

**TOWNSHIP OF PENNSAUKEN, NEW JERSEY**

**RESOLUTION 2022:169**

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**RESOLUTION OF THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF PENNSAUKEN, COUNTY OF CAMDEN, NEW JERSEY, AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$31,882,000 OF GENERAL OBLIGATION BONDS, SERIES 2022, OF THE TOWNSHIP OF PENNSAUKEN, COUNTY OF CAMDEN, NEW JERSEY; MAKING CERTAIN COVENANTS TO MAINTAIN THE EXEMPTION OF THE INTEREST ON SAID BONDS 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 BONDS**

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**BACKGROUND**

**WHEREAS**, pursuant to the Local Bond Law, constituting Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"), the Township Committee of the Township of Pennsauken, County of Camden, New Jersey ("Township"), has, pursuant to bond ordinances 2017-3, 2017-8, 2018-2, 2019-2, 2019-3, 2020-3, 2020-11, 2021-5, 2021-9 and 2022-6 (collectively, the "Bond Ordinances"), each duly and finally adopted and published in accordance with the requirements of the Local Bond Law, authorized the issuance of general obligation bonds or bond anticipation notes of the Township to finance the costs of various capital improvements and the acquisition of various capital equipment, all as more particularly described in Exhibit "A", attached hereto and made a part hereof; and

**WHEREAS**, on June 9, 2021, the Township issued its Bond Anticipation Notes of 2021, Series A, in the principal amount of \$14,520,000 ("Notes") to temporarily finance a portion of the costs of the improvements authorized by bond ordinances 2017-3, 2017-8, 2018-2, 2019-2, 2019-3,

2020-3 and 2021-5 (collectively, the "Prior Improvements");

**WHEREAS**, the Notes mature on June 8, 2022; and

**WHEREAS**, the Township has not yet issued any obligations to finance the costs of the improvements authorized by bond ordinances 2020-11, 2021-9, and 2022-6 ("New Improvements"); and

**WHEREAS**, it is the desire of the Township to issue its general obligation bonds in the aggregate principal amount of up to \$31,882,000 ("Bonds"), as further described in Exhibit "A", the proceeds of which, together with other available funds of the Township, will be used to: (i) permanently finance the costs of the New Improvements, for which obligations have been authorized but not yet issued; (ii) repay the principal of the Notes at maturity; and (iii) pay certain costs and expenses incidental to the issuance and delivery of the Bonds (collectively, the "Project"); and

**WHEREAS**, pursuant to the Local Bond Law and the Bond Ordinances, it is the intent of the Township Committee hereby to authorize, approve and direct the issuance and sale of such Bonds, to ratify and confirm certain actions heretofore taken by or on behalf of the Township, and to make certain related determinations and authorizations in connection with such issuance and sale.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF PENNSAUKEN, COUNTY OF CAMDEN, NEW JERSEY, PURSUANT TO THE LOCAL BOND LAW, AS FOLLOWS:**

**Section 1.** Pursuant to the Local Bond Law and the Bond Ordinances, the issuance and sale of the Bonds of the Township, to be designated substantially, "Township of Pennsauken, County of Camden, New Jersey, General Obligation Bonds, Series 2022", in an aggregate principal amount of up to \$31,882,500 to finance the Project, is hereby authorized and approved.

**Section 2.** The Bonds shall be dated their date of issuance and shall mature on March 1, in the years and amounts set forth below:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2024	\$ 752,000	2033	\$1,950,000
2025	820,000	2034	2,035,000
2026	780,000	2035	2,125,000
2027	940,000	2036	2,205,000
2028	1,080,000	2037	2,300,000
2029	1,110,000	2038	2,395,000
2030	1,840,000	2039	2,490,000
2031	1,860,000	2040	2,595,000
2032	1,900,000	2041	2,705,000

The Chief Financial Officer of the Township is hereby authorized to adjust the maturity schedule of the Bonds set forth in the maturity schedules above in accordance with the Local Bond Law and specifically *N.J.S.A. 40A:2-26(g)*.

The term of the Bonds is equal to or less than the average period of usefulness of the Project being financed through the issuance of the Bonds. Interest on the Bonds shall be payable semiannually on March 1 and September 1, commencing March 1, 2023, in each year until maturity or earlier redemption.

**Section 3.** The Bonds 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 Bonds and, to the extent payment is not otherwise provided, the Township shall levy ad valorem taxes on all taxable property without limitation as to rate or amount for the payment thereof.

**Section 4.** The Bonds maturing on and after March 1, 2033, shall be subject to redemption prior to their stated maturity dates at the option of the Township, upon notice as set forth below, as a whole or in part (and, if in part, such maturities as the Township shall determine and within any such maturity by lot) on any date on and after March 1, 2032, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus accrued interest to the redemption date.

Notwithstanding the foregoing, the Chief Financial Officer of the Township is hereby authorized to determine whether the Bonds shall be subject to redemption and/or to revise the dates upon which the Bonds shall be subject to redemption, all in accordance with the Local Bond Law.

**Section 5.** Notice of redemption with respect to the Bonds shall be given by mailing first class mail in a sealed envelope with postage pre-paid not less than thirty (30) days nor more than sixty (60) days prior to the redemption date to the owner of every Bond of which all or a portion is to be redeemed at his or her last address, if any, appearing on the registration books of the Township. So long as the Bonds are issued in book-entry-only form, all notices of redemption will be sent only to the Securities Depository (hereinafter defined) and not be sent to the beneficial

owners of the Bonds. Failure of an owner of the Bonds to receive such notice or of the Securities Depository to advise any participant or any failure of a participant to notify any beneficial owner of the Bonds shall not affect the validity of any proceedings for the redemption of Bonds. Such notice shall specify: (i) the series and maturity of the Bonds to be redeemed; (ii) the redemption date and the place or places where amounts that are due and payable upon such redemption will be payable; (iii) if less than all of the Bonds are to be redeemed, the letters and numbers or other distinguishing marks of the Bonds to be redeemed; (iv) in the case of a Bond to be redeemed in part only, the portion of the principal amount thereof to be redeemed; (v) that on the redemption date there shall become due and payable with respect to each Bond or portion thereof to be redeemed, the redemption price; and (vi) that from and after the redemption date interest on such Bonds or portion thereof to be redeemed shall cease to accrue and be payable.

**Section 6.** The Bonds will be issued in fully registered book-entry-only form. One certificate shall be issued for each of the Bonds in the aggregate principal amount of the Bonds maturing in each year. Both the 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 Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository ("Securities Depository"). The certificates will be on deposit with DTC. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants will be responsible for maintaining records recording the beneficial ownership interests in the Bonds on behalf of individual purchasers. Individual purchases may be made in the principal amount of \$5,000, integral multiples thereof, and in integral multiples of \$1,000 in excess thereof, or in such amount necessary to issue the principal amount of the Bonds, through book-entries made on the

books and the records of DTC and its participants. The principal of and interest on the Bonds will be paid to DTC by the Township on the respective maturity dates and due dates and will be credited on the respective maturity dates and due dates to the participants of DTC as listed on the records of DTC as of the fifteenth (15th) day of the calendar month next preceding an interest payment date. The Bonds will be executed on behalf of the Township by the manual or facsimile signatures of the Mayor and Chief Financial Officer, attested by the Township Clerk or the Deputy Township Clerk, and shall bear the affixed, imprinted or reproduced seal of the Township thereon.

**Section 7.** The Township is hereby authorized to make representations and warranties, to enter into agreements and to make all arrangements with DTC, as may be necessary in order to provide that the Bonds will be eligible for deposit with DTC and to satisfy any obligation undertaken in connection therewith.

**Section 8.** In the event that DTC may determine to discontinue providing its service with respect to the Bonds or is removed by the Township and if no successor Securities Depository is appointed, the Bonds which were previously issued in book-entry form shall be converted to Registered Bonds in denominations of \$5,000, integral multiples thereof, and in integral multiples of \$1,000 in excess thereof, or in such amount necessary to issue the principal amount of the Bonds ("Registered Bonds"). The beneficial owner under the book-entry system, upon registration of the Bonds held in the beneficial owner's name, will become the registered owner of the Registered Bonds. The Township shall be obligated to provide for the execution and delivery of the Registered Bonds in certified form.

**Section 9.** The Chief Financial Officer is hereby authorized to solicit proposals for

and, if deemed necessary or beneficial, engage the services of a qualified financial institution to serve as paying agent for the Bonds ("Paying Agent"). The Chief Financial Officer is hereby authorized to enter into an agreement with the Paying Agent for the services to be provided if deemed necessary or beneficial.

**Section 10.** The preparation of a preliminary official statement ("Preliminary Official Statement") relating to the Bonds, and the distribution of said Preliminary Official Statement to prospective purchasers of the Bonds and others having an interest therein, are hereby authorized and directed. The Mayor, Chief Financial Officer, Business Administrator and Township Clerk are each hereby authorized to deem the Preliminary Official Statement "final", as contemplated by paragraph (b)(1) of Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended ("Rule 15c2-12").

**Section 11.** The appointment of Bowman & Company LLP, as printer ("Printer"), to provide electronic and/or physical dissemination of the Preliminary Official Statement and Official Statement (hereinafter defined) is hereby authorized, approved, ratified and confirmed. The Chief Financial Officer of the Township is hereby authorized and directed to enter into an agreement with the Printer for the services to be provided.

**Section 12.** Pursuant to the Local Bond Law, the Chief Financial Officer is hereby authorized to sell and award the Bonds at a public sale. The sale of the Bonds shall be in accordance with the provisions of the Local Bond Law, and the advertised terms of such public sale. If necessary or desirable, the Chief Financial Officer is hereby authorized to postpone, from time to time, the date and time established for receipt of bids for the sale of the Bonds in accordance with

the Local Bond Law. If any date fixed for receipt of bids and the sale of the Bonds is postponed, the Chief Financial Officer is hereby authorized to announce an alternative sale date at least forty-eight (48) hours prior to such alternative sale date. The Chief Financial Officer is hereby authorized and directed to cause a summary notice of sale and a notice of sale of the Bonds to be prepared and disseminated in accordance with the Local Bond Law. At the next meeting of the Township Committee after the sale and award of the Bonds, the Chief Financial Officer shall report, in writing, to the Township Committee the principal amount, the rate or rates of interest, the maturity dates, the dates upon which interest on the Bonds shall be paid, the price and the purchaser or purchasers of the Bonds.

**Section 13.** The utilization of i-Deal LLC, New York, New York, to provide electronic bidding services to the Township in connection with the competitive sale of the Bonds ("Bidding Agent") through the use of the Bidding Agent's BiDCOMP/PARITY auction system, pursuant to the Local Bond Law and the regulations promulgated thereunder, is hereby authorized, approved, ratified and confirmed.

**Section 14.** The preparation of a final official statement ("Official Statement") with respect to the Bonds is hereby authorized and directed. Within seven (7) business days of the sale of the Bonds and in sufficient time to accompany any confirmation that requests payment from a customer, the Township will deliver sufficient copies of the Official Statement to the purchaser of the Bonds in order for the same to comply with Paragraph (b)(4) of Rule 15c2-12. The Mayor, Chief Financial Officer and Business Administrator are each hereby authorized to execute the Official Statement, and the distribution thereof to purchasers and others is hereby authorized and directed. The execution of the final Official Statement by the Mayor, Chief Financial Officer and



Business Administrator shall constitute conclusive evidence of approval by the Township of the changes therein from the Preliminary Official Statement. The Mayor, Chief Financial Officer and Business Administrator are each hereby authorized to approve any amendments of or supplements to the Official Statement.

**Section 15.** In order to assist the underwriters of the Bonds in complying with the secondary market disclosure requirements of Rule 15c2-12, the Chief Financial Officer is hereby authorized to execute on behalf of the Township an agreement with Acacia Financial Group, Inc., as dissemination agent, providing for the preparation and filing of the necessary reports in accordance with Rule 15c2-12 in connection with the Bonds.

**Section 16.** The Township hereby covenants that it will not make any use of the proceeds of the Bonds or do or suffer any other action that would cause: (i) the Bonds 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 Bonds to be included in the gross income of the owners thereof for federal income taxation purposes; or (iii) the interest on the Bonds to be treated as an item of tax preference under Section 57(a)(5) of the Code.

**Section 17.** The Township 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 with respect to the Bonds; and (ii) it shall take no action that would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

**Section 18.** To the extent not otherwise exempt, the Township hereby covenants that, with respect to the Bonds, 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 Bonds.

**Section 19.** Application to Moody's Investors Service and/or S&P Global Ratings, acting through Standard & Poor's Financial Services LLC, for a rating of the Bonds, and the furnishing of certain information concerning the Township and the Bonds, for the purpose of qualifying the Bonds for municipal bond insurance, are hereby authorized, ratified, confirmed and approved.

**Section 20.** 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 and other Township officials or by the Township's professional advisors, in connection with the issuance and sale of the Bonds are hereby ratified, confirmed, approved and adopted.

**Section 21.** The Mayor, Chief Financial Officer, Business Administrator, Township Clerk and Deputy Township Clerk are each hereby authorized to determine all matters and execute all documents and instruments in connection with the Bonds not determined or otherwise directed to be executed by the Local Bond Law, the Bond Ordinances, 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 22.** All other resolutions, or parts thereof, inconsistent herewith are hereby rescinded and repealed to the extent of any such inconsistency.

**Section 23.** This resolution shall take effect immediately upon adoption this 11th day of April, 2022.

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Recorded Vote

AYE

NO

ABSTAIN

ABSENT

The foregoing is a true copy of a resolution adopted by the Township Committee on April 11, 2022.

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**PAMELA SCOTT-FORMAN, RMC, Township  
Clerk**

[Seal]

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**Exhibit "A"**

<b>Bond Ordinance</b>	<b>Purpose/ Improvement</b>	<b>Amount Authorized</b>	<b>Notes Outstanding</b>	<b>Bonds to be Issued</b>
2017-03; Amended by 2017-16	Various Capital Improvements	\$2,517,500	\$2,296,250	\$2,296,250
2017-08	Replacement of HVAC	323,000	311,500	311,500
2018-02	Various Capital Improvements	2,422,500	2,312,500	2,312,500
2019-02	Various Recreational Improvements	204,250	204,250	204,250
2019-03	Various Capital Improvements and Acquisition of Equipment	2,384,500	2,384,500	2,384,500
2020-03	Various Capital Improvements and Acquisition of Equipment	2,736,000	2,736,000	2,736,000
2020-11	Library/Municipal Building Complex	570,000	0	570,000
2021-05	Various Capital Improvements and Acquisition of Equipment	4,275,000	4,275,000	4,275,000
2021-09	Library/Municipal Building Complex	13,800,000	0	13,800,000
2022-06	Acquisition of Various Capital Equipment Improvements and Completion of Various Improvements	3,500,000	0	2,992,000
<b>TOTAL</b>		<b>\$32,225,500</b>	<b>\$14,520,000</b>	<b>\$ 31,882,000</b>