

10 YEAR COMPARISON OF DIESEL VS PROPANE BUSES

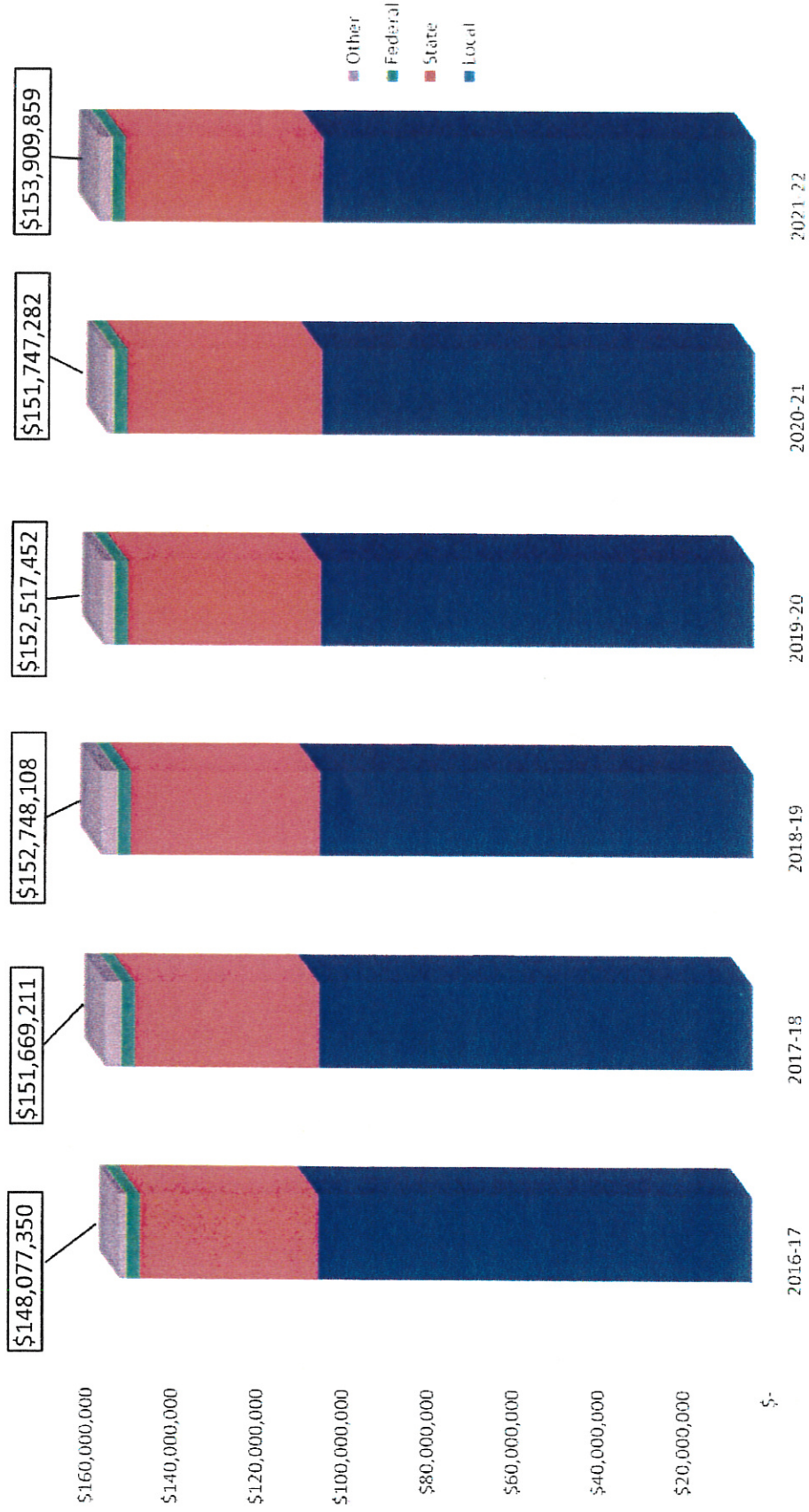
Buses Only		Buses & Fuel Tanks		Total Savings	
Capital Cost (Buses)	\$ 821,440	Capital Cost (Buses)	\$ 821,440	Total Capital Cost	\$ 1,181,440
Operational savings/year	\$ 210,759	Capital Cost (Fueling Stations)	\$ 360,000	Operational Savings	\$ 2,107,588
ROI (Years)	3.9	Operational savings/year	\$ 210,759	Bus Buy Back Savings	\$ 11,481,773
10 Year Net Savings	\$ 1,286,148	ROI (Years)	5.6	10 Year Net Savings	\$ 12,407,921
		10 Year Net Savings	\$ 926,148		

**East Stroudsburg Area School District
Transportation Facility
Concept Scope and Budget**

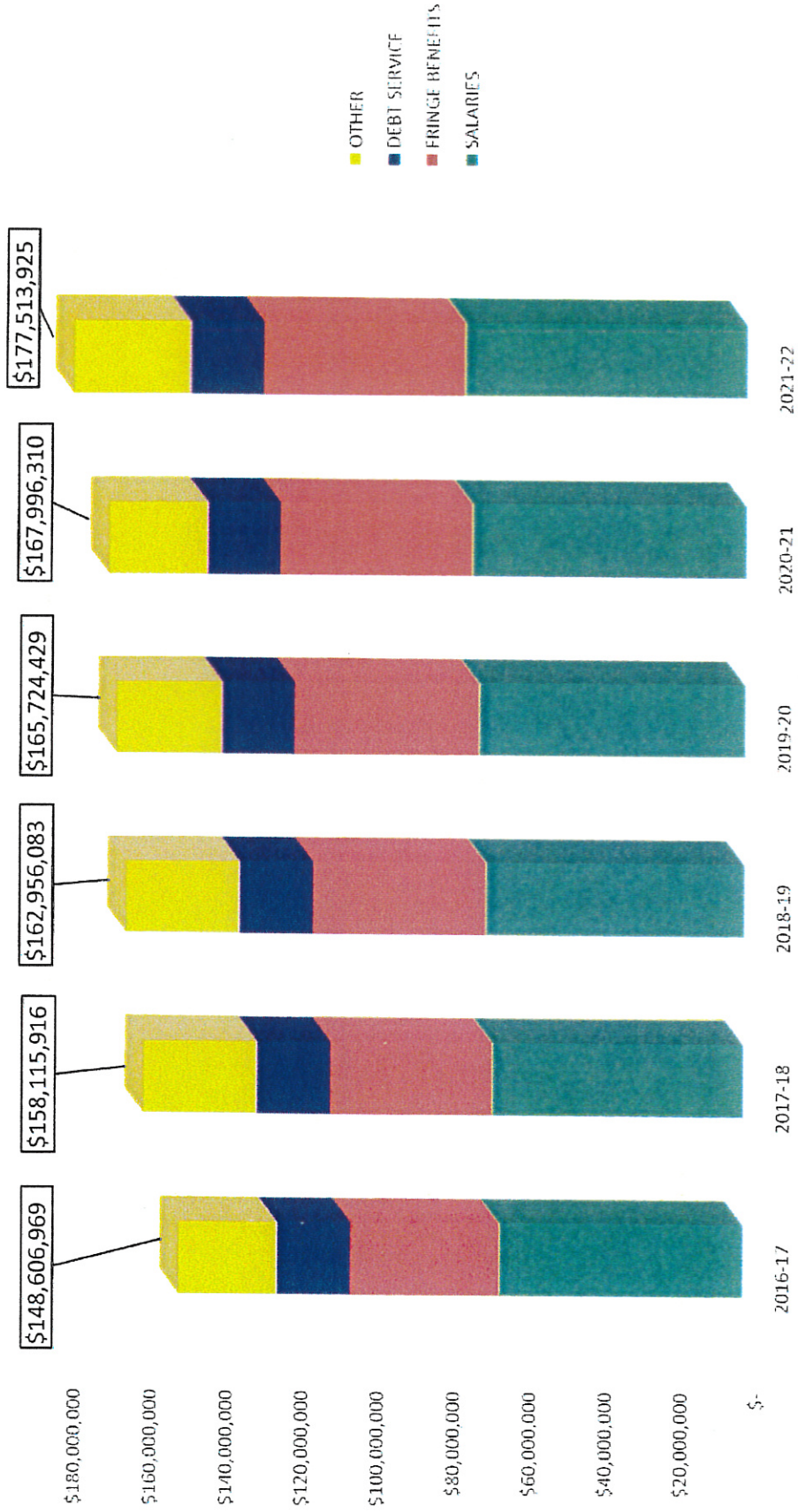
7/7/2016

Space	Individual Space Sq. Ft.	Proposed No. of Spaces	Total Space Sq. Ft.
GENERAL			
Transportation Dept. Individual Offices	300	2	600
Transportation Dept. office (4 modular furniture spaces)	1,000	1	1,000
Lunch room (shared by mechanics and drivers)	1,000	1	1,000
Entrance lobby	100	1	100
Bus Driver Computer Room	500	1	500
Individual Toilet Room	65	2	130
Locker Room	200	2	400
Mechanical/Janitor Closet	500	1	500
Head mechanic office	300	1	300
4 maintenance bays 64'x18' (3 work bays and 1 wash bay)	1,152	4	4,608
1 storage bay 64'x18'	1,152	1	1,152
SUB TOTAL Scheduled Area			10,290
Grossing factor			1.5
Total Square Footage			15,435
Structure Cost (15,435 sq. ft. x \$200/sq. ft.)	\$ 3,087,000		
Bus parking (122 spaces, approx. 130,000 sq. ft.)	\$ 715,000		
Personal vehicle parking (140 spaces, approx 48,000 sq. ft.)	\$ 264,000		
Site Lighting	\$ 300,000		
Perimeter fencing (approx. 2,500 lin. ft.)	\$ 125,000		
Broom facility for bus snow removal	\$ 20,000		
Propane fueling stations (2 above ground tanks, 4 dispensers)	\$ 350,000		
Stormwater utility installation (estimated)	\$ 500,000		
Utility extension to building (water, electric)	\$ 250,000		
Entrance driveway construction	\$ 100,000		
Land clearing, cuts and fills (estimated)	\$ 250,000		
Land acquisition	?		
Soft Costs at 30% of Construction costs (Fees, contingency)	\$ 1,788,300.0		
Total	\$ 7,749,300		
All costs above are preliminary in nature and based on a limited concept of facility needs. Additional information related to site location is required in order to estimate costs for land development, utility extension, soil conditions, and overall constructibility.			

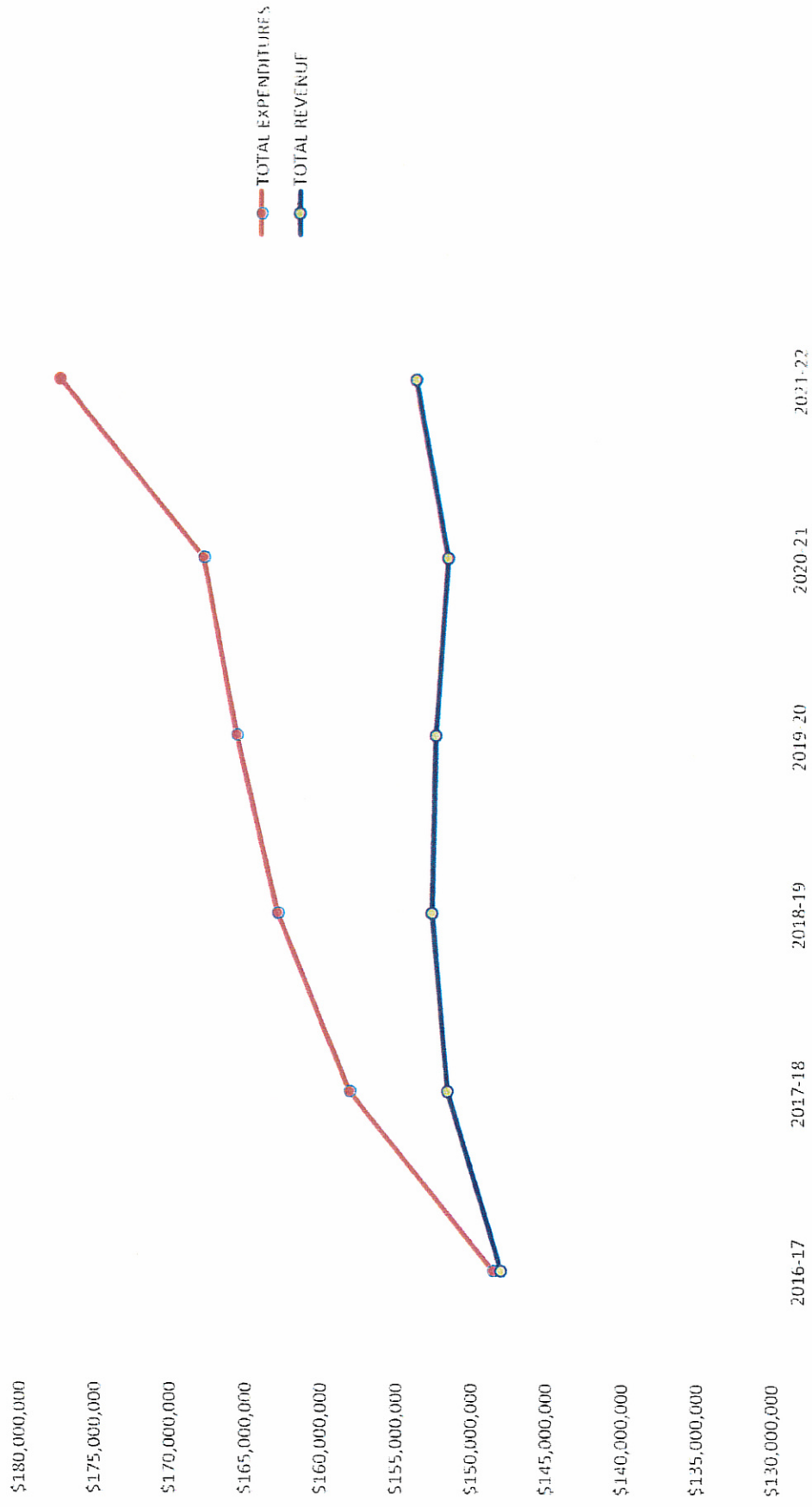
5 YEAR REVENUE PROJECTIONS



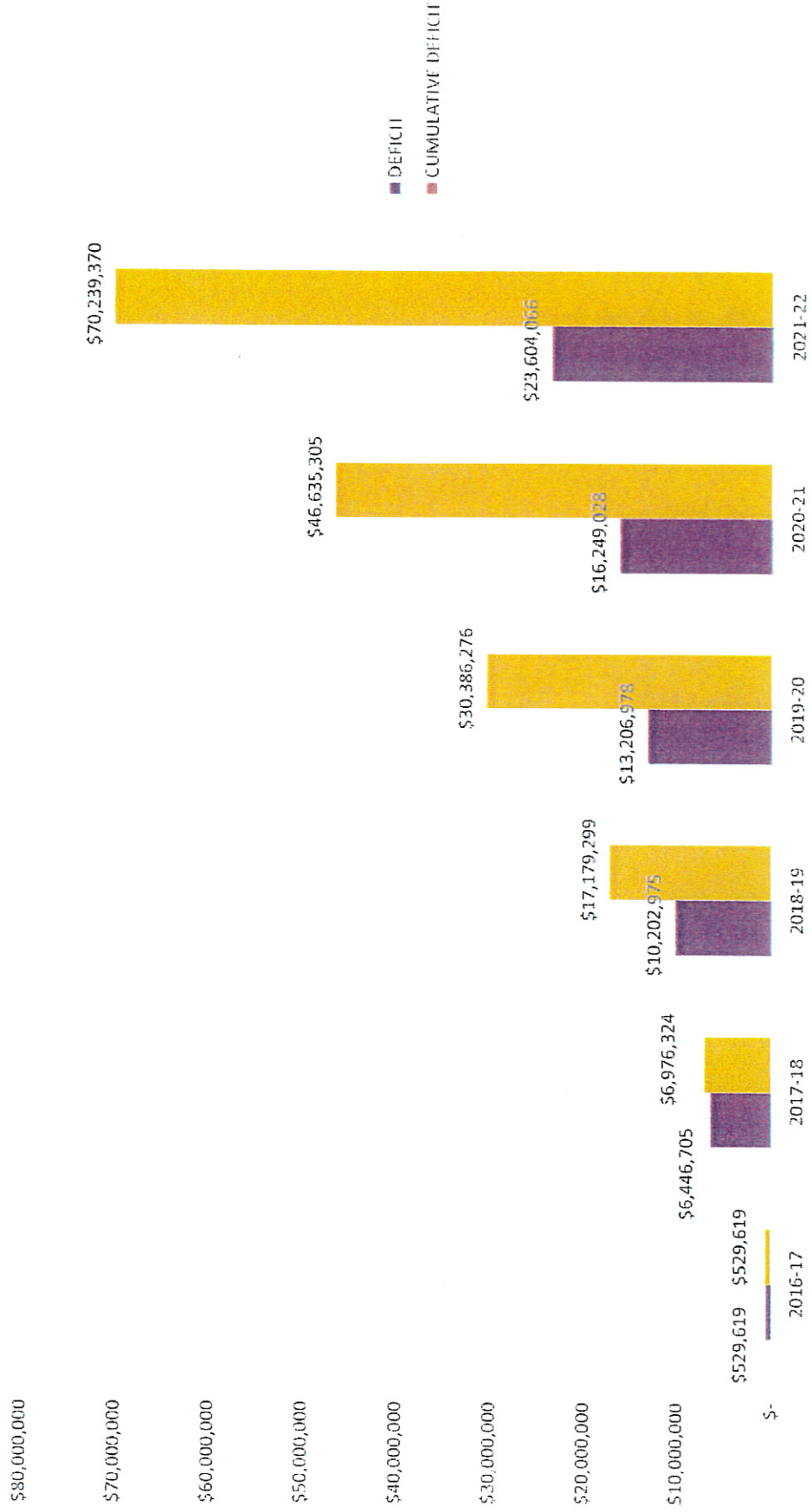
5 YEAR EXPENDITURE PROJECTION



5 YEAR PROJECTION EXPENDITURES VS REVENUE



ANNUAL AND CUMULATIVE DEFICITS



APPOINTMENT OF A DEPUTY TAX COLLECTOR

Tax Collector should obtain signatures from the taxing district and return completed form to your Surety Company (keep a copy for your records.) Surety should acknowledge the appointment by signing and returning the signed document to the Tax Collector.

I, BONNIE WARGO, Tax Collector for LEHMAN TOWNSHIP
EAST STROUDSBURG, PA, County of PIKE do hereby
appoint as Deputy Tax Collector: ROSEANN E. VAN WYK
Name of appointee (printed/typed)
126 VAN WYK RD BUSHKILL PA 18324
Address
Bonnie Wargo JUNE 7, 2016
Signature Date

This is an appointment of a Deputy Tax Collector to collect and settle taxes during any Incapacitation of the Tax Collector (as defined in Local Tax Collection Law, Section 22 (B) [72 P.S. § 5511.22]).

Approved by:

Signature: Robert H. Oliver Jr. Title: Supervisor Secretary/Treasurer Date: 06/08/2016
Municipality of Lehman Township Phone: 570-588-9365

Signature: _____ Title: _____ Date: _____

County of _____ Phone: _____

Signature: _____ Title: _____ Date: _____

School District _____ Phone: _____

Surety Company Travelers Date: _____

Signature: _____ Title: _____ Phone: 717-565-3104

Address: 470 Friendship Road, Suite 140, Harrisburg, PA 17111

Naming a Deputy Tax Collector does not relieve the bonded Tax Collector of Liability. Local Tax Collection Law makes the Tax Collector responsible for all taxes collected and received by any Deputies appointed. (Local Tax Collection Law, Section 22 [72 P.S. § 5511.22]).

The signing of this appointment does not alter the terms or conditions of the Indemnity Agreement signed by the Tax Collector in favor of the Surety Company, or any indemnification available at law.

In the event of Incapacitation, the Taxing Entity must notify the Surety Company as soon as practicable in the event the Deputy is called to act.



2014, 2015 and 2016 QUALIFIED ZONE ACADEMY BOND (QZAB) PROGRAM GUIDELINES

INTRODUCTION

The Qualified Zone Academy Bond (QZAB) Program was established under Section 226 of the Taxpayer Relief Act of 1997. Section 120 of the Tax Increase Prevention Act of 2014, Public L. No. 113-295 (2014) ("2014 Act") amended § 54E(c) (1) to provide authorization for QZABs of \$400 million for the calendar year 2014. Section 164 of the Protecting Americans from Tax Hikes Act of 2015, Public L. No. 114-113, 129 Stat. 2242 ("2015 Act") amended § 54E(c) (1) to provide authorization for QZABs of \$400 million for each calendar year of 2015 and 2016. The U. S. Department of Treasury has authorized the allocation of \$13,355,000 QZAB authority in calendar year 2014 and \$13,389,000 in each calendar year of 2015 and 2016, to the Commonwealth of Pennsylvania. One total allocation of \$40,133,000 will be made available for applications from Local Education Agencies (LEAs). The QZAB 2014, 2015 and 2016 allocations are structured similarly as "qualified tax credit bonds" where issuers do not have the option of receiving a direct Federal subsidy.

This federal program allows for certain schools, known as education zone academies, to finance the renovation of school facilities, purchase equipment, and, if allowed by state law, provide up-to-date technology and instructional materials on an interest-free, or nearly interest-free, basis through the allocation of tax credits.

The Pennsylvania Department of Education (PDE) is responsible for making allocations to LEAs. These Guidelines provide information about how to apply for the Pennsylvania QZAB allocations. The Bureau of Budget and Fiscal Management, Division of Budget and School Facilities, will competitively allocate QZAB to successful applicants for settlement at the LEA level. Applications for QZAB 2014, 2015 and 2016 will be received until August 15, 2016. PDE will competitively award all QZAB allocations by September 19, 2016. Awardees must confirm their acceptance of a QZAB allocation by September 30, 2016.

How do QZABs work?

Use of funds: 100 percent of the QZAB allocation must be used for renovation, repair or rehabilitation of **existing** public school facilities or for equipment to be used at the academy. The renovation, repair and rehabilitation work must support a board-approved education plan with the goal of enhancing the academic curriculum, increasing graduation and employment rates, and preparing students better for college and the workforce, with verifiable student performance evaluations. The comprehensive education plan is to be approved by the local education agency. Students in the academy must be subject to the same standards and assessments as other students in the LEA.

QZAB proceeds may also be used to provide up-to-date technology or instructional materials, **but only if the intended use can be classified as a capital asset under the Local Government Unit Debt Act (LGUDA)**. The LEA's Bond counsel should refer to the definition of a project under the LGUDA. Questions related to LGUDA should be directed to the Department of Community and Economic Development.

Private Contribution Requirement: The LEA must receive written commitments and enter into a partnership with a private entity or entities to design a program with the goal of enhancing the academic curriculum, increasing graduation and employment rates, and preparing students for college and the workforce.

The partner must make qualified contributions having a reasonable fair market value (as of the date of issuance of the bond issue) of not less than 10 percent of the proceeds of the bond issue; discounts are not acceptable. These contributions must be relevant to the academy and may be comprised of cash, goods, services, internships, etc. Regular tax rules concerning donations apply (consult with bond counsel to ensure contributions meet federal regulations). LEAs are encouraged to obtain cash to meet the 10 percent private contribution requirement.

Criteria for project school building: As of the date of the issuance of the bonds, there must be a reasonable expectation that at least 35 percent of the students attending the project school building will be eligible for free or reduced-cost lunches under the school lunch program established under the National School Lunch Program.

APPLICATION REQUIREMENTS

Who can apply?

LEAs submitting an application must meet the following requirements:

- The LEA is a public school district, a public career and technology center, or public charter school that owns the project building with clear title.
- The LEA can meet all previously noted federal requirements.
- The LEA's school building project addresses one or more of the following objectives:
 1. Creating or renovating space within an existing building's footprint for Science, Technology, Engineering, and Mathematics (STEM) programs; or
 2. Creating or renovating space for a vocational education program; or
 3. Increasing building performance to reduce operational costs (increasing efficiency, improving energy and water conservation, reducing greenhouse gas emissions, improving indoor environmental quality, and/or reducing waste). An LEA is encouraged, but not required, to apply for "green" certification (LEED for Schools silver or higher, two or more Green Globes, Energy Star building rating of 75 or more) in these projects; or
 4. Correcting health and safety deficiencies, including school building security upgrades and building code deficiencies.

How will allocations be awarded?

Allocations will be awarded on a competitive basis. An allocation request must total at least \$5,000,000 to finance one or more projects. In addition to completing an application for each project, the LEA must include a written monthly spending plan specifying how and when bond proceeds will be used.

If QZAB allocation requests received by PDE exceed Pennsylvania's total allocation, preference will be given to projects based on the following rating system:

1. Creating or renovating space within an existing building's footprint for Science, Technology, Engineering, and Mathematics (STEM) programs – up to 35 points.
2. Creating or renovating space for a vocational education program – up to 35 points.
3. Increasing energy efficiency, improving energy and water conservation, reducing greenhouse gas emissions, improving indoor environmental quality, and reducing waste – up to 15 points.
4. Correcting health and safety deficiencies, including school building security upgrades and building code deficiencies – up to 15 points.

ISSUANCE OF BONDS

How will bonds be issued?

Bonds for projects meeting the qualifiers and using the QZAB 2014 allocation must be settled by **December 31, 2016**.

Bonds for projects meeting the qualifiers and using the QZAB 2015 allocation must be settled by **December 31, 2017**.

Bonds for projects meeting the qualifiers and using the QZAB 2016 allocation must be settled by **December 31, 2018**.

A participating LEA must be willing to authorize a general obligation note with a maturity structure consistent with the program requirements. Successful applicants must settle the full amount of the allocation at the LEA level.

Internal Revenue Service (IRS) Requirements

- A contract must be in place with a third party to spend down at least 10 percent of the bond proceeds within six months after issuance.
- 100 percent of the proceeds must be spent within three years of the bond issuance.
- QZAB proceeds are subject to arbitrage rules.
- Issuers are subject to IRS reporting requirements.
- The maximum maturity and the credit rate for QZABs are determined as of the date that there is a binding, written contract for the sale or exchange of the bond. The applicable maximum maturity, the discount rate for determining the maturity, and QZAB credit rate are published for that date by the Bureau of Public Debt on its internet site for State and Local Government Series securities at: <https://www.treasurydirect.gov>.

SOURCES FOR ADDITIONAL INFORMATION

Interested LEAs should read and thoroughly understand the following documents:

- Title 26, Internal Revenue Service Code, Section 1397E.
- 57732 Federal Register / Vol. 65, No. 187 / Tuesday, September 26, 2000 / Rules and Regulations. DEPARTMENT OF THE TREASURY, Internal Revenue Service, 26 CFR Part 1, Qualified Zone Academy Bonds; Obligations of States and Political Subdivisions.
- Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, Section 758, Repeal of Refundable Credit for QZABs.
- Internal Revenue Bulletin: 2015-8, February 23, 2015, Notice 2015-11: Qualified Zone Academy Bond Allocations for 2014.
- Internal Revenue Bulletin: 2016-20, February 29, 2016, Notice 2016-20: Qualified Zone Academy Bond Allocations for 2015 and 2016.

Additional information is available from the U.S. Department of the Treasury at www.irs.gov.

Contacts

Internal Revenue Service
Office of Chief Counsel
Financial Institutions and Products
Branch 5 -Tax Exempt Bonds TEGE TEB Questions <tege.teb.questions@irs.gov>

U.S. Department of Education 202.401.0907

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Division of Budget and School Facilities ra-schoolfacilities@pa.gov
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Harrisburg, PA 17126-0333