

RESOLUTION NO. 2019-135

RESOLUTION DETERMINING THE FORM AND OTHER DETAILS AND PROVIDING FOR THE DETERMINATION OF OTHER TERMS OF NOT TO EXCEED \$25,539,859 GENERAL OBLIGATION BONDS, CONSISTING OF \$21,309,550 GENERAL IMPROVEMENT BONDS, \$2,569,324 WATER UTILITY BONDS AND \$1,660,985 SEWER UTILITY BONDS, OF THE TOWNSHIP OF ABERDEEN, IN THE COUNTY OF MONMOUTH, NEW JERSEY AND PROVIDING FOR THEIR SALE TO THE MONMOUTH COUNTY IMPROVEMENT AUTHORITY.

BE IT RESOLVED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF ABERDEEN, IN THE COUNTY OF MONMOUTH, NEW JERSEY AS FOLLOWS (not less than 2/3 of all members thereof affirmatively concurring):

Section 1. The General Improvement Bonds of the Township of Aberdeen, in the County of Monmouth, New Jersey (the "Township") referred to and described in a resolution of the Township adopted on November 7, 2019 and entitled, "Resolution Providing for the Combination of Certain Issues of General Improvement Bonds of the Township of Aberdeen, in the County of Monmouth, New Jersey Into a Single Issue of Bonds Aggregating \$21,309,550 in Principal Amount" and in the bond ordinances referred to therein, each in all respects duly approved and published as required by law, shall be issued as "General Improvement Bonds" (the "General Improvement Bonds"), with such further designations as set forth in Section 6 hereof.

Section 2. The Water Utility Bonds of the Township referred to and described in a resolution of the Township adopted on November 7, 2019 and entitled, "Resolution Providing for the Combination of Certain Issues of Water Utility Bonds of the Township of Aberdeen, in the County of Monmouth, New Jersey Into a Single Issue of Bonds Aggregating \$2,569,324 in Principal Amount" and in the bond ordinances referred to therein, each in all respects duly approved and published as required by law, shall be issued as "Water Utility Bonds" (the "Water Utility Bonds"), with such further designations as set forth in Section 6 hereof.

Section 3. The Sewer Utility Bonds of the Township referred to and described in a resolution of the Township adopted on November 7, 2019 and entitled, "Resolution Providing for the Combination of Certain Issues of Sewer Utility Bonds of the Township of Aberdeen, in the County of Monmouth, New Jersey Into a Single Issue of Bonds Aggregating \$1,660,985 in Principal Amount" and in the bond ordinances referred to therein, each in all respects duly approved and published as required by law, shall be issued as "Sewer Utility Bonds" (the "Sewer Utility Bonds"), with such further designations as set forth in Section 7 hereof. The General Improvement Bonds, the Water Utility Bonds and the Sewer Utility Bonds collectively are referred to hereinafter as the "Bonds."

Section 4. The Bonds are hereby authorized to be sold to the Monmouth County Improvement Authority (the "Authority") at a purchase price determined by the parameters set forth below and otherwise consistent with the terms included in the application submitted by the Authority to the Local Finance Board in the Department of Community Affairs, State of New Jersey (the "Local Finance Board") to be considered for approval by the Local Finance Board on November 13, 2019 (the "Application"):

- (a) the aggregate principal amount of the Bonds does not exceed \$25,539,859;

(b) the True Interest Cost of the Bonds does not exceed an interest rate that would enable the Township to issue the Bonds to the Authority and achieve the economic benefit (consisting of the AAA guaranty from the County of Monmouth which is a higher credit rating than the current credit rating of the Township) of financing through the Authority versus financing on its own;

(c) the maturity structure or weighted average maturity for the Bonds is substantially similar to the structure submitted to and approved by the Local Finance Board, subject to any adjustments recommended by the Authority's Underwriter or the Authority on the sale date designed to reduce the total costs of the borrowing of the Township; and

(d) all conditions described in the Application as submitted to the Local Finance Board for the sale of the Bonds are satisfied.

Section 5. The Bonds are hereby authorized to be sold and issued to the Authority in accordance with the terms of a bond purchase agreement to be entered into by and between the Authority and the Township (the "Bond Purchase Agreement"). The Bonds may be issued in one or more series. The purchase price for the Bonds shall be as set forth in the Bond Purchase Agreement. The Mayor and Chief Financial Officer are each hereby authorized and directed, without further authorization, to enter into and execute the Bond Purchase Agreement on behalf of the Township in the form satisfactory to McManimon, Scotland & Baumann, LLC, bond counsel to the Township ("Bond Counsel"), upon the terms consistent with the parameters set forth in this resolution. Upon execution of the Bond Purchase Agreement, the signature of the Mayor and Chief Financial Officer shall be conclusively presumed to evidence any necessary approvals for the sale and issuance of the Bonds. If the Chief Financial Officer, after consultation with the Authority, determines that the above parameters cannot be satisfied in the present market, the

Bonds shall not be sold until such time as said parameters may be amended, in whole or in part, or a sale on different terms is otherwise approved by resolution of this Township Council.

Section 6. (a) The Bonds shall be dated and shall bear interest at the interest rates per annum as the Chief Financial Officer shall determine.

(b) The Bonds shall be numbered and have such prefix as determined necessary by the Chief Financial Officer or as required by the Bond Purchase Agreement and shall be sold and issued with such serial maturities or with such term bond maturities payable from mandatory sinking fund payments made by the Township as determined in the Bond Purchase Agreement.

(c) The General Improvement Bonds shall mature in the years 2020 through 2038 or such other years as may be determined by the Chief Financial Officer and in the principal amounts as may be determined by the Chief Financial Officer and shall bear interest on the dates as may be determined by the Chief Financial Officer. The Sewer Utility Bonds shall mature in the years 2020 through 2029 or such other years as may be determined by the Chief Financial Officer and in the principal amounts as may be determined by the Chief Financial Officer and shall bear interest on the dates as may be determined by the Chief Financial Officer. The Water Utility Bonds shall mature in the years 2020 through 2034 or such other years as may be determined by the Chief Financial Officer and in the principal amounts as may be determined by the Chief Financial Officer and shall bear interest on the dates as may be determined by the Chief Financial Officer.

(d) The Bonds shall be sold at such price or prices as the Chief Financial Officer shall determine.

(e) The Bonds may be subject to redemption prior to their stated maturities as determined by the Chief Financial Officer.

(f) One certificate shall be issued for the entire principal amount of General Improvement Bonds being issued by the Township unless otherwise required by the Authority pursuant to the Bond Purchase Agreement and shall be numbered GI-1. One certificate shall be issued for the entire principal amount of Water Utility Bonds being issued by the Township unless otherwise required by the Authority pursuant to the Bond Purchase Agreement and shall be numbered WU-1. One certificate shall be issued for the entire principal amount of Sewer Utility Bonds being issued by the Township unless otherwise required by the Authority pursuant to the Bond Purchase Agreement and shall be numbered SU-1. Both principal of and interest on the Bonds will be payable in lawful money of the United States of America. Each certificate will be registered in the name of the "Monmouth County Improvement Authority" unless otherwise specified in the Bond Purchase Agreement.

(g) Any other details that may need to be determined in connection with the sale and issuance of the Bonds shall be determined by the Chief Financial Officer.

Section 7. The Bonds shall be substantially in the following form with such additions, deletions and omissions as may be necessary for the Township to conform the Bonds to the requirements of the Bond Purchase Agreement:

REGISTERED
NUMBER A. ____-1

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF NEW JERSEY

TOWNSHIP OF ABERDEEN,
IN THE COUNTY OF MONMOUTH

B. _____ BOND

DATE OF ORIGINAL ISSUE:
_____, 2019

The TOWNSHIP OF ABERDEEN, IN THE COUNTY OF MONMOUTH, New Jersey (the "Township") hereby acknowledges itself indebted and for value received promises to pay to the:

MONMOUTH COUNTY IMPROVEMENT AUTHORITY (the "Authority"),
c/o _____ (the "Trustee")

the principal sums on the dates and in the amounts set forth on **Schedule A** attached hereto and made a part hereof and to pay interest on such sum from the DATE OF ORIGINAL ISSUE of this bond until payment in full at the interest rates per annum and in the amounts shown on **Schedule A** attached hereto and made a part hereof. Interest is payable to the Authority at the corporate trust office of the Trustee on each _____ and _____ prior to each _____ and _____, respectively, commencing _____, 20____, in an amount equal to the interest accruing to each _____ and _____. This bond as to principal will be payable on _____ at the corporate trust office of the Trustee.

C. _____

The full faith and credit of the Township are hereby irrevocably pledged for the punctual payment of the principal of and the interest on this bond according to its terms.

It is hereby certified and recited that all conditions, acts and things required by the constitution or the statutes of the State of New Jersey to exist, to have happened or to have been performed precedent to or in the issuance of this bond exist, have happened and have been performed and that the issue of bonds of which this is one, together with all other indebtedness of the Township, is within every debt and other limit prescribed by such constitution or statutes.

IN WITNESS WHEREOF, the TOWNSHIP OF ABERDEEN, IN THE COUNTY OF MONMOUTH, New Jersey has caused this bond to be executed in its name by the manual or facsimile signature of its Mayor and its Chief Financial Officer, its corporate seal to be hereunto imprinted or affixed, this bond and the seal to be attested by the manual signature of its Township Clerk, and this bond to be dated the DATE OF ORIGINAL ISSUE as specified above.

TOWNSHIP OF ABERDEEN, IN
THE COUNTY OF MONMOUTH,
NEW JERSEY

[SEAL]

By: _____

Mayor
ATTEST:

By: _____
Clerk

By: _____
Chief Financial Officer

Section 8. In the General Improvement Bond the following language should be inserted in the places indicated by the corresponding letter in the form of the General Improvement Bond:

A. GI

B. GENERAL IMPROVEMENT

C. This bond is one of an authorized issue of bonds issued pursuant to the Local Bond Law of the State of New Jersey, a resolution of the Township adopted November 7, 2019 and entitled, "Resolution Providing for the Combination of Certain Issues of General Improvement Bonds of the Township of Aberdeen, in the County of Monmouth, New Jersey, Into a Single Issue of Bonds Aggregating \$21,309,550 in Principal Amount," and the bond ordinances referred to therein, each in all respects duly approved and published as required by law.

Section 9. In the Water Utility Bond the following language should be inserted in the places indicated by the corresponding letter in the form of the Water Utility Bond:

A. WU

B. WATER UTILITY

C. This bond is one of an authorized issue of bonds issued pursuant to the Local Bond Law of the State of New Jersey, a resolution of the Township adopted November 7, 2019 and entitled, "Resolution Providing for the Combination of Certain Issues of Water Utility Bonds of the Township of Aberdeen, in the County of Monmouth, New Jersey, Into a Single Issue of Bonds Aggregating \$2,569,324 in Principal Amount," and the bond ordinances referred to therein, each in all respects duly approved and published as required by law.

Section 10. In the Sewer Utility Bond the following language should be inserted in the places indicated by the corresponding letter in the form of the Sewer Utility Bond:

A. SU

B. SEWER UTILITY

C. This bond is one of an authorized issue of bonds issued pursuant to the Local Bond Law of the State of New Jersey, a resolution of the Township adopted November 7, 2019 and entitled, "Resolution Providing for the Combination of Certain Issues of Sewer Utility Bonds of the Township of Aberdeen, in the County of Monmouth, New Jersey, Into a Single Issue of Bonds Aggregating \$1,660,985 in Principal Amount," and the bond ordinances referred to therein, each in all respects duly approved and published as required by law.

Section 11. The Bonds shall be executed by the manual or facsimile signatures of the Mayor and the Chief Financial Officer under the official seal (or facsimile thereof) affixed, printed, engraved or reproduced thereon and attested by the manual signature of the Township Clerk.

Section 12. The Bonds shall have printed thereon a copy of the written opinion with respect to the Bonds that is to be rendered by Bond Counsel, complete except for omission of its date. The Township Clerk is hereby authorized and directed to file a signed duplicate of such written opinion in the Township Clerk's office. Alternatively, each Bond may be accompanied by the signed legal opinion or copy thereof.

Section 13. Bond Counsel is authorized to arrange for the printing of the Bonds. The proper officials of the Township are hereby authorized and directed to execute the Bonds and to deliver them to the Authority upon receipt of payment therefor, including accrued interest from their date to the date of delivery, if any.

Section 14. The Chief Financial Officer is also authorized to pay the costs of issuance at or after the time of closing to the various participants regarding the sale and issuance of the Bonds. In the alternative, the Authority is hereby authorized to pay such costs of issuance on behalf of the Township.

Section 15. The Mayor and Chief Financial Officer and other appropriate representatives of the Township are hereby authorized to take all steps necessary to provide for the issuance of the Bonds, including preparing and executing all such agreements, documents, certificates and other instruments on behalf of the Township and take all steps necessary or desirable to effectuate the transactions contemplated hereby.

Section 16. The Mayor and Chief Financial Officer are hereby authorized and directed to prepare any financial statements, demographic information or operating data required by the Authority for inclusion in the Authority's Preliminary and Final Official Statements.

Section 17. The Mayor and Chief Financial Officer are each hereby authorized and directed, without further authorization, to enter into and execute a continuing disclosure agreement or such other agreement as may be required by the Authority for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission, as amended and interpreted from time to time, in a form satisfactory to Bond Counsel.

Section 18. The Township hereby covenants that it will comply with any conditions subsequent imposed by the Internal Revenue Code of 1986, as amended, in order to preserve the exemption from taxation of interest on the Bonds, including the requirement to rebate all net investment earnings on the gross proceeds above the yield on the Bonds, if necessary.

Section 19. This resolution shall take effect immediately.