

FINANCE

BOND ORDINANCE # _____

BOND ORDINANCE PROVIDING FOR THE IMPROVEMENTS OF THE BROOKDALE COMMUNITY COLLEGE FACILITIES IN AND BY THE COUNTY OF MONMOUTH, NEW JERSEY, APPROPRIATING \$3,000,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$1,500,000 BONDS OR NOTES OF THE COUNTY AND \$1,500,000 BONDS OR NOTES OF THE COUNTY ENTITLED TO THE BENEFITS OF CHAPTER 12 OF THE LAWS OF NEW JERSEY OF 1971 FOR FINANCING SUCH APPROPRIATION

WHEREAS, The Board of Trustees of the Brookdale Community College (the “Board of Trustees”) has determined by resolution duly adopted on April 21, 2015 that it is necessary to expand and renovate certain of its facilities and to seek approval pursuant to Chapter 12 of the laws of 1971 of New Jersey, as amended and supplemented, and has delivered a statement to that effect to each member of the Board of School Estimate;

WHEREAS, The Board of School Estimate has determined by resolution duly adopted on May 28, 2015 that a certain amount in accordance with Chapter 12 of the laws of 1971 of New Jersey, as amended and supplemented, is necessary for the improvements specified in the Statement of the Board of Trustees which is to be raised by the County of Monmouth and a certificate to that effect has been delivered to the Board of Trustees and the Board of Chosen Freeholders of the County of Monmouth;

WHEREAS, the Council of County Colleges approved by letter dated July 20, 2015 and the State Treasurer approved by letter dated February 2, 2016, certain improvements described below at an estimated cost of \$3,000,000 and determined that the State’s share of the project not to exceed \$1,500,000 shall be supported through the procedures of Chapter 12 of the laws of 1971 of New Jersey, as amended and supplemented;

NOW, THEREFORE, BE IT ORDAINED, BY THE BOARD OF CHOSEN FREEHOLDERS OF THE COUNTY OF MONMOUTH, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

SECTION 1:

The improvements described in Section 3 of this bond ordinance (the “Improvements”) are hereby authorized to be undertaken by the County of Monmouth, New Jersey (the “County”) as general improvements. For the said Improvements there is hereby appropriated the amount of \$3,000,000. No down payment is required pursuant to N.J.S.A. 18A:64A-19(2)(b).

SECTION 2:

In order to finance the cost of the Improvements, negotiable bonds of the County are hereby authorized to be issued in the principal amount of \$3,000,000 pursuant to the provisions of the Local Bond Law and Title 18A, Education, of the New Jersey Statutes (the "Bonds"). In anticipation of the issuance of the Bonds and to temporarily finance said improvements or purposes, negotiable bond anticipation notes of the County are hereby authorized to be issued in the principal amount not exceeding \$3,000,000 pursuant to the provisions of the Local Bond Law (the "Bond Anticipation Notes" or "Notes").

SECTION 3:

(a) The Improvements hereby authorized and the purpose for the financing of which the bonds are to be issued are the improvements of Brookdale Community College, consisting of life safety improvements, including upgrades to and the installation of fire alarms, emergency lights, and illuminated exit lights at the main campus in Lincroft, and roof replacement upgrades at the main campus in Lincroft, all as shown on and in accordance with the plans and specifications therefor on file in the office of the Clerk of the Board of Chosen Freeholders and hereby approved.

(b) The estimated maximum amount of Bonds or Notes to be issued for the purpose of financing a portion of the cost of the Improvements is \$3,000,000.

(c) The estimated cost of the Improvements is \$3,000,000, which amount represents the initial appropriation made by the County.

SECTION 4:

All Bond Anticipation Notes issued hereunder shall mature at such times as may be determined by the Director of Finance of the County (the "Director of Finance"); provided that no Note shall mature later than one 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 Director of Finance. The Director of Finance shall determine all matters in connection with Notes issued pursuant to this ordinance, and the signature of the Director of Finance upon the Notes shall be conclusive evidence as to all such determinations. All Notes issued hereunder may be renewed from time to time subject to the provisions of Section 8(a) of the Local Bond Law. The Director of Finance is 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 purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the date of delivery thereof. The Director of Finance is directed to report in writing to the Board of Chosen Freeholders of the County at the meeting next succeeding the date when any sale or delivery of the Notes pursuant to this ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the Notes sold, the price obtained and the name of the purchaser.

SECTION 5:

The capital budget of the County is hereby amended to conform with the provisions of this ordinance to the extent of any inconsistency herewith. The resolution in the form promulgated by the Local Finance Board showing full detail of the amended capital budget and capital program as approved by the Director, Division of Local Government Services, Department of Community Affairs, State of New Jersey is on file with the Clerk of the Board of Chosen Freeholders and is available for public.

SECTION 6:

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

(a) The Improvements described in Section 3 of this bond ordinance are not current expenses, and are capital improvements or properties that the County may lawfully make or acquire 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 the Improvements, within the limitations of the Local Bond Law, taking into consideration the respective amounts of all obligations authorized for the several purposes, according to the reasonable life thereof computed from the date of the Bonds authorized by this bond ordinance, is 15 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Clerk of the Board of Chosen Freeholders and a complete executed duplicate thereof has been filed in the office of the Director, Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such statement shows that, while the net debt is increased by this ordinance by \$1,500,000, the gross debt of the County, as defined in the Local Bond Law, is increased by the authorization of the Bonds and Notes provided in this bond ordinance by \$3,000,000 and the obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law. Pursuant to the provisions of N.J.S.A. 18A: 64A-22.4, the obligations authorized hereunder constitute deduction from the gross debt of the County to the extent of \$1,500,000 and to that extent shall not be considered in determining the County's net debt for debt incurring purposes.

(d) An aggregate amount not exceeding \$900,000 for items of expense listed in and permitted under Section 20 of the Local Bond Law is included in the estimated cost of the Improvements, as indicated herein.

SECTION 7:

Any funds received from time to time by the County as contributions in aid of financing the purposes described in Section 3 of this Ordinance shall be used for financing said Improvements by application thereof either to direct payment of the cost of said Improvements or to the payment or reduction of the authorization of the obligations of the County authorized therefor by this Bond Ordinance. Any such funds received may, and all such funds so received which are not required for direct payment of the cost of said Improvements shall, be held and

applied by the County as funds applicable only to the payment of obligations of the County authorized by this Bond Ordinance.

SECTION 8:

In accordance with N.J.S.A. 18A:64A-19, the Board of Trustees of Brookdale Community College has duly prepared and delivered to the Board of School Estimate a statement of the money necessary for the improvements described in Section 3(a) hereof. The Board of School Estimate has duly prepared a certificate of such amount and the certificate has been duly filed with the Board of Trustees and the Board of Chosen Freeholders of the County of Monmouth.

SECTION 9:

The obligations authorized hereunder to the extent of \$1,500,000 are entitled to the benefits of the provisions of Chapter 12 of the Laws of 1971 of New Jersey, as amended and supplemented. Pursuant to said Law, the State of New Jersey shall appropriate and pay the amounts payable on account of interest and principal on such bonds and interest on notes issued in anticipation thereof as the same become due.

SECTION 10:

The full faith and credit of the County are hereby pledged to the punctual payment of the principal of and interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the County, and the County shall be obligated to levy ad valorem taxes upon all the taxable property within the County for the payment of the obligations and the interest thereon without limitation of rate or amount.

SECTION 11:

This bond ordinance having been introduced at the meeting of May 26, 2016, read and passed upon first reading, be considered for second reading and final passage, provided that the County has received from the State Treasurer the requisite approval, at the Regular Meeting of the Board of Chosen Freeholders to be held on the 9th day of June, 2016 at 7:00 p.m. prevailing time, or as soon thereafter as the matter can be considered at the Hall of Records, 1 East Main Street, Freehold, New Jersey, and at such time and place all persons interested be given an opportunity to be heard concerning such bond ordinance; and that the Clerk of the Board of Chosen Freeholders be and is hereby authorized and directed to publish said ordinance in accordance with law in an official County newspaper, together with a notice of its introduction and passage on first reading and of the time when and place where said bond ordinance will be further considered on second reading and final passage.

SECTION 12:

This Bond Ordinance constitutes a declaration of official intent under Treasury Regulation Section 1.150-2. The County reasonably expects to pay expenditures with respect to the Improvements prior to the date that County incurs debt obligations under this Bond

Ordinance. The County reasonably expects to reimburse such expenditures with the proceeds of debt to be incurred by the County under this Bond Ordinance. The maximum principal amount of debt expected to be issued for payment of the costs of the Improvements is \$3,000,000.

SECTION 13:

This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.