

**BOND ORDINANCE 2015-05**  
**REFUNDING BOND ORDINANCE AUTHORIZING THE**  
**ISSUANCE OF NOT TO EXCEED \$2,200,000 AGGREGATE**  
**PRINCIPAL AMOUNT OF GENERAL OBLIGATION**  
**REFUNDING BONDS BY THE BOROUGH OF BRADLEY**  
**BEACH, IN THE COUNTY OF MONMOUTH, STATE OF**  
**NEW JERSEY, TO THE MONMOUTH COUNTY**  
**IMPROVEMENT AUTHORITY (THE “MCIA”) FOR THE**  
**PURPOSE OF REFUNDING CERTAIN BONDS**  
**HERETOFORE ISSUED BY THE BOROUGH TO THE MCIA**

**WHEREAS**, pursuant to the Local Bond Law, N.J.S.A. 40A:2-1 et seq., as amended and supplemented (the “Local Bond Law”), on December 13, 2007, the Borough of Bradley Beach, in the County of Monmouth, State of New Jersey (the “Borough”), had previously issued \$5,446,000 aggregate principal amount of General Obligation Bonds (the “2007 Bonds”) to the Monmouth County Improvement Authority (the “MCIA”) in connection with the MCIA’s 2007 Pooled Governmental Loan Program; and

**WHEREAS**, \$1,751,000 of such 2007 Bonds dated December 13, 2007 (the “Refunded Bonds”) are currently outstanding and can be defeased or are subject to redemption prior to their stated maturity, as applicable; and

**WHEREAS**, the MCIA and the Borough have determined that refunding bonds can be issued to defease or refund, in whole or in part, such Refunded Bonds which, under current market conditions, can generate a debt service savings to the Borough; and

**WHEREAS**, the Borough has determined to provide for the defeasance or refunding of the Refunded Bonds through its issuance of General Obligation Refunding Bonds in an aggregate principal amount not to exceed \$2,200,000 to the MCIA, as provided in this refunding bond ordinance.

**NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE BOROUGH COUNCIL OF THE BOROUGH OF BRADLEY BEACH, IN THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring), AS FOLLOWS:**

Section 1. In order to finance the purposes described in Section 2 hereof, negotiable refunding bonds of the Borough hereby designated as General Obligation Refunding Bonds (the “Refunding Bonds”) are hereby authorized to be issued to the MCIA in an aggregate principal amount not to exceed \$2,200,000. The proceeds of the Refunding Bonds are hereby appropriated to the purposes described in Section 2 hereof.

Section 2. (a) The purposes for which the Refunding Bonds are to be issued are (i) defeasing or refunding the principal amount of Refunded Bonds, including the payment of interest accrued thereon to the date fixed for redemption or defeasance, as applicable, and the redemption

price thereof, if applicable, and (ii) paying the cost of the issuance relating to the Refunding Bonds, including printing, advertising, accounting, financial and legal expenses, rating agency fees, underwriter's discount, bond insurance premium of credit enhancement fees, if any, and MCIA costs of issuance, which may include any of the foregoing set forth in this Section 2(a)(ii).

(b) The aggregate cost of issuing the Refunding Bonds, as provided by N.J.S.A. 40A:2-51(b) (which amount includes all items described in Section 2(a)(ii) hereof) will not exceed \$65,000. Such amount is included in the maximum authorized principal amount set forth in Section 1 hereof.

(c) The Refunded Bonds shall be defeased or called for redemption, as applicable, prior to maturity thereof as provided in the Refunded Bond certificates. A portion of the proceeds from the sale of the Refunding Bonds shall be deposited in trust by the MCIA to provide for the payment and retirement of the Refunded Bonds. Any moneys held in trust by the MCIA may be invested in accordance with law.

Section 3. Any further provisions as to terms of sale, deposit, securing, regulation, investment, reinvestment, disposition or application of the proceeds of the Refunding Bonds, and matters in connection therewith, shall be determined by resolution of the Borough adopted prior to the issuance of the Refunding Bonds.

Section 4. The Borough Council hereby delegates to the Chief Financial Officer of the Borough the power to sell the Refunding Bonds at private sale to the MCIA, to determine the terms of the Refunding Bonds and to perform such other actions and make such other determinations.

Section 5. The Borough Council hereby authorizes and delegates to the Chief Financial Officer, in consultation with Archer & Greiner P.C., Red Bank, New Jersey ("Bond Counsel") and David A. Kaplan, CPA, of Wiss & Company LLP, Livingston, New Jersey (the "Borough Auditor"), the authority to negotiate and execute on behalf of the Borough any document for the purchase and sale of the Refunding Bonds to the MCIA.

Section 6. All other matters relating to the Refunding Bonds shall be performed or determined pursuant to a resolution of the Borough, or the performance or determination thereof shall be delegated by resolution of the Borough to an official or officer of the Borough, Bond Counsel or the Borough Auditor.

Section 7. A certified copy of this refunding bond ordinance, as introduced and adopted upon first reading, shall be filed with (i) the Director of the Division of Local Government Services in the New Jersey Department of Community Affairs prior to final adoption hereof, together with the statement signed by the Chief Financial Officer of the Borough required by N.J.S.A. 40A:2-55, and (ii) the MCIA.

Section 8. The full faith and credit of the Borough are hereby pledged to the punctual payment of the principal of and the interest on the Refunding Bonds authorized by this refunding bond ordinance. The Refunding Bonds shall be direct, unlimited obligations of the

Borough, and, unless paid from other sources, the Borough shall be obligated to levy *ad valorem* taxes upon all the taxable property within the Borough for the payment of the Refunding Bonds and the interest thereon without limitation as to rate or amount.

Section 9. After passage upon first reading of this refunding bond ordinance, the Borough Clerk is hereby authorized and directed to publish a summary of this refunding bond ordinance, together with a Notice of Pending Bond Ordinance, at least once in a newspaper qualified under N.J.S.A. 40A:2-19, at least seven (7) days prior to the date set for public hearing and further consideration for final passage (which date shall be at least ten (10) days after introduction and first reading). The Borough Clerk is further directed to comply with all provisions of N.J.S.A. 40A:2-17(b) regarding postings, publications, and the provision of copies of this refunding bond ordinance.

Section 10. After final adoption of this refunding bond ordinance by the Borough Council, the Borough Clerk is hereby directed to publish a summary of this refunding bond ordinance, as finally adopted, together with a Bond Ordinance Statement (with appropriate completions, insertions and corrections), at least once in a newspaper qualified under N.J.S.A. 40A:2-19.

Section 11. The Borough Council hereby covenants on behalf of the Borough to take any action necessary or refrain from taking such action in order to preserve the tax-exempt status of the Refunding Bonds authorized hereunder as is or may be required under the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder (the "Code"), including compliance with the Code with regard to the use, expenditure, investment, timely reporting and rebate of investment earnings as may be required thereunder.

Section 12. The purpose of the issuance of the Refunding Bonds is to effect a debt service savings to the Borough.

Section 13. The supplemental debt statement required by the Local Bond Law has been duly made and filed in the Office of the Borough Clerk and a complete executed duplicate thereof has been filed in the Office of the Director of the Division of Local Government Services, in the New Jersey Department of Community Affairs, and such statement shows that the gross debt of the Borough as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided for in this bond ordinance and the said bonds and notes authorized by this bond ordinance will be within all debt limitations prescribed by the Local Bond Law.

Section 14. The Chief Financial Officer of the Borough is hereby authorized and directed to determine all matters and terms in connection with the Refunding Bonds, all in consultation with the Borough Bond Counsel and the Auditor, and the manual or facsimile signature of the Chief Financial Officer of the Borough upon any documents shall be conclusive as to all such determinations. The Mayor, the Chief Financial Officer of the Borough, the Borough Clerk and any other Borough official, officer or professional, including but not limited to, Bond Counsel and the Auditor, are each hereby authorized and directed to execute and deliver such documents as are necessary to consummate the sale and closing of the Refunding Bonds, including, if applicable, the refunding report required to be filed pursuant to N.J.A.C 5:30-2.5,

and to take such actions or refrain from such actions as are necessary for the issuance of the Refunding Bonds, in consultation with Bond Counsel and the Auditor, and any and all actions taken heretofore with respect to the sale and issuance of the Refunding Bonds are hereby ratified and confirmed.

Section 15. This bond ordinance shall take effect twenty (20) days after the first publication hereof after final adoption, as provided herein and the Local Bond Law, but, if applicable, not prior to the time that the consent of the Local Finance Board, Division of Local Government Services in the New Jersey Department of Community Affairs has been endorsed upon a certified copy of this refunding bond ordinance as finally adopted.

ADOPTED ON FIRST READING  
DATED: March 24, 2015

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MARY ANN SOLINSKI,  
Borough Clerk

ADOPTED ON SECOND READING  
DATED: April 14, 2015

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MARY ANN SOLINSKI,  
Borough Clerk

APPROVAL BY THE MAYOR ON THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2015.

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GARY ENGELSTAD,  
Mayor

Intro Published: \_\_\_\_\_

Final Published: \_\_\_\_\_

