

REFUNDING BOND ORDINANCE PROVIDING FOR THE REFUNDING OF \$11,350,000 AGGREGATE PRINCIPAL AMOUNT OF OUTSTANDING BONDS OF THE BOARD OF EDUCATION OF THE BOROUGH OF LEONIA, IN THE COUNTY OF BERGEN, STATE OF NEW JERSEY, APPROPRIATING A SUM NOT EXCEEDING \$11,525,000 TO PAY THE COST THEREOF AND AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$11,525,000 AGGREGATE PRINCIPAL AMOUNT OF REFUNDING BONDS OF SAID BOARD TO FINANCE SUCH APPROPRIATION.

BE IT ORDAINED by The Board of Education of the Borough of Leonia, in the County of Bergen, New Jersey, as follows:

Section 1. The Board of Education of the Borough of Leonia, in the County of Bergen, New Jersey (the "Board" or "School District") is hereby authorized to refund \$11,350,000 aggregate principal amount of the Board's outstanding School Bonds, dated July 15, 2010 and maturing on or after July 15, 2021 (the "Outstanding Bonds").

The Outstanding Bonds bear interest from their date at the rates per annum, payable on January 15 and July 15 of each year until maturity or prior redemption, and mature in annual installments on July 15 in each year, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2021	\$ 920,000	3.125%
2022	960,000	3.25
2023	1,005,000	3.50
2024	1,050,000	3.50
2025	1,100,000	4.00
2026	1,150,000	4.00
2027	1,205,000	4.00
2028	1,260,000	4.00
2029	1,320,000	4.00
2030	1,380,000	4.00

The Outstanding Bonds are subject to optional redemption on or after July 15, 2020 at a redemption price of 100%.

The Board may determine by subsequent resolution not to refund a portion of the Outstanding Bonds.

Section 2. The Board has ascertained and hereby determines that the Outstanding Bonds set forth in Section 1 of this ordinance have not been paid or discharged and that the Board is authorized by Section 61.2 of the School Bond Law (Chapter 24 of Title 18A of the New Jersey Statutes Annotated, as amended; the "School Bond Law") to issue its refunding bonds as hereinafter provided to refund the Outstanding Bonds. The object of the refunding is to effect debt service savings for the Board.

Section 3. A sum not exceeding \$11,525,000 is hereby appropriated (a) to refund the Outstanding Bonds set forth in Section 1 of this ordinance in the aggregate principal amount of \$11,350,000 and (b) to pay an amount not exceeding \$140,000 for the cost of the issuance of the refunding bonds, including underwriter's compensation, printing, advertising, accounting, financial, legal or other expenses therefor, as permitted by Section 61.2 of the School Bond Law (collectively, the "Purpose").

Section 4. To finance the Purpose, refunding bonds of said Board in an aggregate principal amount not exceeding \$11,525,000 are hereby authorized to be issued pursuant to the School Bond Law

(the "Refunding Bonds"). The Refunding Bonds shall be sold at private sale by resolution of the Board and shall be in registered form and shall contain the word "refunding" in their title and shall recite that they are issued pursuant to the School Bond Law and shall bear such date or dates, mature at such time or times not exceeding 40 years from their date, bear interest at such rate or rates per annum, be payable at such time or times, be in such denominations, carry such registration privileges, be executed in such manner consistent with the provisions of the School Bond Law for bonds of a school district, be payable at such place or places, and be subject to such terms of redemption, with or without premium, as may be hereafter determined by resolution of the Board within the limitations prescribed by law.

Section 5. The Refunding Bonds shall be direct, unlimited and general obligations of the Board and unless paid from other sources, the Refunding Bonds and the interest thereon are payable from ad valorem taxes on all taxable real property within the School District, without limitation as to rate or amount. The full faith and credit of the Board are hereby pledged to the punctual payment of the principal of and the interest on the Refunding Bonds. Each Refunding Bond issued pursuant to this ordinance shall recite that all conditions, acts and things required by the Constitution or statutes of the State of New Jersey to exist, to

have happened and to have been performed precedent to and in the issuance of the Refunding Bond exist, have happened and have been performed, and that the Refunding Bond, together with all other indebtedness of the Board, is within every debt and other limit prescribed by the Constitution or statutes of said State.

Section 6. The School Business Administrator/Board Secretary is hereby authorized to execute a certificate addressed to the underwriters of the Refunding Bonds stating that the preliminary official statement to be prepared by the Board with respect to the Refunding Bonds is "deemed final" as of its date within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. The distribution of such preliminary official statement to potential purchasers of the Refunding Bonds is hereby approved.

Section 7. All matters with respect to the Refunding Bonds not determined by this ordinance shall be determined by subsequent resolution or resolutions to be hereafter adopted by the Board, or the performance or determination thereof delegated by resolution or resolutions, to the School Business Administrator/Board Secretary.

Section 8. It is hereby determined and stated that a supplemental debt statement has been filed with respect to the Refunding Bonds in accordance with the requirements of Sections 17 and 61.4 of the School Bond Law.

Section 9. The Board is hereby authorized to enter into any

agreements that may be necessary to effect the purchase of securities, as permitted by Sections 61.5 and 61.10 of the School Bond Law, to accomplish the refunding.

Section 10. This refunding bond ordinance shall take effect immediately upon its adoption.