

**THE COMMISSIONERS OF FIRE DISTRICT NO. 1, IN THE TOWNSHIP
OF HADDON, COUNTY OF CAMDEN, NEW JERSEY**

**RESOLUTION NO. 2020- 16
February 27,2020**

RESOLUTION OF THE COMMISSIONERS OF FIRE DISTRICT NO. 1 IN THE TOWNSHIP OF HADDON, COUNTY OF CAMDEN, NEW JERSEY, AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$500,000 OF REVENUE ANTICIPATION NOTES OF THE FIRE DISTRICT; MAKING CERTAIN COVENANTS TO MAINTAIN THE EXEMPTION OF THE INTEREST ON SAID NOTES FROM FEDERAL INCOME TAXATION; AND AUTHORIZING SUCH FURTHER ACTIONS AND MAKING SUCH DETERMINATIONS AS MAY BE NECESSARY OR APPROPRIATE TO EFFECTUATE THE ISSUANCE AND SALE OF THE NOTES

BACKGROUND

WHEREAS, the Commissioners of Fire District No. 1, in the Township of Haddon, County of Camden, New Jersey ("Board" when referring to the governing body and "Fire District" when referring to the legal entity governed by the Board) is authorized, pursuant to *N.J.S.A. 40A:14-80*, to borrow after March 1 and before December 31 following, a sum not to exceed the amount appropriated at the preceding annual election held in the Fire District for current expenses and necessary repairs to fire apparatus and fire houses within the Fire District, less any sums received from the collector of taxes or municipal treasurer on account of such appropriation; and

WHEREAS, the cash flow forecast of the Fire District for the 2020 fiscal year, a copy of which is attached hereto as Exhibit "A" and made a part hereof, indicates that the Fire District will experience a cash flow deficit for the 2020 fiscal year pending the receipt of taxes and other

revenues; and

WHEREAS, it is the desire of the Fire District to provide funds necessary to meet the projected cash flow deficit.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF FIRE DISTRICT NO. 1 IN THE TOWNSHIP OF HADDON, COUNTY OF CAMDEN, NEW JERSEY, AS FOLLOWS:

Section 1. The estimate of taxes and other revenues of the Fire District to be received and the expenditures to be made in the 2020 fiscal year attached hereto as Exhibit "A", is hereby approved.

Section 2. In anticipation of receipt of taxes and other revenues for the 2020 fiscal year, the issuance of revenue anticipation notes in the aggregate principal amount of up to \$500,000 ("Notes") is hereby authorized, approved, ratified and confirmed.

Section 3. The Chairman, Vice-Chairman and Treasurer, with the assistance of the law firm of Parker McCay P.A., Bond Counsel, is hereby authorized and directed to award and sell the Notes at a public or private sale at a price of not less than par, and to deliver the same to the purchaser thereof upon receipt of the payment of the purchase price thereof.

Section 4. At the next meeting of the Board after the sale of the Notes, the Treasurer is hereby authorized and directed to report, in writing, to the Board, the principal amount, rate of

interest and the name of the purchaser of the Notes.

Section 5. The Notes shall be dated the date of delivery thereof and mature no later than December 31, 2020. The Notes will not be subject to redemption prior to maturity.

Section 6. The Notes shall be executed in the name of the Fire District by the manual or facsimile signatures of the President and Treasurer, and shall be under the corporate seal of the Fire District affixed, imprinted, or reproduced thereon, and attested by the manual or facsimile signature of the Clerk.

Section 7. The proceeds from the sale of the Notes shall be applied only to the purposes provided for in the Fire District's 2020 budget and shall not be applied to any other purpose. Pending such use, the Fire District may invest said proceeds in such investments permitted by applicable law.

Section 8. The Fire District hereby covenants that it will not make any use of the proceeds of the Notes or do or suffer any other action that would cause: (i) the Notes to be "arbitrage bonds" as such term is defined in Section 148(a) of the Internal Revenue Code of 1986, as amended ("Code") and the Income Tax Regulations promulgated thereunder; (ii) the interest on the Notes to be included in the gross income of the owners thereof for federal income taxation purposes; or (iii) the interest on the Notes to be treated as an item of tax preference under Section 57(a)(5) of the Code.

Section 9. The Fire District hereby covenants as follows: (i) it shall timely file such

information report or reports as may be required by Sections 148(f) and 149(e) of the Code; and (ii) it shall take no action that would cause the Notes to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 10. The Fire District expects that the Notes will be treated as satisfying the requirements to rebate to the United States of arbitrage profits with respect to the proceeds of the Notes by satisfying the requirements for exemption from rebate provided for in Section 148(f)(4)(C) of the Code ("Small Issuer Exception") since: (i) the Fire District is a governmental unit of the State of New Jersey and is empowered to exercise general taxing powers with respect to all non-exempt real property within the Board; (ii) none of the proceeds of the Notes will be loaned to nongovernmental entities; (iii) no portion of the payment of debt service on the Notes is secured by property owned by or payments (other than taxes of general applicability) to be made by nongovernmental units; (iv) all of the net proceeds of the Notes are being used to pay the costs of local government activities of the Fire District; (v) the Fire District does not expect that the aggregate face amount of tax-exempt bonds (other than private-activity bonds described in Section 141 of the Code and certain current refunding bonds described in 148(f)(4)(C) of the Code) issued during the calendar year 2020 will exceed \$5,000,000; (vi) there are no entities that may issued bonds on behalf of the Fire District; (vii) none of the proceeds of the Notes will be loaned by the Fire District to a governmental unit with general taxing powers; and (viii) the Fire District was not formed for the purpose of avoiding the rules for aggregating the face amount of tax exempt obligations that may be issued pursuant to the Small Issuer Exception.

Section 11. In the event that the aggregate principal amount of the tax exempt

obligations (other than private activity bonds as defined in Section 141 of the Code and certain current refunding bonds described in Section 148(f)(4)(C) of the Code) issued by the Fire District during calendar year 2020 exceeds \$5,000,000, the Fire District hereby covenants that it shall make, or cause to be made, the rebate required by Section 148(f) of the Code in the manner described in Treasury Regulation Sections 1.148-1 through 1.148-11, 1.149(b)-1, 1.149(d)-1, 1.149(g)-1, 1.150-1 and 1.150-2, as such regulations and statutory provisions may be modified insofar as they apply to the Notes.

Section 12. The Fire District hereby designates the Notes as "qualified tax-exempt obligations" as defined in and for the purposes of Section 265(b)(3) of the Code. For purposes of this designation, the Fire District hereby represents that: (i) during the period from January 1, 2020 through and including the date hereof, the Fire District has not issued tax-exempt obligations in an amount which, when added to the aggregate principal amount of the Notes, exceeds \$10,000,000; (ii) during the period from January 1, 2020 through and including the date hereof, the Fire District has not designated as "qualified tax-exempt obligations" bonds or other tax-exempt obligations in an amount which, when added to the aggregate principal amount of the Notes, exceeds \$10,000,000; and (iii) it reasonably anticipates that the amount of tax-exempt obligations to be issued by the Fire District during the period from January 1, 2020 to December 31, 2020, and the amount of obligations designated as "qualified tax-exempt obligations" by it, will not exceed \$10,000,000 when added to the aggregate principal amount of the Notes.

Section 13. All actions heretofore taken and documents prepared or executed by or on behalf of the Fire District by the Chairman, Vice Chairman, Treasurer, Secretary, other Fire

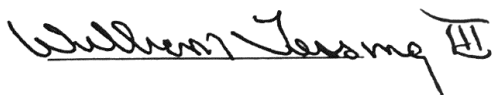
District officials or by the Fire District's professional advisors, in connection with the issuance and sale of the Notes are hereby ratified, confirmed, approved and adopted.

Section 14. The Chairman, Vice Chairman, Treasurer and Secretary are hereby authorized and directed to determine all matters and execute all documents and instruments in connection with the Notes not determined or otherwise directed to be executed by the Fire District Law or by this or any subsequent resolution, and the signature of the Chairman, Vice Chairman, Treasurer or Secretary on such documents or instruments shall be conclusive as to such determinations.

Section 15. All other resolutions, or parts thereof, inconsistent herewith are hereby rescinded and repealed to the extent of any such inconsistency.

Section 16. This Resolution shall take effect immediately upon adoption.

Proposed By



William Tessing 3rd

Seconded By



Henry Voigtsberger

Role Call Vote

	Aye	Nay	Abstain
Mr. Voigtsberger	✓		
Mr. Tessing 3 rd	✓		
Mr. Jackson 5 th	✓		
Mr. Tessing 4 th	✓		
Mr. Piscopio	✓		

Exhibit "A"