

BOND ORDINANCE NO. 7-2015

BOND ORDINANCE TO AUTHORIZE THE MAKING OF A PUBLIC IMPROVEMENT AND THE ACQUISITION OF NEW ADDITIONAL OR REPLACEMENT EQUIPMENT AND MACHINERY IN, BY AND FOR THE WATER UTILITY OF THE TOWNSHIP OF ABERDEEN, IN THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY, TO APPROPRIATE THE SUM OF \$120,000 TO PAY THE COST THEREOF, TO PARTIALLY FUND AN APPROPRIATION FROM THE WATER UTILITY CAPITAL IMPROVEMENT FUND, 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.

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BE IT ORDAINED by the Township Council of the Township of Aberdeen, in the County of Monmouth, State of New Jersey, as follows:

Section 1. The Township of Aberdeen, in the County of Monmouth, State of New Jersey (the "Township") is hereby authorized to make a public improvement and to acquire new additional or replacement equipment and machinery in, by and for the Water Utility of said Township, as more particularly described in Section 4 hereof. The cost of the improvements includes all work, materials and appurtenances necessary and suitable therefor.

Section 2. There is hereby appropriated to the payment of the cost of making the improvements described in Sections 1 and 4 hereof (hereinafter referred to as "purposes"), the respective amounts of money hereinafter stated as the appropriation for said respective purposes. Said appropriation shall be met from the proceeds of the sale of the bonds authorized and the Water Utility Capital Improvement Fund moneys appropriated by this ordinance. No down payment is required for this bond ordinance pursuant to the provisions of N.J.S.A. 40A:2-11(c) and 40A:2-7(h). Said improvements shall be made as

general improvements and no part of the cost thereof shall be assessed against property specially benefited.

Section 3. It is hereby determined and stated that the making of such improvements is not a current expense of said Township.

Section 4. The several purposes hereby authorized for the financing of which said obligations are to be issued are set forth in the following "Schedule of Improvements, Purposes and Amounts" which schedule also shows (1) the amount of the appropriation and the estimated cost of each such purpose, and (2) the amount of each sum which is to be provided by the appropriation from the Water Utility Capital Improvement Fund hereinafter made to partially fund the appropriation, and (3) the estimated maximum amount of bonds and notes to be issued for each such purpose, and (4) the period of usefulness of each such purpose, according to its reasonable life, computed from the date of said bonds:

SCHEDULE OF IMPROVEMENTS, PURPOSES AND AMOUNTS

A. Repair of the roof at the equipment storage facility at Jersey Avenue.

Appropriation and Estimated Cost	\$ 50,000
Bonds and Notes Authorized	\$ 50,000
Period of Usefulness	15 years

B. Acquisition of new additional or replacement equipment and machinery consisting of (i) water meters, (ii) replacement batteries for water meters and (iii) hydrants and valves.

Appropriation and Estimated Cost	\$ 60,000
Water Utility Capital Improvement	
Fund Appropriated	\$ 25,000
Bonds and Notes Authorized	\$ 35,000
Period of Usefulness	5 years

C. Funding the contribution by the Water Department towards the cost of the acquisition of equipment and machinery purchased by the Department of Public Works and jointly used by both departments.

Appropriation and Estimated Cost	\$ 10,000
Bonds and Notes Authorized	\$ 10,000
Period of Usefulness	15 years

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Aggregate Appropriation and Estimated Cost	\$120,000
Water Utility Capital Improvement Fund	
Appropriated to Partially Fund an	
Appropriation	\$ 25,000
Bonds and Notes Authorized	\$ 95,000

Section 5. The cost of such purposes, as hereinbefore stated, does not include any amount to finance the cost of such purposes, 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 (Chapter 2 of Title 40A of the New Jersey Statutes Annotated, as amended; the "Local Bond Law").

Section 6. It is hereby determined and stated that the Water Utility would have been self-liquidating, as defined in Section 47(a) of the Local Bond Law, during the fiscal year beginning January 1, 2014, had there been included in the interest and debt redemption charges for such year an amount

equal to interest for one year at the rate of four and one half percentum (4½%) per annum on said bonds or notes, and the amount of the first installment of serial bonds legally issuable to finance such purpose plus an amount for charges as aforesaid with respect to all bonds and notes authorized but not issued for such Water Utility.

Section 7. It is hereby determined and stated that moneys exceeding \$25,000, appropriated for the Water Utility Capital Improvement Fund in Water Utility budgets heretofore adopted for said Township, are now available to finance said purposes. The sum of \$25,000 is hereby appropriated from such moneys to the partial payment of the cost of said purposes.

Section 8. To finance said purposes, bonds of said Township of an aggregate principal amount not exceeding \$95,000 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 9. To finance said purposes, bond anticipation notes of said Township of an aggregate principal amount not exceeding \$95,000 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 10. 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 Township and attested by the Municipal Clerk or Deputy Municipal 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 11. It is hereby determined and declared that the average period of usefulness of said purposes, according to

their reasonable lives, taking into consideration the respective amounts of bonds or notes authorized for said purposes, is a period of 11.31 years computed from the date of said bonds.

Section 12. 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 Municipal Clerk of said Township, and that such statement so filed shows that the gross debt of said Township, as defined in Section 43 of the Local Bond Law, is increased by this ordinance by \$95,000, but said \$95,000 shall be deducted from gross debt pursuant to Section 44(c) of the Local Bond Law and that the issuance of the bonds and notes authorized by this ordinance is permitted by an exception to the debt limitations prescribed by the Local Bond Law as provided in Sections 47(a) and 7(h) of the Local Bond Law.

Section 13. Any funds received from private parties, the County of Monmouth, 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 purposes, shall be applied to the payment of the cost of such purposes, or, if bond anticipation notes have been issued, to the payment of the bond anticipation notes, and the amount of bonds authorized for such purposes shall be reduced accordingly.

Section 14. The Township intends to issue the bonds or notes to finance the cost of the improvements described in Sections 1 and 4 of this bond ordinance. If the Township incurs

such costs prior to the issuance of the bonds or notes, the Township 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 15. The full faith and credit of the Township 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 Township, and the Township shall levy ad valorem taxes upon all the taxable real property within the Township for the payment of the principal of and interest on such bonds and notes, without limitation as to rate or amount.

Section 16. 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 Municipal Clerk and is available for public inspection.

Section 17. This ordinance shall take effect twenty days after the first publication thereof after final passage.