



Date Adopted

Committee

May 2, 2018

Administrative

**RESOLUTION OF THE BOARD OF CHOSEN FREEHOLDERS OF
THE COUNTY OF SALEM, NEW JERSEY AUTHORIZING THE
ISSUANCE, SALE AND AWARD OF UP TO \$2,600,000 OF ITS
COUNTY COLLEGE BONDS, SERIES 2018; MAKING CERTAIN
DETERMINATIONS AND COVENANTS IN CONNECTION
THEREWITH AND AUTHORIZING SUCH FURTHER ACTIONS
RELATED THERETO**

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 Board of Chosen Freeholders ("Board") of the County of Salem, New Jersey ("County") has, pursuant to Bond Ordinance No. 2018-02 of the County ("County College Bond Ordinance"), duly and finally adopted by the Board 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 County to finance the costs of the capital improvements set forth in and authorized by the County College Bond Ordinance; and

WHEREAS, the County has not yet issued any obligations to finance the costs of the improvements authorized by the County College Bond Ordinance ("Improvements"); and

WHEREAS, it is the desire of the County to: (i) permanently finance the costs of the Improvements, for which obligations have been authorized but not yet issued; (ii) pay certain costs and expenses incidental to the issuance and delivery of the Bonds (collectively, with (i), the "2018 County College Project"); and (iii) authorize the Freeholder Director of the Board, the Deputy Director of the Board, the County Administrator, the County Treasurer and the County Chief Financial Officer to make certain related determinations and covenants and take certain actions in connection therewith.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF CHOSEN FREEHOLDERS OF THE COUNTY OF SALEM, NEW JERSEY (NOT LESS THAN TWO-THIRDS OF ALL THE MEMBERS THEREOF AFFIRMATIVELY CONCURRING), PURSUANT TO THE PROVISIONS OF THE LOCAL BOND LAW, AS FOLLOWS:

Section 1. Pursuant to the Local Bond Law and the County College Bond Ordinance, the issuance and sale of negotiable general obligation bonds of the County, to be designated substantially "County of Salem, New Jersey, County College Bonds, Series 2018", in an aggregate principal amount of up to \$2,600,000 ("Bonds") for the 2018 County College Project, is hereby authorized and approved.

Section 2. The Bonds shall be dated the date of issuance and delivery and shall mature on March 15 in the following years and principal amounts, or as set forth in any revised maturity schedule and in such revised principal amounts as shall be approved by the Office of Public Finance in the New Jersey Department of the Treasury prior to the sale of the Bonds.

<u>Year</u>	<u>Principal Amount</u>
2019	\$120,000
2020	145,000
2021	150,000
2022	155,000
2023	155,000
2024	160,000
2025	165,000
2026	170,000
2027	180,000
2028	185,000
2029	190,000
2030	195,000
2031	205,000
2032	210,000
2033	215,000

The term of the Bonds is equal to or less than the average period of usefulness of the 2018 County College Project being financed through the issuance of the Bonds. Interest on the Bonds shall be payable initially on March 15, 2019 and semiannually thereafter on September 15 and March 15 in each year (each an "Interest Payment Date") until maturity or earlier redemption of the Bonds. The Bonds are subject to redemption prior to their stated maturity dates as set forth below.

Section 3. The Bonds maturing on and after March 15, 2028 are subject to redemption prior to their stated maturity dates at the option of the County, upon notice as set forth below, as a whole or in part (and, if in part, such maturities as the County shall determine and within any such maturity by lot) on any date on and after March 15, 2027, 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 County Treasurer and/or Chief Financial Officer 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 4. 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 Paying Agent (hereinafter defined). 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 5. The Bonds will be issued in fully registered book-entry-only form. One certificate shall be issued for 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 of beneficial interest in the Bonds may be made in the principal amount of \$5,000 or any integral multiple of \$5,000, and in integral multiples of \$1,000 in excess thereof, or in such amount necessary to issue the principal amount of the Bonds, as specified by the successful proposer within twenty-four (24) hours of award, subject to approval of the County Treasurer or the County Chief Financial Officer, 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 Paying Agent (as hereinafter defined) 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 each next preceding March 1 and September 1 (each a "Record Date" and, collectively, the "Record Dates" for the Bonds). The Bonds will be executed on behalf of the County by the manual or facsimile signatures of the Freeholder Director of the Board or the Deputy Director of the Board and the County Treasurer or the County Chief Financial Officer, attested by the Clerk of the

Board or the Deputy Clerk of the Board (such execution shall constitute conclusive approval by the County of the form of the Bonds), and shall bear the affixed, imprinted or reproduced seal of the County thereon.

Section 6. The County 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 7. In the event that DTC may determine to discontinue providing its services with respect to the Bonds or is removed by the County and if no successor Securities Depository is appointed, the Bonds which were previously issued in book-entry-only form shall be converted to registered bonds in denominations of \$5,000, or any integral multiple of \$5,000, and in integral multiples of \$1,000 in excess thereof ("Registered Bonds"). The beneficial owner under the book-entry-only system, upon registration of the Bonds held in the beneficial owner's name, will become the registered owner of the Registered Bonds. The County shall be obligated to provide for the execution and delivery of the Registered Bonds in certificated form.

Section 8. The preparation of a preliminary official statement ("Preliminary Official Statement") relating to the Bonds, and the distribution of said Preliminary Official Statement, in electronic and/or physical form, to prospective purchasers of the Bonds and others having an interest therein, is hereby authorized and directed. The Freeholder Director of the Board, the Deputy Director of the Board, the County Administrator, the County Treasurer and the County Chief Financial Officer 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 9. The County hereby authorizes and directs (i) the County's Financial Advisor (as hereinafter defined) to solicit proposals for printing and/or electronic dissemination services for the County ("Printer") with respect to the Preliminary Official Statement and the Official Statement (as hereinafter defined) and to make a recommendation to the County regarding selection of a Printer and (ii) each of the County Treasurer and the County Chief Financial Officer to appoint a Printer based upon the recommendation of the County's Financial Advisor and to enter into an agreement with the Printer for the services to be provided.

Section 10. The appointment of Parker McCay P.A., Mount Laurel, New Jersey ("Bond Counsel") to provide bond counsel services for the County in connection with the authorization, issuance, sale and delivery of the Bonds is hereby authorized, approved, ratified and confirmed. The County Treasurer and the County Chief Financial Officer are each hereby authorized and directed to enter into an agreement with Bond Counsel for the services to be provided.

Section 11. The appointment of Acacia Financial Group, Inc., Mount Laurel, New Jersey ("Financial Advisor") to provide financial advisory services for the County in connection with the authorization, issuance, sale and delivery of the Bonds is hereby authorized, approved, ratified and confirmed. The County Treasurer and the County Chief Financial Officer are each hereby authorized and directed to enter into an agreement with the Financial Advisor for the services to be provided.

Section 12. The County hereby authorizes and directs (i) the Financial Advisor to solicit proposals for paying agent ("Paying Agent") for the Bonds and to make a recommendation to the County regarding selection of a Paying Agent and (ii) each of the County Treasurer and the County Chief Financial Officer to appoint a Paying Agent based upon the recommendation of the Financial Advisor and to enter into an agreement with a bank for the Paying Agent services to be provided.

Section 13. Pursuant to Section 34 of the Local Bond Law, *N.J.S.A.* 40A:2-34, the County Treasurer and the County Chief Financial Officer are each hereby authorized and directed to sell and award the Bonds at a public sale thereof. The sale of the Bonds shall be in accordance with the provisions of Sections 27, 30 and 32 of the Local Bond Law, *N.J.S.A.* 40A:2-27, 30 and 32, and the advertised terms of such public sale. The County Treasurer and the County Chief Financial Officer are each hereby authorized and directed to cause a summary notice of sale and a full notice of sale for the Bonds to be prepared and published in accordance with Sections 30 and 31 of the Local Bond Law, *N.J.S.A.* 40A:2-30 and 31. At the next meeting of the Board after the sale and award of the Bonds, the County Treasurer or the County Chief Financial Officer shall report, in writing, to the Board the aggregate 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. If necessary or desirable, the County Treasurer and the County Chief Financial Officer are each hereby authorized to reject all bids in accordance with *N.J.S.A.* 40A:2-32(b).

Section 14. The utilization of i-Deal LLC, New York, New York, to provide electronic bidding services to the County in connection with the competitive sale of the Bonds ("Bidding Agent") through the use of the Bidding Agent's BiDCOMP[®]/Parity[®] Electronic Bid Submission System, pursuant to the Local Bond Law and the regulations promulgated thereunder, is hereby authorized, approved, ratified and confirmed. The County Treasurer and the County Chief Financial Officer are each hereby authorized and directed to enter into an agreement with the Bidding Agent for the services to be provided.

Section 15. The preparation of a final official statement with respect to the Bonds ("Official Statement") 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 County will deliver in printed and/or electronic format 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

Freeholder Director of the Board, the Deputy Director of the Board, the County Administrator, the County Treasurer and the County Chief Financial Officer are each hereby authorized to execute the Official Statement in final form, and the distribution thereof to purchasers and others is hereby authorized and directed. The execution of the final Official Statement by the Freeholder Director of the Board, the Deputy Director of the Board, the County Administrator, the County Treasurer or the County Chief Financial Officer shall constitute conclusive evidence of approval by the County of the changes therein from the Preliminary Official Statement. The Freeholder Director of the Board, the Deputy Director of the Board, the County Administrator, the County Treasurer and the County Chief Financial Officer are each hereby severally authorized to approve any amendments of or supplements to the Official Statement.

Section 16. The Bonds shall be general obligations of the County. The full faith and credit of the County 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 County shall levy *ad valorem* taxes on all taxable real property within the jurisdiction of the County without limitation as to rate or amount for the payment thereof. The Bonds are also entitled to the benefits of the provisions of the County College Bond Act, P.L. 1971, c.12, *N.J.S.A. 18A:64A-22.1 et seq.*

Section 17. In order to assist the underwriter or underwriters of the Bonds in complying with the secondary market disclosure requirements of Rule 15c2-12, the Freeholder Director of the Board, the Deputy Director of the Board, the County Administrator, the County Treasurer and the County Chief Financial Officer are each hereby severally authorized to execute on behalf of the County before the issuance of the Bonds a Continuing Disclosure Certificate, providing for the preparation and filing of the necessary reports in accordance with Rule 15c2-12.

Section 18. The County hereby covenants not to take or omit to take any action so as to cause interest on the Bonds to be no longer excluded from gross income for the purposes of federal income

taxation and to otherwise comply with the requirements of Sections 103 and 141 through 150 of the Code, and all applicable regulations promulgated with respect thereto, throughout the term of such Bonds. The County further covenants that it will make no investments or other use of the proceeds of the Bonds which would cause such Bonds to be "arbitrage bonds" (as defined in Section 148 of the Code). The County further covenants to comply with the rebate requirements (including the prohibited payment provisions) contained in Section 148(f) of the Code and any regulations promulgated thereunder, to the extent applicable, and to pay any interest or penalty imposed by the United States for failure to comply with said rebate requirements, to the extent applicable. The County further covenants not to take any action or otherwise permit any action that would cause the Bonds to become "private activity bonds" (within the meaning of Section 141 of the Code).

Section 19. The County hereby further covenants as follows: (i) that 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) that 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 20. To the extent not otherwise exempt, the County 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 21. Application to S&P Global Ratings, acting through Standard & Poor's Financial Services LLC, and/or Moody's Investors Service (each a "Rating Agency"), for a rating and/or ratings on the Bonds and the furnishing of certain information concerning the County and the Bonds for the purpose of qualifying the Bonds for municipal bond insurance, is hereby authorized, ratified, confirmed and approved.

Section 22. All actions heretofore taken and documents prepared or executed by or on behalf of the County by the Freeholder Director of the Board, the Deputy Director of the Board, the County Administrator, the County Treasurer, the County Chief Financial Officer, the Clerk of the Board, the Deputy Clerk of the Board, other County officials or by the County's professional advisors (including, but not limited to, the County's Financial Advisor), in connection with the authorization, issuance and sale of the Bonds are hereby ratified, confirmed, approved and adopted.

Section 23. The Freeholder Director of the Board, the Deputy Director of the Board, the County Administrator, the County Treasurer, the County Chief Financial Officer, the Clerk of the Board and the Deputy Clerk of the Board 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 County College Bond Ordinance or by this authorizing resolution or any subsequent resolution, and the signatures of the Freeholder Director of the Board, the Deputy Director of the Board, the County Administrator, the County Treasurer, the County Chief Financial Officer, the Clerk of the Board or the Deputy Clerk of the Board on such documents or instruments shall be conclusive as to such determinations.

Section 24. All other resolutions, or parts thereof, inconsistent herewith are hereby rescinded and repealed to the extent of any such inconsistency.

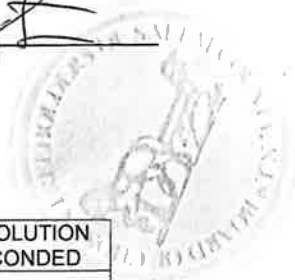
Section 25. This resolution shall take effect immediately upon adoption this 2nd day of May, 2018.



MELISSA L. DECASTRO, Freeholder Director
Board of Chosen Freeholders

I hereby certify the foregoing to be a true resolution adopted by the Board of Chosen Freeholders of the County of Salem on May 2, 2018.

Stacy Pennington
STACY L. PENNINGTON
Deputy Clerk of the Board



RECORD OF VOTE

FREEHOLDER	AYE	NAY	ABSTAIN	ABSENT	RESOLUTION MOVED	RESOLUTION SECONDED
L. Ware				✓		
C. Hassler	✓				✓	
B. Laury	✓					✓
S. Griscom	✓					
M. DeCastro	✓					

✓ Indicates Vote

Department Initials _____