

**TOWNSHIP OF FRELINGHUYSEN
BOND ORDINANCE NUMBER 2021-05**

**BOND ORDINANCE PROVIDING FOR VARIOUS 2021
CAPITAL IMPROVEMENTS, BY AND IN THE TOWNSHIP OF
FRELINGHUYSEN, IN THE COUNTY OF WARREN, STATE
OF NEW JERSEY; APPROPRIATING \$165,500 THEREFOR
AND AUTHORIZING THE ISSUANCE OF \$157,225 BONDS
OR NOTES OF THE TOWNSHIP TO FINANCE PART OF THE
COST THEREOF**

**BE IT ORDAINED AND ENACTED BY THE TOWNSHIP COMMITTEE OF THE
TOWNSHIP OF FRELINGHUYSEN, IN THE COUNTY OF WARREN, STATE OF NEW
JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS
FOLLOWS:**

SECTION 1. The improvements or purposes described in Section 3 of this bond ordinance are hereby authorized as general improvements or purposes to be undertaken by the Township of Frelinghuysen, in the County of Warren, State of New Jersey (the "Township"). For the said improvements or purposes stated in Section 3, there is hereby appropriated the sum of \$165,500, said sum being inclusive of a down payment in the amount of \$8,275 now available for said improvements or purposes required by the Local Bond Law, N.J.S.A. 40A:2-1 et seq., as amended and supplemented (the "Local Bond Law"), and now available therefor by virtue of a provision or provisions in a previously adopted budget or budgets of the Township for down payment or for capital improvement purposes.

SECTION 2. For the financing of said improvements or purposes described in Section 3 hereof and to meet the part of said \$165,500 appropriation not provided for by said down payment referred to in Section 1 hereof, negotiable bonds of the Township are hereby authorized to be issued in the principal amount of \$157,225 pursuant to the Local Bond Law. In anticipation of the issuance of said bonds and to temporarily finance said improvements or purposes, negotiable notes of the Township in a principal amount not exceeding \$157,225 are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

SECTION 3. (a) The improvements hereby authorized and purposes for the financing of which said bonds or notes are to be issued is the 2021 Capital Improvement Program, which includes, but is not limited to: (i) acquisition of turnout gear and air cylinders for use by the Blairstown Fire Department; (ii) acquisition of miscellaneous apparatus equipment for use by the Hope Fire Department; (iii) repairs and improvements to various roadways in the Township, including, but not limited to, paving, cross drains, tarring and chipping; (iv) acquisition and installation of street signs within the Township; (v) acquisition of miscellaneous tools for use

by the Department of Public Works; (vi) various repairs and improvements to the town hall deck; (vii) oil tank repairs and refinishing; (viii) repairs and painting of town garage; (ix) various improvements to the Morton Building within the Township, including, but not limited to, the acquisition and installation of concrete flooring; (x) improvements to Ramsey Road within the Township, including, but not limited to, the acquisition and installation of a standpipe system; and (xi) various improvements and upgrades to the Recreational Field, including, but not limited to, extension of the softball field and the acquisition and installation of new soccer goals. Such improvements or purposes shall also include, as applicable, all engineering and design work, surveying, construction management services, preparation of plans and specifications, permits, bid documents, contract administration, and all work, materials, equipment, labor and appurtenances necessary therefor or incidental thereto, all in accordance with the plans therefor on file in the office of the Township Clerk and available for public inspection and hereby approved.

(b) The estimated maximum amount of bonds or notes to be issued for said improvements or purposes is \$157,225.

(c) The estimated cost of said improvements or purposes is \$165,500, the excess thereof over the said estimated maximum amount of bonds or notes to be issued therefor being the amount of \$8,275, which is the down payment available for such improvements or purposes.

SECTION 4. In the event the United States of America, the State of New Jersey, and/or the County of Warren make a contribution or grant in aid to the Township for the improvements or purposes authorized hereby and the same shall be received by the Township prior to the issuance of the bonds or notes authorized in Section 2 hereof, then the amount of such bonds or notes to be issued shall be reduced by the amount so received from the United States of America, the State of New Jersey and/or the County of Warren. In the event, however, that any amount so contributed or granted by the United States of America, the State of New Jersey and/or the County of Warren shall be received by the Township after the issuance of the bonds or notes authorized in Section 2 hereof, then such funds shall be applied to the payment of the bonds or notes so issued and shall be used for no other purpose. This Section 4 shall not apply, however, with respect to any contribution or grant in aid received by the Township as a result of using funds from this bond ordinance as "matching local funds" to receive such contribution or grant in aid.

SECTION 5. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the Chief Financial Officer of the Township, provided that no note shall mature later than one (1) year from its date or as otherwise authorized by the Local

Bond Law. The notes shall bear interest at such rate or rates and be in such form as may be determined by the Chief Financial Officer of the Township. The Chief Financial Officer of the Township shall determine all matters in connection with the notes issued pursuant to this bond ordinance, and the signature of the Chief Financial Officer of the Township upon the notes shall be conclusive evidence as to all such determinations. All notes issued hereunder may be renewed from time to time in accordance with the provisions of the Local Bond Law. The Chief Financial Officer of the Township is hereby authorized to sell part or all of the notes from time to time at a public or private sale and to deliver them to the purchaser thereof upon receipt of payment of the purchase price and accrued interest thereon from their dates to the date of delivery thereof. The Chief Financial Officer of the Township is directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the notes pursuant to this bond ordinance is made. Such report must include the principal amount, the description, the interest rate, the maturity schedule of the notes so sold, the price obtained and the name of the purchaser.

SECTION 6. The Capital Budget of the Township is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith. In the event of any such inconsistency, a resolution in the form promulgated by the Local Finance Board showing full detail of the amended Capital Budget and capital programs as approved by the Director of the Division of Local Government Services, New Jersey Department of Community Affairs will be on file in the office of the Clerk of the Township and will be available for public inspection.

SECTION 7. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvements or purposes described in Section 3 of this bond ordinance are not current expenses and are improvements which the Township may lawfully undertake as general improvements, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The average period of usefulness of said improvements or purposes within the limitations of the Local Bond Law, according to the reasonable life thereof computed from the date of the said bonds authorized by this bond ordinance, is 6.45 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly made and filed in the Office of the Clerk of the Township and a complete executed duplicate thereof has been filed in the Office of the Director of the Division of Local Government Services, New Jersey Department of Community Affairs, and such statement shows that the gross debt of the Township as defined in the Local Bond Law is increased by the authorization

of the bonds or notes provided for in this bond ordinance by \$157,225 and the said bonds or notes authorized by this bond ordinance will be within all debt limitations prescribed by said Local Bond Law.

(d) An aggregate amount not exceeding \$3,000 for items of expense listed in and permitted under Section 20 of the Local Bond Law is included in the estimated cost indicated herein for the improvements or purposes hereinbefore described.

SECTION 8. The full faith and credit of the Township are hereby pledged to the punctual payment of the principal of and the interest on the bonds or notes authorized by this bond ordinance. The bonds or notes shall be direct, unlimited obligations of the Township, and the Township shall be obligated to levy *ad valorem* taxes upon all the taxable real property within the Township for the payment of the bonds or notes and the interest thereon without limitation as to rate or amount.

SECTION 9. The Township reasonably expects to reimburse any expenditures toward the costs of the improvements or purposes described in Section 3 of this bond ordinance and paid prior to the issuance of any bonds or notes authorized by this bond ordinance with the proceeds of such bonds or notes. No funds from sources other than the bonds or notes authorized herein have been or are reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside by the Township, or any member of the same "Controlled Group" as the Township, within the meaning of Treasury Regulation Section 1.150-1(e), pursuant to its budget or financial policies with respect to any expenditures to be reimbursed. This Section 9 is intended to be and hereby is a declaration of the Township's official intent to reimburse any expenditures toward the costs of the improvements or purposes described in Section 3 hereof to be incurred and paid prior to the issuance of bonds or notes authorized herein in accordance with Treasury Regulation Section 1.150-2, and no further action (or inaction) will be an abusive arbitrage device in accordance with Treasury Regulation Section 1.148-10 to avoid the arbitrage yield restrictions or arbitrage rebate requirements under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). The proceeds of any bonds or notes authorized herein used to reimburse the Township for any expenditures toward the costs of the improvements or purposes described in Section 3 hereof will not be used directly or indirectly (i) to "refund" an issue of governmental obligations within the meaning of Treasury Regulation Section 1.150-1(d), (ii) to create, within one year, following the reimbursement of any expenditures of bond proceeds "replacement proceeds" within the meaning of Treasury Regulation Section 1.148-1 of the bonds or any other bond issue, or (iii) to reimburse the Township for any expenditure or payment that was originally paid with the proceeds of any obligation of the Township (other than borrowing by the Township from one of

its own funds or the funds of a member of the same "Controlled Group" within the meaning of Treasury Regulation Section 1.150-1(e)). The bonds or notes authorized herein to reimburse the Township for any expenditures toward the costs of the improvements or purposes described in Section 3 hereof will be issued in an amount not to exceed \$157,225. The costs to be reimbursed with the proceeds of the bonds or notes authorized herein will be "capital expenditures" in accordance with the meaning of Section 150 of the Code and Treasury Regulation Section 1.150-1. This provision will take effect immediately, but will be of no effect with regard to expenditures for costs paid outside the permitted reimbursement period set forth in Treasury Regulation Section 1.150-2(d)(2).

SECTION 10. The Township covenants to maintain the exclusion from gross income under Section 103(a) of the Code of the interest on all bonds and notes issued under this bond ordinance.

SECTION 11. This bond ordinance shall take effect twenty (20) days after the first publication thereof after final adoption, as provided by the Local Bond Law.

**ADOPTED ON FIRST READING
DATED: March 17, 2021**

**DONNA ZILBERFARB,
Township Clerk**

**ADOPTED ON SECOND READING
DATED: April 21, 2021**

**DONNA ZILBERFARB,
Township Clerk**

APPROVAL BY THE MAYOR ON THIS ____ DAY OF _____, 2021.

**CHRISTOPHER STRACCO,
Mayor**