

TOWN OF NEWTON

ORDINANCE 2024-10

BOND ORDINANCE PROVIDING AN APPROPRIATION OF \$1,745,000 FOR VARIOUS WATER/SEWER VEHICLE ACQUISITIONS IN AND BY THE TOWN OF NEWTON, IN THE COUNTY OF SUSSEX, NEW JERSEY AND AUTHORIZING THE ISSUANCE OF \$1,745,000 BONDS OR NOTES OF THE TOWN FOR FINANCING PART OF THE APPROPRIATION

BE IT ORDAINED, BY THE TOWN COUNCIL OF THE TOWN OF NEWTON, IN THE COUNTY OF SUSSEX, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

SECTION 1:

The improvement described in Section 3 of this Bond Ordinance (the "Improvement") is hereby authorized to be undertaken by the Town of Newton, in the County of Sussex, New Jersey (the "Town") as a general improvement. For the said Improvement there is hereby appropriated the amount of \$1,745,000. No down payments is required by the Local Bond Law of the State of New Jersey, constituting Chapter 2 of Title 40A of the New Jersey Statutes, as amended and supplemented (the "Local Bond Law") as the purpose authorized herein is deemed self-liquidating and the obligations authorized herein are deductible from the gross debt of the Township, as more fully explained in Section 6(e) of this Bond Ordinance.

SECTION 2:

In order to finance the additional cost of the Improvement, negotiable bonds of the Town are hereby authorized to be issued in the principal amount of \$1,745,000 pursuant to the provisions of the Local Bond Law (the "Bonds"). In anticipation of the issuance of the Bonds and to temporarily finance said Improvement or purposes, negotiable bond anticipation notes of the Town are hereby authorized to be issued in the principal amount not exceeding \$1,745,000 pursuant to the provisions of the Local Bond Law (the "Bond Anticipation Notes" or "Notes").

SECTION 3:

(a) The Improvements authorized and the purposes for which obligations are to be issued are acquisition of various vehicles for the water/sewer utility, including (a) jet vacuum truck; (b) street sweepers; (c) trucks; and (d) trucks with plows.

(b) The estimated maximum amount of Bonds or Notes to be issued for the purpose of financing a portion of the cost of the Improvement is \$1,745,000.

(c) The estimated cost of the Improvement is \$1,745,000 which amount represents the initial appropriation made by the Town.

SECTION 4:

All Bond Anticipation Notes issued hereunder shall mature at such times as may be determined by the municipal finance officer of the Town (the "Chief Financial Officer"); provided that no Note shall mature later than one year from its date. The Notes shall bear interest at such rate or rates and be in such form as may be determined by the Chief Financial Officer. The Chief Financial Officer shall determine all matters in connection with Notes issued pursuant to this ordinance, and the signature of the Chief Financial Officer upon the Notes shall be conclusive evidence as to all such determinations. All Notes issued hereunder may be renewed from time to time subject to the provisions of Section 8(a) of the Local Bond Law. The Chief Financial Officer is hereby authorized to sell part or all of the Notes from time to time at public or private sale and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the date of delivery thereof. The Chief Financial Officer is directed to report in writing to the Town Council of the Town at the meeting next succeeding the date when any sale or delivery of the Notes pursuant to this ordinance is made. Such report must include the amount, the description, the interest rate, and the maturity schedule of the Notes sold, the price obtained and the name of the purchaser.

SECTION 5:

The capital budget of the Town is hereby amended to conform with the provisions of this Ordinance to the extent of any inconsistency herewith. The resolution in the form 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, Department of Community Affairs, State of New Jersey is on file with the Municipal Clerk and is available for public inspection.

SECTION 6:

The following additional matters are hereby determined, declared, recited, and stated:

(a) The Improvement described in Section 3 of this Bond Ordinance is not a current expense, and is a capital improvement or property that the Town may lawfully make or acquire as general improvements, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The period of usefulness of the Improvement, within the limitations of the Local Bond Law, taking into consideration the respective amounts of all obligations authorized for such purpose, according to the reasonable life thereof computed from the date of the Bonds authorized by this Bond Ordinance, is 12.29 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Municipal Clerk and a complete executed duplicate thereof has been filed in the office of the Director, Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such statement shows that the gross debt of the Town, as defined in the Local Bond Law, is increased by the authorization of the Bonds and Notes provided in this Bond Ordinance by \$1,745,000 and

the obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law.

(d) An aggregate amount not exceeding \$100,000 for items of expense listed in and permitted under Section 20 of the Local Bond Law is included in the estimated cost of the Improvements, as indicated herein.

(e) This Bond Ordinance authorizes obligations of the Town solely for purposes described in N.J.S.A. 40A:2-7(h). The obligations authorized herein are to be issued for a purpose that is deemed to be self-liquidating pursuant to N.J.S.A. 40A:2-47(a) and are deductible from gross debt pursuant to N.J.S.A. 40A:2-44(c).

SECTION 7:

Any funds or grant monies received for the purpose described in Section 3 of this Ordinance shall be used for financing said Improvement by application thereof either to direct payment of the cost of said Improvement or to the payment or reduction of the authorization of the obligations of the Town authorized therefor by this Bond Ordinance. Any such funds received may, and all such funds so received which are not required for direct payment of the cost of said Improvement shall, be held and applied by the Town as funds applicable only to the payment of obligations of the Town authorized by this Bond Ordinance.

SECTION 8:

The full faith and credit of the Town are hereby pledged to the punctual payment of the principal of and interest on the obligations authorized by this Bond Ordinance. The obligations shall be direct, unlimited obligations of the Town, and the Town shall be obligated to levy ad valorem taxes upon all the taxable property within the Town for the payment of the obligations and the interest thereon without limitation of rate or amount.

SECTION 9.

The Chief Financial Officer of the Town is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the Town and to execute such disclosure document on behalf of the Town. The Chief Financial Officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Town pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the Town and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the Town fails to comply with its undertaking, the Town shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

SECTION 10:

This Bond Ordinance constitutes a declaration of official intent under Treasury Regulation Section 1.150-2. The Town reasonably expects to pay expenditures with respect to the Improvement prior to the date that Town incurs debt obligations under this Bond

Ordinance. The Town reasonably expects to reimburse such expenditures with the proceeds of debt to be incurred by the Town under this Bond Ordinance. The maximum principal amount of debt expected to be issued for payment of the cost of the Improvement is \$1,745,000.

SECTION 11:

This Bond Ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

NOTICE

TAKE NOTICE that the above Ordinance was introduced at a regular meeting of the Town Council of the Town of Newton conducted on Monday, April 22, 2024. It was adopted, after final reading and public hearing thereon, at a meeting of the Newton Town Council conducted at 7:00 pm on May 13, 2024 in the Council Chambers at the Newton Municipal Building, 39 Trinity Street, Newton, New Jersey, and shall take effect in accordance with law.



Teresa A. Oswin, RMC
Municipal Clerk