

BOROUGH OF RIVERTON
ORDINANCE 4-10

BOND ORDINANCE PROVIDING FOR VARIOUS CAPITAL IMPROVEMENTS OF THE BOROUGH OF RIVERTON, IN THE COUNTY OF BURLINGTON, NEW JERSEY, APPROPRIATING THE AGGREGATE AMOUNT OF \$260,775 THEREFOR, INCLUDING \$6,000 REAPPROPRIATED PROCEEDS OF OBLIGATIONS NOT NEEDED FOR THEIR ORIGINAL PURPOSES, AND AUTHORIZING THE ISSUANCE OF \$241,900 BONDS OR NOTES OF THE BOROUGH TO FINANCE PART OF THE COST THEREOF.

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

Section 1. Pursuant to N.J.S.A. 40A:2-39, it is hereby determined that \$6,000 of the proceeds of obligations originally made available pursuant to bond ordinance #2002-04 of the Borough of Riverton, in the County of Burlington, New Jersey (the "Borough") finally adopted August 8, 2002, as amended and supplemented by bond ordinances #10-02 finally adopted December 11, 2002, #7-03 finally adopted July 9, 2003, #13-03 finally adopted November 12, 2003, #1-04 finally adopted March 11, 2004 and #7-05 finally adopted May 11, 2005 are no longer necessary for the original purposes for which the obligations previously were authorized.

Section 2. \$3,000 of the proceeds described in Section 1 and made available pursuant to N.J.S.A. 40A:2-39 are hereby reappropriated to provide for the acquisition of a four-wheel drive police vehicle, as more fully described in Section 6(a) hereof.

Section 3. \$3,000 of the proceeds described in Section 1 and made available pursuant to N.J.S.A. 40A:2-39 are hereby reappropriated to provide for the acquisition of a four-wheel drive fire vehicle, as more fully described in Section 6(b) hereof.

Section 4. The several improvements described in Section 6 of this bond ordinance are hereby respectively authorized to be undertaken by the Borough as general improvements. For the several improvements or purposes described in Section 6, there are hereby appropriated the respective sums of money therein stated as the appropriation made for each improvement or purpose, such sums amounting in the aggregate to \$260,775, including the reappropriated funds, and the aggregate sum of \$12,875 as the several down payments for the improvements or purposes required by the Local Bond Law. The down payments have been made available by virtue of provision for down payment or for capital improvement purposes in one or more previously adopted budgets.

Section 5. In order to finance the cost of the several improvements or purposes not covered by application of the several down payments or the reappropriated funds, negotiable bonds are hereby authorized to be issued in the principal amount of \$241,900 pursuant to the Local Bond Law. In anticipation of the issuance of the bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

Section 6. The several improvements hereby authorized and the several purposes for which the bonds are to be issued, the estimated cost of each improvement and the appropriation therefor, the estimated maximum amount of bonds or notes to be issued for each improvement and the period of usefulness of each improvement are as follows:

<u>Purpose</u>	<u>Appropriation and Estimated Cost</u>	<u>Estimated Maximum Amount of Bonds or Notes</u>	<u>Period of Usefulness</u>
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<u>Purpose</u>	<u>Appropriation and Estimated Cost</u>	<u>Estimated Maximum Amount of Bonds or Notes</u>	<u>Period of Usefulness</u>
a) Acquisition of a four-wheel drive police vehicle	\$28,000 (including \$3,000 reappropriated as described in Section 2 hereof)	\$23,500	5 years
b) Acquisition of a four-wheel drive fire vehicle	\$28,000 (including \$3,000 reappropriated as described in Section 6 hereof)	\$23,500	5 years
c) Improvements to the park	\$201,875	\$192,150	15 years
d) Acquisition of computer equipment for the Police Department	<u>\$2,900</u>	<u>\$2,750</u>	5 years
TOTALS	<u>\$260,775</u>	<u>\$241,900</u>	

The excess of the appropriation made for each of the improvements or purposes aforesaid over the estimated maximum amount of bonds or notes to be issued therefor, as above stated, is the amount of the down payment for each purpose.

Section 7. All bond anticipation notes issued hereunder shall mature at such times as may be determined by 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 chief financial officer's signature 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 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 governing body 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 8. The Borough hereby certifies that it has adopted a capital budget or a temporary capital budget, as applicable. The capital or temporary capital budget of the Borough is hereby amended to conform with the provisions of this ordinance to the extent of any inconsistency herewith. To the extent that the purposes authorized herein are inconsistent with the adopted capital or temporary capital budget, a revised capital or temporary capital budget has been filed with the Division of Local Government Services.

Section 9. The following additional matters are hereby determined, declared, recited and stated:

(a) The purposes described in Section 6 of this bond ordinance are not current expenses. They are all improvements that the Borough may lawfully undertake as general improvements, and no part of the costs thereof has been or shall be specially assessed on property specially benefitted thereby.

(b) The average period of usefulness, computed on the basis of the respective amounts of obligations authorized for each purpose and the reasonable life thereof within the limitations of the Local Bond Law, is 12.94 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Clerk, and a complete executed duplicate thereof has been filed in the office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey. Such statement shows that the gross debt of the Borough as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided in this bond ordinance by \$241,900, and the obligations authorized herein will be within all debt limitations prescribed by that Law.

(d) An aggregate amount not exceeding \$50,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated costs indicated herein for the purposes or improvements.

Section 10. The Borough hereby makes the following covenants and declarations with respect to obligations determined to be issued by the Chief Financial Officer on a tax-exempt basis. The Borough hereby covenants that it will comply with any conditions subsequent imposed by the Internal Revenue Code of 1986, as amended (the "Code"), in order to preserve the exemption from taxation of interest on the obligations, including, if necessary, the requirement to rebate all net investment earnings on the gross proceeds above the yield on the obligations. The Chief Financial Officer is hereby authorized to act on behalf of the Borough to deem the obligations authorized herein as bank qualified for the purposes of Section 265 of the Code, when appropriate. The Borough hereby declares the intent of the Borough to issue bonds or bond anticipation notes in the amount authorized in Section 5 of this bond ordinance and to use the proceeds to pay or reimburse expenditures for the costs of the purposes described in Section 6 of this bond ordinance. This Section 10 is a declaration of intent within the meaning

and for purposes of Treasury Regulations §1.150-2 or any successor provisions of federal income tax law.

Section 11. Any grant moneys received for the purposes described in Section 6 hereof shall be applied either to direct payment of the cost of the improvements or to payment of the obligations issued pursuant to this ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

Section 12. The chief financial officer of the Borough 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 Borough and to execute such disclosure document on behalf of the Borough. The chief financial officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Borough 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 Borough 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 Borough fails to comply with its undertaking, the Borough shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

Section 13. 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 bond ordinance. The obligations shall be direct, unlimited obligations of the Borough, and the Borough shall be obligated to levy *ad valorem* taxes upon all the taxable real property within the Borough for the payment of the obligations and the interest thereon without limitation of rate or amount.

Section 14. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

Robert Martin

Mayor

CERTIFICATE OF CLERK

I, Mary Longbottom, Municipal Clerk of the Borough of Riverton, County of Burlington and State of New Jersey, do hereby **CERTIFY** that the foregoing is a true copy of an Ordinance introduced and passed by the Borough Council at a meeting held June 9, 2010 and said Ordinance will be considered for adoption at a regular meeting of the Borough Council on July 14, 2010 after a public hearing.

Mary Longbottom, RMC

Municipal Clerk

RECORDED VOTE	AYE	NAY	ABSTAIN	ABSENT
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KATELLA

BROWN

CAIRNS WELLS

SMYTH

KINZLER

MYERS

MAYOR (Tie)