

**THE COMMISSIONERS OF FIRE DISTRICT NO. 3, IN THE TOWNSHIP
OF LOWER, COUNTY OF CAPE MAY, NEW JERSEY**

RESOLUTION

2023-19

RESOLUTION OF THE COMMISSIONERS OF FIRE DISTRICT NO. 3, IN THE TOWNSHIP OF LOWER, COUNTY OF CAPE MAY, NEW JERSEY AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$983,000 AGGREGATE PRINCIPAL AMOUNT OF ITS GENERAL OBLIGATION BONDS, SERIES 2023; MAKING CERTAIN COVENANTS TO MAINTAIN THE EXEMPTION OF 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 SAID BONDS

BACKGROUND

WHEREAS, pursuant to N.J.S.A. 40A:14-70 et seq., as amended and supplemented ("Fire District Law"), and by virtue of the proposal adopted by The Commissioners of Fire District No. 3, in the Township of Lower, County of Cape May, New Jersey ("Board" when referring to the governing body and "Fire District" when referring to the legal entity governed by the Board) and approved by the voters of the Fire District at a special election held on July 11, 2023, the Fire District is authorized to issue bonds in the aggregate principal amount of up to \$983,000 to finance the costs of acquiring new fire apparatus (the "Project"); and

WHEREAS, the Fire District desires at this time to permanently finance the costs of the Project through the issuance and sale of its general obligation bonds in an aggregate principal amount of up to \$983,000; and

WHEREAS, pursuant to the Fire District Law, it is the intent of the Board 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 Fire District and to make certain related determinations and authorizations in connection with such issuance and sale.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF FIRE DISTRICT NO. 3, IN THE TOWNSHIP OF LOWER, COUNTY OF CAPE MAY, NEW JERSEY, PURSUANT TO THE FIRE DISTRICT LAW, AS FOLLOWS:

Section 1. Pursuant to the Fire District Law, the issuance, sale and award of the general obligation bonds of the Fire District, to be designated, substantially, "The Commissioners of Fire District No. 3, in the Township of Lower, County of Cape May, New Jersey, General Obligation Bonds, Series 2023" ("Bonds"), in the aggregate principal amount of up to \$983,000 for the Project, are hereby authorized and approved.

Section 2. The Bonds shall be dated their date of delivery and shall mature on October 1, in the years and amounts, with such changes as shall be approved by the Treasurer upon the advice of the Fire District's professional advisors, such approval to be conclusively evidenced by the execution of a Certificate of Determination and Award by the Treasurer ("Award Certificate"), set forth below:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2024	\$84,000	2029	\$100,000
2025	86,000	2030	103,000
2026	89,000	2031	107,000
2027	92,000	2032	111,000
2028	96,000	2033	115,000

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 October 1 and April 1, commencing on April 1, 2024, in each year until maturity. The Bonds are not subject to redemption prior to their stated maturity dates.

Section 3. The Bonds shall be in the form prescribed and permitted by the Fire District Law, as Bond Counsel may advise and as the Fire District shall approve. One certificate shall be issued for the aggregate principal amount of Bonds. Both the principal of and interest on the Bonds will be payable in lawful money of the United States of America. The Bonds will be executed on behalf of the Fire District by the manual or facsimile signature of the Chairman or Vice Chairman, attested by the Secretary of the Board (such execution shall constitute conclusive approval by the Fire District of the form of the Bonds), and shall bear the affixed, imprinted or reproduced seal of the Fire District thereon.

Section 4. The Request for Proposals ("RFP"), prepared on behalf of the Fire District by Phoenix Advisors, LLC ("Municipal Advisor") in connection with the sale of the Bonds, and the distribution thereof to various financial institutions, are each hereby authorized, approved, ratified, and confirmed.

Section 5. In accordance with the terms of the RFP, and upon the recommendation of the Municipal Advisor, the Chairman and the Treasurer are each hereby authorized to award and sell the Bonds to the firm submitting the most advantageous proposal to the Fire District, said award and sale to be conclusively evidenced by execution of the Award Certificate. At the next

meeting of the Board following the issuance and sale of the Bonds, the Chairman and the Treasurer are authorized and directed to make a full report to the Board concerning the terms and conditions of said sale and to include same in the official minutes of said meeting.

Section 6. The Treasurer is hereby authorized, if necessary or advisable, to solicit proposals for and engage the services of a qualified financial institution to serve as paying agent for the Bonds ("Paying Agent"). The Treasurer is hereby authorized to enter into an agreement with the Paying Agent for the services to be provided.

Section 7. The Bonds shall be general obligations of the Fire District. The full faith and credit of the Fire District 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 Fire District shall levy *ad valorem* taxes on all taxable real property within the jurisdiction of the Fire District without limitation as to rate or amount for the payment thereof.

Section 8. The Fire District 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 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 9. The Fire District 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 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code

Section 10. 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 Bonds described in Section 148(f)(4)(C) of the Code) issued by the Fire District during calendar year 2023 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 Bonds.

Section 11. The Fire District hereby designates the Bonds 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 it reasonably anticipates that the amount of tax-exempt obligations to be issued by the Fire District during the period from January 1, 2023 to December 31, 2023, 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 Bonds.

For purposes of this Section 11, the following obligations are not taken into account in determining the aggregate principal amount of tax-exempt obligations issued by the Fire District: (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 12. The Treasurer is hereby authorized to pay the costs associated with the issuance of the Bonds; provided, however, that such costs do not exceed the maximum amounts set forth in the application submitted by the Fire District to the Local Finance Board in connection with the issuance and sale of the Bonds.

Section 13. All actions heretofore taken and documents prepared or executed by or on behalf of the Fire District by the members of the Board or by the Fire District's professional advisors, in connection with the authorization, issuance and sale of the Bonds, are hereby ratified, confirmed, approved and adopted in all respects.

Section 14. The Chairman, Vice Chairman, Treasurer and Secretary are each hereby severally authorized to determine all matters and execute all documents and instruments in connection with the issuance of the Bonds not determined or otherwise directed to be executed by the applicable law, or by this or any subsequent resolution, and the signatures of the Chairman, Vice Chairman, Treasurer and Secretary on such documents or instruments shall be conclusive as to such determinations.

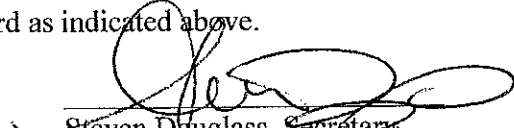
Section 15. All other resolutions, or parts thereof, inconsistent herewith are hereby rescinded and repealed to the extent of any such inconsistency.

Section 16. This Resolution shall take effect immediately upon adoption this 19th day of September, 2023.

Recorded Vote

	MOTION	SECOND	YEA	NAY	ABSTAIN	ABSENT
Robertson		X	X			
G. Douglass			X			
S. Douglass			X			
Devlin			X			
Sweeten	X		X			

I hereby certify the foregoing to be the original resolution is a correct and accurate copy of a resolution adopted on adopted by the Board of Commissioners of Fire District No. 3 at a meeting held September 19, 2023 with the voting record as indicated above.


Steven Douglass, Secretary