

TITLE OF THE RESOLUTION To establish preliminary costs

STATUTORY REFERENCE NJSA 40A:2

INSTANCES WHEN YOU WOULD TYPICALLY USE The municipality has made no determination as to whether or not an improvement should be undertaken. Certain preliminary expenses must be incurred to determine the wisdom, scope or cost of the undertaking but the municipality does not yet wish to introduce the necessary bond ordinance.

LIMITATIONS Preliminary expenses are expenses applicable to the anticipated bondable project. Preliminary expenses would include preliminary surveys, architects' fees, engineering fees, etc.

RELATED STATUTORY OR OTHER REFERENCE None

OTHER INFORMATION The Local Finance Board has adopted the following resolution:

RESOLVED that the expense of preliminary surveys, architects' fees, engineering costs, etc., applicable to any bondable project may be charged against the "Capital Improvement Fund" of the local unit. Such charge shall be made by resolution duly adopted specifying the purpose and the estimated amount involved and shall clearly indicate the amounts to be charged is for a purpose for which bonds may be issued under Chapter 2, of Title 40A, and

BE IT FURTHER RESOLVED that such charge against the Capital Improvement Fund need not be deemed a part of the cost of any improvement which may be subsequently financed in the manner provided by Chapter 2 of Title 40A, it being the intent of this procedure to provide an orderly method of financing preliminary expenses in those instance where the local unit does not yet wish or has not determined upon the introduction of a bond ordinance.

VOTE FOR PASSAGE Majority of the full membership

EFFECTIVE DATE Date of Passage

THE PROPER FORM AND HOW TO FILL IT IN Please see sample resolution on the next page

VOTE NECESSARY N/A

DATE OF FILING N/A

## RESOLUTION

WHEREAS, the Town Council of the Town of Jerseyville hereby acknowledges the requirement of preliminary costs to determine the scope and cost of a proposed undertaking. The purpose of these preliminary costs are for the engineering and related studies to establish the feasibility of building a new bridge over Bottomless Lake and that the amount to be charged is for the purpose for which bonds may be issued under Chapter 2 of Title 40A,

NOW, THEREFORE, BE IT RESOLVED that the amount appropriated for preliminary costs shall not exceed \$xx,xxx.xx and the Chief Financial Officer is (authorized or directed) to set up a "Reserve for Preliminary Expenses out of the Capital Improvement Fund of the General Capital Fund.

ROLL CALL: