

ORDINANCE NO. 10-2025

ORDINANCE AUTHORIZING THE GUARANTY BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF ABERDEEN OF PAYMENT OF PRINCIPAL AND INTEREST ON THE CAPITAL EQUIPMENT LEASE REVENUE BONDS, SERIES 2025 (MATAWAN ABERDEEN REGIONAL SCHOOL DISTRICT BOARD OF EDUCATION PROJECT) OF THE MONMOUTH COUNTY IMPROVEMENT AUTHORITY

BE IT ORDAINED by the TOWNSHIP COUNCIL OF THE TOWNSHIP OF ABERDEEN (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section 1. Pursuant to Section 80 of the County Improvement Authorities Law, N.J.S.A. 40:37A-44 et. seq. (the “Act”), the Township of Aberdeen, New Jersey (the “Municipality”) is hereby authorized to unconditionally and irrevocably guaranty the punctual payment of the principal of and the interest on the Capital Equipment Lease Revenue Bonds, Series 2025 (Matawan Aberdeen Regional School District Board of Education Project) (the “Bonds”) of The Monmouth County Improvement Authority (the “Authority”) Outstanding (as that term is defined in the following described resolution) under the resolution of the Authority entitled “Capital Equipment Lease Revenue Bond Resolution (Matawan Aberdeen Regional School District Board of Education Project)” (the “Bond Resolution”) to be adopted in a form approved by counsel to the Authority. The Authority plans to issue the Bonds to finance the acquisition and subsequent leasing of certain capital equipment to the Board of Education of the Matawan Aberdeen Regional School District (the “Board”) pursuant to a lease and agreement to be entered into by the Authority and the Board (the “Lease”). Such guaranty shall be given in accordance with the guaranty agreement (the “Guaranty Agreement”) between the Municipality and the Authority in substantially the form submitted to this Board, a copy of which is on file in the office of the Clerk of the Municipality, with such changes as may be approved by counsel to the Municipality. The Mayor is hereby authorized to execute the Guaranty Agreement on behalf of the Municipality in substantially such form as submitted hereto and with such changes as may be approved by the Mayor, and the Clerk of the Municipality is hereby authorized to attest such signature affixing the seal of the Municipality. All representatives, officials and employees of the Municipality are hereby authorized to enforce and to implement the Guaranty Agreement.

Section 2. The following additional matters are hereby determined, declared, recited and state:

- (a) The maximum principal amount of the Bonds of the Authority hereby and hereunder to be guaranteed as to payment of principal and interest shall not exceed the sum of the amount necessary to acquire the Board’s equipment as set forth in Schedule A which will be subject to the Lease and to pay the Board’s share of the costs of issuance, but in no event shall such principal amount exceed \$2,773,000, of which the Municipality will guarantee 68.37%.
- (b) The Bonds shall mature within ten (10) years from the date of issue.
- (c) The Bonds shall remain Outstanding to their respective stated maturity dates and the guaranty authorized herein shall remain effective until all Bonds shall have

been paid in full in accordance with their terms notwithstanding the occurrence of any other event.

(d) The guaranty authorized herein may be made and this ordinance may be adopted notwithstanding any statutory debt or other limitations, including particularly any limitation or requirement under or pursuant to the Local Bond Law, N.J.S.A. 40A:2-1, et. seq., but the principal amount of any Outstanding Bonds shall be included after their issuance in the gross debt of the Municipality for the purpose of determining the indebtedness of the Municipality under or pursuant to the Local Bond law. The principal amount of the Bonds included in the gross debt of the Municipality shall be deducted from the gross debt of the Municipality under and all for all the purposes of the Local Bond Law (a) from and after the time of issuance of the Bonds until the end of the fiscal year beginning next after the acquisition of the equipment to be financed from the proceeds of the Bonds and (b) in any Annual Debt Statement filed pursuant to the Local Bond law as of the end of such fiscal year or any subsequent fiscal year if the revenues or other receipts or moneys of the Authority in such year are sufficient to pay its expenses of operation and maintenance in such year and all amounts payable in such year on account of the principal of and the interest on all such Bonds, all bonds of the Municipality issued as provided under N.J.S.A. 40:37A-79 and all bonds of the Authority issued under the County Improvement Authorities Law.

(e) A supplemental debt statement of the Municipality has been duly made and filed in the office of the Clerk of the Municipality, 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, and such debt statement shows that while the gross debt of the Municipality, as defined in the Local Bond Law, is increased by this guaranty by \$1,895,900, in accordance with the provisions of the Act, the net debt of the Municipality is not increased, and the obligation of the Municipality authorized by or incurred pursuant to the terms of this guaranty is permitted by an exception to the debt limitations of the Local Bond Law, which exception is contained in the N.J.S.A. 40:37A-44 et. seq.

Section 3. Upon payment of the principal of and the interest due on the Bonds by the Authority or by the defeasance of the Bonds pursuant to the Bond Resolution, the guaranty authorized herein will cease to exist and the gross debt of the Municipality shall be reduced to the extent that such Bonds cease to be Outstanding under the Bond Resolution.

Section 4. This ordinance shall take effect 20 days after the first publication thereof after final adoption in accordance with the County Improvement Authorities Law and the Local Bond Law.

INTRODUCED: JULY 17, 2025

ROLL CALL VOTE:

Ayes: Councilmembers Cannon, Hirsch, Montone, Swindle, Deputy Mayor Montone, Mayor Tagliarini

Nays: None

Abstain: None

Absent: Councilwoman Kelley

ADOPTED: August 27, 2025

ROLL CALL VOTE:

Ayes: Councilmembers Cannon, Hirsch, Montone, Swindle, Deputy Mayor Montone, Mayor Tagliarini

Nays: None

Abstain: None

Absent: Councilwoman Kelley

SCHEDULE A – EQUIPMENT LIST

Matawan Aberdeen Regional School District

Equipment	Useful Life	Lease Term	Estimated Cost
	(Years)	(Years)	
54 Passenger Bus	15	7	1,319,136
29 Passenger Bus	15	7	399,993
24 Passenger Bus	15	7	546,264
6 Passenger Bus	5	5	44,000
Cargo Van	5	5	36,000
Pickup Truck	10	5	140,000
Plow Attachment	5	5	10,500
Golf Carts	5	5	25,000
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Total			2,520,893