

**TOWNSHIP OF EWING, IN THE  
COUNTY OF MERCER, NEW JERSEY**

**NOTICE OF \$5,568,000 TAX ANTICIPATION NOTE SALE**

The purchase of the \$5,568,000 Tax Anticipation Note (the "Note") of the Township of Ewing, in the County of Mercer, New Jersey (the "Township"), will be received on **Thursday, July 16, 2020, until 11:30 a.m** by:

- (i) Telecopy or e-mail (with the completed bid form scanned and attached) to Sherry Tracey, Phoenix Advisors, LLC, Municipal Advisor to the Township, FAX NO. (609) 291-9940, e-mail address: [stracey@muniadvisors.com](mailto:stracey@muniadvisors.com).
- (ii) Electronic submission (via Parity) in the manner described below under the heading "Procedures Regarding Electronic Bidding".

The Note is being issued to fund a cash flow deficit.

Bids submitted by telecopy or e-mail are the sole responsibility of the bidder and must be received by 11:30 a.m. The Township accepts no responsibility for the failure of any telecopied or e-mailed bids to be received on time for whatever reason. No bids will be received after 11:30 a.m. A determination as to the award will be made no later than 2:00 p.m. on the Bid Date.

Each bid must offer to purchase the entire Note issue being offered at a price of not less than par and must specify a single rate of interest offered for the Note. Interest shall be calculated on a 30-day month/360-day year basis. The Chief Financial Officer expects to award the Note to the bidder specifying the lowest net interest payable by the Township. However, the Chief Financial Officer reserves the right to reject all bids or to award the Note to a bidder other than the lowest bidder. The bidder, by submitting a bid, agrees to accept the determination of the Chief Financial Officer.

**SPECIFICATIONS OF TAX ANTICIPATION NOTE**

Principal Amount	\$5,568,000
Dated	July 23, 2020
Maturity Date	December 23, 2020
Interest Rate Per Annum	Specified by winning bidder
Tax Matters	Federal and State tax-exempt
Bank-Qualified	No
Legal Opinion	McManimon, Scotland & Baumann, LLC, Roseland, NJ
Paying Agent	The Township will act as paying agent
Closing	
a. date	July 23, 2020

b. location	McManimon, Scotland & Baumann, LLC, 75 Livingston Avenue, 2nd Floor, Roseland, New Jersey, or at such other place as agreed to by the Chief Financial Officer
Denominations	\$100,000 or any denomination greater than \$100,000, specified by winning bidder
Payment	Immediately available funds received prior to 11:30 a.m. on the date of closing

The Note will be a noncallable, general obligation of the Township payable ultimately from *ad valorem* taxes levied upon all the taxable property within the Township to the extent that payment is not otherwise provided.

If the Note is being purchased and reoffered for sale, the winning bidder may not reoffer the Note to more than thirty-five (35) persons in order to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission. The winning bidder must believe that each of the persons to whom the Note is sold has such knowledge and experience in financial and business matters and that it is capable in evaluating the merits and the risks of the Note as an investment and is not purchasing the Note for more than one account with the intent to distribute the Note.

Each bidder may, on the attached bid sheet, designate the Note as "Direct Purchase, Not Reoffered". If a bidder makes such designation and is awarded the Note, such winning bidder shall certify at closing that (i) it has not reoffered the Note to the public and does not expect to do so and (ii) it has purchased the Note for its own account (or the account of a related party) and not with a view to resell or distribute.

In the event the winning bidder designates the Note as "Direct Purchase, Not Reoffered", then the issue price for the Note shall be the purchase price offered by the winning bidder.

Otherwise, in the event the Township receives at least three (3) bids for the Note, then the issue price for the Note shall be established based on the reasonably expected initial offering price of the Note as of the Bid Date (the "Expected Offering Price"). The Expected Offering Price shall consist of the price of the Note used by the winning bidder in formulating its bid to purchase the Note. The winning bidder shall be required to deliver on the closing date a certificate to such effect and provide to the Township, in writing, the Expected Offering Price as of the Bid Date.

In the event the Township receives fewer than three (3) bids for the Note, then the issue price for the Note shall be established based on the following method as selected by the winning bidder on the Bid Date:

10% Sold: The issue price for the Note shall be established based on the first price at which at least 10% of the Note was sold to the Public (as defined herein). The winning bidder shall be required to deliver on the closing date a certificate to such effect and provide to the Township, in writing, evidence satisfactory to Bond Counsel to the Township of such sale price for the Note. In the event that the winning bidder has not sold at least 10% of the Note to the Public as of the closing date, the winning bidder shall (i) provide to the Township, in writing, on the closing date, the Expected Offering Price for the Note and a certificate regarding same and (ii) have a continuing obligation to provide to the Township, in writing, evidence satisfactory to Bond Counsel to the Township of the first price at which at least 10% of the Note is sold to the Public, contemporaneous with each such sale.

Hold-the-Price: The issue price for the Note shall be established based on the initial offering price of the Note to the Public as of the Bid Date, provided that the winning bidder shall, in writing, (i) confirm that the Underwriters (as defined herein) have offered or will offer the Note to the public on or before the Bid Date at the offering price

set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the Underwriters participating in the purchase of the Note, that the Underwriters will neither offer nor sell the Note to any person at a price that is higher than the initial offering price to the Public during the period starting on the Bid Date and ending on the earlier of: (1) the close of the fifth (5th) business day after the sale date; or (2) the date on which the Underwriters have sold at least 10% of the Note to the Public at a price that is no higher than the initial offering price to the Public.

"Public" means any person (including an individual, trust, estate, partnership, association, company or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" generally means any two or more persons who have greater than 50% common ownership, directly or indirectly. "Underwriter" means (i) any person that agrees pursuant to a written contract with the Township (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Note to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Note to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Note to the Public).

At delivery of the Note, the Township will furnish to the winning bidder customary closing documents, including (1) a certificate executed by the officials who execute the Note stating that no litigation of any kind is now pending or, to their knowledge, threatened to restrain or enjoin the issuance or the delivery of the Note or the levy or collection of taxes to pay the principal of or interest due on the Note, or in any manner questioning the authority or the proceedings for the issuance of the Note or the levy or collection of taxes, or affecting the validity of the Note or the levy or collection of taxes, and (2) the approving legal opinion of McManimon, Scotland & Baumann, LLC, Bond Counsel to the Township, in the form attached hereto as **Exhibit A**.

#### **Procedure Regarding Electronic Bidding:**

Bids may be submitted electronically via PARITY® in accordance with this Notice of Sale, until 11:30 a.m., New Jersey time on the Bid Date, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY® conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about PARITY®, potential bidders may contact Sherry Tracey of Phoenix Advisors, LLC, at [stracey@muniadvisors.com](mailto:stracey@muniadvisors.com) or PARITY® at (609) 240-6902. In the event that a bid for the Note is submitted via PARITY®, the bidder further agrees that:

1. The Township may regard the electronic transmission of the bid through PARITY® (including information about the purchase price of the Note, the interest rate to be borne by the Note and any other information included in such transmission) as though the same information was submitted on the Proposal for Note provided by the Township and executed and submitted by a duly authorized representative of the bidder. If the bid submitted electronically via PARITY® is accepted by the Township, the terms of the bid for the Note and this Notice of Sale, as well as the information that is electronically transmitted through PARITY®, shall form a contract and the successful bidder shall be bound by the terms of such contract.

2. PARITY® is not an agent of the Township, and the Township shall have no liability whatsoever based on any bidder's use of PARITY®, including but not limited to any failure by PARITY® to correctly or timely transmit information provided by the Township or information provided by the bidder.

3. The Township may choose to discontinue use of electronic bidding via PARITY® by issuing a notification to such effect via Thomson News Service ("TM3") no later than 3:00 p.m. (New Jersey time) on the last business day prior to the Bid Date.

4. Once the bids are communicated electronically via PARITY® to the Township, as described above, each bid will constitute a bid for the Note and shall be deemed to be an irrevocable offer to purchase the

Note on the terms provided in this Notice of Sale. For purposes of submitting bids for the Note electronically via PARITY®, the time maintained on PARITY® shall constitute the official time.

5. Each bidder shall be solely responsible to make necessary arrangements to access PARITY® for purposes of submitting its bid in a timely matter and in compliance with the requirements of this Notice of Sale. Neither the Township, the financial advisor nor PARITY® shall have any duty or obligation to provide or assure access to any bidder, and neither the Township, the financial advisor nor PARITY® shall be responsible for the proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY®. The Township is using PARITY® as a communication mechanism, and not as the Township's agent, to conduct the electronic bidding for the Note. By using PARITY®, each bidder agrees to hold the Township harmless for any harm or damages caused by such bidder in connection with its use of PARITY® for bidding on the Note.

It shall be the responsibility of the Township Municipal Advisor to have a CUSIP identification number, if required, issued for the Note. The request for the assignment of a CUSIP identification number and the CUSIP Service Bureau charge therefor shall be the responsibility of and shall be paid for by the winning bidder. The CUSIP identification number must be communicated to McManimon, Scotland & Baumann, LLC, Bond Counsel to the Township, within 24 hours of the award of the Note in order to have the CUSIP number printed on the Note.

No Preliminary Official Statement or other offering document will be prepared by the Township for this issue. However, financial information concerning the Township is available at <http://www.ewingnj.org>, or by contacting Joanna Mustafa, Chief Financial Officer, at 609-538-7601 or [jmustafa@ewingnj.org](mailto:jmustafa@ewingnj.org). Please see **Exhibit B** for the cash flow chart.

Joanna Mustafa, Chief Financial Officer  
Dated: July 9, 2020

**TOWNSHIP OF EWING, IN THE  
COUNTY OF MERCER, NEW JERSEY**

**NOTICE OF \$5,568,000 TAX ANTICIPATION NOTE SALE**

TO: Sherry Tracey  
FAX NO.: (609) 291-9940  
E-MAIL ADDRESS: [stracey@muniadvisors.com](mailto:stracey@muniadvisors.com)  
PHONE NO.: (609) 240-6902

DATE: July 16, 2020

PROPOSAL

<u>Amount of Note</u>	<u>Price</u>	<u>Rate of Interest</u>
\$5,568,000	\$ _____	_____ % per annum
Name of Bidder: _____	Authorized Signature: _____	
Phone Number _____	Print Name: _____	

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PLEASE COMPLETE THE FOLLOWING:

Interest Payable on Note	\$ _____
Less: Premium (if any)	\$ _____
Net Interest Payable	\$ _____
Net Interest Cost %	_____ %
Purchased and Reoffered for Sale	_____ yes _____ no
Direct Purchase, Not Reoffered	_____ yes _____ no

THIS PORTION OF THE PROPOSAL IS NOT PART OF THE BID

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**Exhibit A**

Form of Approving Legal Opinion of Bond Counsel

\_\_\_\_\_, 2020

Township Council of the  
Township of Ewing, in the  
County of Mercer, New Jersey

Dear Council Members:

We have acted as bond counsel to the Township of Ewing, in the County of Mercer, New Jersey (the "Township"), in connection with the issuance by the Township of the \$5,568,000 Tax Anticipation Note, dated the date hereof (the "Note"). In order to render the opinions herein, we have examined laws, documents and records of proceedings, or copies thereof, certified or otherwise identified to our satisfaction, and have undertaken such research and analyses as we have deemed necessary.

The Note is issued pursuant to the Local Budget Law of the State of New Jersey and the resolution of the Township listed in the Certificate of Determination and Award dated the date hereof, in all respects duly adopted as required by law. The Note is issued in anticipation of the collection of taxes for the year 2020.

In our opinion, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, moratorium or similar laws or application by a court of competent jurisdiction of legal or equitable principles relating to the enforcement of creditors' rights, the Note is a valid and legally binding obligation of the Township, payable in the first instance from the proceeds of the sale of the bonds in anticipation of which the Note is issued, but, if not so paid, payable ultimately from *ad valorem* taxes that may be levied upon all the taxable real property within the Township without limitation as to rate or amount.

On the date hereof, the Township has covenanted in its Arbitrage and Tax Certificate (the "Certificate") to comply with certain continuing requirements that must be satisfied subsequent to the issuance of the Note in order to preserve the tax-exempt status of the Note pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Pursuant to Section 103 of the Code, failure to comply with these requirements could cause interest on the Note to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Note. In the event that the Township continuously complies with its covenants and in reliance on representations, certifications of fact and statements of reasonable expectations made by the Township in the Certificate, it is our opinion that, under existing law, interest on the Note is excluded from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code, and interest on the Note is not an item of tax preference under Section 57 of the Code for purposes of computing alternative minimum tax. We express no opinion regarding other federal tax consequences arising with respect to the Note. Further, in our opinion, based upon existing law, interest on the Note and any gain on the sale thereof are not included in gross income under the New Jersey Gross Income Tax Act. These opinions are based on existing statutes, regulations, administrative pronouncements and judicial decisions.

This opinion is issued as of the date hereof. We assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law or interpretations thereof that may occur after the date of this opinion or for any reason whatsoever.

Very truly yours,

**Exhibit B**  
**Cash Flow Chart**



Township of Ewing  
TAN Cash Flow



**General Fund Cash Flow Projections - For the Year Ending December 2020**

	2020 January	2020 February	2020 March	2020 April	2020 May	2020 June	2020 July	2020 August	2020 September	2020 October	2020 November	2020 December
<b>BEGINNING BALANCE</b>	8,366,670	22,255,021	16,014,871	6,417,296	7,034,120	6,672,364	1,262,258	(5,290,985)	5,057,373	612,703	(337,042)	10,492,262
<b>RECEIPTS</b>												
Current Year's Tax Levy	16,114,678	11,149,037	636,119	7,919,512	17,706,600	1,100,000	4,000,000	21,687,000	4,000,000	4,000,000	21,687,000	4,000,000
Delinquent Taxes	2,562	2,559	65	55	340	-	-	-	-	-	-	114,419
State Aid	-	-	-	-	-	-	-	3,418,195	-	2,929,881	2,929,881	488,314
Local Revenue	297,598	297,598	297,598	297,598	297,598	297,598	297,598	297,598	297,598	297,598	297,598	297,598
Host Benefit Fees	-	1,518,000	-	-	-	-	-	-	-	-	-	-
Franchise Fees	477,122	-	-	-	-	-	-	-	-	-	-	-
[User Input 3]	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>16,891,960</b>	<b>12,967,195</b>	<b>933,783</b>	<b>8,217,166</b>	<b>18,004,539</b>	<b>1,397,598</b>	<b>4,297,598</b>	<b>25,402,793</b>	<b>4,297,598</b>	<b>7,227,480</b>	<b>24,914,480</b>	<b>4,900,331</b>
<b>DISBURSEMENTS</b>												
Salaries & Wages	1,775,013	1,775,013	1,775,013	1,775,013	1,775,013	1,775,013	1,775,013	1,775,013	1,775,013	1,775,013	1,775,013	1,775,013
Pension/Benefits/Insurance	489,583	1,180,748	489,583	5,086,315	489,583	1,180,748	489,583	489,583	489,583	489,583	489,583	489,583
Debt Service	-	283,169	2,199,370	-	-	-	-	1,169,260	205,340	-	-	37,092
Non-Municipal Taxes	-	15,229,402	4,968,676	-	15,229,402	2,753,228	7,847,232	10,881,566	5,173,616	5,173,616	10,881,566	5,000,000
Shared Services	-	-	359,703	-	-	359,703	-	-	359,703	-	-	359,703
Clf/ Deferred Charges	-	-	-	-	133,283	-	-	-	-	-	200,000	-
Accounts Payable	739,013	739,013	739,013	739,013	739,013	739,013	739,013	739,013	739,013	739,013	739,013	739,013
<b>TOTAL DISBURSEMENTS</b>	<b>3,003,609</b>	<b>19,207,345</b>	<b>10,531,358</b>	<b>7,600,341</b>	<b>18,366,294</b>	<b>6,807,705</b>	<b>10,850,841</b>	<b>15,054,435</b>	<b>8,742,268</b>	<b>8,177,225</b>	<b>14,085,175</b>	<b>8,400,404</b>
<b>NET CASH FLOW</b>	<b>13,888,351</b>	<b>(6,240,150)</b>	<b>(9,597,575)</b>	<b>616,824</b>	<b>(361,756)</b>	<b>(5,410,107)</b>	<b>(6,553,243)</b>	<b>10,348,358</b>	<b>(4,444,670)</b>	<b>(949,746)</b>	<b>10,829,304</b>	<b>(3,500,073)</b>
<b>ENDING BALANCE</b>	<b>22,255,021</b>	<b>16,014,871</b>	<b>6,417,296</b>	<b>7,034,120</b>	<b>6,672,364</b>	<b>1,262,258</b>	<b>(5,290,985)</b>	<b>5,057,373</b>	<b>612,703</b>	<b>(337,042)</b>	<b>10,492,262</b>	<b>6,992,189</b>