
WHEREAS, certain capital projects consisting of (i) the construction of and improvements to County buildings; (ii) the acquisition of open space; (iii) the acquisition of vehicles; (iv) the acquisition of and improvements to parks; (v) the acquisition of computer systems; (vi) the acquisition of emergency systems; (vii) the funding of unfunded actuarial accrued pension liabilities; (viii) other capital projects; (ix) the payment of interest during the construction and acquisition periods; and (x) the costs incurred by the County to issue the Participant Notes, will benefit the residents of the County; and

WHEREAS, the 2003 Project shall be for the benefit and use of the general public, and no private party shall have any special legal entitlement to the beneficial use of the 2003 Project, through a lease, management contract, or any other arrangement; and

WHEREAS, the incurrence of non-electoral debt by the Participant is necessary to fund the 2003 Project; and

WHEREAS, the proposed increase of non-electoral debt, together with the non-electoral and lease rental debt presently outstanding, will not cause the constitutional or statutory debt limitations of the Participant to be exceeded;

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF BUCKS, PENNSYLVANIA, AND IT IS HEREBY ORDAINED AND ENACTED BY THE AUTHORITY OF SAID BOARD OF COMMISSIONERS THAT:

Section 1. Approval of the 2003 Project and Authorization of the Participant Notes

The 2003 Project represents the current portion of the County’s capital budget, and, pursuant to Section 8142(a)(2)(ii) of the Local Government Unit Debt Act, 53 Pa. C.S.A. §8001, et seq (the "Debt Act"), the Participant Notes may be issued for a term of 30 years, a period that exceeds the term of the Participant Notes. The principal of the Participant Notes shall be amortized to provide more level, overall annual debt service, pursuant to Section 8142(b)(2) of the Debt Act. Pursuant to Section 8142(c) of the Debt Act, the amortization of the principal amount of the Participant Notes shall begin within two years of the issuance. The estimated completion date of the 2003 Project is December 31, 2004.

The Board of Commissioners hereby authorizes and approves the 2003 Project. The Board of Commissioners hereby authorizes and directs the incurring of non-electoral debt aggregating $27,500,000 by the issuance of the Participant Notes to fund the 2003 Project.

Section 2. Approval of the Purchase Proposal

The Board of Commissioners, after due deliberation and investigation, hereby determines that a private sale by negotiation of the Participant Notes is in the best financial interest of the County. The Participant Notes shall be sold at negotiated sale in accordance with the terms of a Purchase Proposal submitted by the Delaware Valley Regional Finance Authority ("DVRFA"), attached hereto as Exhibit I (the "Purchase Proposal"). The DVRFA’s Purchase Proposal for the Participant Notes at a price of $27,500,000 is hereby accepted. The Participant shall be responsible for paying the DVRFA’s costs of issuance in an amount not to exceed $110,000 as directed by the DVRFA’s Program Administrator upon the issuance of the Participant Notes. The General Obligation Note, Series A of 2003 (the "2003 A Note"), the General Obligation Note, Series B of 2003 (the "2003 B Note"), and the General Obligation Note, Series C of 2003 (the "2003 C Note") shall be purchased by the DVRFA on or about April 25, 2003, or in such installments and/or at such other times as the Chairman of the Board of Commissioners and the DVRFA’s Program Administrator shall determine.
Section 3. Approval of the Forms of the Participant Notes, Financing Agreements, and Loan Agreement and Authorization to Execute and Deliver All Necessary Documents

The substantial forms of the Participant Notes, the Financing Agreements for the 2003 A Note and the 2003 B Note, and the Loan Agreement for the 2003 C Note attached to the Purchase Proposal are hereby approved. The Chairman or Vice Chairman and the Chief Clerk are hereby authorized and directed to execute and deliver the Participant Notes, the Financing Agreements, and the Loan Agreement in the substantial forms attached to the Purchase Proposal, but with such alterations, deletions and additions as the Chairman or Vice Chairman may approve (such approval to be conclusively established by the execution of the Financing Agreements, the Loan Agreement, and the Participant Notes by the Chairman or Vice Chairman). The Chairman or Vice Chairman and the Chief Clerk also are hereby authorized and directed (i) to execute and deliver such other certificates, instruments, and agreements (including those required by any institution issuing any letter of credit, financial guaranty insurance policy, or similar instrument securing bonds issued by DVRFA) and (ii) to take all actions that may be necessary or beneficial to issue the Participant Notes.

Section 4. Amortization Schedule and Maximum Annual Debt Service Payments

The indebtedness of the Participant Notes shall be evidenced by three Notes in the aggregate par amount of TWENTY SEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS ($27,500,000). The Participant Notes shall bear interest at the floating rate specified in the Financing Agreements, Loan Agreement, and Participant Notes, the substantial forms of which are attached to the Purchase Proposal. The principal amortization schedule and maximum annual debt service payments as defined in the Participant Notes, Financing Agreements, and Loan Agreement for the Participant Notes, based upon the maximum interest rate of 15%, are set forth below:

<table>
<thead>
<tr>
<th>County of Bucks</th>
<th>General Obligation Notes, Series of 2003</th>
<th>Principal Amortization Schedule and Maximum Annual Debt Service at 15% Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Period Ending</td>
<td>Series A Note (1)</td>
<td>Series B Note (1)</td>
</tr>
<tr>
<td>25-Apr-03</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>25-May-03</td>
<td>26,000.00</td>
<td>26,000.00</td>
</tr>
<tr>
<td>25-May-05</td>
<td>263,000.00</td>
<td>263,000.00</td>
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<tr>
<td>25-May-06</td>
<td>250,500.00</td>
<td>250,500.00</td>
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<tr>
<td>25-May-07</td>
<td>237,500.00</td>
<td>237,500.00</td>
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<tr>
<td>25-May-08</td>
<td>2,414,000.00</td>
<td>2,414,000.00</td>
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<tr>
<td>25-May-09</td>
<td>3,100,000.00</td>
<td>3,100,000.00</td>
</tr>
<tr>
<td>25-May-10</td>
<td>1,657,500.00</td>
<td>1,657,500.00</td>
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<tr>
<td>25-May-11</td>
<td>1,657,500.00</td>
<td>1,657,500.00</td>
</tr>
<tr>
<td>25-May-12</td>
<td>2,874,000.00</td>
<td>2,874,000.00</td>
</tr>
<tr>
<td>Total</td>
<td>$ 12,500,000.00</td>
<td>$ 10,000,000.00</td>
</tr>
</tbody>
</table>

(1) Principal is amortized to provide more level total debt service.
(2) Interest is payable monthly on the 25th day of the month, commencing May 25, 2003. Calculated for the period beginning on April 25, 2003.

Section 5. Pledge of Full Faith, Credit, and Taxing Power

The Participant covenants (i) to include all amounts due and payable under the Participant Notes (including interest and principal due on the Participant Notes and any Administrative Fees and Expenses or deficiencies of reserves due under the Financing Agreements or the Loan Agreement) in the budget of the fiscal year in which such amounts are due and payable, (ii) to appropriate such amounts from its taxes and other general revenues, and (iii) to pay, or cause to be paid, punctually and duly, such amounts that are due and payable under the Participant Notes from its sinking fund or any other of its revenues or funds at the dates and places and in the manner stated in the Participant Notes according to the true intent and meaning thereof. For such budgeting, appropriation, and payment, the Participant irrevocably pledges its full faith, credit, and taxing power. As provided by the Debt Act, this covenant shall be specifically enforceable.

Section 6. Sinking Fund Depositories

The Board of Commissioners hereby finds and acknowledges that under the terms of the Financing Agreement of the 2003 A Note and the Indenture for the DVRFA’s Local Government Revenue Bonds, Series of 1985 (the “DVRFA’s 1985 Bonds”), and that simultaneously with the delivery of the 2003 A Note, J.P. Morgan Trust Company, National Association, the Trustee of the DVRFA’s 1985 Bonds, or its successors (collectively, “DVRFA’s 1985 Bonds Trustee”), shall maintain separate accounts, subaccounts and subfunds for Financing Payments to be made by the Participant until such 2003 A Note is paid in full. These accounts, subaccounts and subfunds shall, collectively,
constitute the “Sinking Fund” required by the Debt Act for the 2003 A Note. The Board of Commissioners hereby authorizes, empowers, and directs all proper County officials to contract with the DVRFA’s 1985 Bonds Trustee (to the extent any further contract is deemed necessary) to serve as Sinking Fund Depository for the 2003 A Note.

The Board of Commissioners hereby finds and acknowledges that under the terms of the Financing Agreement of the 2003 B Note and the Indenture for the DVRFA’s Local Government Revenue Bonds, Series of 1986 (the “DVRFA’s 1986 Bonds”), and that simultaneously with the delivery of the 2003 B Note, First Union National Bank, the Trustee of the DVRFA’s 1986 Bonds, or its successors (collectively, “DVRFA’s 1986 Bonds Trustee”), shall maintain separate accounts, subaccounts and subfunds for Financing Payments to be made by the Participant until such 2003 B Note is paid in full. These accounts, subaccounts and subfunds shall, collectively, constitute the “Sinking Fund” required by the Debt Act for the 2003 B Note. The Board of Commissioners hereby authorizes, empowers, and directs all proper County officials to contract with the DVRFA’s 1986 Bonds Trustee (to the extent any further contract is deemed necessary) to serve as Sinking Fund Depository for the 2003 B Note.

The Board of Commissioners hereby finds and acknowledges that under the terms of the Loan Agreement for the 2003 C Note and the Trust Indenture for the DVRFA’s Local Government Revenue Bonds, Series of 2002 (the “DVRFA’s 2002 Bonds”), Wilmington Trust of Pennsylvania, or its successors (collectively, “DVRFA’s 2002 Bonds Trustee”), shall serve and is hereby appointed as Sinking Fund Depository, shall maintain separate accounts, subaccounts and subfunds for Repayments (as defined in the Loan Agreement) to be made by the Participant until such 2003 C Note is paid in full. These accounts, subaccounts and subfunds shall, collectively, constitute the “Sinking Fund” required by the Debt Act. The Board of Commissioners hereby authorizes, empowers, and directs all proper County officials to contract with the DVRFA’s 2002 Bonds Trustee (to the extent any further contract is deemed necessary) to serve as Sinking Fund Depository for the 2003 C Note.

Section 7. Authorization to Submit Statements to the Department of Community and Economic Development

The Chairman or Vice Chairman of the Board of Commissioners and Chief Clerk of the County are hereby authorized and directed to prepare and to submit to the Department of Community and Economic Development ("DCED") the debt statement required by Section 8110 of the Debt Act, the proceedings that authorize the incurrence of non-electoral debt, and any other documents required by the Debt Act or DCED.

Section 8. Legal Advertisements

The advertisement of the enactment of this Ordinance, as required by the Debt Act, in the Bucks County Courier Times, a newspaper of general circulation in the County, is hereby approved, ratified, and confirmed. The advertisement is hereby directed within ten (10) days following the day of final enactment.

Section 9. Filing with the Public Employee Retirement Commission

The Solicitor and the Chief Clerk are hereby authorized and directed to file certified copies of this Ordinance and the certificate of approval by DCED of the issuance of the Participant Notes with the Public Employee Retirement Commission prior to the date of issuance of the Participant Notes, pursuant to Section 8116 of the Debt Act.

Section 10. Conflicting Ordinances

All ordinances or parts of ordinances not in accord with this Ordinance are hereby repealed insofar as they conflict herewith.

IN WITNESS WHEREOF, we, the Undersigned, being respectively the Board of Commissioners and the Chief Clerk of the County of Bucks, Commonwealth of Pennsylvania, have hereunto set our signatures and affixed hereto the Seal of the County of Bucks this 19th day of March, 2003.

ATTEST:

DAVID G. STEINBACH, Chief Clerk
County of Bucks, Pennsylvania

MICHAEL G. FITZPATRICK, Esq.
Commissioner Chairman

CHARLES H. MARTIN, Commissioner

SANDRA A. MILLER, Commissioner

(SEAL)

(Exhibits in Closing Document Binder in the safe)