will accrue at PNC Bank Prime plus 3%, not to exceed 18% per annum.

**GUARANTY AGREEMENT**  
(**\$1,700,000 Letter of Credit**)

Dated as of April 30, 2012  
By, Between and Among

**PLEASANT RIDGE MANOR,**

**COUNTY OF ERIE,**

**AND**

**PNC BANK, NATIONAL ASSOCIATION, as Lender**

THIS GUARANTY AGREEMENT dated as of April 30, 2012, by, between and among **PLEASANT RIDGE MANOR** (the "Borrower"), **COUNTY OF ERIE**, a county of the third class organized pursuant to the provision of the Act of August 9, 1955, P.L. 323 §101, as amended (the "Guarantor"), and **PNC BANK, NATIONAL ASSOCIATION**, a national banking association (the "Lender").

WHEREAS, the Borrower is a non-profit corporation organized under and pursuant to the laws of the Commonwealth of Pennsylvania;

WHEREAS, the Guarantor is authorized by law to guarantee the payment of obligations of other municipal corporations when appropriate and in the best interest of serving the health, safety and welfare of each of its citizens; and

WHEREAS, the Borrower deems it necessary to obtain a letter of credit in the principal amount of \$1,700,000.00 in support of its self-insured workers compensation program (the "Letter of Credit") and to that end has entered into a reimbursement and a loan or letter agreement with the Lender (collectively, the "Agreement"); and

WHEREAS, as a condition precedent to the issuance of the Letter of Credit, the Lender has required a guaranty by the Guarantor of the payment of amounts due under the Agreement, and

WHEREAS, the Guarantor desires to guarantee the Borrower's reimbursement and other obligations under the Agreement.

NOW, THEREFORE, the parties hereto, in consideration of the foregoing and intending to be legally bound, do hereby covenant and agree as follows:

1. Certain Definitions. Unless the context clearly indicates otherwise, the following terms, for all purposes of this Guaranty, have the meanings hereby ascribed to them. Moreover, such terms shall be read and understood in a manner consistent with the provisions of the Debt Act, the corporate resolution (the "Resolution"), financing documents and instruments of the Borrower, and the Guarantor, as generally interpreted by courts maintaining competent jurisdiction. Words or phrases importing the masculine gender shall be read and understood to include the feminine and neuter genders and those importing number shall include singular or plural, both as appropriate to the context. The word "person", in addition to natural persons, shall mean and include corporations, associations and public bodies and their successors unless the context shall indicate otherwise.

"Debt Act" shall mean the Local Government Unit Debt Act, codified by the Act of December 19, 1996, P.L. 1158, No. 177.

"Debt Ordinance" shall mean the formal action taken by the Guarantor according to the requirements of the Debt Act in order to authorize and incur the indebtedness represented by the Guaranty, in respect of the Agreement.

“Guaranty” shall mean this Guaranty Agreement dated as of April 30, 2011, by, between and among the Borrower, the Guarantor and the Lender.

2. Representations and Warranties.

A. The Borrower represents and warrants that:

(i) The Borrower is a non-profit corporation organized and existing under the laws of the Commonwealth of Pennsylvania;

(ii) The Borrower is authorized by law to execute, deliver and perform its duties under this Guaranty and to apply for the issuance of a letter of credit upon the terms and conditions provided in the Resolution; and the execution and delivery of the Agreement, the Resolution and this Guaranty have each been duly authorized by all necessary action on the part of the Borrower;

(iii) There are no actions, suits or proceedings pending, or, to the best of the Borrower, threatened against or affecting the Borrower before any court or any governmental department or agency which may adversely affect the Borrower or its ability to make or carry out the provisions of this Guaranty, the Resolution, or its ability to repay the amounts due under the Agreement issued thereunder; there are not, to the knowledge of the Borrower, any claims involving the Borrower except immaterial claims arising in the ordinary course of its operations; the Borrower is not a party to any contract or agreement or subject to any charter or other restriction of any kind which adversely affects its present or prospective operations, properties or assets or its ability to repay the amounts due under the Agreement; and neither the execution and delivery of the Guaranty, the Resolution, the consummation of the transactions contemplated herein or therein, nor compliance with the terms and conditions hereof or thereof or of the Agreement will conflict with or result in a breach of the terms, conditions or provisions of the Articles of Incorporation or Bylaws of the Borrower or of any indenture, agreement or other instrument to which the Borrower is a party or by which it is bound; and

B. The Guarantor represents and warrants that:

(i) The Guarantor is a third class county of the Commonwealth of Pennsylvania, organized under and existing pursuant to the provisions of the Act of August 9, 1995, P.L. 323 §101, as amended;

(ii) The Guarantor is authorized by law, including the Debt Act, to execute, deliver and perform its duties under this Guaranty has been duly authorized by all necessary corporate action on the part of the Guarantor;

(iii) The Guarantor will enact and will keep in force an Ordinance which authorizes execution of this Guaranty;

(iv) There are no actions, suits or proceedings pending or, to the knowledge of the Guarantor, threatened, before any court or any governmental department or agency which may adversely affect the Guarantor or its ability to make or carry out the

provisions of this Guaranty; there are not, to the knowledge of the Guarantor, any claims involving the Guarantor except immaterial claims arising in the ordinary course of its operations; the Guarantor is not a party to any contract or agreement or subject to any charter or other corporate restriction of any kind which adversely affects its present or prospective operations, properties or assets or its ability to satisfy its obligations hereunder; and neither the execution and delivery of this Guaranty, the consummation of the transactions contemplated herein, nor compliance with the terms and conditions hereof will conflict with or result in a breach of the terms, conditions or provisions of any contract, agreement or other instrument to which the Guarantor is a party or by which it is bound.

3. Guaranty. The Guarantor hereby unconditionally guarantees, as a primary obligor, and becomes surety for, the full and prompt payment of all amounts due or that become due under the Agreement, whether principal or interest or otherwise (the "Obligations"), as and when due and payable, as and to the extent that such amounts are not paid as and when due and payable by the Borrower. If the Borrower defaults under the Obligations, the Guarantor will pay the amount due to the Lender.

In furtherance thereof, the Guarantor covenants and agrees with the Lender that if the Borrower fails to pay the principal of or interest on or any other amount due in respect of the Agreement as and when due and payable, the Guarantor shall duly and punctually advance the moneys required, on the dates and at the places and in the manner stated in the Agreement according to the true intent and meaning thereof. The Guarantor further represents and covenants to the Lender that it will promptly pay or cause to be paid \$1,700,000.00 plus accrued interest and all costs and expenses of Lender incurred in connection with the negotiation, enforcement or collection of amounts due under the Agreement, payable in respect of this Guaranty, for the fiscal year in which such amount shall be payable, in its budget for that year, (b) appropriate such amount from its general revenues, and (c) promptly pay or cause to be paid \$1,700,000.00 plus accrued interest, as and when due and payable, at the times and places, under the conditions and in the manner prescribed in the Agreement according to the true intent and meaning thereof. For such budgeting, appropriation and full and prompt payment of said amounts, the Guarantor hereby pledges its full faith, credit and taxing power, including unlimited ad valorem taxes to be levied upon all property of the Guarantor taxable for municipal purposes, and other general revenues of the Guarantor available for such purposes. The Guarantor agrees that this covenant is specifically enforceable and intends that it be unlimited as to rate and amount. All payments by the Guarantor will be paid in lawful money of the United States of America.

This is a guaranty of payment and not of collection and the Lender shall not be required, as a condition of the Guarantor's liability, to make any demand upon or pursue any of its rights against the Borrower, or to pursue any rights which may be available to it with respect to any other person who may be liable for the payment of the amounts due under the Agreement.

This is an absolute, unconditional, irrevocable and continuing guaranty and will remain in full force and effect until the Agreement has been indefeasibly paid in full, and the Lender has terminated this Guaranty. This Guaranty will remain in full force and effect even if there is no principal balance outstanding at a particular time or from time to time and no draw has been

made under the Letter of Credit. This Guaranty will not be affected by any surrender, exchanges, acceptance, compromise or release by the Lender of any other party, or any other guaranty or any security held by it under the Agreement, by any failure of the Lender to take any steps to perfect or maintain its lien or security interest in or to preserve its rights to any security or other collateral for the Agreement, or any guaranty, or by any irregularity, unenforceability or invalidity of the Agreement or any part thereof or any security or other guaranty thereof. The Guarantor's obligations hereunder shall not be affected, modified or impaired by any counterclaim, setoff, deduction or defense based upon any claim the Guarantor may have against the Borrower or the Lender except payment or performance of amounts due under the Agreement.

Notice of acceptance of this Guaranty, notice of advances under the Letter of Credit from time to time, notice of default, diligence, presentment, notice of dishonor, protest, demand for payment, and any defense based upon the Lender's failure to comply with the notice requirements under Sections 9-611 and 9-612 of Uniform Commercial Code as in effect from time to time are hereby waived.

The Lender shall exercise reasonable care and diligence in monitoring the affairs of the Borrower and the performance of its obligations under the Agreement in order to advise the Guarantor, when possible, of any pending default by the Borrower; provided, however, that no such action of the Lender shall be a precondition to performance by the Guarantor of its duties hereunder and each and every notice and demand for payment by the Lender hereunder shall have immediate effect, with no period of notice or anticipation.

The Lender at any time and from time to time, without notice to or the consent of the Guarantor, and without impairing or releasing, discharging or modifying the Guarantor's liabilities hereunder, may (a) change the manner, place, time or terms of payment or performance of or interest rates on, extend the expiration date, or other terms relating to the Letter of Credit or the Obligations; (b) renew, substitute, modify, amend or alter, extend the expiration date, or grant consents or waivers relating to the Letter of Credit or the Obligations, any other guaranties, or any security for the Obligations or guaranties; (c) apply any and all payments by whomever paid or however realized including any proceeds of any collateral, to any obligations of the Borrower in such order, manner and amount as the Lender may determine in its sole discretion; (d) settle, compromise or deal with any other person, including the Borrower, the Guarantor or the beneficiary of the Letter of Credit, with respect to the Letter of Credit or the Obligations in such manner as the Lender deems appropriate in its sole discretion; (e) substitute, exchange or release any security or guaranty; or (f) take such actions and exercise such remedies hereunder as provided herein.

4. Reimbursement. The Borrower covenants and agrees with the Guarantor (and these covenants are specifically enforceable or in lieu thereof may be administered by the Guarantor) that it will not, without the prior written consent of the Guarantor, which consent shall not be unreasonably withheld, (i) make or consent to any alteration including, without limitation, any extension of the time of payment of principal of, or interest under the Agreement; or (ii) fail, neglect or refuse to adjust its rates, or other charges in a manner satisfactory to the interest of its successors or assigns.

In the event that the Guarantor shall make any payments under this Guaranty, the Borrower covenants to repay to the Guarantor on demand from its receipts and revenues, all moneys paid or advanced by the Guarantor pursuant to this Guaranty.

5. Repayments or Recovery from the Lender. If any demand is made at any time upon the Lender for the repayment or recovery of any amount received by it in payment or on account of the Obligations and if the Lender repays all or any part of such amount by reason of any judgment, decree or order of any court or administrative body or by reason of any settlement or compromise of any such demand, the Guarantor will be and remain liable hereunder for the amount so repaid or recovered to the same extent as if such amount had never been received originally by the Lender. The provisions of this section will be and remain effective notwithstanding any contrary action which may have been taken by the Guarantor in reliance upon such payment, and any such contrary action so taken will be without prejudice to the Lender's rights hereunder and will be deemed to have been conditioned upon such payment having become final and irrevocable.

6. Enforceability of Obligations. No modification, limitation or discharge of the Obligations arising out of or by virtue of any bankruptcy, reorganization or similar proceeding for relief of debtors under federal or state law will affect, modify, limit or discharge the Guarantor's liability in any manner whatsoever and this Guaranty will remain and continue in full force and effect and will be enforceable against the Guarantor to the same extent and with the same force and effect as if any such proceeding had not been instituted. The Guarantor waives all rights and benefits which might accrue to it by reason of any such proceeding and will be liable to the full extent hereunder, irrespective of any modification, limitation or discharge of the liability of the Borrower that may result from any such proceeding.

7. Events of Default. The occurrence of any of the following shall be an "Event of Default": (i) any Event of Default (as defined in the Obligations); (ii) any default under the Obligations that does not have a defined set of "Events of Default" and the lapse of any notice or cure period provided in such Obligations with respect to such default; (iii) the Guarantor's failure to perform any of its obligations hereunder; (iv) the falsity, inaccuracy or material breach by the Guarantor of any written warranty, representation or statement made or furnished to the Lender by or on behalf of the Guarantor; or (v) the termination or attempted termination of this Guaranty. Upon the occurrence of any Event of Default, (a) the Guarantor shall pay to the Lender the amount of the Obligations; or (b) on demand of the Lender, the Guarantor shall immediately deposit with the Lender, in U.S. dollars, all amounts due or to become due under the Obligations, and the Lender may at any time use such funds to repay the Obligations; or (c) the Lender in its discretion may exercise with respect to any collateral any one or more of the rights and remedies provided a secured party under the applicable version of the Uniform Commercial Code; or (d) the Lender in its discretion may exercise from time to time any other rights and remedies available to it at law, in equity or otherwise.

8. Costs. To the extent that the Lender incurs any costs or expenses in protecting or enforcing its rights under the Obligations or this Guaranty, including reasonable attorneys' fees and the costs and expenses of litigation, such costs and expenses will be due on demand, will be

included in the Obligations and will bear interest from the incurring or payment thereof at the Default Rate (as defined in any of the Obligations).

9. Postponement of Subrogation. Until the Obligations are indefeasibly paid in full, expire, are terminated and are not subject to any right of revocation or rescission, the Guarantor postpones and subordinates in favor of the Lender or its designee (and any assignee or potential assignee) any and all rights which the Guarantor may have to (a) assert any claim whatsoever against the Borrower based on subrogation, exoneration, reimbursement, or indemnity or any right of recourse to security for the Obligations with respect to payments made hereunder, and (b) any realization on any property of the Borrower, including participation in any marshalling of the Borrower's assets.

10. Preservation of Rights. No delay or omission on the Lender's part to exercise any right or power arising hereunder will impair any such right or power or be considered a waiver of any such right or power, nor will the Lender's action or inaction impair any such right or power. The Lender's rights and remedies hereunder are cumulative and not exclusive of any other rights or remedies which the Lender may have under other agreements, at law or in equity. The Lender may proceed in any order against the Borrower, the Guarantor or any other obligor of, or collateral securing, the Obligations.

11. Changes in Writing. No modification, amendment or waiver of, or consent to any departure by the Borrower or the Guarantor from, any provision of this Guaranty will be effective unless made in a writing signed by the Lender, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Borrower or the Guarantor will entitle the Borrower or the Guarantor to any other or further notice or demand in the same, similar or other circumstance.

12. Entire Agreement. This Guaranty (including the documents and instruments referred to herein) constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, between the Guarantor and the Lender with respect to the subject matter hereof; provided, however, that this Guaranty is in addition to, and not in substitution for, any other guarantees from the Guarantor to the Lender.

13. Remedies Cumulative; No Waiver. No delay or failure of the Lender in exercising any right, power or privilege hereunder or under the Agreement shall affect such right, power or privilege; nor shall any single or partial exercise thereof or any abandonment or discontinuance of the enforcement or such a right, power or privilege preclude any further exercise thereof or of any other right, power or privilege. The rights and remedies of the Lender hereunder and under the Agreement are cumulative and not exclusive of any right or remedies which would otherwise have either under this Guaranty, the Agreement or any provision of law. Any waiver, permit, consent or approval of any kind or character on the part of the Lender of any breach or default under this Guaranty or any such waiver of any provision or condition of this Guaranty must be in writing and shall be effective only to the extent specified. In the event of any action at law or suit in equity in relation to this Guaranty, or the Agreement, the Guarantor, in addition to all other sums which the Guarantor may be required to pay, will pay a reasonable sum for attorney's fees incurred by the Lender in connection with such action or suit.

All representations, warranties, covenants and agreements of the Borrower and the Guarantor contained herein or made in writing in connection herewith shall survive the execution and delivery of this Guaranty and the issuance of the Agreement except as herein otherwise expressly provided.

14. Notices. All notices, statements, requests and demands given to or made upon any party hereto shall be deemed to have been given or made when deposited with the United State Postal Service, first class mail, postage prepaid, addressed as follows:

IF TO THE BORROWER:	Pleasant Ridge Manor 8300 West Ridge Road Girard, PA 16417
IF TO THE GUARANTOR:	County of Erie 140 West Sixth Street Erie, PA 16501
IF TO THE LENDER:	PNC Bank, National Association 901 State Street Erie, PA 16501

15. Counterparts. This Guaranty may be executed in as many counterparts as may be deemed necessary and convenient, each of which shall be regarded for all purposes as an original, but such counterparts shall constitute but one and the same instrument.

16. Binding Effect. This Guaranty shall be binding upon and inure to the benefit of the Lender, the Borrower, the Guarantor and their respective successors and assigns, except that neither the Borrower nor the Guarantor may voluntarily transfer or assign its rights hereunder.

17. Pennsylvania Law. The Guaranty is executed and delivered by the parties hereto with the intention that the laws of the Commonwealth of Pennsylvania shall govern its interpretation, application and enforcement.

IN WITNESS WHEREOF, the parties hereto, by their officer thereunto duly authorized, have executed this Guaranty Agreement as of this 30th day of April, 2012.

PLEASANT RIDGE MANOR

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

COUNTY OF ERIE

By: \_\_\_\_\_  
Print Name: Douglas R. Smith  
Title: County Clerk

By: \_\_\_\_\_  
Print Name: Barry Grossman  
Title: County Executive

By: \_\_\_\_\_  
Print Name: Phil Fatica  
Title: Chairman, County Council

PNC BANK, NATIONAL ASSOCIATION

By: \_\_\_\_\_  
Print Name: Colleen Gildea  
Title: Vice President

# 1000693.v1

CERTIFICATE

I, Douglas R. Smith, County Clerk of the County of Erie, Pennsylvania, do hereby certify the foregoing to be a true and correct copy of a certain Ordinance duly adopted by the County Council of the County of Erie, Pennsylvania at a regular meeting thereof duly held on the \_\_\_\_\_ day of February, 2012.

Witness my hand and the seal of the County of Erie, Pennsylvania, hereto affixed this \_\_\_\_\_ day of February, 2012.

\_\_\_\_\_  
Douglas R. Smith

# 1000687.v1

**APPLICATION FOR APPROVAL**  
**ERIE COUNTY, PENNSYLVANIA**  
**LEASE RENTAL DEBT**  
**\$1,700,000 PLEASANT RIDGE MANOR**  
**LETTER OF CREDIT AGREEMENT**

In accordance with the provisions of the Local Government Unit Debt Act, the Act of December 19, 1996, No. 177, Erie County, Pennsylvania hereby submits the following Application for the approval of borrowing procedures pursuant to the Act:

1. Erie County is a county of the Commonwealth of Pennsylvania.
2. As duly authorized by Ordinance enacted by the County Council of the County of Erie on February \_\_, 2012, a certified copy of the same being attached hereto, said Ordinance having been adopted in accordance with the provisions of the aforesaid Act, Erie County will incur lease rental debt through a Guaranty Agreement with respect to \$1,700,000 principal amount Letter of Credit Agreement from Pleasant Ridge Manor to PNC Bank, National Association. The Guaranty Agreement is to be dated on or about April 30, 2012.
3. A duly certified copy of the borrowing base and Debt Statement as prepared and verified by officers of the County, indicating that the aggregate principal amount of the Note is not in excess of any statutory or constitutional limitation.
4. Attached hereto is the filing fee in the amount of \$103.12.

Respectfully submitted,

ERIE COUNTY

By: \_\_\_\_\_  
Douglas R. Smith, County Clerk



PLEASANT RIDGE MANOR  
\$1,700,000 LETTER OF CREDIT AGREEMENT  
SERIES OF 2012  
(COUNTY OF ERIE GUARANTY)  
APRIL 30, 2012

INCUMBENCY CERTIFICATE

I, Douglas R. Smith, County Clerk, Erie County, Pennsylvania (the "County"), do hereby certify that the persons named below are the duly qualified and actively serving officials of the County, in the respective offices set opposite their names, that they now hold said offices and that the signatures appearing opposite their respective names are the genuine signatures of said officers as of the date below.

<u>Name</u>	<u>Office</u>	<u>Signature</u>
Barry Grossman	County Executive	_____
Phil Fatica	Chairman, County Council	_____
Douglas R. Smith	County Clerk	_____

IN WITNESS WHEREOF, I have hereunto set my signature as County Clerk as of this 30th day of April, 2012.

\_\_\_\_\_  
Douglas R. Smith, County Clerk

PLEASANT RIDGE MANOR  
\$1,700,000 LETTER OF CREDIT AGREEMENT  
SERIES OF 2012  
(COUNTY OF ERIE GUARANTY)  
APRIL 30, 2012

NO LITIGATION CERTIFICATE

The undersigned, Barry Grossman, County Executive, Erie County, Pennsylvania (the "County"), does hereby certify that there is no litigation pending or threatened which affects the validity of the County's Guaranty of the \$1,700,000 Letter of Credit Agreement, Series of 2012 (the "Agreement"), currently being issued by the Pleasant Ridge Manor, said Guaranty being dated April 30, 2012.

And further, I do hereby certify that there has been no increase in the indebtedness of the County since the adoption of the Ordinance authorizing the Guaranty as lease rental indebtedness of the County and that no authority or proceeding for the issuance, execution or delivery of the said Agreement or of the adoption of the corporate seal of the County, has been repealed or rescinded.

---

Barry Grossman, County Executive

# 1000697.v1

**ORDINANCE NUMBER , 2012**

**Amending Ordinance Number 113, 2010  
And The Administrative Code Of Erie County  
Article III, Section 1 Purchasing Code**

**BE IT ENACTED** by the County Council of the County of Erie, pursuant to Article II, Sections 3B(1), 3B(2)(f) and Article XI, Section 12 of the Erie County Home Rule Charter that Ordinance Number 113, 2010 is hereby amended as is the Administrative Code of Erie County, Article III, Section 1, Purchasing Code as outlined on the attached Exhibit A.

**BE IT FURTHER ENACTED** that the Council Clerk circulate the amended language to all departments for insertion into their copy of the Administrative Code, including references to this ordinance and the date of its passage, and arrange for posting of the updated Code on the Erie County website.

This ordinance shall be effective immediately upon adoption.

COUNTY COUNCIL OF THE  
COUNTY OF ERIE, PENNSYLVANIA

Attest:

\_\_\_\_\_  
Douglas R. Smith  
County Clerk

\_\_\_\_\_  
Phil Fatica, Chairman

Date: \_\_\_\_\_

\_\_\_\_\_  
Joseph F. Giles, Vice Chairman

\_\_\_\_\_  
Ebert Beeman

Approved by:

\_\_\_\_\_  
Ronald G. Cleaver

\_\_\_\_\_  
Barry Grossman  
County Executive

\_\_\_\_\_  
Kyle Foust

Date: \_\_\_\_\_

\_\_\_\_\_  
Fiore Leone

\_\_\_\_\_  
Carol J. Loll

# Memo

**TO:** County Council  
**FROM:** Douglas R. Smith, County Clerk  
**DATE:** January 31, 2012  
**RE:** Purchasing Code changes

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After some further legal research, Attorney Talarico determined that the Commonwealth did in fact change the Third Class County Code in the area of Purchasing. Therefore, the exhibit will not be complete by Tuesday as previously thought.

I am requesting that Council consider allowing a first reading on this ordinance while the exhibit is completed and amending the ordinance on February 21<sup>st</sup> when it will likely have a second reading.

One issue that Council should determine as soon as possible is the expenditure level which triggers advertising and bid requirements. Currently, the County has a \$10,000 level which was established by the state in the 1960's. The new state law establishes a level of \$18,500 which is subject to yearly review based on wages, inflation, and other factors. Attorney Talarico will submit an opinion which would allow Council to set a number without the reliance on economic indicators. The level discussed by County Council in October, 2011, and agreed to in General Fund Action Sheet #25 was **\$25,000**.

Due to inflation, a \$10,000 item purchased in 1960 would cost approximately \$76,000 in 2012.\* Judging from that figure, \$25,000 remains a very conservative figure.

\*calculations supplied by The US Inflation Calculator/Coin News Media Group

2012

ERIE COUNTY COUNCIL  
BUDGET ACTION

# 25

General Fund  
Operations - Procurement

PROPOSED BY FINANCE COMMITTEE

DESCRIPTION OF ACTION :

\$10,000 to \$25,000

To reduce as the result of increasing the bid amount from

BUDGET PG. #

COUNCIL ACTION

11/15/11

VOTE TO

DEPT. # 01-002440

FINANCIAL INFORMATION

ACCOUNT #				REVENUES		EXPENDITURES	
				INCREASE	DECREASE	INCREASE	DECREASE
001	002440	002300	Advertising				2,700
001	002440						
001	002440						
TOTAL				0	0	0	2,700

**ORDINANCE NUMBER , 2012**

**2012 Capital Projects Fund Supplemental Appropriation of \$104,102  
And Creation Of A New Line Item For County Technology Projects**

**BE IT ENACTED** by the County Council of the County of Erie pursuant to Article II, Sections 3B (1), 3B (2)(f) and Article VIII Section 8 of the Erie County Home Rule Charter, and certified by the County Executive, that this 2012 Capital Projects Fund Supplemental Appropriation of \$104,102 for county technology projects and the creation of a new line item for that purpose are hereby approved as outlined on the attached Exhibit A.

This ordinance shall be effective immediately upon adoption.

COUNTY COUNCIL OF THE  
COUNTY OF ERIE, PENNSYLVANIA

Attest:

\_\_\_\_\_  
Douglas R. Smith  
County Clerk

\_\_\_\_\_  
Phil Fatica, Chairman

Date: \_\_\_\_\_

\_\_\_\_\_  
Joseph F. Giles, Vice Chairman

\_\_\_\_\_  
Ebert Beeman

Approved by:

\_\_\_\_\_  
Ronald G. Cleaver

\_\_\_\_\_  
Barry Grossman  
County Executive

\_\_\_\_\_  
Kyle Foust


Date: \_\_\_\_\_

\_\_\_\_\_  
Fiore Leone

\_\_\_\_\_  
Carol J. Loll

**Certificate of the County Executive**

I, Barry Grossman, County Executive for the County of Erie, do hereby certify pursuant to the provisions of Article VIII, Section 8, of the Home Rule Charter for the County of Erie, that there are capital projects funds available in the amount of \$104,102.00 which are available for supplemental appropriation for county technology projects.

  
Barry Grossman,  
County Executive

1-31-12  
Date

**Exhibit A**  
**2012 Capital Projects Fund**  
**Supplemental Appropriation of \$104,102**  
**For County Technology Projects**

<u>Account Title</u>	<u>Account Number</u>	<u>Amount</u>
<u>Total Revenue</u>		
Fund Balance Appropriated	080-080670-099500	(104,102)
Total Revenue		<u>(104,102)</u>
<u>Total Expenditures</u>		
County Technology Projects - Other Equipment	080-080670-004070*	104,102
Total Expenditures		<u>104,102</u>

\* Denotes creation of a new line item

**RESOLUTION NUMBER , 2012**

**A Resolution To Approve And Endorse The Inclusion Of North East Township  
As A Member Of The Erie Area Council Of Governments**

**WHEREAS,** Erie County is a member of the Erie Area Council of Governments (COG); and

**WHEREAS,** North East Township has expressed its desire to join the COG as a member; and

**WHEREAS,** Erie County Council believes that it is in the best interests of COG and its members that North East Township becomes a member of the COG.

**NOW, THEREFORE, BE IT RESOLVED** by the County Council of the County of Erie that Erie County approves and endorses inclusion of North East Township as a member of the Erie Area COG.

On the motion of \_\_\_\_\_, seconded by \_\_\_\_\_, this resolution was passed on this \_\_\_\_\_ day of \_\_\_\_\_, 2012 by a vote of \_\_\_\_ - \_\_\_\_.

APPROVED BY:

\_\_\_\_\_  
Phil Fatica, Chairman  
Erie County Council

\_\_\_\_\_  
Barry Grossman  
County Executive

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Douglas R. Smith  
County Clerk

Date: \_\_\_\_\_



## North East Township Supervisors

10300 West Main Road · P.O. Box 249 · North East, PA 16428  
814/725-8606 Fax: 725-2419

January 13, 2012

Eric Area Council of Governments  
Brian McGrath, Chairman  
1001 State Street, Suite 321  
Erie, PA 16501

Re: Eric Area COG Membership

Dear Chairman McGrath:

Please consider this request from the North East Township Board of Supervisors to join the Eric Area Council of Governments effective for 2012.

Please provide the Township with any further requirements or paperwork required.

Thank you for your assistance in this matter.

Sincerely,

Vernon D. Frye  
Supervisor/Chairman

Dennis N. Culver  
Supervisor/Vice Chairman

August L. Neff  
Supervisor

Attest:

Karen A Ahlgrim, Secretary

**RESOLUTION NUMBER \_\_\_\_\_, 2012**

**A Resolution To Approve And Endorse The Inclusion Of Girard Borough  
As A Member Of The Erie Area Council Of Governments**

**WHEREAS,** Erie County is a member of the Erie Area Council of Governments (COG); and

**WHEREAS,** Girard Borough has expressed its desire to join the COG as a member; and

**WHEREAS,** Erie County Council believes that it is in the best interests of COG and its members that Girard Borough becomes a member of the COG.

**NOW, THEREFORE, BE IT RESOLVED** by the County Council of the County of Erie that Erie County approves and endorses inclusion of Girard Borough as a member of the Erie Area COG.

On the motion of \_\_\_\_\_, seconded by \_\_\_\_\_, this resolution was passed on this \_\_\_\_\_ day of \_\_\_\_\_, 2012 by a vote of \_\_\_\_ - \_\_\_\_.

APPROVED BY:

\_\_\_\_\_  
Phil Fatica, Chairman  
Erie County Council

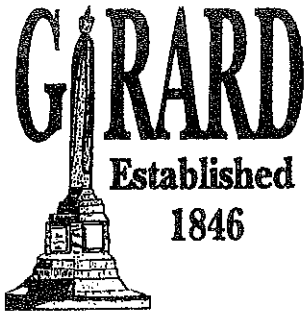
\_\_\_\_\_  
Barry Grossman  
County Executive

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Douglas R. Smith  
County Clerk

Date: \_\_\_\_\_



## BOROUGH OF GIRARD

34 Main Street West • Girard, PA 16417  
Phone (814) 774-9683 • Fax (814) 774-0998  
E-Mail: girardborough@adelphia.net

Robert A. Stubenbort  
*Borough Manager*

December 21, 2011

Brian McGrath, Chairman  
Erie Area Council of Governments  
In care of: Millcreek Township  
3608 West 26<sup>th</sup> Street  
Erie, PA 16506-2037

Subject: EACOG Membership

Dear Chairman McGrath,

At the Girard Borough Council meeting on December 19, 2011, Council did vote in favor of joining the EACOG for the year 2012.

Please provide us with any necessary requirements or applications that you require.

Very truly yours,

Robert A. Stubenbort  
Borough Manager

**RESOLUTION NUMBER     , 2012**

**Ratifying The GASB 54 Fund Balance Policy In The County Of Erie**

**WHEREAS**, GASB (Governmental Accounting Standards Board) Statement No. 54 establishes criteria for classifying fund balances into specifically-defined classifications; and

**WHEREAS**, current fund balances are classified as either Reserved or Unreserved; and

**WHEREAS**, the objective of GASB 54 is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions.

**NOW THEREFORE, BE IT RESOLVED** that effective with the fund balances at December 31, 2011:

1. The County's GASB 54 Fund Balance Policy is to apply expenditures against any non-spendable funds, restricted fund balance, committed fund balance, assigned fund balance and un-assigned funds.
2. The committed fund balance of the County may be committed for a specific source by formal action taken by the County Council.
3. Amendments or modifications of the committed fund balance must also be approved by formal action taken by County Council.

**BE IT FURTHER RESOLVED**, when it is appropriate for fund balance to be assigned, County Council delegates authority to the Finance Director to determine the allocation of the assigned funds.

On the motion of \_\_\_\_\_, seconded by \_\_\_\_\_, this resolution was passed on this \_\_\_\_\_ day of \_\_\_\_\_, 2012 by a vote of \_\_\_\_ - \_\_\_\_.

APPROVED BY:

\_\_\_\_\_  
Phil Fatica, Chairman  
Erie County Council

\_\_\_\_\_  
Barry Grossman  
County Executive

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Douglas R. Smith  
County Clerk

Date: \_\_\_\_\_



COUNTY OF ERIE  
OFFICE OF COUNTY EXECUTIVE

---

**BARRY GROSSMAN**  
COUNTY EXECUTIVE

MEMORANDUM

TO: Members of County Council

FROM: Barry Grossman, *BGG*  
County Executive

DATE: January 30, 2012

RE: Erie County Housing Authority

I hereby convey notice of my appointment of Sister Christine Vladimiroff, 330 East 10<sup>th</sup> Street, Erie, PA 16503, to the Erie County Housing Authority. Sister Vladimiroff will be filling the unexpired term of Sister Miriam Mashank, which will expire on November 4, 2014.

Thank you.

dmb  
cc: Douglas Smith, Clerk  
File

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COUNTY OF ERIE  
OFFICE OF COUNTY EXECUTIVE

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**BARRY GROSSMAN**  
COUNTY EXECUTIVE

**MEMORANDUM**

TO: Members of County Council

FROM: Barry Grossman,   
County Executive

DATE: January 23, 2012

RE: Erie County Board of Health

I hereby convey notice of my reappointment of Rev. Nettie Smith, 538 East 4<sup>th</sup> Street, Erie, PA 16507, to the Erie County Board of Health. This is a 4 year term, which will expire on December 31, 2015.

Thank you.

dmb  
cc: File

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<b>County of Erie</b> <b>Analysis of General Fund Unrestricted Fund Balance</b> <b>FYE 12/31/12</b> <b>As of January 27, 2012</b>
--

<b>Projected Ending 2012 Unrestricted Fund Balance</b>	26,865,954
<b><u>Less: Appropriations from Unrestricted Fund Balance</u></b>	
Ordinance # 1 Supp Approp for Employee Pension Contribution for Military Leave in Pub Defender	(1,145)
Ordinance # Supp Approp for Reassessment	(10,654)
Ordinance # Supp Approp for Transfer to Public Safety Fund	(11,887)
Total Appropriations from Unrestricted Fund Balance	<u>(23,686)</u>
<b><u>Plus: Appropriations to Unrestricted Fund Balance</u></b>	
Ordinance # 3 Supp Approp for Sustainable Communities	12,760
Total Appropriations to Unrestricted Fund Balance	<u>12,760</u>
Estimated General Fund Unrestricted Fund Balance to date	<u>26,855,028</u>
<b><u>Summary</u></b>	
Total Budgeted General Fund Expenditures and Transfers	89,598,616
Less: Pass Thru Grants Originally Budgeted in the General Fund	<u>(1,654,348)</u>
Net Budgeted General Fund Expenditures and Transfers	<u>87,944,268</u>
One Month's Expenditures and Transfers	7,328,689
Two Month's Expenditures and Transfers	14,657,378
Difference between Estimated GF Unrestricted Fund Balance and One Month of Expend & Transfers	<u>19,526,339</u>
Difference between Estimated GF Unrestricted Fund Balance and Two Months of Expend & Transfers	<u>12,197,650</u>

County of Erie General Fund  
 Monthly Reconciliation of  
 Changes to Fund Balance Appropriated  
 001-000990-099500  
 As of January 27, 2012

Appropriations from Fund Balance per Excel	(23,686)
Appropriations to Fund Balance per Excel	12,760
Net Appropriations per Excel	<u>(10,926)</u>
<u>Less: Pending Ordinances for Council Approval</u>	
Ordinance # Supp Approp for Reassessment	10,654
Ordinance # Supp Approp for Transfer to Public Safety Fund	11,887
Total Net Pending Ordinances	<u>22,541</u>
Net change to Fund Balance Appropriated	<u>11,615</u>
FMS Budget T Balance	<u>11,615</u>
	0

County of Erie General Fund  
 Current Budget  
 As of January 27, 2012

DEPT NO	DEPT NAME	ORIGINAL 2012 BUDGET	2011 BUDGET CHANGES	CURRENT 2012 BUDGET
001000	CONCIL & ELECTIONS	1,348,598		1,348,598
001100	COUNTY CONTROLLER	359,213		359,213
001990	COUNTY EXECUTIVE	220,982		220,982
002010	COMM REL ECON DEV	995,303		995,303
002100	COUNTY SOLICITOR	140,719		140,719
002190	PERSONNEL	348,204		348,204
002300	FINANCE	4,198,114		4,198,114
002400	ADMIN/ OPERATIONS	4,631,412		4,631,412
002601	HUMAN SRVC SHARED	68,913		68,913
002700	OTH GEN GOVT	7,129,212		7,129,212
003000	COURTS	4,846,869		4,846,869
003100	MDJ'S	2,522,410		2,522,410
003200	CLK RECORD	2,665,229		2,665,229
003290	SHERIFF	3,003,454		3,003,454
003390	DISTRICT ATTY	2,849,589		2,849,589
003500	CORONER	614,360		614,360
003600	PUBLIC DEFENDER	1,287,132	1,145	1,288,277
004000	ADULT PROBATION	4,884,885		4,884,885
004100	CORRECTIONS	15,777,057		15,777,057
004190	JUVENILE PROBATION	2,942,838		2,942,838
005200	VETERANS AFFAIR	217,640		217,640
009000	GRANTS TO ORGANZ	1,654,348		1,654,348
020000	TRANSFERS	25,224,257	(12,760)	25,211,497
	Total	87,930,738	(11,615)	87,919,123

**County of Erie  
 Comparison of Change in Monthly General Fund  
 Fund Balance Appropriated for the Years  
 2012 and 2011**

**Change in appropriated General Fund fund balance as follows:**

Month	2012	2011
January	11,615	57,580
February		(35,535)
March		(62,115)
April		13,308
May		(339,506)
June		(246,218)
July		50,191
August		(292,400)
September		(24,516)
October		0
November		(40,000)
December		0
<b>Total Change in Appropriated Fund Balance Year to Date</b>	<b>11,615</b>	<b>(919,211)</b>