

BOND ORDINANCE NO.10:16

BOND ORDINANCE TO AUTHORIZE THE UNDERTAKING OF THE LIVINGSTON STREET DRAINAGE AND STREETScape PROJECT IN, BY AND FOR THE BOROUGH OF NORWOOD, IN THE COUNTY OF BERGEN, STATE OF NEW JERSEY, TO APPROPRIATE THE SUM OF \$1,065,000 TO PAY THE COST THEREOF, TO MAKE A DOWN PAYMENT, TO AUTHORIZE THE ISSUANCE OF BONDS TO FINANCE SUCH APPROPRIATION AND TO PROVIDE FOR THE ISSUANCE OF BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF SUCH BONDS.

BE IT ORDAINED by the Borough Council of the Borough of Norwood, in the County of Bergen, State of New Jersey, as follows:

Section 1. The Borough of Norwood, in the County of Bergen, State of New Jersey (the "Borough") is hereby authorized to undertake the Livingston Street Drainage and Streetscape Project in, by and for the Borough. Said improvement shall include all work, materials and appurtenances necessary and suitable therefor and shall be undertaken in accordance with plans and specifications prepared or to be prepared by the Borough Engineer and hereby approved and incorporated herein by this reference thereto. Such plans and specifications are on file or shall be placed on file with the Borough Clerk and made available for public inspection during regular business hours.

Section 2. The sum of \$1,065,000 is hereby appropriated to the payment of the cost of making the improvement described in Section 1 hereof (hereinafter referred to as "purpose"). Said appropriation shall be met from the

proceeds of the sale of the bonds authorized' and the down payment appropriated by this ordinance. It is anticipated that the Borough shall receive a \$750,000 grant from the County of Bergen to finance the cost of said purpose. Said grant funds shall be applied as set forth in Section 10 hereof. Said improvement shall be made as a general improvement and no part of the cost thereof shall be assessed against property specially benefited.

Section 3. It is hereby determined and stated that (1) said purpose is not a current expense of said Borough, and (2) it is necessary to finance said purpose by the issuance of obligations of said Borough pursuant to the Local Bond Law (Chapter 2 of Title 40A of the New Jersey Statutes Annotated, as amended; the "Local Bond Law"), and (3) the estimated cost of said purpose is \$1,065,000, and (4) \$51,000 of said sum is to be provided by the down payment hereinafter appropriated to finance said purpose, and (5) the estimated maximum amount of bonds or notes necessary to be issued for said purpose is \$1,014,000, and (6) the cost of such purpose, as hereinbefore stated, includes the aggregate amount of \$106,500 which is estimated to be necessary to finance the cost of such purpose, including architect's fees, accounting, engineering and inspection costs, legal expenses and other expenses, including interest on such

obligations to the extent permitted by Section 20 of the Local Bond Law.

Section 4. It is hereby determined and stated that moneys exceeding \$51,000, appropriated for down payments on capital improvements or for the capital improvement fund in budgets heretofore adopted for said Borough, are now available to finance said purpose. The sum of \$51,000 is hereby appropriated from such moneys to the payment of the cost of said purpose.

Section 5. To finance said purpose, bonds of said Borough of an aggregate principal amount not exceeding \$1,014,000 are hereby authorized to be issued pursuant to the Local Bond Law. Said bonds shall bear interest at a rate per annum as may be hereafter determined within the limitations prescribed by law. All matters with respect to said bonds not determined by this ordinance shall be determined by resolutions to be hereafter adopted.

Section 6. To finance said purpose, bond anticipation notes of said Borough of an aggregate principal amount not exceeding \$1,014,000 are hereby authorized to be issued pursuant to the Local Bond Law in anticipation of the issuance of said bonds. In the event that bonds are issued pursuant to this ordinance, the aggregate amount of notes hereby authorized to be issued shall be reduced by an amount equal to the principal

amount of the bonds so issued. If the aggregate amount of outstanding bonds and notes issued pursuant to this ordinance shall at any time exceed the sum first mentioned in this section, the moneys raised by the issuance of said bonds shall, to not less than the amount of such excess, be applied to the payment of such notes then outstanding.

Section 7. Each bond anticipation note issued pursuant to this ordinance shall be dated on or about the date of its issuance and shall be payable not more than one year from its date, shall bear interest at a rate per annum as may be hereafter determined within the limitations prescribed by law and may be renewed from time to time pursuant to and within limitations prescribed by the Local Bond Law. Each of said bond anticipation notes shall be signed by the Mayor and by a financial officer and shall be under the seal of said Borough and attested by the Borough Clerk or Deputy Borough Clerk. Said officers are hereby authorized to execute said notes in such form as they may adopt in conformity with law. The power to determine any matters with respect to said notes not determined by this ordinance and also the power to sell said notes, is hereby delegated to the Chief Financial Officer who is hereby authorized to sell said notes either at one time or from time to time in the manner provided by law.

Section 8. It is hereby determined and declared that the period of usefulness of said purpose, according to its reasonable life, is a period of ten years computed from the date of said bonds.

Section 9. It is hereby determined and stated that the Supplemental Debt Statement required by the Local Bond Law has been duly made and filed in the office of the Borough Clerk of said Borough, and that such statement so filed shows that the gross debt of said Borough, as defined in Section 43 of the Local Bond Law, is increased by this ordinance by \$1,014,000 and that the issuance of the bonds and notes authorized by this ordinance will be within all debt limitations prescribed by said Local Bond Law.

Section 10. Any funds received from private parties, the County of Bergen, the State of New Jersey or any of their agencies or any funds received from the United States of America or any of its agencies in aid of such purpose, shall be applied to the payment of the cost of such purpose, or, if bond anticipation notes have been issued, to the payment of the bond anticipation notes, and the amount of bonds authorized for such purpose shall be reduced accordingly.

Section 11. The Borough intends to issue the bonds or notes to finance the cost of the improvement described in Section 1 of this bond ordinance. If the Borough incurs such

costs prior to the issuance of the bonds or notes, the Borough hereby states its reasonable expectation to reimburse itself for such expenditures with the proceeds of such bonds or notes in the maximum principal amount of bonds or notes authorized by this bond ordinance.


Section 12. The full faith and credit of the Borough are hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this ordinance. Said obligations shall be direct, unlimited and general obligations of the Borough, and the Borough shall levy ad valorem taxes upon all the taxable real property within the Borough for the payment of the principal of and interest on such bonds and notes, without limitation as to rate or amount.

Section 13. The capital budget is hereby amended to conform with the provisions of this ordinance to the extent of any inconsistency therewith and the resolutions 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, is on file with the Borough Clerk and is available for public inspection.

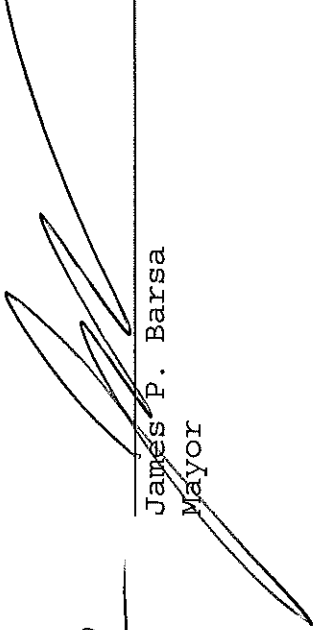
Section 14. This ordinance shall take effect twenty days after the first publication thereof after final passage.

Introduced: December 7, 2010
Adopted: December 29, 2010

ATTEST:


Lorraine L. McMackin, RMC, CMC
Clerk/Administrator

APPROVED:


James P. Barsa
Mayor

SUPPLEMENTAL DEBT STATEMENT #1

OF

Borough of Norwood County of Bergen

As of December 7, 2010

1. The net debt of the local unit after giving effect to obligations about to be authorized, is (page 2, line 4) \$ 7,982,811.10

2. Equalized valuation basis (the average of the equalized valuations of real estate, including improvements, and the assessed valuation of class II railroad property of the local unit for the last 3 preceding years) as stated in the Annual Debt Statement or the revision thereof last filed

<u>Year</u>	<u>Equalized Valuation Real Property with Improvements plus assessed valuation of Class II R.R. property</u>	<u>Equalized Valuation Real Property with Improvements plus assessed valuation of Class II R.R. property</u>	<u>Equalized Valuation Real Property with Improvements plus assessed valuation of Class II R.R. property</u>
(1) <u>2007</u>	<u>\$ 1,512,112,939.00</u>	<u>\$ 1,579,604,597.00</u>	<u>\$ 1,499,540,012.00</u>
(2) <u>2008</u>			
(3) <u>2009</u>			<u>\$ 1,530,419,182.67</u>

3. Equalized Valuation Basis - Average of (1), (2) and (3)

4. Net debt (Line 1 above) expressed as a percentage of such equalized valuation basis (Line 3 above) is:

Fifty Two Hundredths of One per cent (0.52%)

STATE OF NEW JERSEY
COUNTY OF Bergen ss.

Maureen Neville, being duly sworn, deposes and says:
Deponent is the chief financial officer of the Borough of Norwood, County of Bergen

here and in the statement hereinafter mentioned called "the local unit." The Supplemental Debt Statement annexed hereto and hereby made a part hereof is a true statement of the debt condition of the local unit as of the date therein stated and is computed as provided by the Local Bond Law of New Jersey.

Name Maureen Neville
this 7th day of December, 2010 Title Chief Financial Officer

Serraine McMaackin
Notary Public of New Jersey

Address 455 Broadway
Norwood, NJ 07648
Phone 201-767-7200
Fax 201-784-2270

(NOTE- In all cases two copies of Supplemental Debt Statement must be filed with :)

SERRAINE L. MCMAACKIN
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 4/24/2012

DIVISION OF LOCAL GOVERNMENT SERVICES
P. O. BOX 803
TRENTON, NEW JERSEY 08625-0803

1. The net debt of the local unit, as stated in the Annual Debt Statement made as of December 31, 2009, or the revision thereof last filed, with respect to the following classes of bonds and notes, the amount by which each class has been increased by the authorization of additional debt, and the amount by which each class has been decreased by payment of outstanding debt or reduction of the authorization to incur debt, is as follows:

	<i>Net Debt as per Annual Debt Statement</i>	<i>Decreased (Since December 31, Last Past)</i>	<i>Increased</i>	<i>Net Debt</i>
Bonds and notes for school purposes	\$ _____	\$ _____	\$ _____	\$ _____
Bonds and notes for self-liquidating purposes	\$ _____	\$ _____	\$ _____	\$ _____
Other bonds and notes	\$ 7,574,811.10	\$ 606,000.00	\$ _____	\$ 6,968,811.10
2. Net debt at the time of this statement is:				\$ 6,968,811.10

3. The amounts and purposes separately itemized of the obligations about to be authorized, and any deductions which may be made on account of each such item are:
(SEE NOTE "C" BELOW)

<i>Purpose</i>	<i>Amount</i>	<i>Deduction</i>	<i>Net</i>
Livingston St. Drainage and Streetscape	\$ 1,014,000.00	\$ _____	\$ 1,014,000.00
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____

4. The net debt of the local unit determined by the addition of the net amounts stated in items 2 and 3 above is:

\$ 7,982,811.10

NOTES

- A. If authorization of bonds or notes is permitted by an exception to the debt limitation, specify the particular paragraph of N.J.S. 40A:2-7 or other section or law providing such exception.
- B. This form is also to be used in the bonding of separate (not Type I) school districts as required by N.J.S. 18A:24-16, and filed before the school district election. In such case pages 4, 5, and 6 should be completed to set forth computation supporting any deduction in line 3 above.
- C. Only the amount of bonds or notes about to be authorized should be entered. The amount of the "down payment" provided in the bond ordinance should not be included nor shown as a deduction.

COMPUTATION OF SCHOOL INDEBTEDNESS AND DEDUCTIONS
 UNDER PROVISIONS OF N.J.S. 18A: 24-17

* Note: In a "Consolidated" School District, lines 18 to 24 must first be filled in.
 N.J.S. 18A: 24-19 (Lines 1 to 7)

1. Average of equalized valuations (page 1, line 3) \$ _____
- * 2. Gross School District Debt outstanding and authorized and unissued (not including proposed issue) \$ _____
3. Less: Sinking funds held for payment of School Debt, by Sinking Fund Commission \$ _____
4. Net debt for school purposes (line 2, minus line 3) \$ _____
5. Debt deduction for school purposes: % (as per line ___ below) \$ _____
 - (a) 2 1/2 % Kindergarten or Grade 1 through Grade 6 \$ _____
 - (b) 3 % Kindergarten or Grade 1 through Grade 8 \$ _____
 - (c) 3 1/2 % Kindergarten or Grade 1 through Grade 9 \$ _____
 - (d) 4 % Kindergarten or Grade 1 through Grade 12 \$ _____
 - (e) Other (insert applicable description) \$ _____
 - (f) Additional State School Building Aid Bonds N.J.S. 18A: 58-33.4(d) (if included in line 2) \$ _____
6. Available debt deduction (excess, if any, of line 5 over line 4 -- enter on page 2, line 3 as "Deduction," not exceeding, however, the "Amount" shown in that line.) \$ _____
- * 7. School Bonds about to be authorized \$ _____

Note: Omit lines 8 to 13, if line 6 equals or exceeds line 7, or if shown on line 17
- N.J.S. 18A: 24-22 (Lines 8 to 13) _____
8. Excess of line 7 over line 6 \$ _____
9. Municipal Debt Limit (3 1/2 % of line 1 above) \$ _____
10. Net Debt (page 2, line 2) \$ _____
11. Available Municipal Borrowing Margin (excess, if any, of line 9 over line 10) \$ _____
12. Use of Municipal Borrowing Margin (line 8 not exceeding line 11) \$ _____
13. Remaining Municipal Borrowing Margin after authorization of proposed School Bonds (line 11 minus line 12) \$ _____

Note: Omit lines 14 to 16, if line 11 equals or exceeds line 8, or if shown on line 17
- N.J.S. 18A: 24-24 (Lines 14 to 16) _____
14. Amount of line 7 \$ _____
15. Amount of Deduction:
 - (a) Amount of line 6 \$ _____
 - (b) Amount of line 11 \$ _____
16. Excess of line 14 over line 15 \$ _____
- N.J.S. 18A: 58-33.4(d)(Line 17) _____
17. Additional State School Building Aid Bonds about to be authorized (amount of line 7) \$ _____
18. Total of average equalized valuation basis of each municipality in whole School District MUNICIPALITY AMOUNT

	\$
	\$
	\$
	\$
	\$
19. Gross School District Debt outstanding and authorized and unissued (not including proposed issue) \$ _____

20. Less: School District Debt apportioned to other municipalities, N.J.S. 40A:2-43
Total of average equalized valuation basis of each municipality in whole
School District

\$ _____ (line 18, minus line \$ _____,
equals \$ _____,
\$ _____

Divided by total of average equalized valuation basis of each municipality
in whole School District

\$ _____ \$ _____

21. Gross School District Debt of this municipality only (line 19 minus line 20)

\$ _____ \$ _____

22. School Bonds about to be authorized

23. Less: Share of Bonds (line 22) apportioned to other municipalities, N.J.S. 40A:2-43

Total of average equalized valuation basis of each municipality in whole
School District

\$ _____ (line 18, minus line \$ _____,
equals \$ _____, times line 22

\$ _____ divided by total of average equalized valuation basis of each municipality in
whole School District

\$ _____ (line 18) \$ _____

24. This local unit's share of Bonds about to be authorized (line 22 minus line 23)

\$ _____

*Note: In a "Consolidated" School District the amount shown on line 21 must be entered on line 2 and
the amount shown on line 24 must be entered on line 7.

**COMPUTATION AS TO INDEBTEDNESS FOR IMPROVEMENT OR EXTENSION OF
EXISTING MUNICIPAL PUBLIC UTILITY, N.J.S. 40A:2-7(h) ; N.J.S. 40A:2-47(a)**

Municipal Public Utility _____

1. Annual Debt Statement, December 31, 2009, excess in revenues of utility \$ _____

2. Less: Interest and debt redemption charges computed as provided in N.J.S.
40A:2-47(a) for all obligations heretofore authorized but not issued to
the extent not already charged to income in annual debt statement. \$ _____

3. Excess in revenues remaining prior to authorization of proposed obligations
(line 1 minus line 2) \$ _____

4. Interest and debt redemption charges calculated for the obligations about to be
authorized (N.J.S. 40A:2-47(a))

(a) Interest for one year at 4 1/2 % \$ _____

(b) First installment of serial bonds legally issuable \$ _____

(c) Total charges (Items (a) and (b)) \$ _____

Note: If line 3 equals or exceeds line 4, obligations may be authorized under the provisions of N.J.S.
40A:2-7(h) as limited by N.J.S. 40A:2-47(a).

I, _____, Director of the Division of Local Government
Services in the Department of Community Affairs of the State of New Jersey DO HEREBY
CERTIFY that I have compared this copy of a Supplemental Debt Statement of the above local
unit with the original Supplemental Debt Statement filed in the Office of the Director of the
Division of Local Government Services in the Department of Community Affairs of the State of
New Jersey on _____, and that this is a true
copy of said Statement and the whole thereof.

IN WITNESS WHEREOF, I have hereunto set my hand as Director of the Division of Local
Government Services in the Department of Community Affairs of the State of New Jersey, this
_____ day of _____, 2010.

Director