

Derry Township School District Board of Directors Meeting

February 22, 2016

Summary Minutes - XV

1. OPENING ITEMS

a. Call to Order

Minutes

The meeting was called to order by Brian Shiflett at 7:06 p.m.

b. Roll Call

Present: Chris Barrett, Heidi Eby, Jayanth Franklin, Maria Memmi, Jennifer Mysel, Julie Neal, Brian Shiflett, Kathy Sicher, Terry Singer

Absent: None

Non-Voting Members in attendance: Joseph McFarland

Staff/Public in attendance: Dan Tredinnick, Mike Frentz, Stacy Winslow, Jason Reifsnnyder, Keith Saylor, Jodi Ocker, Brendan Hensel, Laurie Scherer, Jamie Schraudner, Ellen Ott, Ray Faidley, Lisa Maggio, Jean Good, Alton Perry, Bill McCarty

Solicitor in Attendance: Kim R. Smith

Media in Attendance: Monica von Dobeneck – *The Sun*

c. Flag Salute

d. Approval of Board of Directors Agenda

Minutes

Following a motion by Mr. Barrett and a second by Mr. Franklin the Board Agenda for the evening's meeting was approved

2. INFORMATIONAL AND PROPOSALS

a. Presentation - Counseling - K-12

Minutes

The counseling department provided the Board with a brief overview of their positions.

b. Presentation - Finance

Minutes

Mr. Frentz provided the Board with a brief summary of the 2016-2017 preliminary budget.

c. Book Challenge Report

Minutes

Dr. Winslow provided the Board with a summary of the the middle school book challenge.

d. Announcement of Executive Session

Minutes

The Human Resources Committee met February 16, 2016 to discuss HESPA Collective Bargaining

Agreement Negotiations, and the Board met in Executive Session prior to this meeting to discuss matters of personnel, and labor relations and arbitrations.

e. Recognition of Citizens (Agenda Items)

Minutes

The following citizens were recognized by the Board:
None

f. Standing Committee Meeting Report

Minutes

Mr. Barrett provided the following updates with regard to the Communications and Community Engagement Standing Committee Meeting:

- Community Collaboration Inventory
- COCOA pack program
- Mobile Application

g. Student Representatives' Report

Minutes

The student representatives provided the Board with the following updates:

- Recent Activities
- Upcoming Activities

h. Anticipated Agenda Items for the Next Board of Directors Meeting

The Anticipated Agenda Items for the March 14, 2016 Public Board of Directors Meeting are listed:

1. Approval of February 22, 2016 Board of Directors Summary Minutes
2. Presentations:
 - Music in Our Schools
 - Business Challenge Team/Tsunami Technologies
3. Requests for the Use of Facilities
4. Personnel
5. Staff Development

Minutes

The anticipated agenda items for the March 14, 2016 meeting of the Derry Township Board of School Directors were reviewed.

3. UNFINISHED BUSINESS

a. Dauphin County Technical School - Harrisburg School District Buy-In Discussion

Minutes

The school director's discussed the Dauphin County Technical School - Harrisburg School District Buy-In proposal.

4. CONSENT AGENDA ITEMS

Minutes

Following a motion by Mr. Franklin and a second by Mrs. Eby the consent agenda items were approved.

Vote Results

Aye:	9	Chris Barrett, Brian Shiflett, Jayanth Franklin, Julie Neal, Terry Singer, Heidi Eby, Kathy Sicher, Jennifer Mysel, Maria Memmi
No:	0	
Abstain:	0	
Not Cast:	0	

MOTION CARRIED

a. Approval of February 8, 2016 Summary Board of Directors Meeting Minutes – XIV

b. Approval of January 2016 Finance Report

1. The Treasurer's Report for the month ending January 31, 2016 was summarized as follows:

General Fund Revenue	\$5,488,807
General Fund Expenditures	4,116,039
Balance of Cash Plus Investments (Includes Capital Reserve)	31,013,808

2. The listed schedule of investment transactions for the period beginning January 1, 2016 through January 31, 2016, had total interest earnings of \$1,041 comprised of the following:

Money Market	956
Capital Reserve	85

The average interest rate for January 2016 was .04%

3. The January 2016 expenditures for the paid bills for all funds totaled \$1,896,190 excluding net payroll, retirement contributions, and debt service.
4. The February 2016 expenditures for the unpaid bills for all funds totaled \$761,087.
5. Estimated expenditures of the General Fund for the month of February 2016 were in the following amounts:

Operating Expenses	\$1,000,000
Utilities	173,100
Net Payroll (2 pays)	1,350,000
Employer Provided Insurance	373,400
Payroll Deductions	706,000
Employer Payroll Taxes (FICA/RET)	157,000
Debt Service	0
Total Estimated Expenditures	\$3,759,500

c. Approval of Budget Transfers

Section 687 (d) of the Public School Code provides: The Board of School Directors shall have the power to authorize the transfer of any unencumbered balance, or any portion thereof, from one class of expenditures or item, to another, but such action shall be taken only during the last

nine (9) month of the Fiscal Year.

The Administration recommended the Board authorize the February 2016 Budget Transfers.

d. Approval of Overnight Field Trip/Excursion - Hershey Powerlifting

The Administration recommended the approval of the overnight field trip/excursion as listed:

<i>Group:</i>	Hershey Powerlifting
<i>Number of Participating Students:</i>	6
<i>Grade Level:</i>	9-12
<i>Destination:</i>	Orlando, Florida
<i>Purpose:</i>	High School National Competition
<i>Depart:</i>	March 31, 2016
<i>Return:</i>	April 4, 2016
<i>Trip Leaders:</i>	Troy Smith, Dan Hugendubler

The District reserves the right to cancel the excursion based on events that could pose a heightened safety or security risk.

e. Athletic Hall of Fame Operational Committee Nomination

The Administration recommended the approval of Kellen Kulbacki to fill an open position on the Athletic Hall of Fame Operational Committee.

f. Requests for the Use of School Facilities

The Administration recommended the approval of the following Requests for the Use of School Facilities:

Group: **Girls on the Run**
Date/Time: Monday, Wednesday, Fridays
February 29, 2016 - May 11, 2016
3:45 p.m. - 5:15 p.m.
Requested Facility: Elementary Hallways, Lobby Area (if inclement weather), Cinder Track or Outside Area
Event: Running
Fee: None

Group: **St. Joan of Arc School Track & Field Team**
Date/Time: Monday, Wednesdays
March 14, 2016 - May 18, 2016
6:00 p.m. - 7:30 p.m.
Requested Facility: Memorial Cinder Track
Event: Track Practice for Hershey Elementary/Middle School Students that go to St. Joan of Arc Parish School
Fee: None

Group: Hershey High School Girls Lacrosse
Date/Time: April 17, 2016
11:00 a.m. - 5:00 p.m.
(*Rain Date*) April 24, 2016
11:00 a.m. - 5:00 p.m.
Requested Facility: 322 Turf Field, Restrooms
Event: Team Tryouts for US Lacrosse National Tournament
Fee: None

Group: Dauphin County Bureau of Registration and Elections
Date/Time: *Set Up*
April 25, 2016; November 8, 2016
10:00 a.m. - 2:00 p.m.
Event
April 26, 2016; November 8, 2016
6:00 a.m. - 11:00 p.m.
Requested Facility: Early Childhood Center Large Group Instruction Room
Event: Voting Location
Fee: None

Group: Hershey Centrals Baseball
Date/Time: August 27 - 28, 2016
6:00 a.m. - 10:00 p.m.
Requested Facility: North & South Baseball Fields
Event: Baseball Tournament
Fee: None

g. Announcement of Staff Development Conference

Staff Members: Tara Blackburn, Tracie Dawson, Page Kozak
Conference: Pennsylvania Association of School Nurses and Practitioners
School Nurses: The Fingerprint for Student Success
Location: Penn State Conference Center Hotel
State College, PA
Dates: April 8-10, 2016
Expenses: \$647.57 (each)

5. NEW BUSINESS

a. 2011 Bond Refinancing - Parameters Resolution

The Administration recommended the Board approve the Parameters Resolution approving the parameters for the refinancing of General Obligation Bonds Series 2011.

Minutes

Following a motion by Mrs. Eby and a second by Mr. Franklin the resolution approving the parameters for the refinancing of General Obligation Bonds Series 2011 was approved.

Vote Results

Aye: 9 Chris Barrett, Brian Shiflett, Jayanth Franklin, Julie Neal, Terry Singer, Heidi Eby, Kathy Sicher, Jennifer Mysel, Maria Memmi

No: 0

Abstain: 0

Not Cast: 0

MOTION CARRIED

b. Approval of High School Parking Funds Proposal

The Administration recommended the Board approve for all student parking fees to be deposited into the High School Special Student Account Student Activity Fund beginning July 1, 2016. Use of funds will be governed by Policy 618 - Student Activity Funds.

Minutes

Following a motion by Mr. Franklin and a second by Mr. Barrett the proposal for student parking fees to be deposited into the high school special student account student activity fund beginning July 1, 2016 was not approved.

Vote Results

Aye: 0

No: 9 Chris Barrett, Brian Shiflett, Jayanth Franklin, Julie Neal, Terry Singer, Heidi Eby, Kathy Sicher, Jennifer Mysel, Maria Memmi

Abstain: 0

Not Cast: 0

MOTION FAILED

c. Memorandum of Understanding - HESPA - Adjustment to Use of Emergency or Personal Leave for Level A, B, C Employees

The Administration recommended that approval of the Memorandum of Understanding between the Derry Township School District ("District") and the Hershey Educational Support Professionals Association ("HESPA") that addresses the use of emergency or personal leave for school closings and shutdowns during the 2015 – 2016 school year for Level A, B, or C employees.

Minutes

Following a motion by Mrs. Mysel and a second by Mrs. Eby the Memorandum of Understanding with the Hershey Educational Support Professionals Associated that addressed the use of emergency or personal leave for school closing and shutdowns during the 2015-2016 school year for Level A,B or C employees was approved.

Vote Results

Aye: 9 Maria Memmi, Jennifer Mysel, Kathy Sicher, Heidi Eby, Terry Singer, Julie Neal, Jayanth Franklin, Brian Shiflett, Chris Barrett

No: 0

Abstain: 0

Not Cast: 0

MOTION CARRIED

d. Approval of August 23, 2016 Professional Learning Workshop - UpsideDown Organization
The Administration recommended approving the UpsideDown Organization Agreement for the District's August 23, 2016 Professional Learning Workshop fee of \$3,000.

Minutes

Following a motion by Mrs. Eby and a second by Mr. Franklin the UpsideDown Organization Agreement for the District's August 23, 2016 Professional Learning Workshop was approved.

Vote Results

Aye:	9	Maria Memmi, Jennifer Mysel, Kathy Sicher, Heidi Eby, Terry Singer, Julie Neal, Jayanth Franklin, Brian Shiflett, Chris Barrett
No:	0	
Abstain:	0	
Not Cast:	0	

MOTION CARRIED

e. Personnel – Resignation

The Administration recommended the approval of the following resignation:

Classified:

Fasig, Jennifer

General Food Service Worker

Middle School

Reason: Personal

Effective: 03/04/2016

Minutes

Following a motion by Mrs. Eby and a second by Mr. Barrett the personnel - resignation item was approved.

MOTION CARRIED

f. Personnel – General

1. The Administration recommended the approval of the following appointments:

Classified:

Lachman, Brenda

Substitute Bus Driver

District-wide

Salary: \$16.83 per hour

Effective: 02/23/2016

May, Beverly

Substitute Bus Driver

District-wide

Salary: \$16.83 per hour

Effective: 02/23/2016

Change in Hours for Classified Staff:

Hallman, Stephanie*

Secretary

Buildings and Grounds

From: Level D: 5.5 hours per day

To: Full-time: 8.0 hours per day

Effective: 02/23/2016

Limited Service Contracts:

Chroscinski, Michael

Assistant Junior Varsity Baseball Coach

High School

Group E, Step 1

Salary: \$2,256

Effective: 02/23/2016

Till, Linda*

Head Varsity Girls' Tennis Coach

High School

Group F, Step 14

Salary: \$3,697

Effective: 07/01/2016

2. The Administration recommended the approval of a tuition reimbursement agreement with Peter Ebert.

* **This individual is currently an employee and/or volunteer. Clearances are on file.**

Minutes

Following a motion by Mr. Franklin and a second by Mrs. Eby the personnel - general items was approved.

Vote Results

Aye:	8	Chris Barrett, Brian Shiflett, Jayanth Franklin, Julie Neal, Heidi Eby, Kathy Sicher, Jennifer Mysel, Maria Memmi
No:	1	Terry Singer
Abstain:	0	
Not Cast:	0	

MOTION CARRIED

6. DELEGATE REPORTS

a. Dauphin County Technical School

Minutes

Mr. Shiflett attached his report for the Dauphin County Technical School

b. Derry Township Parks and Recreation

Minutes

Mrs. Memmi provided the following updates with regard to the Derry Township Parks and Recreation Committee:

- New Aquatics Center

7. SPECIAL REPORTS

a. Board Members' Report

Minutes

The following members provided reports to the Board:

None

b. Superintendent's Report

Minutes

Mr. McFarland provided the Board with the following updates:

- Recognition of students
- Recognition of staff

c. Board President's Report

Minutes

Mr. Shiflett provided the Board with the following updates:

- Recognition of student program
- Upcoming events

8. RECOGNITION OF CITIZENS

Minutes

The following citizens were recognized by the Board:

None

9. ADJOURNMENT

Minutes

Following a motion by Mr. Franklin and a second by Mr. Barrett the meeting was adjourned at 9:11 p.m.

Respectfully submitted,

Michael Frentz
Secretary to the Board
Approved at the March 14, 2016 meeting

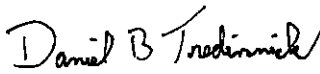
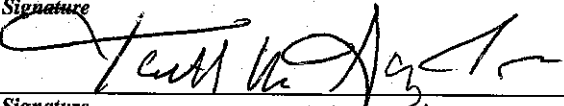
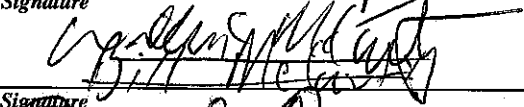
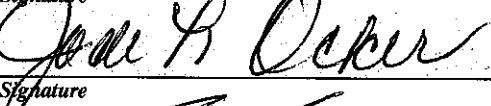
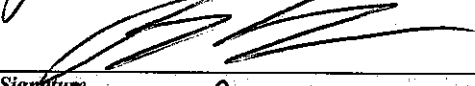
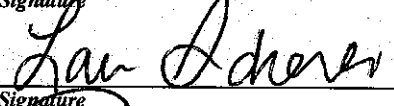
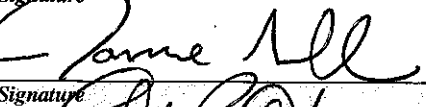

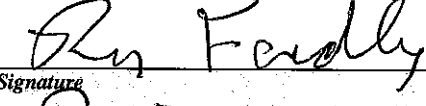
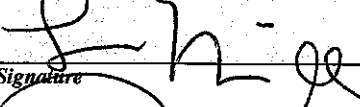
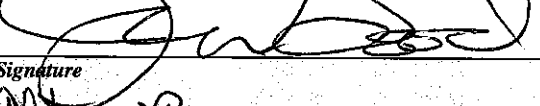
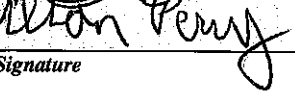
Brian L. Shiflett
President of the Board of Directors

JWR

Derry Township School District School Board Meeting

February 22, 2016

Please Sign In AND Print Your Name

Signature	Printed Name
	Dan Tredinnick
	Keith Saylor
	Bill McLean
	Jodi Ocker
	Brendon Hessel
	Laurie Scherer
	Jamie Schrauder
	Ellen Ott
	Ray FAIDLEY
	Lisa Maggio
	Jean Gessel
	Alton Perry

DERRY TOWNSHIP SCHOOL DISTRICT
DAUPHIN COUNTY, PENNSYLVANIA

_____, 2016

Timothy Anstine, Esquire
Department of Community and Economic Development
Deputy Chief Counsel
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225

In Re: Derry Township School District - Application for approval of the issuance of general obligation bonds in the authorized aggregate principal amount of \$8,125,000, to be issued in one or more series, and to be designated as the "Derry Township School District, General Obligation Bonds, Series of 2016"

Dear Mr. Anstine:

The undersigned, being the (Assistant) Secretary of Derry Township School District, Dauphin County, Pennsylvania (the "**School District**"), hereby makes application, pursuant to Sections 8111 and 8201 of the Local Government Unit Debt Act (Act No. 177 of 1996, as amended - the "**Act**"), for a Certification of Approval of the Department of Community and Economic Development (the "**Department**") and for approval of the proceedings taken by the School District to increase and incur nonelectoral indebtedness in the authorized aggregate principal amount of \$8,125,000, said indebtedness to be evidenced by the issuance, in one or more series, of general obligation bonds of the School District to be designated as the "Derry Township School District, General Obligation Bonds, Series of 2016", or such other series designation as the School District may determine upon issuance (the "**Bonds**").

In support of such application, the undersigned hereby submits to the Department two counterparts of the Transcript of Proceedings, as listed below, taken by the School District, and hereby certifies to the Department that the Transcript of Proceedings so submitted are complete and accurate copies of the proceedings taken by the School District for the incurring of and increase in the nonelectoral indebtedness of the School District:

1. A certified copy of the resolution adopted by the Board of School Directors of the School District authorizing the issuance of the Bonds and the awarding of the Bonds to RBC Capital Markets, LLC (the "**Purchaser**"), upon the Purchaser's proposal for purchase at private sale;
2. Proof of publication of a summary of the resolution authorizing the Bonds prior to adoption of the resolution, and proof of publication of the notice of adoption of the resolution;
3. A copy of the accepted proposal of the Purchaser for the purchase of the Bonds;
4. The Debt Statement of the School District prepared by authorized officers of the School District pursuant to Section 8110 of the Act, together with an attached borrowing base certificate pursuant to the requirements of Section 8002(c) of the Act;
5. A check in the amount of \$303.91 in satisfaction of the filing fee of the Department.

Please return one counterpart of the Transcript of Proceedings, with your Certificate of Approval, to William C. McCarty, Esquire, Barley Snyder LLP, 126 East King Street, Lancaster, Pennsylvania 17602.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the School District on the date hereof.

(Assistant) Secretary, Derry Township School District

(SEAL)

Enclosure

DERRY TOWNSHIP SCHOOL DISTRICT
Dauphin County, Pennsylvania

RESOLUTION

A RESOLUTION

OF THE BOARD OF SCHOOL DIRECTORS OF THE SCHOOL DISTRICT INCURRING NONELECTORAL DEBT TO BE EVIDENCED BY ONE OR MORE SERIES OF GENERAL OBLIGATION BONDS IN THE MAXIMUM AUTHORIZED AGGREGATE PRINCIPAL AMOUNT OF EIGHT MILLION ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$8,125,000), TO PROVIDE FUNDS FOR AND TOWARD THE PARTIAL OR FULL REFUNDINGS OF THE OUTSTANDING GENERAL OBLIGATION BONDS, SERIES OF 2011, OF THE SCHOOL DISTRICT, AND PAYING THE COSTS AND EXPENSES RELATED TO SAID REFUNDINGS AND THE ISSUANCE OF SUCH BONDS; STATING THE PURPOSE OF THE REFUNDINGS; STATING THE REMAINING USEFUL LIFE OF CAPITAL PROJECTS FINANCED AND REFINANCED BY THE SERIES OF 2011 BONDS; ACCEPTING A BOND PURCHASE AGREEMENT FOR PURCHASE OF SUCH BONDS, AT PRIVATE SALE BY NEGOTIATION; SETTING FORTH THE AUTHORIZED TERMS AND SUBSTANTIAL FORM OF SUCH BONDS AND AUTHORIZING OFFICERS OF THE SCHOOL DISTRICT TO APPROVE OTHER, FINAL TERMS OF SUCH BONDS; AUTHORIZING EXECUTION AND AUTHENTICATION OF SUCH BONDS; SUBJECT TO STATUTORY RESTRICTIONS AND LIMITATIONS, PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE SCHOOL DISTRICT IN SUPPORT OF SUCH BONDS; APPOINTING A PAYING AGENT AND A SINKING FUND DEPOSITARY; SETTING FORTH CERTAIN COVENANTS AND REPRESENTATIONS RELATING TO THE FEDERAL INCOME TAX STATUS OF THE INTEREST TO BE PAID ON SUCH BONDS; PROVIDING FOR DESIGNATION OF THE BONDS AS TAX-EXEMPT OBLIGATIONS FOR THE PURPOSES OF SECTION 265(b)(3)(B) OF THE INTERNAL REVENUE CODE OF 1986; AUTHORIZING APPROPRIATE OFFICERS OF THE SCHOOL DISTRICT TO TAKE CERTAIN ACTIONS AND TO EXECUTE CERTAIN DOCUMENTS IN CONNECTION WITH ISSUANCE OF SUCH BONDS; PROVIDING FOR THE REDEMPTION OF THE SERIES OF 2011 BONDS TO BE REFUNDED, UPON OPTIONAL REDEMPTION PRIOR TO STATED MATURITY; AUTHORIZING EXECUTION AND DELIVERY OF BOND REDEMPTION AGREEMENTS WITH RESPECT TO THE REDEMPTION OF THE SERIES OF 2011 BONDS TO BE REFUNDED; AUTHORIZING RELATED ACTION; AND REPEALING ALL RESOLUTIONS OR PARTS OF RESOLUTIONS INSOFAR AS THE SAME SHALL BE INCONSISTENT HEREWITH.

WHEREAS, Derry Township School District, Dauphin County, Pennsylvania (the "**School District**"), is a school district of the Commonwealth of Pennsylvania (the "**Commonwealth**") and is governed by its Board of School Directors (the "**Board**"); and

WHEREAS, The Board, by resolution adopted on January 10, 2011 (the "**Series of 2011 Bonds Enabling Resolution**"), authorized and directed issuance of a series of bonds, in the original aggregate principal amount of \$8,125,000, designated as the General Obligation Bonds, Series of 2011 (the "**2011 Bonds**"), to provide funds for and toward the proper legal purposes set forth in the Series of 2011 Bonds Enabling Resolution; and

WHEREAS, As evidenced by Certificate of Approval No. GOB-17734, dated February 4, 2011, the Department of Community and Economic Development (the "**Department**") of the Commonwealth approved the proceedings of the School District related to the increase of nonelectoral indebtedness of the School District by issuance of the 2011 Bonds; and

WHEREAS, The Series of 2011 Bonds are now outstanding, within the meaning of the Local Government Unit Debt Act, Act No. 177 of 1996, as amended (the "**Act**"), of the Commonwealth, in the aggregate principal amount of \$7,230,000; and

WHEREAS, The Board has determined that debt service savings may be obtained by refunding all or a portion of the 2011 Bonds which remain outstanding, as authorized pursuant to Section 8241(b)(1) of the Act, and has determined to refund, in one or more refundings, all or portions of the same; and

WHEREAS, Such undertaking is herein referred to as the "Refunding Project"; and

WHEREAS, The Board contemplates the authorization, sale, issuance and delivery of one or more series of bonds, in the maximum authorized aggregate principal amount of \$8,125,000, to be designated as the "General Obligation Bonds, Series of 2016", or with such other designation as shall be determined at the time of issuance of the Bonds (the "**Bonds**"), the proceeds of which shall be applied for and toward the Refunding Project and the payment of related costs and expenses, including the costs and expenses of issuance of the Bonds (collectively, the "**Project**"), all in accordance with the applicable and appropriate provisions of the Act; and

WHEREAS, The Board has considered the possible methods of sale of the Bonds as provided for in the Act, which include public sale or private sale by negotiation or upon invitation; and

WHEREAS, The Board, in contemplation of authorization, sale, issuance and delivery of the Bonds, has determined that the Bonds: (a) shall be offered at private sale by negotiation; and (b) shall be offered for sale at a price of not less than 95% nor more than 115% of the aggregate principal amount thereof (including underwriting discount and original issue discount or premium), together with accrued interest, if any, from the date thereof to the date of delivery thereof; and

WHEREAS, A Bond Purchase Agreement, dated February 22, 2016 (the "**Purchase Agreement**"), has been received from RBC Capital Markets, LLC (the "**Purchaser**"), which contains certain financial parameters for, and conditions to, the final sale and issuance of the Bonds, including maximum interest rates or yields and maximum principal maturity or mandatory sinking fund redemption amounts by fiscal year, as set forth in Exhibit A attached to and made a part of this Resolution (the "**Bond Parameters**"), and which is intended to be supplemented by an addendum or addendums containing the final terms and conditions of the sale of the Bonds consistent with the Bond Parameters; and

WHEREAS, The Board desires to accept the Purchase Agreement, to award the sale of the Bonds to the Purchaser, to authorize the incurring and issuance of nonelectoral debt, and to take and authorize all necessary and appropriate action in connection with the Project and in accordance with and pursuant to provisions of the Act; and

WHEREAS, The Board has determined to appoint Manufacturers and Traders Trust Company (or such other banks, trust companies, or banks and trust companies located and lawfully conducting a banking or trust business in the Commonwealth, as may be designated upon issuance of any series of the Bonds), as paying agent and sinking fund depository (the "**Paying Agent**") with respect to the Bonds; and

WHEREAS, The proposed increase of debt authorized by this Resolution, together with the presently outstanding nonelectoral indebtedness of the School District, will not cause the School District to exceed the limitation of its debt incurring power pursuant to the provisions of the Act or the limitations of the Constitution of the Commonwealth.

NOW, THEREFORE, BE IT RESOLVED, by the Board of the School District, as follows:

Section 1. The Board hereby authorizes and directs the issuance of the Bonds pursuant to this Resolution, in accordance with the Act, and for the purposes of the Project.

Section 2. The Board finds that it is in the best financial interests of the School District to sell the Bonds at private sale by negotiation as provided in the Purchase Agreement and determines that the debt to be incurred pursuant to this Resolution shall be nonelectoral debt.

Section 3. A brief description of the Refunding Project is set forth in the preamble to this Resolution. The Refunding Project is authorized and permitted under and pursuant to §8241(b)(1) of the Act (relating to reduction of debt service over the life of the series).

The first stated maturity date of each series of the Bonds shall be not more than two years from the date of issue thereof, as required by §8142 of the Act.

The final stated maturity date of each series of the Bonds shall be in a fiscal year not later than the fiscal year in which the final stated maturity date of the 2011 Bonds to be refunded occurs.

The remaining useful life of the capital projects financed and refinanced by the 2011 Bonds is not less than 11 years.

Section 4. The Board hereby accepts the Purchase Agreement; and the Bonds shall be sold in accordance with terms and conditions of the Purchase Agreement, at a final purchase price (including underwriting discount and original issuance premium or discount) of not less than 95% nor more than 115% of the aggregate principal amount of the Bonds to be issued, plus accrued interest, if any, from the date thereof to the date of delivery thereof.

The President or Vice President are each hereby authorized and directed to evidence the School District's acceptance of the Purchase Agreement by executing one or more counterparts of the Purchase Agreement, in the form submitted at this meeting.

The President or Vice President, in consultation with the Business Manager of the School District and Public Financial Management, Inc., the financial advisor to the School District, are each hereby further authorized to execute and deliver on behalf of the School District one or more acceptances of a written addendum to the Purchase Agreement containing the final terms and conditions for issuance and sale of the Bonds, at such time as such an addendum is presented by the Purchaser, and provided that such final terms and conditions, including the aggregate principal amount, maturity or mandatory sinking fund redemption amounts, interest rates or yields, final maturity date and purchase price, are within the Bond Parameters; and that the Refunding Project, or initial portion thereof, to be financed upon the issuance of the Bonds shall produce net debt service savings over the life of the 2011 Bonds to be refunded of not less than \$150,000 (net of costs of issuance). A copy of each addendum to the Purchase Agreement so accepted by such officer of the School District (the "**Addendum**") shall be filed with the Secretary of the Board and shall constitute part of the Purchase Agreement accepted by this Resolution.

Section 5. The Bonds, when issued, will be general obligation bonds of the School District.

Section 6. The Bonds shall be issued as fully registered bonds, without coupons, in denominations of \$5,000 principal amount or any integral multiple thereof (or in such denomination as may be specified in the applicable Addendum), and shall be dated as of the date of original issuance and delivery thereof or as of such other date specified in the Addendum (the "**Dated Date of the Bonds**").

Each of the Bonds shall bear interest from the interest payment date next preceding the date of registration and authentication of such bond, unless: (a) such bond is registered and authenticated as of an interest payment date, in which event such bond shall bear interest from said interest payment date; or (b) such bond is registered and authenticated after a Record Date

(hereinafter defined) and before the next succeeding interest payment date, in which event such bond shall bear interest from such interest payment date; or (c) such bond is registered and authenticated on or prior to the Record Date next preceding the first interest payment date, in which event such bond shall bear interest from the Dated Date of the Bonds; or (d) as shown by the records of the Paying Agent, interest on such bond shall be in default, in which event such bond shall bear interest from the date to which interest was last paid on such bond. Interest on each of the Bonds shall be payable initially on a date designated as one of the final terms and conditions as set forth in the applicable Addendum for sale of the Bonds, and thereafter semiannually, until the principal sum thereof is paid. Except as to distinguishing numbers, denominations, interest rates and maturity dates, the Bonds and the Paying Agent's certificate of authentication thereon shall be substantially in the form and shall be of the tenor and purport set forth in Exhibit B attached to and made a part of this Resolution, with insertions and variations (including CUSIP numbers) approved by the Paying Agent.

Principal, redemption premium, if any, and interest with respect to the Bonds shall be payable in lawful money of the United States of America.

The principal of the Bonds and any redemption premium payable upon redemption of Bonds shall be payable to the registered owners thereof or their transferees, upon presentation and surrender of the Bonds at the place or places set forth in the Bonds.

Payment of interest on the Bonds shall be made by check mailed to the registered owners thereof whose names and addresses appear at the close of business on the fifteenth (15th) day next preceding each interest payment date (the "**Record Date**") on the registration books (whether one or more, the "**Bond Register**") maintained by the Paying Agent on behalf of the School District, irrespective of any transfer or exchange of any Bonds subsequent to the Record Date and prior to such interest payment date, unless the School District shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the persons in whose names the Bonds are registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Paying Agent on behalf of the School District to the registered owners of the Bonds not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the persons in whose names the Bonds are registered at the close of business on the fifth (5th) day preceding the date of mailing.

If the date for payment of the principal of or interest on any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized or required by law or executive order to close, then the date for payment of such principal or interest shall be the next succeeding day that is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required to close, and payment on such date shall have the same force and effect as if made on the nominal date established for such payment.

Section 7. The School District and the Paying Agent may deem and treat the persons in whose names the Bonds shall be registered as the absolute owners thereof for all purposes,

whether or not such Bonds shall be overdue, and payment of the principal of, redemption premium, if any, and interest on the Bonds shall be made only to or upon the order of the registered owners thereof or their legal representatives, but registration of a transfer of ownership may be made as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon Bonds, to the extent of the sum or sums so paid, and neither the School District nor the Paying Agent shall be affected by any notice to the contrary.

Section 8. Registration of the transfer of ownership of Bonds shall be made upon surrender of any of the Bonds to the Paying Agent, accompanied by a written instrument or instruments in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner thereof or such registered owner's attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of any of the Bonds in the Bond Register and shall authenticate and deliver, at the earliest practicable time, in the name of the transferee or transferees, a new fully registered bond or bonds of authorized denominations of the same series, maturity and interest rate for the aggregate amount that the registered owner is entitled to receive.

Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations, of the same series, maturity and interest rate, upon surrender of the Bonds to be exchanged to the Paying Agent with appropriate written instructions.

Section 9. If Bonds shall be subject to optional redemption or mandatory redemption prior to stated maturity, the School District and the Paying Agent shall not be required to register the transfer of, or exchange, any of the Bonds then considered for redemption during the period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of such Bonds to be redeemed and ending at the close of business on the day of mailing of the notice of redemption, as hereinafter provided, or to register the transfer of, or exchange, any portion of any of the Bonds selected for redemption in whole or in part until after the redemption date.

Section 10. The School District shall cause to be kept, and the Paying Agent shall keep, a Bond Register for the registration, exchange and transfer of Bonds in the manner provided herein and therein so long as Bonds shall remain outstanding. Such registrations, exchanges and transfers shall be made without charge to bondholders, except for actual costs, including postage, insurance and any taxes or other governmental charges required to be paid with respect to the same.

Section 11. The Bonds shall be numbered consecutively, as issued, without regard to denomination or maturity, shall bear interest at a rate or rates or have a yield to maturity or yields to maturity not to exceed 5.00% per annum, and shall mature or be payable upon mandatory redemption prior to stated maturity in annual amounts not exceeding those set forth in Exhibit A.

The final interest rates (or yields) on the Bonds and the annual stated maturities or mandatory redemptions of principal of the Bonds shall be as set forth in the Addendum accepted in accordance with Section 4 of this Resolution, provided that the principal maturing or subject

to mandatory redemption in any year (as may be aggregated in the event the Bonds are issued in more than one series) shall not exceed the amount set forth in Exhibit A.

Section 12. The Bonds shall be subject to optional redemption by the School District prior to maturity on such date or dates and at such redemption price or prices as shall be set forth in the Addendum accepted in accordance with Section 4 of this Resolution.

If the Addendum accepted in accordance with Section 4 of this Resolution provides that any of the Bonds shall be term bonds (the "**Term Bonds**"), such Term Bonds shall be subject to mandatory redemption by the School District in such annual principal amounts and on such dates as are stated in the Addendum (but not in amounts greater than set forth in Exhibit A), at a redemption price equal to 100% of the principal amount redeemed together with accrued interest thereon to the date fixed for redemption. Any such redemption shall be upon application of money available for the purpose in a Mandatory Sinking Fund to be established within the Sinking Fund created in accordance with this Resolution. In lieu of any such mandatory redemption, the Paying Agent, on behalf of the School District, may purchase from money in such Sinking Fund, at a price not to exceed the principal amount plus accrued interest, or the School District may tender to the Paying Agent, all or any part of the Term Bonds subject to being drawn for redemption on any such date.

In the case of any optional redemption in part of Term Bonds of any particular maturity, the School District shall be entitled to designate whether the amount to be redeemed shall be credited against the principal amount of such Term Bonds due at maturity or credited against the principal amount of such Term Bonds scheduled to be called for mandatory sinking fund redemption on any particular date or dates, in each case (if the Term Bonds are Bonds which were issued in denominations of \$5,000 or integral multiples thereof) in an integral multiple of \$5,000 principal amount.

If any of the Bonds (which are Bonds which were issued in denominations of \$5,000 or integral multiples thereof) that are subject to redemption prior to stated maturity are of a denomination larger than \$5,000, a portion of such bond may be redeemed, but only in an integral multiple of \$5,000 principal amount. For the purpose of selecting any of the Bonds for redemption, each of the Bonds subject to redemption shall be treated as representing the number of Bonds that is equal to the principal amount thereof divided by \$5,000, each \$5,000 portion thereof being subject to redemption. In the case of partial redemption of any of the Bonds, payment of the redemption price will be made only upon surrender of such bond in exchange for Bonds of authorized denominations of the same series, maturity and interest rate and in aggregate principal amount equal to the unredeemed portion of the principal amount of such bond redeemed in part.

If Bonds shall be redeemable prior to stated maturity and are to be so redeemed, notice of redemption shall be deposited in first class mail not less than thirty (30) days prior to the date fixed for redemption and shall be addressed to the registered owners of the Bonds to be redeemed at their addresses shown on the registration books kept by the Paying Agent as of the day such Bonds are selected for redemption. Such notice shall specify: (1) the series, maturity (and if

Bonds having the same maturity date bear interest at a different rate, the interest rate) and the numbers of the Bonds or portions thereof so called for redemption; (2) the date fixed for redemption; (3) the redemption price or prices applicable to the Bonds or portions thereof to be redeemed; and (4) that, on the date fixed for redemption, the principal amount to be redeemed will be payable at a designated office of the Paying Agent and that after such date interest thereon shall cease to accrue. Failure to mail any such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceeding for redemption of other Bonds so called for redemption as to which proper notice has been given.

If at the time of mailing of a notice of redemption the School District shall not have deposited with the Paying Agent, as sinking fund depository, money sufficient to redeem all Bonds called for redemption, the notice of redemption shall state that it is conditional, i.e., that it is subject to the deposit of sufficient redemption money with the Paying Agent not later than the redemption date, and such notice shall be of no effect unless such money is so deposited. If the Bonds to be called for redemption shall have been refunded and money sufficient to redeem such Bonds shall be deemed to be on deposit with the Paying Agent for the purposes of this Section, then the notice of redemption need not state that it is conditional, if the redemption money has been deposited irrevocably with another bank or bank and trust company which shall have been given irrevocable instructions to transfer the same to the Paying Agent not later than the redemption date.

If on the date designated for redemption, notice having been provided as aforesaid and money for payment of the principal, redemption premium, if any, and accrued interest being held by the Paying Agent, then interest on the Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds or portions thereof so called for redemption shall cease to be entitled to any benefit or security under this Resolution, and registered owners of such Bonds or portions thereof so called for redemption shall have no rights with respect thereto, except to receive payment of the principal to be redeemed and accrued interest thereon to the date fixed for redemption, together with the redemption premium, if any.

If the redemption date for any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized or required by law or executive order to close, then the date for payment of the principal, premium, if any, and interest upon such redemption shall be the next succeeding day that is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required to close, and payment on such date shall have the same force and effect as if made on the nominal date of redemption.

Section 13. The School District appoints the Paying Agent to serve in such capacity and directs that the principal of, redemption premium, if any, and interest on the Bonds shall be payable, when due, at the corporate trust office of the Paying Agent as designated by the Paying Agent.

Any corporation or association into which the Paying Agent, or any appointed successor to it, may be merged or converted or with which it, or any appointed successor to it, may be

consolidated, or any corporation or association resulting from any merger, conversion or consolidation to which the Paying Agent shall be a party, or any corporation or association to which the Paying Agent, or any appointed successor to it, sells or otherwise transfers all or substantially all of its corporate trust business, including its functions under this Resolution, shall be the successor paying agent hereunder, without the execution or filing of any paper or any further act on the part of the School District, and thereafter references herein to the "Paying Agent" shall refer to such resulting corporation or association, or to such transferee, as the case may be.

If the Paying Agent at any time shall resign or shall be removed by the School District, the Board of School Directors shall appoint a successor paying agent that is duly qualified in accordance with the Act to serve as paying agent for the Bonds and sinking fund depository with respect to the Sinking Fund created herein, and the principal of, redemption premium, if any, and interest on the Bonds shall be payable, when due, at a designated office of the successor paying agent located in the Commonwealth and at such additional payment offices as the successor paying agent shall designate. Upon acceptance of such appointment and the transfer by the Paying Agent to the successor paying agent of the appropriate documents, records, and funds, references herein to the "Paying Agent" shall thereafter refer to such successor paying agent.

Section 14. The Bonds shall be executed in the name of and on behalf of the School District by the manual or facsimile signature of the President or Vice President of the Board, the official seal or a facsimile of the official seal of the School District shall be affixed thereto or imprinted thereon, and the manual or the facsimile signature of the Secretary or Assistant Secretary of the School District shall be affixed thereto in attestation thereof; and said officers are authorized to execute and to attest the Bonds.

Section 15. No bond constituting one of the Bonds shall be entitled to any benefit under this Resolution nor shall it be valid, obligatory or enforceable for any purpose until such bond shall have been registered and authenticated by the Certificate of Authentication endorsed thereon duly signed by the Paying Agent; and the Paying Agent is authorized to register and authenticate the Bonds in accordance with the provisions of this Resolution.

Section 16. The School District covenants to and with registered owners, from time to time, of the Bonds that shall be outstanding, from time to time, pursuant to this Resolution, that the School District, subject to statutory restrictions and limitations: (i) shall include the amount of the debt service on the Bonds, for each fiscal year of the School District in which such sums are payable, in its budget for that year, (ii) shall appropriate such amounts from its general revenues for the payment of such debt service, and (iii) shall duly and punctually pay or cause to be paid from the Sinking Fund (hereinafter identified) or any other of its revenues or funds the principal of and interest on each of the Bonds at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the School District, subject to statutory restrictions and limitations, shall and does pledge, irrevocably, its full faith, credit and taxing power. As provided in the Act, the foregoing covenant of the School District shall be specifically enforceable.

Section 17. There is hereby created, pursuant to the requirements of the Act, a sinking fund, or, in the event that the Bonds are issued in more than one series, funds, for the Bonds, to be known as the "Sinking Fund, General Obligation Bonds, Series of 2016" (or other applicable designation) (whether one or more, the "**Sinking Fund**"), which Sinking Fund shall be administered in accordance with applicable provisions of the Act.

If any of the Bonds shall be Term Bonds, as specified in the Addendum accepted in accordance with Section 4, a separate fund or account shall be created within and as a part of the Sinking Fund and designated as the "Mandatory Sinking Fund." The Paying Agent, as the sinking fund depository, shall make deposits into the Mandatory Sinking Fund, from funds deposited by the School District into the Sinking Fund, in such amounts and on such dates as money shall be required for the payment upon stated maturity of the Term Bonds that shall be outstanding, if any, on their stated maturity date, and to mandatory redemption prior to stated maturity of such Term Bonds on such dates and in such amounts as are specified in the Addendum.

The Paying Agent, on the forty-fifth (45th) day next preceding any date on which Term Bonds are subject to mandatory sinking fund redemption as specified in the Addendum, so long as any Term Bonds shall remain outstanding, or as soon after such date as shall suit the convenience of the Paying Agent and shall allow sufficient time for mailing of the requisite notice of redemption, shall select or draw, by lot, in a fair and equitable manner, a principal amount of Term Bonds of the appropriate maturity equal to the amount then required to be redeemed. The Paying Agent shall, upon selection of Term Bonds of the appropriate maturity so called for redemption prior to maturity, mail the requisite notice of redemption on behalf of the School District. The School District covenants to assume and to pay all costs and expenses related to the mandatory redemption of such Term Bonds.

The amount required to be deposited in the Mandatory Sinking Fund on any given date shall be reduced by the principal amount of any Term Bonds of the appropriate maturity that shall have been purchased or tendered in lieu of mandatory redemption in the immediately preceding period, as provided in Section 12 hereof, and the amount of any Term Bonds of the appropriate maturity that have been called for earlier optional redemption which the School District has elected to credit against the amount of Term Bonds to be redeemed on such date, as provided in Section 12 hereof.

The principal amount of Term Bonds to be retired from money available in the Mandatory Sinking Fund shall be paid by the Paying Agent, as the sinking fund depository, in the usual and customary manner, from such money available in the Mandatory Sinking Fund.

Section 18. Manufacturers and Traders Trust Company, with its corporate trust offices in Harrisburg, Pennsylvania, and Buffalo, New York, is hereby appointed as the Paying Agent and Sinking Fund Depository (the "**Sinking Fund Depository**") for the Bonds. The Paying Agent is hereby authorized and requested to authenticate the Bonds prior to delivery of the Bonds to the Purchaser. The proper officers of the School District are hereby authorized and directed to contract with the Paying Agent for its services as Paying Agent and Sinking Fund Depository on

usual and customary terms, including an agreement on the part of the Paying Agent to observe and comply with the provisions of this Resolution and the Act.

Public Financial Management, Inc., Harrisburg, Pennsylvania, is hereby appointed as the financial advisor (the “**Financial Advisor**”) to the School District, and Barley Snyder LLP, Lancaster, Pennsylvania, is hereby appointed as bond counsel (the “**Bond Counsel**”) to the School District, in connection with the Bonds and the authorization, issuance and sale thereof. The Business Manager of the School District, in consultation with the Financial Advisor and Bond Counsel, is hereby authorized and directed to take all necessary and appropriate action as may become applicable for investment of the proceeds of the Bonds and the proper officers of the School District are hereby authorized and directed to take all actions and to execute, attest and deliver any documents as may be necessary or appropriate to such investments.

Section 19. The School District covenants to make payments out of the Sinking Fund, or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations of the Bonds when due.

Section 20. The President or Vice President and the Secretary or Assistant Secretary, respectively, of the Board are authorized and directed, as required, necessary and/or appropriate: (a) to prepare, to certify and to file with the Department of Community and Economic Development of the Commonwealth (the “**Department**”) the debt statement required by the Act; (b) to prepare and to file with the Department any statements required by the Act that are necessary to qualify all or any portion of the debt of the School District that is subject to exclusion as self-liquidating or subsidized debt for exclusion from the appropriate debt limit of the School District as self-liquidating or subsidized debt; (c) to prepare and to file the application with the Department, together with a complete and accurate transcript of the proceedings for the required approval relating to the debt, of which debt the Bonds, upon issuance, will be evidence, as required by the Act; (d) to pay or to cause to be paid to the Department all proper filing fees required in connection with the foregoing; and (e) to take other required, necessary and/or appropriate action.

The Board authorizes and directs that an appropriate borrowing base certificate be prepared for filing with the Department as required by the Act. The President or Vice President and the Secretary or Assistant Secretary of the Board of School Directors of the School District are hereby authorized to prepare and to execute, or to authorize the auditors of the School District to prepare and to execute, such borrowing base certificate.

Section 21. If applicable, as determined from the Purchase Agreement, and any related Addendum, the Board hereby authorizes and directs the purchase of municipal bond insurance with respect to the Bonds. Proper officers of the School District are authorized and directed to take all required, necessary and/or appropriate action with respect to such insurance, as contemplated in the Purchase Agreement, and any related Addendum, including the payment of the premium for such insurance.

Section 22. It is declared that the debt to be incurred hereby, together with any other indebtedness of the School District, is not in excess of any limitation imposed by the Act.

Section 23. Proper officers of the School District are authorized and directed to deliver the Bonds and to authorize payment of all costs and expenses associated with issuance of the Bonds as provided for in the Purchase Agreement, but only after the Department has certified its approval pursuant to the provisions of the Act or at such time when the filing authorized to be submitted to the Department pursuant to this Resolution shall be deemed to have been approved pursuant to applicable provisions of the Act.

Section 24. The School District covenants to and with purchasers of the Bonds that, as may be applicable to any series of the Bonds, it will make no use of the proceeds of the Bonds, or of any other obligations deemed to be part of the same "issue" as the Bonds under applicable Federal tax regulations, that will cause the Bonds to be or become "arbitrage bonds" within the meaning of Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "**Code**"), and the Treasury Regulations implementing said Sections of the Code. The School District further covenants to and with purchasers of the Bonds that it will make no use of the proceeds of the Bonds, of the proceeds of any other obligations deemed to be part of the same "issue" as the Bonds under applicable Federal tax regulations, or of any property or facilities financed with the proceeds of the Bonds or of any such other obligations deemed to be part of the same "issue" as the Bonds, that will cause the Bonds to be or become "private activity bonds" within the meaning of Section 141 of the Code and the Treasury Regulations implementing said Section of the Code. The School District shall comply with all other requirements of the Code, if and to the extent applicable, to maintain continuously the Federal income tax exemption of interest on the Bonds.

The President or Vice President of the Board of School Directors is authorized to represent in a certificate delivered when the Bonds are issued, if appropriate, that the School District does not then reasonably expect to issue tax-exempt obligations that, together with all tax-exempt obligations reasonably expected to be issued by all entities that issue obligations on behalf of the School District and all "subordinate entities" (within the meaning of Section 265(b)(3) of the Code) of the School District, in the aggregate, will exceed Ten Million Dollars (\$10,000,000) (or such other amount as may be applicable under the Code at the time of issuance of the Bonds) (excluding obligations issued to refund (other than to advance refund) any obligation to the extent that the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation) in the calendar year of issuance and, accordingly, to designate the Bonds (to the extent they are not "deemed designated" under Section 265(b)(3)(D)(ii) of the Code) as "qualified tax-exempt obligations," as defined in Section 265(b)(3)(B) of the Code, for the purposes and effect contemplated by Section 265 of the Code.

Section 25. The School District does determine to provide for retirement of the 2011 Bonds upon stated maturities and upon optional redemption prior to stated maturities, as applicable and appropriate, in accordance with the right and privilege reserved to the School District in the Series of 2011 Bonds Enabling Resolution.

The 2011 Bonds to be refunded shall be redeemed and retired on or after May 15, 2016, subject, however, to the further provisions of this Section. Such redemption of the 2011 Bonds shall be accomplished in the manner, upon terms and conditions and with the effect provided in the Series of 2011 Bonds Enabling Resolution.

Promptly following the acceptance of an Addendum, the Secretary or Assistant Secretary of the Board or the Business Manager of the School District shall authorize and instruct Manufacturers and Traders Trust Company, as paying agent and registrar for the 2011 Bonds, or its successor (the "**Refunded Bonds Paying Agent**"), to issue proper notices of redemption to effect the redemption of the Refunded Bonds on the aforementioned redemption dates, which notices of redemption shall be conditional, unless funds sufficient to provide for such redemption shall be on deposit with the Refunded Bonds Paying Agent and available for such purpose at the time such notices are given. Such instructions may be embodied in the Bond Redemption Agreement hereinafter mentioned.

The exercise by the Board of School Directors of its election to redeem the 2011 Bonds, as embodied in the foregoing provisions of this Section, is subject to consummation of the sale of the Bonds, as evidenced by the acceptance of an Addendum in accordance with Section 4, and shall have no force or effect until an Addendum is accepted.

Section 26. The School District, simultaneously with delivery of the Bonds, shall enter into a bond redemption agreement (the "**Bond Redemption Agreement**"), with the Refunded Bonds Paying Agent (the "**Escrow Agent**"), as escrow agent and paying agent for the 2011 Bonds, which shall provide for a deposit of a portion of the proceeds of the Bonds into escrow with the Escrow Agent, for, if applicable, the investment of such deposit, and for the application of such proceeds to retirement of the 2011 Bonds as set forth in the applicable Addendum.

The President or Vice President and the Secretary or Assistant Secretary, respectively, of the Board are authorized and directed to execute, to attest and to seal, as appropriate, and to deliver the Bond Redemption Agreement, simultaneously with such delivery of the Bonds.

The School District does hereby approve the Bond Redemption Agreement in form satisfactory to the Bond Counsel to the School District and as shall be approved by the officer of the Board executing the same. Such approval of such officer shall be conclusively presumed to have been given by such officer's execution of the Bond Redemption Agreement.

The foregoing provisions of this Section notwithstanding, unless the Addendum, Bond Counsel to the School District or, if applicable, any insurer of the Bonds or the Refunded Bonds shall otherwise require, no Bond Redemption Agreement need be prepared, executed or delivered if the 2011 Bonds are to be redeemed and retired within 90 days following the date of issuance and delivery of the Bonds, and the proceeds of the Bonds to be applied to the redemption and retirement of the 2011 Bonds shall be paid to the Refunded Bonds Paying Agent for deposit and investment in the sinking fund for such 2011 Bonds until so applied.

Section 27. Each of the President, the Vice President and the Business Manager of the School District are, if applicable, hereby authorized and directed to execute and deliver

agreements, orders or subscriptions for purchase of United States Treasury Certificates of Indebtedness, Notes or Notes, State and Local Government Series ("SLGs"), other securities of the United States of America or other investments satisfying the requirements of §8250 of the Act, as may be required, from the proceeds of the Bonds, and, if applicable, other funds to be deposited under the Bond Redemption Agreement or, if applicable, to be deposited in the applicable sinking funds for the 2011 Bonds, and to do, to take and to authorize such other acts as shall be necessary or appropriate to provide for the payment of principal and interest on the 2011 Bonds.

Section 28. The officers and agents of the School District are hereby authorized and directed to take all such actions as may be necessary and appropriate to accomplish the redemption and retirement of the outstanding 2011 Bonds in accordance with this Resolution and applicable Addendum.

Section 29. The Secretary of the Board and the Business Manager of the School District are each hereby authorized and directed to execute and to submit to the Pennsylvania Department of Education, promptly following settlement for the Bonds, the appropriate application and other documents and information necessary to obtain state reimbursement with respect to the debt service on the Bonds (including the filing of PLANCON Part H, J and/or K, as applicable).

Section 30. The Board hereby authorizes and directs the preparation, if applicable, of a Preliminary Official Statement with respect to the Bonds at such time as is required by the terms of the Purchase Agreement. Such Preliminary Official Statement shall be in such form and with such content as is required by the Purchase Agreement and by law and customary practices, and the Board hereby authorizes the delivery of a sufficient number of copies thereof to the underwriters of the Bonds for use in connection with the public offering and marketing of the Bonds. The Preliminary Official Statement so delivered shall be deemed by the School District to be final as of its date, except for the omission of such information as is permitted by SEC Rule 15c2-12 to be omitted from a preliminary official statement.

The Board does further authorize, if applicable, that a final Official Statement with respect to the Bonds be prepared following the School District's acceptance of an Addendum in accordance with Section 4 of this Resolution. Such final Official Statement shall be substantially in the form and with the content of the Preliminary Official Statement delivered in accordance with the preceding paragraph, but with such insertions and amendments as shall be necessary or appropriate to reflect the final offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery date, credit rating(s), redemption provisions, and other terms and provisions of the Bonds as determined from the Purchase Agreement and accepted Addendum. The President or Vice President of the Board are each hereby authorized and directed to evidence the School District's approval of the final Official Statement by affixing his or her signature thereto as such officer, and such execution of the final Official Statement by such officer shall constitute conclusive evidence of the approval of the final Official Statement by the School District. The Board does hereby authorize and direct that

copies of the final Official Statement be delivered in accordance with the terms of the Purchase Agreement.

Section 31. If applicable, the School District shall enter into, and hereby authorizes and directs the President or Vice President of the Board to execute, a Continuing Disclosure Certificate (whether one or more, the "**Certificate**") on behalf of the School District on or before the date of issuance and delivery of the Bonds. Such Certificate shall be executed and delivered to satisfy the terms and conditions of the Purchase Agreement and accepted Addendum for sale of the Bonds and Securities and Exchange Commission Rule 15c2-12, and shall be substantially in the form presented to this meeting, which is hereby approved, together with any changes therein made and approved by the executing officer of the Board, whose execution and delivery thereof shall constitute conclusive evidence of such approval. A copy of the Certificate as presented shall be filed with the Secretary of the Board and shall be and hereby is made part of this Resolution.

The School District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Certificate. Notwithstanding any other provision of this Resolution, failure of the School District to comply with the Certificate shall not be considered an event of default with respect to the Bonds; however, any registered owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the School District to comply with its obligations under this Section and such Certificate.

Section 32. If applicable, the Bonds shall be made available for purchase under a book-entry only system available through The Depository Trust Company, a New York corporation ("**DTC**").

If the School District has not heretofore executed, delivered and kept on file with DTC a Blanket Letter of Representations in the form required by DTC for the purpose of evidencing the School District's agreement to comply with the requirements of DTC's Operational Arrangements with respect to book-entry securities, then at or prior to settlement for the Bonds, the School District shall execute, delivery and file with DTC such a Blanket Letter of Representations (the Blanket Letter of Representations so filed or so to be filed with DTC is herein referred to as the "**Representation Letter**"). The appropriate officers of the School District shall take such action as may be necessary from time to time to comply with the terms and provisions of the Representation Letter.

The Paying Agent, by acceptance of its appointment as paying agent for the Bonds, agrees to authorize and direct its appropriate officers to take such action as may be necessary from time to time to comply with DTC's Operational Arrangements, as amended from time to time, as they shall apply to the Bonds, and any successor paying agent for the Bonds, in its written acceptance of its duties under this Resolution, shall agree to take any actions necessary from time to time to comply with DTC's Operational Arrangements, as the same may apply to the Bonds.

Section 33. Notwithstanding any other provisions of this Resolution to the contrary, the Bonds shall initially be issued in the form of one fully registered bond for the aggregate

principal amount of the Bonds of each maturity and interest rate, and, if applicable, the following provisions shall apply with respect to the registration, transfer and payment of the Bonds:

(a) Except as provided in subparagraph (g) below, all of the Bonds shall be registered in the name of Cede & Co., as nominee of DTC; provided that if DTC shall request that the Bonds be registered in the name of a different nominee, the Paying Agent shall exchange all or any portion of the Bonds for an equal aggregate principal amount of Bonds of the same series, interest rate and maturity registered in the name of such nominee or nominees of DTC.

(b) No person other than DTC or its nominee shall be entitled to receive from the School District or the Paying Agent either a Bond or any other evidence of ownership of the Bonds, or any right to receive any payment in respect thereof, unless DTC or its nominee shall transfer record ownership of all or any portion of the Bonds on the registration books (the "**Register**") maintained by the Paying Agent in connection with discontinuing the book-entry system as provided in subparagraph (g) below or otherwise.

(c) So long as any Bonds are registered in the name of DTC or any nominee thereof, all payments of the principal or redemption price of or interest on such Bonds shall be made to DTC or its nominee in accordance with the Representation Letter on the dates provided for such payments under this Resolution. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of the School District or the Paying Agent with respect to the principal or redemption price of or interest on the Bonds to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Bonds outstanding of any maturity, the Paying Agent shall not require surrender by DTC or its nominee of the Bonds so redeemed, but DTC (or its nominee) may retain such Bonds and make an appropriate notation on the Bond certificate as to the amount of such partial redemption; provided that DTC shall deliver to the Paying Agent, upon request, a written confirmation of such partial redemption and thereafter the records maintained by the Paying Agent shall be conclusive as to the amount of the Bonds of such maturity which have been redeemed.

(d) The School District and the Paying Agent may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal or redemption price of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to holders of Bonds under this Resolution, registering the transfer of Bonds, obtaining any consent or other action to be taken by holders of Bonds and for all other purposes whatsoever; and neither the School District nor the Paying Agent shall be affected by any notice to the contrary. Neither the School District nor the Paying Agent shall have any responsibility or obligation to any participant in DTC, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any such participant, or any other person which is not shown on the Register as being a registered owner of Bonds, with respect to (1) the Bonds, (2) the accuracy of any records maintained by DTC or any such participant, (3) the payment by DTC or any such participant of any amount in respect of the principal or redemption price of or interest on the Bonds, (4) any notice which is permitted or required to be given to holders of the Bonds under this Resolution, (5) the selection by DTC or any such participant of any person to receive payment in the event of a partial

redemption of the Bonds, and (6) any consent given or other action taken by DTC as holder of the Bonds.

(e) So long as the Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all notices required or permitted to be given to the holders of such Bonds under this Resolution shall be given to DTC as provided in the Representation Letter.

(f) In connection with any notice or other communication to be provided to holders of Bonds pursuant to this Resolution by the School District or the Paying Agent with respect to any consent or other action to be taken by holders of Bonds, DTC shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action, provided that the School District or the Paying Agent may establish a special record date for such consent or other action. The School District or the Paying Agent shall give DTC notice of such special record date not less than 15 calendar days in advance of such special record date to the extent possible.

(g) The book entry system for registration of the ownership of the Bonds may be discontinued at any time if either (1) after notice to the School District and the Paying Agent, DTC determines to resign as securities depository for the Bonds, or (2) after notice to DTC and the Paying Agent, the School District determines that continuation of the system of book entry transfers through DTC (or through a successor securities depository) is not in the best interests of the School District. In either of such events (unless in the case described in clause (2) above, the School District appoints a successor securities depository), the Bonds shall be delivered in registered certificate form to such persons, and in such maturities and principal amounts, as may be designated by DTC, but without any liability on the part of the School District or the Paying Agent for the accuracy of such designation. Whenever DTC requests the School District and the Paying Agent to do so, the School District and the Paying Agent shall cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

Section 34. Any reference in this Resolution to an officer or a member of the Board of School Directors of the School District shall, if applicable, be deemed to refer to his or her duly qualified successor in office.

Section 35. In the event any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution, it being the intent of the School District that such remainder shall be and shall remain in full force and effect.

Section 36. All resolutions or parts of resolutions, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

Section 37. This Resolution shall be effective in accordance with the Act.

DULY ADOPTED, by the Board of School Directors of the School District, in lawful session duly assembled, this 22nd day of February, 2016.

DERRY TOWNSHIP SCHOOL DISTRICT,
Dauphin County, Pennsylvania

By: _____
(Vice) President of the
Board of School Directors

ATTEST:

(Assistant) Secretary of the
Board of School Directors
(SEAL)

EXHIBIT A
DERRY TOWNSHIP SCHOOL DISTRICT,
Dauphin County, Pennsylvania

MAXIMUM ANNUAL PRINCIPAL PAYMENTS
AND INTEREST RATES

Re: \$8,125,000 Maximum Authorized Aggregate Principal Amount
General Obligation Bonds, Series of 2016

<u>Fiscal Year of Principal Payment (Year Ending June 30)</u>	<u>Maximum Interest Rate</u>	<u>Aggregate Annual Principal Payment</u>
2017	5.00%	\$1,500,000
2018	5.00%	\$1,565,000
2019	5.00%	\$1,590,000
2020	5.00%	\$1,490,000
2021	5.00%	\$ 485,000
2022	5.00%	\$ 490,000
2023	5.00%	\$ 500,000
2024	5.00%	\$ 505,000

DERRY TOWNSHIP SCHOOL DISTRICT,
Dauphin County, Pennsylvania

MAXIMUM ANNUAL DEBT SERVICE

Re: \$8,125,000 Maximum Authorized Aggregate Principal Amount
General Obligation Bonds, Series of 2016

<u>Period Ending</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Debt Service</u>	<u>Annual Debt Service</u>
11/15/2016	1,500,000	5.00%	231,336.81	1,731,336.81	
05/15/2017			165,625.00	165,625.00	1,896,961.81
11/15/2017	1,565,000	5.00%	165,625.00	1,730,625.00	
05/15/2018			126,500.00	126,500.00	1,857,125.00
11/15/2018	1,590,000	5.00%	126,500.00	1,716,500.00	
05/15/2019			86,750.00	86,750.00	1,803,250.00
11/15/2019	1,490,000	5.00%	86,750.00	1,576,750.00	
05/15/2020			49,500.00	49,500.00	1,626,250.00
11/15/2020	485,000	5.00%	49,500.00	534,500.00	
05/15/2021			37,375.00	37,375.00	571,875.00
11/15/2021	490,000	5.00%	37,375.00	527,375.00	
05/15/2022			25,125.00	25,125.00	552,500.00
11/15/2022	500,000	5.00%	25,125.00	525,125.00	
05/15/2023			12,625.00	12,625.00	537,750.00
11/15/2023	505,000	5.00%	12,625.00	517,625.00	
05/15/2024					517,625.00
	8,125,000		1,238,336.81	9,363,336.81	9,363,336.81

* Assumes a maximum interest rate of 5.00%

EXHIBIT B
(FORM OF BOND)

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("**DTC**"), to the School District or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL in as much as the registered owner hereof, Cede & Co., has an interest herein.

Number _____ \$ _____

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA
COUNTY OF DAUPHIN
DERRY TOWNSHIP SCHOOL DISTRICT
GENERAL OBLIGATION BOND, SERIES OF 201__

<u>INTEREST RATE PER ANNUM</u>	<u>MATURITY DATE</u>	<u>DATED DATE OF SERIES</u>	<u>CUSIP NUMBER</u>
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REGISTERED OWNER:

PRINCIPAL SUM: _____ DOLLARS (\$ _____)

DERRY TOWNSHIP SCHOOL DISTRICT, Dauphin County, Pennsylvania (the "**School District**"), a school district existing under laws of the Commonwealth of Pennsylvania (the "**Commonwealth**"), for value received, promises to pay to the order of the registered owner named hereon, or registered assigns, on the maturity date stated hereon, upon presentation and surrender hereof, the principal sum stated hereon, unless this General Obligation Bond, Series of 201__ (the "**Bond**"), shall be redeemable and duly shall have been called for earlier redemption and payment of the redemption price shall have been made or duly provided for, and to pay initially on _____, 20____, and thereafter semiannually on _____ and _____ of each year, to the registered owner hereof, interest on said principal sum, at the rate per annum stated hereon, until said principal sum has been paid. Interest on this Bond shall be payable from

the interest payment date next preceding the date of registration and authentication of this Bond, unless: (a) this Bond is registered and authenticated as of an interest payment date, in which event this Bond shall bear interest from such interest payment date; or (b) this Bond is registered and authenticated after a Record Date (hereinafter defined) and before the next succeeding interest payment date, in which event this Bond shall bear interest from such interest payment date; or (c) this Bond is registered and authenticated on or prior to the Record Date next preceding _____, 20____, in which event this Bond shall bear interest from the Dated Date of Series set forth above; or (d) as shown by the records of the Paying Agent (hereinafter defined), interest on this Bond shall be in default, in which event this Bond shall bear interest from the date to which interest was last paid on this Bond. The interest on this Bond is payable by check drawn on _____ (the "**Paying Agent**"), as paying agent, or on any successor paying agent duly appointed under the Resolution (hereinafter defined). The principal of and premium, if any, on this Bond, when due, are payable upon surrender hereof to the Paying Agent at its designated office in the Commonwealth, presently its corporate trust office in _____, Pennsylvania, or at any such additional payment office of the Paying Agent as it may designate, or to any successor paying agent duly appointed under the Resolution (hereinafter defined) at its designated office in the Commonwealth, or at any such additional payment office as such successor paying agent may designate.

Payment of the interest hereon shall be made to the registered owner hereof whose name and address shall appear, at the close of business on the fifteenth (15th) day next preceding each interest payment date (the "**Record Date**"), on the registration books maintained by the Paying Agent, irrespective of any transfer or exchange of this Bond subsequent to such Record Date and prior to such interest payment date, unless the School District shall be in default in payment of interest due on such interest payment date. In the event that such interest is not paid on or provided for within five (5) business days when due, such defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Paying Agent to the registered owner of this Bond not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the person in whose name this Bond is registered at the close of business on the fifth (5th) day preceding the date of mailing.

If the date for payment of the principal of or interest on any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized or required by law or executive order to close, then the date for payment of such principal or interest shall be the next succeeding day that is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required to close, and payment on such date shall have the same force and effect as if made on the nominal date established for such payment.

Principal, premium, if any, and interest with respect to this Bond are payable in lawful money of the United States of America.

This Bond is one of a series of bonds of the School District, known generally as the "General Obligation Bonds, Series of 201____" (the "**Bonds**"), all of like date and tenor, except as

to numbers, denominations, dates of maturity, rates of interest, and provisions for redemption, in the aggregate principal amount of _____ Dollars (\$_____).

The Bonds have been authorized for issuance in accordance with provisions of the Local Government Unit Debt Act, 53 Pa.C.S. Chs. 80-82 (the "**Act**") of the Commonwealth, and by virtue of a duly adopted resolution (the "**Resolution**") of the School District. The Act, as such shall have been in effect when the Bonds were authorized, and the Resolution shall constitute a contract between the School District and registered owners, from time to time, of the Bonds.

The School District has covenanted, in the Resolution, to and with registered owners, from time to time, of the Bonds that shall be outstanding, from time to time, pursuant to the Resolution, that the School District: (i) shall include the amount of the debt service for the Bonds, for each fiscal year of the School District in which such sums are payable, in its budget for that year, (ii) shall appropriate such amounts from its general revenues for the payment of such debt service, and (iii) shall duly and punctually pay or cause to be paid, from the sinking fund established under the Resolution or any other of its revenues or funds, the principal of and interest on each of the Bonds at the dates and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, the School District has pledged and does pledge, irrevocably, its full faith, credit and taxing power.

The Bonds are issuable only in the form of registered bonds, without coupons, in the denominations of \$5,000 principal amount or any integral multiple thereof.

The School District and the Paying Agent may deem and treat the registered owner hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof, redemption premium, if any, and interest due hereon and for all other purposes, and the School District and the Paying Agent shall not be affected by any notice to the contrary.

This Bond may be transferred by the registered owner hereof upon surrender of this Bond to the Paying Agent, accompanied by a written instrument or instruments in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner of this Bond or his attorney-in-fact or legal representative. The Paying Agent shall enter any transfer of ownership of this Bond in the registration books and shall authenticate and deliver at the earliest practicable time in the name of the transferee or transferees a new fully registered bond or bonds of authorized denominations of the same series, maturity and interest rate for the aggregate principal amount that the registered owner is entitled to receive.

Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations of the same series, maturity and interest rate upon surrender of such Bonds to the Paying Agent, with written instructions satisfactory to the Paying Agent.

The School District and the Paying Agent shall not be required to issue or to register the transfer of, or exchange, any Bonds then considered for redemption during a period beginning at the close of business on the fifteenth (15th) day next preceding any date of selection of Bonds to

be redeemed and ending at the close of business on the day of mailing of the applicable notice of redemption, as hereinafter provided, or to register the transfer of, or exchange, any portion of any bond selected for redemption until after the redemption date.

The Bonds stated to mature on or after _____, 20____, shall be subject to redemption prior to maturity, at the option of the School District, as a whole or, from time to time, in part, in any order of maturities designated by the School District, on _____, 20____, or on any date thereafter, upon payment of the principal amount redeemed, together with accrued interest to the date fixed for redemption. If less than all Bonds of any particular maturity are to be redeemed, the Bonds of such maturity to be redeemed shall be drawn by lot by the Paying Agent.

[THE FOLLOWING TWO PARAGRAPHS TO BE OMITTED IF THE BONDS INCLUDE NO TERM BONDS:]

The Bonds stated to mature on _____, 20____, or on _____, 20____ (the "**Term Bonds**"), are subject to mandatory redemption prior to stated maturity, on the date(s) and in the principal amount(s) as set forth in the following schedules, as drawn by lot by the Paying Agent on behalf of the School District:

Bonds Stated to Mature on _____, 20____:
Date Principal Amount

Bonds Stated to Mature on _____, 20____:
Date Principal Amount

Any such redemption shall be upon application of money available for the purpose in the Mandatory Sinking Fund established under the Resolution and shall be upon payment of the principal amount to be redeemed, together with accrued interest thereon to the date fixed for redemption. In lieu of such mandatory redemption, the Paying Agent, on behalf of the School District, may purchase from money in the Sinking Fund established under the Resolution, at a price not to exceed the principal amount plus accrued interest, or the School District may tender to the Paying Agent, all or part of the Term Bonds subject to being drawn for redemption on any such date.

In the case of any partial, optional redemption of Term Bonds, the School District shall be entitled to designate whether the amount to be redeemed shall be credited against the principal amount of such Term Bonds due at maturity or credited against the principal amount of such Term Bonds scheduled to be called for mandatory sinking fund redemption on any particular date or dates, in each case in an integral multiple of \$5,000 principal amount.

If this Bond is of a denomination larger than \$5,000, a portion of this Bond may be redeemed, but only in an integral multiple of \$5,000 principal amount. For the purpose of redemption, this Bond shall be treated as representing the number of Bonds that is equal to the principal amount hereof divided by \$5,000, each \$5,000 portion of this Bond being subject to redemption. In the case of partial redemption of this Bond, payment of the redemption price will be made only upon surrender of this Bond in exchange for Bonds of authorized denominations of the same maturity and interest rate in aggregate principal amount equal to the unredeemed portion of the principal amount hereof; provided, however, that if this Bond is registered in the name of The Depository Trust Company ("**DTC**") or Cede & Co., as nominee for DTC, or any other nominee of DTC, or any other successor securities depository or its nominee, this Bond need not be surrendered for payment and exchange in the event of a partial redemption hereof and the records of the Paying Agent shall be conclusive as to the amount of this Bond which shall have been redeemed.

Notice of redemption shall be deposited in first class mail not less than thirty (30) days prior to the date fixed for redemption and shall be addressed to the registered owners of the Bonds to be redeemed at their addresses shown on the registration books kept by the Paying Agent as of the day such Bonds are selected for redemption. Failure to mail any such notice of redemption or any defect therein or in the mailing thereof shall not affect the validity of any proceeding for redemption of other Bonds so called for redemption as to which proper notice has been given.

On the date designated for redemption, notice having been provided as aforesaid, and money for payment of the principal, redemption premium, if any, and accrued interest being held by the Paying Agent, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds or portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Resolution, and registered owners of such Bonds or portions thereof so called for redemption shall have no rights with respect thereto, except to receive payment of the principal to be redeemed and accrued interest thereon to the date fixed for redemption, together with the redemption premium, if any.

If the redemption date for any Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized or required by law or executive order to close, then the date for payment of the principal, redemption premium, if any, and interest upon such redemption shall be the next succeeding day that is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required to close, and payment on such date shall have the same force and effect as if made on the nominal date of redemption.

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

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

[OMIT THE FOLLOWING PARAGRAPH IF NOT APPLICABLE:]

This Bond is a "qualified tax-exempt obligation ", as defined in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "**Code**"), for the purposes and effect contemplated by Section 265 of the Code (relating to expenses and interest relating to tax-exempt income of certain financial institutions).

This Bond shall not be entitled to any benefit under the Resolution, nor shall it be valid, obligatory or enforceable for any purpose, until this Bond shall have been authenticated by the Paying Agent.

IN WITNESS WHEREOF, the School District has caused this Bond to be executed in its name by the manual or facsimile signature of the President or Vice President of the Board of School Directors, and its official seal to be affixed hereto or a facsimile thereof to be printed hereon and the manual or facsimile signature of the Secretary or Assistant Secretary of the Board of School Directors to be affixed hereto in attestation thereof, all as of the Dated Date of Series set forth above.

DERRY TOWNSHIP SCHOOL DISTRICT,
Dauphin County, Pennsylvania

By: _____
(Vice) President of the
Board of School Directors

ATTEST:

(Assistant) Secretary of the
Board of School Directors
(SEAL)

CERTIFICATE OF AUTHENTICATION; CERTIFICATE AS TO
OPINION; [AND CERTIFICATE OF INSURANCE]*

It is certified that:

(i) This Bond is one of the Bonds described in the within-mentioned Resolution;

(ii) Attached to this Bond is the text of an original Opinion issued by Barley Snyder LLP, dated and delivered on the date of the original delivery of, and payment for, such Bonds, a copy of which Opinion is on file at our corporate trust office in [Harrisburg, Pennsylvania,] [Buffalo, New York,] where the same may be inspected; and

(iii) _____ has issued its municipal bond insurance policy as stated in the Statement of Insurance printed upon this Bond, a copy of which policy is on file at our corporate trust office in _____, Pennsylvania, where the same may be inspected.*

Manufacturers and Traders Trust Company,
as Paying Agent

By: _____
Authorized Representative

Date of Registration and Authentication: _____

* If insured.

STATEMENT OF INSURANCE*
[INSERT TEXT AS PROVIDED BY BOND INSURER]

* If insured.

ASSIGNMENT
[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED, _____,

the undersigned, hereby sells, assigns and transfers unto

_____ (the "Transferee")

(Name)

(Address)

Social Security or Federal Employer Identification No.: _____

the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____, as attorney, to transfer the within Bond on the books kept for registration thereof with full power of substitution in the premises.

Date: _____

Signature(s) Guaranteed:

NOTICE: Signature(s) must be guaranteed by an institution that is a participant in a signature guarantee program recognized by the Securities Transfer Association.

NOTICE: No transfer will be made in the name of the Transferee unless the signature(s) to this assignment correspond(s) with the name(s) appearing upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied. If the Transferee is a trust, the names and Social Security or Federal Employer Identification Numbers of the settlor and beneficiaries of the trust, the Federal Employer Identification Number and the date of the trust and the name of the trustee must be supplied.

CERTIFICATE

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution duly adopted by the affirmative vote of a majority of the members of the Board of School Directors of Derry Township School District, Dauphin County, Pennsylvania (the "**School District**"), at a public meeting held the 22nd day of February, 2016; that proper notice of such meeting was duly given as required by law; and that said Resolution has been duly entered upon the Minutes of said Governing Body, showing how each member voted thereon.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the School District this 22nd day of February, 2016.

(Assistant) Secretary

(SEAL)



The Dauphin County Technical School Joint Operating Committee (JOC) met on February 10, 2016 in executive session, work session and regular session. Brian Shiflett attended all meetings.

During the work session, Administrative Director Peggy Grimm updated the JOC on the progress of renovations to the Dental Assistant program area, which is nearing completion. Dr. Grimm requested one change order in the amount of \$7,500 for revisions to the shelving and cabinetry in the lab room, and she promises this will be the only change order for the entire project. Later during the business meeting, the JOC approved the change order.

Business Administrator Maria Zaharick presented the second draft of the 2016-17 budget proposal. The current proposal decreases spending by \$21,000 from the first draft. The administration is recommending leasing a 30-passenger bus for transporting students to co-op jobs and events, and is proposing the hire of a para-educator who will also be responsible for bus driving duties. Ms. Zaharick discussed the need for a social worker for next school year. Currently, the school contracts for social worker services with CAIU on an hourly basis and is satisfied with the service. The JOC gave direction to explore contracting on a daily basis rather than budgeting for a full-time employee.

The second draft budget proposal sets DTSD's 2016-17 operating contribution at \$431,197, which is a decrease from the current year amount of \$445,601.

In other business, the JOC approved the purchase of graduation stoles and dinnerware for fundraising events. The JOC also approved an MOU with the school's support employee's association for a 4-day, 10 hour/day summer work week schedule.

The next JOC meeting will be held Wednesday, March 16, 2016, 7:00 p.m. The JOC is now meeting in the DC Tech cafeteria. JOC meeting agenda are on BoardDocs (www.boarddocs.com/pa/daup/Board.nsf).

Respectfully submitted,

Brian Shiflett