



Legislation Text

File #: 20-0754, Version: 1

ORDINANCE OF THE CITY OF NEWARK, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY, AUTHORIZING A SPECIAL EMERGENCY APPROPRIATION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:4-53 TO FUND CONTRACTUALLY REQUIRED SEVERANCE LIABILITIES.

WHEREAS, the City of Newark, in the County of Essex, New Jersey, has accrued and to accrue accumulated severance liabilities due to the retirements and layoffs of employees in the City's 2020 budget year; and

WHEREAS, the City is desirous of authorizing the issuance of Special Emergency Notes to fund such severance liabilities; and

WHEREAS, N.J.S.A. 40A:4-53(h) permits a municipality to adopt an ordinance authorizing a Special Emergency Appropriation in order to fund the cost of contractually required severance liabilities resulting from layoff or retirement of employees.

NOW, THEREFORE, BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

SECTION 1. To fund the cost of accumulated severance liabilities resulting from retirements and layoffs of employees in fiscal year 2020, there is hereby appropriated the sum of Twenty Million Dollars and Zero Cents (\$20,000,000.00) as a Special Emergency Appropriation pursuant to N.J.S.A. 40A:4-53(h).

SECTION 2. For the purpose of financing the Special Emergency Appropriation referred to in Section 1 above, Special Emergency Notes of the City are hereby authorized to be issued in the principal amount of Twenty Million Dollars and Zero Cents (\$20,000,000.00), pursuant to N.J.S.A. 40A:4-55. At least one-fifth (1/5) of all such Special Emergency Notes, and the renewals thereof, shall mature and be paid in each year, so that all such Special Emergency Notes shall have matured and have been paid, not later than the last day of the fifth (5th) year following the date of adoption of this ordinance.

SECTION 3. All Special Emergency 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 (1) 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. 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 N.J.S.A. 40A:4-55(b). The Chief Financial Officer is hereby authorized to sell part or all of the notes from time to time, at not less

than par and accrued interest, if any, at public or private sale, and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest, if any, 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 Special Emergency Notes pursuant to this ordinance is made. Such report shall 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 4. All Special Emergency Notes issued pursuant to this ordinance shall be executed by the Chief Financial Officer and the Mayor of the City of Newark, and shall be under the seal of the City and attested by the City Clerk. Such officers are hereby authorized and directed to execute and deliver all documents necessary or convenient in connection with the issuance, sale and delivery of the Special Emergency Notes.

SECTION 5. In accordance with the provisions of N.J.S.A. 40A:4-53, the City Clerk is hereby authorized and directed to file a copy of this Special Emergency Ordinance as adopted with the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey.

SECTION 6. This ordinance shall take effect twenty (20) days after the first publication thereof after final adoption as provided by N.J.S.A. 40:49-27.

STATEMENT

Ordinance authorizing a Special Emergency Appropriation pursuant to the provisions of N.J.S.A. 40A:4-53 to fund contractually required severance liabilities.