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October 9, 2014

Via E-Mail

James J. Damato
Board Attorney/Board Secretary
Township of Union Public Schools
2369 Morris Avenue
Union, NJ 0708

Re: Proposed School District Refunding Bonds – Refunding 2005 Bonds, dated April 1,
2005; Supplemental Debt Statement

Dear Mr. Damato:

In accordance with our conversations, enclosed are the proposed forms of the following documents for the Board’s October 14th work session and October 21, 2014 meeting:

1. Refunding bond ordinance; and
2. Resolution approving refunding bond ordinance on first reading.

As to the refunding bond ordinance, we are enclosing the form of a resolution approving this ordinance on first reading so as to conform to the statutory language contained in N.J.S.A. 18A:24-61.4 providing that the refunding bond ordinance is to be approved on first reading by resolution prior to adoption on second reading after public hearing. After approval (by resolution) on first reading, the ordinance needs to be published in full together with a notice of hearing. The form of Notice of Pending Refunding Bond Ordinance is attached as Exhibit A to the resolution approving the ordinance on first reading or introduction. The publication needs to occur at least seven (7) days before the date scheduled for the public hearing and adoption.

Prior to adoption of the resolution introducing the refunding bond ordinance, a supplemental debt statement needs to be prepared and filed in your office and in the office of the municipal clerk and in the office of the Director of the Division of Local Government Services. The supplemental debt statement is to reflect the amount of the refunding debt (\$4,850,000) in excess of the debt to be refunded (\$4,590,000), or \$260,000. In accordance with N.J.S.A. 18A:24-17, the Chief Financial Officer of the Township is to prepare the Supplemental Debt



Statement at your request. I am copying Debbie Cyburt on this letter, and Debbie should call me to discuss the preparation and filing of the Supplemental Debt Statement.

We are assuming that you will arrange for the publication of the ordinance and the Notice of Pending Refunding Bond Ordinance at least seven (7) days before the Board's meeting where the public hearing is to be held and the ordinance is to be considered for adoption on second reading. The notice is to be published in a newspaper circulating in the school district. We are also assuming that the public hearing and adoption of the ordinance will be scheduled for the Board's November 18, 2014 meeting. The Notice of Pending Refunding Bond Ordinance together with the ordinance itself needs to be published on or before November 10, 2014 in a newspaper circulating in the District, and we are assuming that this Notice and the ordinance will be published in the *Union County Local Source*. Please let me or Diane Cappiello in my office know if you would like us to arrange the publication.

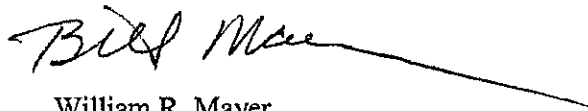
Please note that the adoption of the refunding bond ordinance requires the affirmative vote of at least two-thirds (2/3) of the full membership of the Board.

The Ordinance is effective after adoption. I would appreciate it if you would provide me with a certified copy of the ordinance upon the adoption thereof.

Note that, assuming the refunding bond ordinance is introduced on October 21, 2014 and notice of the public hearing and adoption on November 18, 2014 is published, I currently contemplate forwarding a bond resolution to you for consideration on November 18, 2014 after the adoption of the refunding bond ordinance.

Please call me if you have any questions or if we can provide any further assistance. Thank you.

Sincerely yours,



William R. Mayer

WRM:dc

Enclosures

cc: Manuel E. Vieira, Business Administrator, w/encl. (via email)
Fernanda Manochio, Assistant Board Secretary, w/encl. (via email)
Mary Lyons, Phoenix Advisors, w/encl. (via email)
Deborah L. Cyburt, Union Township CFO (via email)

REFUNDING BOND ORDINANCE PROVIDING FOR THE REFUNDING OF REFUNDING SCHOOL BONDS DATED APRIL 1, 2005 OF THE BOARD OF EDUCATION OF THE TOWNSHIP OF UNION, IN THE COUNTY OF UNION, NEW JERSEY, APPROPRIATING AN AMOUNT NOT TO EXCEED \$4,850,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF SCHOOL DISTRICT REFUNDING BONDS FOR FINANCING THE COST THEREOF

BE IT ORDAINED BY THE BOARD OF EDUCATION OF THE TOWNSHIP OF UNION IN THE COUNTY OF UNION, NEW JERSEY (NOT LESS THAN TWO-THIRDS OF THE FULL MEMBERSHIP THEREOF AFFIRMATIVELY CONCURRING), AS FOLLOWS:

Section 1. On April 12, 2005, the Board of Education of the Township of Union in the County of Union, New Jersey (the "Board"), issued its Refunding School Bonds, Series 2005, in the aggregate principal amount of \$8,080,000 dated April 1, 2005 (the "2005 Bonds"). The Board is hereby authorized to refund all or a portion of the \$4,590,000 outstanding 2005 Bonds maturing on and after January 1, 2016 (the "Refunded Bonds"), and to provide for the payment of the costs or expenses of issuing refunding bonds.

Section 2. In order to finance the cost of the purpose described in Section 1 hereof, negotiable general obligation refunding bonds (the "Refunding Bonds") are hereby authorized to be issued in the principal amount not to exceed \$4,850,000 pursuant to *N.J.S.A. 18A:24-61.1 to 61.12*.

Section 3. An aggregate amount no exceeding \$100,000 for costs of issuing the Refunding Bonds had been included in the aggregate principal amount of Refunding Bonds authorized herein.

Section 4. The purpose of the refunding is to effect an interest cost savings for the Board.

Section 5. A supplemental debt statement has been prepared and filed in the offices of the Township Clerk and the Business Administrator and 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 as required by law. Such statement shows that the gross debt of the Township as defined in the Local Bond Law and the school debt of the School District is increased by the amount the Refunding Bonds authorization exceeds the amount of the proposed outstanding Refunded Bonds.

Section 6. No Local Finance Board approval is required at the issuance of the Refunding Bonds will comply with the requirements of *N.J.A.C. 5:30-2.5*.

Section 7. The Board President, the Superintendent, the Business Administrator, the Board Secretary and other appropriate representatives of the Board are hereby authorized to prepare such documents, to publish such notices and to take such other actions as are necessary or desirable to enable the Board to prepare for the sale and the issuance of the Refunding Bonds authorized herein and to provide for the redemption of the Refunded Bonds referred to in Section 1 hereof.

Section 8. This bond ordinance shall take effect immediately after final adoption.

CERTIFIED TO BE A TRUE COPY OF REFUNDING BOND ORDINANCE AS
ADOPTED BY THE TOWNSHIP OF UNION BOARD OF EDUCATION ON
_____ 2014

JAMES J. DAMATO
BOARD SECRETARY