

TOWNSHIP OF DENNIS

COUNTY OF CAPE MAY
STATE OF NEW JERSEY

BOND ORDINANCE NO. 2005-10

BOND ORDINANCE PROVIDING FOR VARIOUS 2005 CAPITAL IMPROVEMENTS, ALL LAWFUL AND PUBLIC PURPOSES, BY AND IN THE TOWNSHIP OF DENNIS, COUNTY OF CAPE MAY, STATE OF NEW JERSEY (THE "TOWNSHIP"); APPROPRIATING \$250,000 THEREFORE AND AUTHORIZING THE ISSUANCE OF \$237,500 BONDS OR NOTES OF THE TOWNSHIP TO FINANCE PART OF THE COST THEREOF.

BE IT ORDAINED AND ENACTED BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF DENNIS, IN THE COUNTY OF CAPE MAY, STATE OF NEW JERSEY (not less than two-thirds of all the members thereof affirmatively concurring), AS FOLLOWS:

SECTION 1. The improvements described in Section 3 of this Bond Ordinance are hereby authorized as general improvements to be undertaken by the Township of Dennis, in the County of Cape May, State of New Jersey (the "Township"). For the improvements or purposes stated in Section 3, there is hereby appropriated the aggregate sum of \$250,000, such sum being inclusive of the sum of \$12,500 as the aggregate amount of down payments for such improvements or purposes required by the Local Bond Law (N.J.S.A. §40A:2-1 *et seq.* (the "Local Bond Law"). The aggregate amount of down payment is now available by virtue of

provision therefor in the 2005 Budget of the Township for down payment or for capital improvement purposes.

SECTION 2. For the financing of the improvements or purposes described in Section 3 hereof and to meet the part of such \$250,000 appropriation not provided for by application hereunder of such aggregate amount of down payment, negotiable bonds of the Township are hereby authorized to be issued in the aggregate principal amount of \$237,500 pursuant to the Local Bond Law. In anticipation of the issuance of such bonds and to temporarily finance such improvements or purposes, negotiable notes of the Township in an aggregate principal amount not exceeding \$237,500 are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

SECTION 3. (a) The Improvements hereby authorized and the purposes for the financing for which such bonds or notes are to be issued are as follows:

Description	Appropriation	Authorization	Down Payment	Useful Life (yrs)
Acquisition of Public Works Vehicles	207,000	196,650	10,350	10.0
Improvements to Various Public Buildings	43,000	40,850	2,150	10.0
<u>Totals</u>	250,000	237,500	12,500	10 (average).

(b) The aggregate estimated maximum amount of bonds or notes to be issued for such purposes is \$237,500.

(c) The aggregate estimated cost of such purposes is \$250,000, the excess amount thereof over such estimated maximum amount of bonds or notes to be issued therefore in the aggregate amount of \$237,500, is the aggregate amount of down payment available for said purposes in the amount of \$12,500.

SECTION 4. In the event the United States of America, the State of New Jersey, or the County of Cape May make a contribution or grant in aid to the Township for the improvements and purposes authorized hereby and the same shall be received by the Township prior to the issuance of the bonds or notes authorized in Section 2 hereof, then the amount of such bonds or notes to be issued shall be reduced by the amount so received from the United States of America, the State of New Jersey, or the County of Cape May. In the event that any amount so contributed or granted by the United States of America, the State of New Jersey, or the County of Cape May shall be received by the Township after the issuance of the bonds or notes authorized in Section 2 hereof, then such funds shall be applied to the payment of the bonds or notes so issued and shall be used for no other purpose.

SECTION 5. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the Clerk, the Administrator or the Chief Financial Officer of the Township, provided that no note shall mature later than one (1) year from its date. The notes shall bear interest at such rate or rates and be in such form as may be determined by the Clerk, the Administrator or the Chief Financial Officer. The Clerk, the Administrator or the Chief Financial Officer of the Township shall determine all matters in connection with the notes issued pursuant to this Bond Ordinance, and the signature of the Clerk, the Administrator or the Chief Financial Officer upon the notes shall be conclusive evidence as to all such determinations. All notes issued hereunder may be renewed from time to time in accordance with the provisions of N.J.S.A. 40A:2-8(a). The Clerk, the Administrator or the Chief Financial Officer of the Township are each hereby authorized to sell part or all of the notes from time to time at public or private sale and to deliver them to the purchaser thereof upon receipt of payment of the purchase price and accrued interest thereon from their dates to the date of delivery thereof. The Clerk, the

Administrator or the Chief Financial Officer of the Township are each directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the notes pursuant to this bond ordinance is made. Such report shall include the principal amount, the description, the interest rate, and the maturity schedule of the notes sold, the price obtained and the name of the purchaser.

SECTION 6. The capital budget of the Township is hereby amended to conform with the provisions of this Bond Ordinance to the extent of any inconsistency herewith and a resolution in the form promulgated by the Local Finance Board showing full detail of the amended capital budget and capital programs as approved by the Director of the Division of Local Government Services is on file in the office of the Clerk and is available for public inspection.

SECTION 7. The following additional matters are hereby determined, declared, recited and stated:

(a) The purposes described in Section 3 of this Bond Ordinance are not current expenses and are improvements that the Township may lawfully undertake as general improvements, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The average period of usefulness of such purposes within the limitations of the Local Bond Law, according to the reasonable life thereof computed from the date of the said bonds authorized by this bond ordinance, is 10 years.

(c) The supplemental debt statement required by the Local Bond Law has been duly made and filed in the Office of the Clerk for the Township and a complete executed duplicate thereof has been filed in the Office of the Director of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and such statement shows that

the gross debt of the Township as defined in the Local Bond Law is increased by the authorization of the bonds or notes provided for in this Bond Ordinance by \$237,500 and the bonds and notes authorized by this Bond Ordinance will be within all debt limitations prescribed by said Local Bond Law.

(d) An aggregate amount not exceeding \$25,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost indicated herein for the purposes or improvements herein before described.

SECTION 8. The full faith and credit of the Township is hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this Bond Ordinance. Such obligations shall be direct, unlimited obligations of the Township, and the Township shall be obligated to levy *ad valorem* taxes upon all the taxable property within the Township for the payment of the principal of the obligations and the interest thereon without limitation as to rate or amount.

SECTION 9. The Township reasonably expects to reimburse any expenditures toward the costs of the improvements or purposes described in Section 3 of this Bond Ordinance and paid prior to the issuance of any bonds or notes authorized by this Bond Ordinance with the proceeds of such bonds or notes. No funds from sources other than the bonds or notes authorized herein have been or are reasonably expected to be reserved, allocated on a long-term basis, or otherwise set aside by the Township, or any member of the same "Controlled Group as the Township, within the meaning of Treasury Regulation Section 1.150-1(e), pursuant to its budget or financial policies with respect to any expenditures to be reimbursed. This Section 9 is intended to be and hereby is a declaration of the Township's official intent to reimburse any expenditures toward the costs of the improvements or purposes described in Section 3 hereof to

be incurred and paid prior to the issuance of bonds or notes authorized herein in accordance with Treasury Regulation Section 1.150-2, and no further action (or inaction) will be an abusive arbitrage device in accordance with Treasury Regulation Section 1.148-10 to avoid the arbitrage yield restrictions or arbitrage rebate requirements under Section 1.148 of the Internal Revenue Code of 1986, as amended (the "Code"). The proceeds of any bonds or notes authorized herein used to reimburse the Township for any expenditures toward the costs of the improvements or purposes described in Section 3 hereof will not be used directly or indirectly (i) to "refund" an issue of governmental obligations within the meaning of Treasury Regulation Section 1.150-1(d)(ii) to create, within one year, following the reimbursement of any expenditures of bond proceeds, "replacement proceeds" within the meaning of Treasury Regulation Section 1.148-1 of the Bonds, or any other bond issue, or (iii) to reimburse the Township for any expenditure or payment that was originally paid with the proceeds of any obligation of the Township for any expenditure or payment that was originally paid with the proceeds of any obligation of the Township (other than borrowing by the Township from one of its own funds or the funds of a member of the same "Controlled Group" within the meaning of Treasury Regulation 1.150-1(e)). The bonds or notes authorized herein to reimburse the Township for any expenditures toward the costs of the improvements or purposes described in Section 3 hereof will be issued in an amount not to exceed \$237,500. The costs to be reimbursed with the proceeds of the bonds or notes authorized herein will be "capital expenditures" in accordance with the meaning of Section 150 of the Code and Treasury Regulation Section 1.150-1.

BE IT FURTHER ORDAINED, that this Bond Ordinance shall take effect twenty (20) days after the first publication thereof after its final adoption, as provided by the Local Bond Law.

Georgeann Pettit, Mayor

Ruth Blessing, Deputy Mayor

Howard H. Halsey, Committee Member

John Murphy, Committee Member

Edward F. Beck, Committee Member

The foregoing Ordinance was introduced at a meeting of the Township Committee of the Township of Dennis on October 18, 2005. Publication will be October 26, 2005 and a Public Hearing will be held at a meeting of the Township Committee on November 15, 2005 at 6:30 p.m. in the Municipal Building located at 571 Petersburg Road, Dennisville.

Attest _____
Jacqueline B. Justice, RMC/Clerk

TOWNSHIP COMMITTEE OF THE TOWNSHIP OF DENNIS

PUBLIC NOTICE

NOTICE OF PENDING ORDINANCE

The bond ordinance published herewith was introduced and adopted upon first reading at a meeting of the Township Committee of the Township of Dennis, in the County of Cape May, State of New Jersey, held on October 18, 2005, and will be further considered for final passage, after public hearing thereon, at a special meeting of said Township Committee to be held at 6:30 p.m. at the Township's Municipal Complex, in said County, on November 15, 2005.

JACQUELINE B. JUSTICE,
Clerk of the Township of Dennis

TOWNSHIP COMMITTEE OF THE TOWNSHIP OF DENNIS

PUBLIC NOTICE

STATEMENT

The bond ordinance published herewith has been finally adopted by the Township Committee of the Township of Dennis on November 15, 2005, and the twenty (20) day period of limitation within which a suit, action or proceeding questioning the validity of such ordinance can be commenced, as provided in the Local Bond Law, has begun to run from the date of the first publication of this Statement.

JACQUELINE B. JUSTICE,
Clerk of the Township of Dennis

