

ORDINANCE #84

FIRST READING - May 25, 1993
SECOND READING - June 8, 1993

AUTHORIZING THE INCURRENCE OF NONELECTORAL DEBT OF THE COUNTY OF LACKAWANNA BY THE ISSUANCE OF \$3,205,000 AGGREGATE PRINCIPAL AMOUNT GENERAL OBLIGATION BONDS, SERIES OF 1993, TO REFUND THE COUNTY'S GENERAL OBLIGATION BONDS, SERIES OF 1990, AND TO PAY THE COSTS OF ISSUING AND INSURING THE 1993 BONDS; AUTHORIZING THE PREPARATION OF A DEBT STATEMENT AND OTHER DOCUMENTATION; COVENANTING TO CREATE A SINKING FUND AND TO BUDGET, APPROPRIATE AND PAY DEBT SERVICE ON THE BONDS; PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE COUNTY FOR THE PROMPT AND FULL PAYMENT OF THE BONDS; SETTING FORTH THE SUBSTANTIAL FORM OF THE BONDS; SETTING FORTH THE STATED PRINCIPAL MATURITY DATES AND AMOUNTS, INTEREST RATES AND INTEREST PAYMENT DATES, PLACE OF PAYMENT, SINKING FUND PROVISIONS AND OTHER DETAILS OF THE BONDS, FINDING THAT A PRIVATE NEGOTIATED SALE IS IN THE BEST FINANCIAL INTEREST OF THE COUNTY; ACCEPTING A PROPOSAL FOR THE PURCHASE OF THE BONDS; AUTHORIZING THE PROPER COUNTY OFFICERS TO CONTRACT FOR THE SERVICES OF A PAYING AGENT, SINKING FUND DEPOSITARY AND BOND REGISTRAR; AND AUTHORIZING OTHER NECESSARY ACTION.

WHEREAS, the County of Lackawanna (the "County") is a county of the third class, governed by the County Code of the Commonwealth of Pennsylvania, Act of August 9, 1955, P.L. 323, No. 101, as amended and reenacted; and

WHEREAS, the County has heretofore issued its General Obligation Bonds, Series of 1990 which will be outstanding in the principal amount of \$2,910,000 as of June 15, 1993 (the "Prior Bonds"), and is granted the power by the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, approved July 12, 1972, Act No. 185 as reenacted and amended by Act 52 of 1978 approved April 28, 1978 (the "Act") to incur indebtedness and to issue bonds for the purposes of refunding its outstanding indebtedness; and

WHEREAS, pursuant to the provisions of the Act, the County has determined to refund the Prior Bonds (the "Refunding Program") in order to achieve debt service savings; and

WHEREAS, the County proposes to issue \$3,205,000 principal amount of its General Obligation Bonds, Series of 1993 (the "Bonds") for the purpose of financing the Refunding Program and paying the costs and expenses of issuing the Bonds; and

WHEREAS, the County has determined that it is in the best financial interest of the County to sell the Bonds at a private negotiated sale, and has received a proposal for the purchase of the Bonds which it desires to accept.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Board of County Commissioners of the County of Lackawanna, Pennsylvania and **IT IS HEREBY ORDAINED AND ENACTED**, as follows:

1. Authorization of Refunding Program and Incurrence of Indebtedness: Purpose of the Refunding Program. The County shall undertake the Refunding Program described in the recitals hereto and shall incur indebtedness, pursuant to the Act, in the aggregate principal amount of \$3,205,000 for the purpose of providing funds for and toward the costs of said Refunding Program, including the payment of the expenses of the financing.

It is hereby determined and set forth in the recitals hereto that the purpose of the Refunding Program is to reduce the debt service that would otherwise be payable on the Prior Bonds as shown on the schedule of debt service savings attached hereto as Exhibit A and made a part hereof.

2. Issuance of Bonds. The County shall issue, pursuant to this Ordinance, \$3,205,000 aggregate principal amount General Obligation Bonds, Series of 1993 to finance the Refunding Program as provided in Section 1 hereof.

3. Type of Indebtedness. The indebtedness authorized by this Ordinance is nonelectoral debt.

4. Execution of Debt Statement, Bonds and Other Documents. The Chairman of the Board of County Commissioners and the Administrative Director or Director of Budget and Finance and their successors are hereby authorized to prepare and verify the Debt Statement required by Section 410 of the Act, to execute and deliver the Bonds in the name and on behalf of the County and to take all other action required by the Act or this Ordinance in order to effect the issuance of the Bonds. Said officers or any of them are further authorized to apply to the Department of Community Affairs for approval of the debt herein authorized and to file with such application a transcript of the proceedings including a certified copy of this Ordinance, the Debt Statement, a Borrowing Base Certificate signed by the appropriate officials of the County or by the accountants of the County responsible for auditing its financial affairs, and to take any and all such further action and to execute and deliver such other documents as may be necessary or proper to comply with all requirements of the Act or to carry out the intent and purpose of this Ordinance.

5. Type of Bonds. The Bonds when issued will be general obligation bonds.

6. Covenant to Pay Debt Service - Pledge of Taxing Power. The County hereby covenants with the registered owners of the Bonds: (a) the County has included in its budget for the 1993 fiscal year and will include in its budget for each year thereafter, commencing with the fiscal year ending December 31, 1994, the amount of the debt service on the Bonds which will be payable in each such fiscal year so long as the Bonds shall remain outstanding; (b) that the County shall appropriate such amounts to the payment of such debt service; and (c) that the County shall duly and punctually pay or cause to be paid from the sinking fund hereinafter created the principal of the Bonds and the interest thereon on the dates and at the place and in the manner stated in the Bonds according to the true intent and meaning thereof. For such budgeting, appropriation and payment the County hereby pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable.

7. Form of Bonds. The Bonds shall be substantially in the following form with appropriate omissions, insertions and variations:

(FORM OF BOND)

(BOND TEXT - FACE OF BOND)

COUNTY OF LACKAWANNA, PENNSYLVANIA
GENERAL OBLIGATION BOND, SERIES OF 1993

No. R - \$ _____

Interest Rate	Maturity Date	Dated Date	CUSIP
		July 1, 1993	

REGISTERED OWNER:

PRINCIPAL SUM: DOLLARS

The County of Lackawanna, Pennsylvania (the "County"), a county of the third class of the Commonwealth of Pennsylvania, for value received, hereby promises to pay to the registered owner hereof on the maturity date set forth above the principal sum set forth above, unless this Bond shall have been called for redemption and payment of the redemption price shall have been duly made or provided for, and to pay interest thereon initially on December 15, 1993 and semiannually thereafter on June 15 and December 15 of each year (each, an "Interest Payment Date"), at the annual rate specified above, calculated on the basis of a 360-day year of twelve 30-day months until the principal sum is paid or has been provided for. This Bond will bear interest from the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no interest has been paid, from July 1, 1993. The principal of this Bond is payable upon presentation and surrender hereof at the principal corporate trust office of The Third National Bank and Trust Company, Scranton, Pennsylvania (the "Paying Agent"). Interest on this Bond will be paid on each Interest Payment Date by check mailed to the person in whose name this Bond is registered on the registration books of the County maintained by the Paying Agent, as bond registrar, at the address appearing thereon at the close of business on the first day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered

owner hereof as of the Regular Record Date, and shall be payable to the person who is the registered owner hereof at the close of business on a Special Record Date for the payment of such defaulted interest. Such Special Record Date shall be fixed by the Paying Agent whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date and payment date shall be given by first class mail to the registered owners of the Bonds not less than fifteen (15) days prior to the Special Record Date. The principal of and interest on this Bond are payable in lawful money of the United States of America.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE HEREOF, WHICH PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH HEREIN.

(FORM OF AUTHENTICATION CERTIFICATE)

AUTHENTICATION CERTIFICATE

This Bond is one of the County of Lackawanna General Obligation Bonds, Series of 1993, described in the within mentioned Ordinance.

The Text of Opinion printed hereon is the text of opinion of Saul, Ewing, Remick & Saul on file with the undersigned, which was dated and delivered on the date of delivery of and payment for the Bonds.

(BOND TEXT - BACK OF BOND)

This Bond is one of a duly authorized issue of General Obligation Bonds, Series of 1993, of the County in the aggregate principal amount of \$3,205,000 (the "Bonds"), issued in fully registered form in the denomination of \$5,000 or any whole multiple thereof, all of like date and tenor, except as to dates of maturity, rates of interest and provisions for redemption, and all issued in accordance with the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, Act 52 of 1978 approved April 28, 1978, as amended (the "Act"), and pursuant to an ordinance of the Board of County Commissioners of the County duly enacted on June 8, 1993 (the "Ordinance"). The Bonds are issued for the purpose of refunding the County's outstanding General Obligation Bond, Series of 1990, and to pay the costs of issuing and insuring the Bonds.

The Act provides that this Bond, its transfer and the income therefrom, including any profits made on the sale thereof, shall at all times be free from taxation for state and local purposes within the Commonwealth of Pennsylvania, but this exemption shall not extend to gift, estate, succession or inheritance taxes or to any other taxes not levied directly on this Bond, the transfer thereof, the income therefrom or the realization of profit on the sale thereof.

The Bonds maturing on and after June 15, 1999 are subject to redemption prior to maturity, by the County at any time on or after June 15, 1998, as a whole or from time to time in part in such order of maturity or portion of each maturity to be redeemed as may be designated by the County and within a maturity by lot upon payment of a redemption price of 100% of principal amount, together with accrued interest to the date fixed for redemption.

For the purpose of selection of Bonds for redemption, any Bond of a denomination greater than \$5,000 shall be treated as representing such number of separate Bonds, each of the denomination of \$5,000, as is obtained by dividing the actual principal amount of such Bond by \$5,000. Any Bond which is to be redeemed only in part shall be surrendered at the principal corporate trust office of the Paying Agent, together with a duly executed instrument of transfer in form satisfactory to the Paying Agent, and the registered owner of such Bond shall receive, without service charge, a new Bond or Bonds of any authorized denomination as requested by such registered owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Notice of any redemption shall be given by: (i) publication once in a newspaper of general circulation in Lackawanna County at least 30 days prior to the redemption date; and (ii) first-class mail, postage prepaid, mailed by the Paying Agent not less than 30 days nor more than 60 days before the redemption date to the registered owner of Bonds at their addresses as they appear on the Bond register maintained by the Paying Agent. Such notice shall also be mailed to The Bond Buyer, or if no longer published, to such substitute financial journal as shall be acceptable to the Paying Agent. Such notice shall be given in the name of the County, shall identify the Bonds to be redeemed (and, in the case of a partial redemption of any Bonds, the respective principal amounts thereof to be redeemed), shall specify the redemption date and the redemption price, and shall state that on the redemption date the Bonds called for redemption will be payable at the principal corporate trust office of the Paying Agent and that from the date of redemption interest will cease to

accrue. The Paying Agent shall use "CUSIP" numbers (if then generally in use) in notices of redemption as a convenience to Bond owners, provided that any such notice shall state that no representation is made as to the correctness of such numbers either as printed on the Bonds or as contained in any notice of redemption and that reliance may be placed only on the identification numbers prefixed "R-" printed on the Bonds. Failure to mail any notice of redemption, or any defect therein, or in the mailing thereof, with respect to any Bond shall not affect the validity of any proceeding for the redemption of other Bonds so called for redemption.

With respect to any optional redemption of the Bonds, if at the time of mailing such notice of redemption, the County shall not have deposited with the Paying Agent moneys sufficient to redeem all the Bonds called for redemption, such notice may state that it is conditional, that is, subject to the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

The Bonds are transferable by the owners thereof, subject to payment of any required tax, fee or other governmental charge, upon presentation and surrender at the principal corporate trust office of the Paying Agent, together with a duly executed instrument of transfer in form satisfactory to the Paying Agent. The Paying Agent shall not be required: (i) to issue, transfer or exchange any of the Bonds during a period beginning at the close of business on the fifth (5th) day next preceding the day on which notice of redemption is to be given and ending at the close of business on the day on which such notice is given, or (ii) to transfer or exchange any Bond selected for redemption in whole or in part.

The County and the Paying Agent may treat the person in whose name this Bond is registered on the bond register maintained by the Paying Agent as the absolute owner of this Bond for all purposes and neither the County nor the Paying Agent shall be affected by any notice to the contrary.

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based hereon, against any member, officer or employee, past, present or future, of the County or of any successor body, as such, either directly or through the County or through any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the execution and issuance of this Bond.

It is hereby certified that the approval of the Department of Community Affairs of the Commonwealth of Pennsylvania for the County to issue and deliver this Bond has been duly given pursuant to the Act; that all acts, conditions and things required by the laws of the Commonwealth of Pennsylvania to exist, to have happened or to have been performed, precedent to or in the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Bond, together with all other indebtedness of the County, is within every debt and other limit prescribed by the Constitution and the statutes of the Commonwealth of Pennsylvania; that the County has established a sinking fund for the Bonds and shall deposit therein amounts sufficient to pay the principal of and interest on the Bonds as the same shall become due and payable; and that for the prompt and full payment of all obligations of this Bond, the full faith, credit and taxing power of the County are hereby irrevocably pledged.

This Bond shall not be entitled to any benefit under the Ordinance or be valid or become obligatory for any purpose until this Bond shall have been authenticated by the Paying Agent by execution of the certificate endorsed hereon.

ASSIGNMENT AND TRANSFER

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

PLEASE INSERT SOCIAL SECURITY OR
OTHER IDENTIFYING NUMBER OF
ASSIGNEE

_____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

_____ attorney
to transfer said Bond on the books of the within named Paying Agent, with full power of
substitution in the premises.

[END OF BOND FORM]

8. Terms of Bonds. The Bonds shall be issued in fully registered form, in denominations of \$5,000 or whole multiples thereof, shall be dated July 1, 1993, shall bear interest from such date payable initially on December 15, 1993 and semiannually thereafter on June 15 and December 15 of each year until maturity or the date fixed for redemption, at the annual rates and shall mature on June 15 of the years as set forth in the Bond Amortization Schedule attached hereto as Exhibit B and made a part hereof.

The principal of the Bonds shall be payable in lawful money of the United States of America at the principal corporate trust office of The Third National Bank and Trust Company, Scranton, Pennsylvania which is hereby appointed paying agent, registrar and sinking fund depository for the Bonds.

Interest on the Bonds shall be payable in the manner provided in the form of Bond set forth in Section 7 hereof.

9. Redemption of Bonds. The Bonds maturing on and after June 15, 1999 are subject to redemption prior to maturity, by the County at any time on or after June 15, 1998, as a whole or from time to time in part in such order of maturity or portion of each maturity to be redeemed as may be designated by the County and within maturity by lot within a maturity upon payment of a redemption price of 100% of principal amount, together with accrued interest to the date fixed for redemption.

For the purpose of selection of Bonds for redemption, any Bond of a denomination greater than \$5,000 shall be treated as representing such number of separate Bonds, each of the denomination of \$5,000, as is obtained by dividing the actual principal amount of such Bond by \$5,000. Any Bond which is to be redeemed only in part shall be surrendered at the principal corporate trust office of the Paying Agent, together with a duly executed instrument of transfer in from satisfactory to the Paying Agent, and the registered owner of such Bond shall receive, without service charge, a new Bond or Bonds, of any authorized denomination as requested by such registered owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

On the date designated for redemption and upon deposit with the Paying Agent of funds sufficient for payment of the principal of and accrued interest on the Bonds called for redemption, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and the Bonds or portions thereof so called for redemption shall cease to be entitled to any benefit of security hereunder, and registered owners of the Bonds so called for redemption shall have no rights with respect to the Bonds or portions thereof so called for redemption, except to receive payment of the principal of and accrued interest on the Bonds so called for redemption to the date fixed for redemption.

Notice of any redemption shall be given by: (i) publication once in a newspaper of general circulation in Lackawanna County at least 30 days prior to the redemption date; and (ii) first-class mail, postage prepaid, mailed by the Paying Agent not less than 30 days nor more than 60 days before the redemption date to the registered owner of Bonds at their addresses as they appear on the Bond register maintained by the Paying Agent. Such notice shall also be mailed to The Bond Buyer, or if no longer published, to such substitute financial journal as shall be acceptable to the

Paying Agent. Such notice shall be given in the name of the County, shall identify the Bonds to be redeemed (and, in the case of a partial redemption of any Bonds, the respective principal amounts thereof to be redeemed), shall specify the redemption date and the redemption price, and shall state that on the redemption date the Bonds called for redemption will be payable at the principal corporate trust office of the Paying Agent and that from the date of redemption interest will cease to accrue. The Paying Agent shall use "CUSIP" numbers (if then generally in use) in notices of redemption as a convenience to Bond owners, provided that any such notice shall state that no representation is made as to the correctness of such numbers either as printed on the Bonds or as contained in any notice of redemption and that reliance may be placed only on the identification numbers prefixed "R-" printed on the Bonds. Failure to mail any notice of redemption, or any defect therein, or in the mailing thereof, with respect to any Bond shall not affect the validity of any proceeding for the redemption of other Bonds so called for redemption.

10. Sale of Bonds. The Bonds shall be sold at private sale by negotiation as hereinafter set forth in Section 13. After due consideration, the Board of County Commissioners hereby finds and determines, on the basis of all available information, that a private negotiated sale of the Bonds is in the best financial interest of the County.

11. Creation of and Deposits in Sinking Fund. The County covenants that it shall hereafter maintain a sinking fund designated "County of Lackawanna General Obligation Bonds, Series of 1993 Sinking Fund" (the "Sinking Fund") for the Bonds to be held by the Paying Agent (or such substitute or successor Paying Agent which shall hereafter be appointed in accordance with the provisions of the Act) in the name of the County, but subject to withdrawal only by the Paying Agent.

The County covenants and agrees to deposit in the Sinking Fund no later than June 15 and December 15 of each year, beginning December 15, 1993, the debt service payable on the Bonds on such dates, all as set forth in Exhibit B attached hereto, or such greater or lesser amount as at the time shall be sufficient to pay the principal of and interest on the Bonds as they become due on each such date.

Pending application to the purpose for which the Sinking Fund is established, the Chairman of the Board of County Commissioners or the Treasurer is hereby authorized and directed to cause the moneys therein to be invested or deposited and insured or secured as permitted and required by Section 1004 of the Act. All income received on such deposits or investments during each applicable period shall be added to the Sinking Fund and shall be credited against the deposit next required to be made in the Sinking Fund.

The Paying Agent is hereby authorized and directed, without further action by the County, to pay from the Sinking Fund the principal of and interest on the Bonds as the same become due and payable in accordance with the terms thereof and the County hereby covenants that such moneys, to the extent required, will be applied to such purpose.

All moneys deposited in the Sinking Fund for the payment of the Bonds which have not been claimed by the registered owners thereof after two years from the date when payment is due, except where such moneys are held for the payment of outstanding checks, drafts or other instruments of the Paying Agent, shall be returned to the County. Nothing contained herein shall relieve the County of its liability to the registered owners of the unrepresented Bonds.

12. No Taxes Assumed. The County shall not assume the payment of any tax or taxes in consideration of the purchase of the Bonds.

13. Award and Sale of Bonds. The County hereby awards and sells the Bonds to W.H. Newbold's Son & Co., a Division of Fahnstock & Co. Inc., Scranton, Pennsylvania (the "Underwriter"), at a price of \$3,154,841.25 (representing the par amount of the Bonds less the Underwriter's discount of \$41,665 and original issue discount of \$8,493.75) plus accrued interest, if any, from July 1, 1993 to the date of delivery and in accordance with the other terms and conditions set forth in the proposal of the Underwriter dated June 8, 1993 which is hereby approved and accepted. A copy of said proposal shall be attached to this Ordinance and lodged with the official minutes of this meeting and is hereby incorporated herein by reference. The proper officers of this County are hereby authorized and directed to endorse the acceptance of this County on said contract and to deliver executed copies thereof to the Underwriter.

14. Contract with Paying Agent. The proper officers of the County are authorized to contract with the Paying Agent in connection with the performance of its duties as paying agent, registrar and sinking fund depository on usual and customary terms, including an agreement to observe and comply with the provisions of this Ordinance and of the Act.

15. Redemption of Prior Bonds - Pledge Agreement. The County hereby calls for redemption on June 15, 1995 of all of the Prior Bonds maturing after June 15, 1996. The County shall enter into a Pledge and Escrow Agreement with The Third National Bank and Trust Company, Scranton, Pennsylvania, as the Escrow Agent (the "Pledge Agreement"), providing, among other things, for: (a) the certification to such Escrow Agent of the amounts required to pay the principal and interest to the date of maturity or redemption on all outstanding Prior Bonds of the County; (b) the deposit with said Escrow Agent of amounts which will meet such requirements; (c) the investment of the amounts deposited under the Pledge Agreement in permitted investments in accordance with the applicable regulations under Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended, and (d) the irrevocable pledge of all amounts and investments held under the Pledge Agreement for the payment of the Prior Bonds and the application of the principal of and to the extent necessary, interest on the investments to such purposes. The Pledge Agreement shall be in form and substance as approved by the appropriate officers of the County. The appropriate officers of the County are hereby authorized and directed to execute said Pledge Agreement and to deliver the same to the Paying Agent on behalf of the County.

The proper officers of this County or the Escrow Agent are authorized to acquire the investments in accordance with the terms of the Pledge Agreement and to take such other action as may be necessary or advisable to carry out the terms and conditions thereof.

16. Federal Tax Covenants. The County hereby covenants not to take or omit to take any action so as to cause interest on the Bonds to be no longer excluded from gross income for purposes of federal income taxation and to otherwise comply with the requirements of Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and all applicable regulations promulgated with respect thereto, throughout the term of the Bonds. The County further covenants that it will make no investments or other use of the proceeds of the Bonds which would cause the Bonds to be "arbitrage bonds" as defined in Section 148 of the Code. The County further covenants to comply with the rebate requirements (including the prohibited payment provisions) contained in Section 148(f) of the Code and any regulations promulgated thereunder, to the extent applicable, and to pay any interest or penalty imposed by the United States for failure to comply with said rebate requirements, to the extent applicable.

The County hereby represents and warrants, after due investigation and to the best of its knowledge, that (i) the Bonds are not "private activity bonds" within the meaning of Section 141 of the Code and (ii) the aggregate face amount of "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(B) of the Code (which includes qualified 501(c)(3) bonds but not any other private activity bonds) issued or to be issued by the County (and all entities that must be aggregated with it pursuant to the Code) during the 1993 calendar year, including the Bonds, is not reasonably expected to exceed \$10,000,000. The County hereby designates the Bonds as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Code. The County hereby authorizes the proper officers of the County to execute a certificate to that effect at the time of the closing.

17. Execution and Authentication of Bonds. As provided in Section 4, the Bonds shall be executed by the Chairman of the Board of County Commissioners of the County and the Administrative Director or Director of Budget and Finance of the County and each such execution shall be by manual or facsimile signature. The Bonds shall be authenticated by the manual signature of an authorized officer of the Paying Agent, which shall also certify that the approving opinion of Bond Counsel, which shall be printed on each Bond, is an accurate reproduction of the approving opinion delivered at the closing for the Bonds.

18. Bond Proceeds To Be Deposited In Settlement Account. Upon receipt of the purchase price for the Bonds, including interest thereon accrued to the date of delivery, if any, the same shall be deposited with the Paying Agent, which, under instruction from the proper officers of the County shall pay over to the Escrow Agent the amount required to effect the Refunding Program, shall pay the issuance costs on behalf of the County upon presentation of proper invoices therefor.

Any reserves in the above-described account shall be disbursed from time to time by the Paying Agent pursuant to written instructions from the Chairman of the Board of County Commissioners, the Administrative Director or Director of Budget and Finance of the County, and any balance ultimately remaining in any such reserve shall, upon written instructions of the Chairman of the Board of County Commissioners, the Administrative Director or Director of Budget and Finance of the County, be deposited in the Sinking Fund.

19. Covenant to Pledge Sufficient Funds. The County hereby covenants and agrees that, concurrently with the issuance of and payment for the Bonds:

(a) The County will have irrevocably pledged with the Escrow Agent, amounts sufficient to pay: (i) all interest on the Prior Bonds to the date of redemption thereof; (ii) the principal of all Prior Bonds at the maturity or date of redemption thereof; and (iii) all incidental costs related to such payments, so that the Prior Bonds will no longer be outstanding under the Act; and

(b) Such Paying Agent will have invested the moneys required by the Pledge Agreement in accordance with the terms thereof.

20. Officers Authorized to Act. For the purpose of expediting the closing and the issuance and delivery of the Bonds, or in the event that the Chairman of the Board of County Commissioners or the Administrative Director or Director of Budget and Finance of the County shall be absent or otherwise unavailable for the purpose of executing documents, or for the purpose of taking any other action which they or either of them may be authorized to take pursuant to this Ordinance, the County Commissioners, any one of them, or the Controller are hereby authorized and directed to execute documents, or otherwise to act on behalf of the County in their stead.

21. Approval of Official Statement. The Preliminary Official Statement dated June 7, 1993, in the form presented to this meeting, is hereby approved and "deemed final" by the County as of its date for purposes of United States Securities and Exchange Commission Rule 15c2-12. A Final Official Statement, substantially in the form of the Preliminary Official Statement and also containing the final terms of the Bonds, shall be prepared and delivered to the Underwriters within seven (7) business days from the date hereof, and the County hereby approves the use thereof in connection with the public offering and sale of the Bonds.

22. Bond Insurance. If deemed financially advantageous to the County in connection with the issuance of the Bonds, the officers of the County are hereby authorized to purchase a policy of insurance guaranteeing the payment of the principal of and interest on the Bonds, to pay the premium for such policy from the proceeds of the Bonds and to execute such documents as may be necessary to effect the issuance of such policy. If applicable, the Bonds issued under this Ordinance may include a statement of the terms of such insurance policy and the Authentication Certificate of the Paying Agent appearing on each Bond may include a statement confirming that the original or a copy of the insurance policy is on file with the Paying Agent.

23. Further Action. The proper officers of the County are hereby authorized and directed to take all such action, execute, deliver, file and/or record all such documents, publish all notices and otherwise comply with the provisions of this Ordinance and the Act in the name and on behalf of the County.

24. Act Applicable to Bonds. This Ordinance is enacted pursuant to, and the Bonds issued hereunder shall be subject to, the provisions of the Act and all the mandatory provisions thereof shall apply hereunder whether or not explicitly stated herein.

25. Contract with Bond Owners. This Ordinance constitutes a contract with the registered owners of the Bonds outstanding hereunder and shall be enforceable in accordance with the provisions of the laws of the Commonwealth of Pennsylvania.

26. Severability. In case any one or more of the provisions contained in this Ordinance or in any Bond shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Ordinance or of said Bonds, and this Ordinance or said Bonds shall be construed and enforced as if such invalid, illegal or unenforceable provisions had never been contained therein.

27. Repealer. All Ordinances and parts of ordinances heretofore adopted to the extent that the same are inconsistent herewith are hereby repealed.

28. Effective Date. This Ordinance shall take effect on the earliest date permitted by law.

**EXHIBIT A
DEBT SERVICE SAVINGS ANALYSIS**

W.H. Newbold's Sons & Co.

Schedule 7

County of Lackawanna
Series of 1993
Savings Report

Gross Savings: 127,320.56
PV Savings: 114,643.97

Date	Existing Debt Service	Refunding Debt Service	Existing Annual D/S	Refunding Annual D/S	Annual Savings	Semiannual Savings	P.V. Savings @ 4.75581%
12/15/93	98,722.50	62,274.44	98,722.50	62,274.44	36,448.06	36,448.06	35,675.93
06/15/94	263,722.50	223,350.00				40,372.50	38,599.39
12/15/94	93,607.50	66,335.00	357,330.00	289,685.00	67,645.00	27,272.50	25,469.09
06/15/95	268,607.50	291,335.00				(22,727.50)	(20,731.66)
12/15/95	88,095.00	63,072.50	356,702.50	354,407.50	2,295.00	25,022.50	22,294.96
06/15/96	273,095.00	293,072.50				(19,977.50)	(17,386.45)
12/15/96	82,175.00	59,220.00	355,270.00	352,292.50	2,977.50	22,955.00	19,513.76
06/15/97	282,175.00	299,220.00				(17,045.00)	(14,153.19)
12/15/97	75,675.00	54,780.00	357,850.00	354,000.00	3,850.00	20,895.00	16,947.03
06/15/98	285,675.00	299,780.00				(14,105.00)	(11,174.24)
12/15/98	68,745.00	49,880.00	354,420.00	349,660.00	4,760.00	18,865.00	14,598.07
06/15/99	293,745.00	309,880.00				(16,135.00)	(12,195.55)
12/15/99	61,207.50	44,420.00	354,952.50	354,300.00	652.50	16,787.50	12,394.02
06/15/2000	306,207.50	319,420.00				(13,212.50)	(9,528.07)
12/15/2000	52,877.50	38,370.00	359,085.00	357,790.00	1,295.00	14,507.50	10,218.95
06/15/2001	312,877.50	323,370.00				(10,492.50)	(7,219.16)
12/15/2001	43,907.50	31,815.00	356,785.00	355,185.00	1,600.00	12,092.50	8,126.76
06/15/2002	323,907.50	331,815.00				(7,907.50)	(5,190.80)
12/15/2002	34,107.50	24,765.00	358,015.00	356,580.00	1,435.00	9,342.50	5,990.35
06/15/2003	334,107.50	339,765.00				(5,657.50)	(3,543.29)
12/15/2003	23,607.50	17,047.50	357,715.00	356,812.50	902.50	6,560.00	4,013.10
06/15/2004	343,607.50	347,047.50				(3,440.00)	(2,055.55)
12/15/2004	12,247.50	8,797.50	355,855.00	355,845.00	10.00	3,450.00	2,013.65
06/15/2005	357,247.50	353,797.50				3,450.00	1,966.88
12/15/2005	0.00	0.00	357,247.50	353,797.50	3,450.00	0.00	0.00
	4,379,950.00	4,252,629.44	4,379,950.00	4,252,629.44	127,320.56	127,320.56	114,643.97

**EXHIBIT B
BOND AMORTIZATION SCHEDULE**

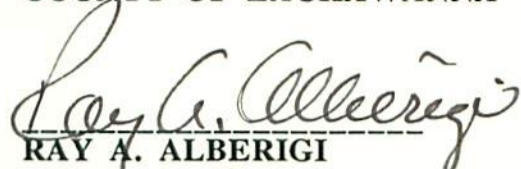
W.H. Newbold's Sons & Co.

Schedule 5


County of Lackawanna
Series of 1993
Refunding Debt Service Structure

Interest Payment Date	Par Amount	Coupon %	Price %	Yield %	Proceeds	Interest	Debt Service	Annual Debt Service
12/15/93						62,274.44	62,274.44	62,274.44
06/15/94	155,000	2.600	100.000%	2.600%	155,000.00	68,350.00	223,350.00	
12/15/94						66,335.00	66,335.00	289,685.00
06/15/95	225,000	2.900	100.000%	2.900%	225,000.00	66,335.00	291,335.00	
12/15/95						63,072.50	63,072.50	354,407.50
06/15/96	230,000	3.350	100.000%	3.350%	230,000.00	63,072.50	293,072.50	
12/15/96						59,220.00	59,220.00	352,292.50
06/15/97	240,000	3.700	100.000%	3.700%	240,000.00	59,220.00	299,220.00	
12/15/97						54,780.00	54,780.00	354,000.00
06/15/98	245,000	4.000	100.000%	4.000%	245,000.00	54,780.00	299,780.00	
12/15/98						49,880.00	49,880.00	349,660.00
06/15/99	260,000	4.200	100.000%	4.200%	260,000.00	49,880.00	309,880.00	
12/15/99						44,420.00	44,420.00	354,300.00
06/15/2000	275,000	4.400	100.000%	4.400%	275,000.00	44,420.00	319,420.00	
12/15/2000						38,370.00	38,370.00	357,790.00
06/15/2001	285,000	4.600	99.668%	4.650%	284,053.80	38,370.00	323,370.00	
12/15/2001						31,815.00	31,815.00	355,185.00
06/15/2002	300,000	4.700	99.277%	4.800%	297,831.00	31,815.00	331,815.00	
12/15/2002						24,765.00	24,765.00	356,580.00
06/15/2003	315,000	4.900	99.221%	5.000%	312,546.15	24,765.00	339,765.00	
12/15/2003						17,047.50	17,047.50	356,812.50
06/15/2004	330,000	5.000	99.580%	5.050%	328,614.00	17,047.50	347,047.50	
12/15/2004						8,797.50	8,797.50	355,845.00
06/15/2005	345,000	5.100	99.554%	5.150%	343,461.30	8,797.50	353,797.50	
12/15/2005						0.00	0.00	353,797.50
	3,205,000				3,196,506.25	1,047,629.44	4,252,629.44	4,252,629.44

COUNTY OF LACKAWANNA


RAY A. ALBERIGI



JOSEPH J. CORCORAN


JOHN SENIO

ATTEST:


GERALD L. STANVITCH,
ADMINISTRATIVE DIRECTOR

Approved as to form and legality:


JOSEPH A. O'BRIEN, ESQUIRE
COUNTY SOLICITOR