BOROUGH OF NORWOOD
ORDINANCE 12:10

BOND ORDINANCE TO AUTHORIZE THE MAKING OF A PUBLIC IMPROVEMENT AND THE ACQUISITION OF NEW ADDITIONAL OR REPLACEMENT EQUIPMENT AND MACHINERY AND NEW COMMUNICATION AND SIGNAL SYSTEMS EQUIPMENT IN, BY AND FOR THE BOROUGH OF NORWOOD, IN THE COUNTY OF BERGEN, STATE OF NEW JERSEY, TO APPROPRIATE THE SUM OF $285,000 TO PAY THE COST THEREOF, TO MAKE A DOWN PAYMENT, 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.

BE IT ORDAINED by the Borough Council of the Borough of Norwood, in the County of Bergen, State of New Jersey, as follows:

Section 1. The Borough of Norwood, in the County of Bergen, State of New Jersey (the "Borough") is hereby authorized to make a public improvement and to acquire new additional or replacement equipment and machinery and new communication and signal systems equipment in, by and for said Borough, 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 down payment appropriated by this ordinance. It is anticipated that the Borough shall receive an $86,500 grant from the New Jersey Department of Transportation to finance the cost of the construction of sidewalks on Broadway described in Section 4.C hereof. Said grant funds shall be applied as set forth in Section 12 hereof. 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 Borough.

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 down payment hereinafter appropriated to finance such purposes, 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. Acquisition of new communication and signal systems equipment consisting of radio equipment to meet the Federal narrow band compliance mandate for the use of the Police Department, Department of Public Works ("DPW"), EMS and the Fire Department.

Appropriation and Estimated Cost	$ 153,000
Down Payment Appropriated	$ 7,300
Bonds and Notes Authorized	$ 145,700
Period of Usefulness	10 years

B. Acquisition of new additional or replacement equipment and machinery consisting of a wood chipper for the use of the DPW.

Appropriation and Estimated Cost	$ 43,500
Down Payment Appropriated	$ 2,075
Bonds and Notes Authorized	$ 41,425
Period of Usefulness	15 years

C. Construction of sidewalks on the west side of Broadway (from McClellan Street to the Old Tappan border).

Appropriation and Estimated Cost	$ 88,500
Down Payment Appropriated	$ 4,225
Bonds and Notes Authorized	$ 84,275
Period of Usefulness	10 years

Aggregate Appropriation and Estimated Cost	$ 285,000
Aggregate Down Payment Appropriated	$ 13,600
Aggregate Amount of Bonds and Notes Authorized	$ 271,400

Section 5. The cost of such purposes, as hereinbefore stated, includes the aggregate amount of $16,350 which is estimated to be necessary 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 moneys exceeding $13,600, appropriated for down payments on capital improvements or for the capital improvement fund in budgets heretofore adopted for said Borough, are now available to finance said purposes. The sum of $13,600 is hereby appropriated from such moneys to the payment of the cost of said purposes.

Section 7. To finance said purposes, bonds of said Borough of an aggregate principal amount not exceeding $271,400 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 8. To finance said purposes, bond anticipation notes of said Borough of an aggregate principal amount not exceeding $271,400 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 9. 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 Borough and attested by the Borough Clerk or Deputy Borough 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 10. 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 10.76 years computed from the date of said bonds.

Section 11. 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 Borough Clerk of said Borough, and that such statement so filed shows that the gross debt of said Borough, as defined in Section 43 of the Local Bond Law, is increased by this

ordinance by $271,400 and that the issuance of the bonds and notes authorized by this ordinance will be within all debt limitations prescribed by said Local Bond Law.

Section 12. Any funds received from private parties, the County of Bergen, 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 13. The Borough 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 Borough incurs such costs prior to the issuance of the bonds or notes, the Borough 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 14. The full faith and credit of the Borough 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 Borough, and the Borough shall levy ad valorem taxes upon all the taxable real property within the Borough for the payment of the principal of and interest on such bonds and notes, without limitation as to rate or amount.

Section 15. 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 Borough Clerk and is available for public inspection.

Section 16. This ordinance shall take effect twenty days after the first publication thereof after final passage.

Introduced and passed on first reading: July 11, 2012

Passed on Second Reading:

ATTEST: APPROVED:

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Lorraine L. McMackin
Borough Clerk

James P. Barsa, Mayor