

**GLOUCESTER TOWNSHIP COUNCIL MEETING
ADDENDUM**

R-16:11-322

RESOLUTION OF THE TOWNSHIP OF GLOUCESTER, IN THE COUNTY OF CAMDEN, NEW JERSEY AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$533,330 OF REFUNDING BOND ANTICIPATION NOTES OF THE TOWNSHIP; MAKING CERTAIN COVENANTS TO MAINTAIN THE EXEMPTION FROM FEDERAL INCOME TAXATION OF INTEREST ON SAID NOTES; AND AUTHORIZING SUCH FURTHER ACTIONS AND MAKING SUCH DETERMINATIONS AS MAY BE NECESSARY OR APPROPRIATE TO EFFECT THE ISSUANCE AND SALE OF SAID NOTES

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BACKGROUND

WHEREAS, the Township Council ("Council") of the Township of Gloucester, County of Camden, New Jersey ("Township"), adopted a resolution dated November 9, 2015 to fund an emergency appropriation ("Appropriation Resolution") for the purpose of paying the cost of extraordinary expenses incurred by the Township as a result of the June 23, 2015 severe storm event ("Appropriation"), all as more particularly described in the Appropriation Resolution; and

WHEREAS, the Local Bond Law, constituting Chapter 169 of the Laws of the State of New Jersey ("State"), as amended and supplemented, N.J.S.A. 40A:2-51 et seq. ("Local Bond Law"), authorizes municipalities to issue refunding bonds to fund temporary emergency appropriations; and

WHEREAS, on November 9, 2015, the Township Council introduced a refunding bond ordinance entitled "REFUNDING BOND ORDINANCE PROVIDING FUNDS TO PAY AN EMERGENCY APPROPRIATION RELATED TO THE JUNE 23, 2015 SEVERE STORM EVENT; AUTHORIZING THE ISSUANCE OF UP TO \$800,000 OF GENERAL OBLIGATION REFUNDING BONDS OF THE TOWNSHIP OF GLOUCESTER, COUNTY OF CAMDEN, NEW JERSEY, TO FINANCE THE COSTS THEREOF; MAKING CERTAIN DETERMINATIONS AND COVENANTS IN CONNECTION THEREWITH; AND AUTHORIZING CERTAIN RELATED ACTIONS IN CONNECTION WITH THE FOREGOING" ("Refunding Bond Ordinance"); and

WHEREAS, pursuant to *N.J.S.A. 40A:2-51 et seq.*, the Local Finance Board, Division of Local Government Services, New Jersey Department of Community Affairs ("Local Finance Board"), at a meeting held on December 9, 2015, adopted a resolution authorizing the Township to finally adopt the Refunding Bond Ordinance; and

WHEREAS, on December 9, 2015, the Township Council, after a public hearing, finally adopted the Refunding Bond Ordinance; and

WHEREAS, pursuant to the Refunding Bond Ordinance, the Township is authorized to issue its refunding bond anticipation notes, in the aggregate principal amount of up to \$800,000 to

fund the Appropriation; and

WHEREAS, it is the intent of the Township Council hereby to authorize and approve the issuance and sale of its refunding bond anticipation notes in the principal amount of up to \$800,000 to pay a portion of the costs of the Appropriation ("Notes"); and

WHEREAS, the prior notes mature on December 15, 2016, and

WHEREAS, it is the desire of the Township to issue its refunding bond anticipation notes in the principal amount of \$533,330 ("Notes"), as further described in Exhibit "A", the proceeds of which, together with other available funds in the amount of \$266,670, will be used to repay the Prior Notes at maturity; and

NOW, THEREFORE, BE IT RESOLVED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF GLOUCESTER, IN THE COUNTY OF CAMDEN, STATE OF NEW JERSEY (NOT LESS THAN TWO-THIRDS OF ALL THE MEMBERS THEREOF AFFIRMATIVELY CONCURRING), AS FOLLOWS:

Section 1. Pursuant to the Local Bond Law, the issuance of refunding bond anticipation notes of the Township, to be designated, substantially, "Township of Gloucester, County of Camden, New Jersey, Refunding Bond Anticipation Note of 2016, Series A" ("Notes"), in an aggregate principal amount of up to \$533,330, is hereby authorized and approved,

Section 2. The Notes shall be dated the date of delivery thereof and mature no later than one year from said date. The Notes will not be subject to redemption prior to maturity but may be renewed from time to time, subject to the terms of the Refunding Bond Ordinance. The Notes shall be issued in bearer or registered form in minimum denominations of \$100,000 or greater and shall be in the form permitted by the Local Bond Law and as Bond Counsel shall approve.

Section 3. The Notes shall be executed in the name of the Township by the manual or facsimile signature of the Mayor and Chief Financial Officer or Business Administrator, and shall be under the corporate seal of the Township affixed, imprinted, or reproduced thereon, and attested by the manual signature of the Township Clerk or Deputy Township Clerk.

Section 4. The Chief Financial Officer and the Business Administrator, with the assistance of the law firm of Parker McCay P.A., Bond Counsel, are 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 payment of the purchase price plus accrued interest (if any) from the dated date of the Notes to the date of delivery thereof.

Section 5. At the next meeting after the sale of the Notes, the Chief Financial Officer

and/or the Business Administrator are each authorized and directed to report, in writing, to the Township Council, the principal amount, rate of interest and name of the purchaser of the Notes.

Section 6. The Notes shall be general obligations of the Township. The full faith and credit of the Township are irrevocably pledged to the punctual payment of the principal of and interest on the Notes and, to the extent payment is not otherwise provided, the Township shall levy ad valorem taxes on all taxable real property without limitation as to rate or amount for the payment thereof.

Section 7. The Township 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 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 8. The Township hereby covenants as follows: (i) it shall timely file with the Internal Revenue Service, 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 9. The Township 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 10. The Township 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 Township hereby represents that it reasonably anticipates that the amount of tax-exempt obligations to be issued by the Township during the period from January 1, 2016 to December 31, 2016, 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.

For purposes of this Section 10, the following obligations are not taken into account in determining the aggregate principal amount of tax-exempt obligations issued by the Township: (i) a private activity bond as defined in Section 141 of the Code (other than a qualified 501(c)(3) bond, as defined in Section 145 of the Code); and (ii) any obligation issued to refund any other tax-exempt obligation (other than to advance refund within the meaning of Section 149(d)(5) of the Code) as provided in Section 265(b)(3)(c) of the Code.

Section 11. All actions heretofore taken and documents prepared or executed by or on behalf of the Township by the Mayor, Chief Financial Officer, Business Administrator, Township Clerk, Deputy Township Clerk, other Township officials or by the Township's professional advisors, in connection with the issuance and sale of the Notes are hereby ratified, confirmed, approved and adopted.

Section 12. The Mayor, Chief Financial Officer, Business Administrator, Township Clerk and Deputy Township Clerk are each 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 Local Bond Law or by this or any subsequent resolution, and the signatures of the Mayor, Chief Financial Officer, Business Administrator, Township Clerk and Deputy Township Clerk, on such documents or instruments shall be conclusive as to such determinations.

Section 13. All resolutions or parts thereof, inconsistent herewith are hereby rescinded and repealed to the extent of any such inconsistency.

Section 14. This resolution shall take effect immediately upon adoption this 28th day of November, 2016.

Adopted: November 28, 2016

ATTEST:

President of Council

Township Clerk

Exhibit "A"

Ordinance Number	Notes Authorized	Notes Outstanding	Notes to be Issued
O-14-15	\$800,000	\$800,000	\$533,330