



## Legislation Text

File #: 15-2067, Version: 1

**REFUNDING BOND ORDINANCE OF THE CITY OF NEWARK, COUNTY OF ESSEX, STATE OF NEW JERSEY (THE "CITY") PROVIDING FOR THE REFUNDING OF CERTAIN GENERAL OBLIGATION WATER UTILITY BONDS AND GENERAL OBLIGATION WATER UTILITY REFUNDING BONDS OF THE CITY, BOTH SERIES 2005, APPROPRIATING AN AMOUNT NOT TO EXCEED \$11,500,000.00 THEREFOR AND AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$11,500,000.00 WATER UTILITY REFUNDING BONDS, SERIES 2016 OF THE CITY FOR FINANCING THE COST THEREOF.**

**Public Hearing will be held on December 16, 2015.**

**NOW, THEREFORE, BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, IN THE COUNTY OF ESSEX, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) THAT:**

**Section 1.** Pursuant to the provisions of N.J.S.A. 40A:2-51(a), the City of Newark, in the County of Essex, New Jersey (the "City"), is hereby authorized to refund all or a portion of the City's (A) \$7,737,000.00 General Obligation Water Utility Bonds, dated January 15, 2005, of which \$4,950,000.00 aggregate principal amount is currently outstanding and serially maturing on each December 1 in the years 2016 through 2029, inclusive, and such bonds being subject to optional redemption prior to maturity on or after December 1, 2014, as a whole at any time or in part from time to time, at a redemption price equal to 100% of the principal amount being redeemed, plus accrued interest to the date of redemption; and B) \$23,160,000.00 General Obligation Water Utility Refunding Bonds, dated February 24, 2005, of which \$5,945,000.00 aggregate principal amount is currently outstanding and (i) serially maturing on each October 1 in the years 2016 and 2017, inclusive, and such bonds being subject to optional redemption prior to maturity on or after October 1, 2015, as a whole at any time or in part at any time, at a redemption price equal to 100% of the principal amount being redeemed, plus accrued interest to the date of redemption and (ii) being subject to mandatory redemption prior to maturity on October 1 in the years 2018 through 2021, inclusive, from mandatory sinking fund installments, at a redemption price equal to 100% of the principal amount being redeemed, plus accrued interest to the date of redemption (Subsections (A) and (B) collectively, the "Water Utility Refunded Bonds").

**Section 2.** In order to finance the purposes described in Section 1 hereof, Negotiable Refunding Bonds are hereby authorized to be issued in the aggregate principal amount not to exceed \$11,500,000.00 pursuant to the provisions of N.J.S.A. 40A:2-51(a) *et seq.* Such refunding bonds shall be designated as General Obligation Water Utility Refunding Bonds, Series 2016 (the "Water Utility Refunding Bonds").

**Section 3.** An aggregate amount not exceeding \$225,000.00 for items of expense listed in

and permitted under N.J.S.A. 40A:2-51(b) has been included in the aggregate principal amount of the Water Utility Refunding Bonds authorized herein.

**Section 4.** The purpose of the issuance of the Water Utility Refunding Bonds is to provide for savings in the debt service payable by the City with respect to the Water Utility Refunded Bonds.

**Section 5.** The Water Utility Refunding Bonds shall mature in accordance with the maturity schedule approved by the Local Finance Board.

**Section 6.** A certified copy of this Refunding Bond Ordinance as introduced and adopted on first reading by the Municipal Council of the City has been filed with the Director of the Division of Local Government Services, in the Department of Community Affairs of the State of New Jersey, prior to final adoption, together with a complete statement in the form prescribed by the Director and signed by the Chief Financial Officer of the City as to the indebtedness to be financed by the issuance of the Water Utility Refunding Bonds authorized herein.

**Section 7.** This Refunding Bond Ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law, provided that the consent of the Local Finance Board has been endorsed upon a certified copy of this Refunding Bond Ordinance as finally adopted.

### **STATEMENT**

Ordinance provides for the refunding of General Water Utility Bonds and General Water Utility Refunding Bonds, both Series 2005 for an amount not to exceed \$11,500,000.00.