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**RESOLUTION OF THE BOARD OF EDUCATION OF THE
TOWNSHIP OF UNION IN THE COUNTY OF UNION, NEW
JERSEY, FINALLY ADOPTING A REFUNDING BOND
ORDINANCE**

WHEREAS, with respect to the Refunding Bond Ordinance introduced by The Board of Education of the Township of Union in the County of Union, New Jersey (the "Board") on April 28, 2020, the Board published a Notice of Pending Ordinance in The Star-Ledger on May 12, 2020; and

WHEREAS, on the date hereof, the Board has held a public hearing on the Refunding Bond Ordinance; and

WHEREAS, the Board now desires to finally adopt the Refunding Bond Ordinance.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE TOWNSHIP OF UNION IN THE COUNTY OF UNION, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) **AS FOLLOWS:**

SECTION 1. The Refunding Bond Ordinance entitled "REFUNDING BOND ORDINANCE OF THE BOARD OF EDUCATION OF THE TOWNSHIP OF UNION IN THE COUNTY OF UNION, NEW JERSEY PROVIDING FOR THE REFUNDING OF (A) ALL OR A PORTION OF ITS OUTSTANDING REFUNDING SCHOOL BONDS, SERIES 2010 DATED NOVEMBER 10, 2010, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF \$20,175,000 AND (B) ALL OR A PORTION OF ITS OUTSTANDING SCHOOL BONDS, SERIES 2011 DATED SEPTEMBER 8, 2011, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF \$6,712,000 AND AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$13,175,000 AGGREGATE PRINCIPAL AMOUNT OF REFUNDING SCHOOL BONDS OF THE BOARD TO EFFECT SUCH REFUNDING", is hereby adopted upon second reading in the form attached hereto as Exhibit A.

SECTION 2. This resolution shall take effect immediately.

The foregoing resolution was adopted by the following roll call vote on May 19, 2020.

Recorded Vote

AYE:

NAY:

ABSTAIN:

ABSENT:

CERTIFICATION

I, **MANUEL E. VIEIRA**, Business Administrator/Board Secretary of The Board of Education of the Township of Union in the County of Union, New Jersey (the "Board"), DO HEREBY CERTIFY that the annexed resolution entitled, "**RESOLUTION OF THE BOARD OF EDUCATION OF THE TOWNSHIP OF UNION IN THE COUNTY OF UNION, NEW JERSEY, FINALLY ADOPTING A REFUNDING BOND ORDINANCE**", is a copy of a resolution which was duly adopted by the Board at a meeting duly called and held on May 19, 2020, in full compliance with the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq., at which meeting a quorum was present and acting throughout and which resolution has been compared by me with the original thereof as contained in the minutes as officially recorded in my office in the Minute Book of the Board and is a true, complete and correct copy thereof and the aforesaid resolution has not been repealed, amended or rescinded but remains in full force and effect on and as of the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said Board this ____ day of _____, 2020.

(SEAL)

MANUEL E. VIEIRA,
Business Administrator/
Board Secretary

EXHIBIT A

REFUNDING BOND ORDINANCE OF THE BOARD OF EDUCATION OF THE TOWNSHIP OF UNION IN THE COUNTY OF UNION, NEW JERSEY PROVIDING FOR THE REFUNDING OF (A) ALL OR A PORTION OF ITS OUTSTANDING REFUNDING SCHOOL BONDS, SERIES 2010 DATED NOVEMBER 10, 2010, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF \$20,175,000 AND (B) ALL OR A PORTION OF ITS OUTSTANDING SCHOOL BONDS, SERIES 2011 DATED SEPTEMBER 8, 2011, ISSUED IN THE ORIGINAL PRINCIPAL AMOUNT OF \$6,712,000 AND AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$13,175,000 AGGREGATE PRINCIPAL AMOUNT OF REFUNDING SCHOOL BONDS OF THE BOARD TO EFFECT SUCH REFUNDING

WHEREAS, on November 10, 2010, The Board of Education of the Township of Union in the County of Union, New Jersey (the "Board" when referring to the governing body and the "School District" when referring to the territorial boundaries governed by the Board) issued \$20,175,000 aggregate principal amount of tax-exempt Refunding School Bonds, Series 2010 (the "2010 School Bonds"); and

WHEREAS, on September 8, 2011 the Board issued \$6,712,000 aggregate principal amount of tax-exempt School Bonds, Series 2011 (the "2011 School Bonds"); and

WHEREAS, the Board has determined that the current interest rate environment may enable it to realize going-forward debt service savings for property taxpayers residing in the School District through the issuance by the Board of Refunding School Bonds (the "Refunding School Bonds") to refund (A) all or a portion of the \$8,470,000 aggregate principal amount of the outstanding 2010 Refunding School Bonds maturing on or after August 15, 2022 (the "2010 Refunded Bonds") and (B) all or a portion of the \$4,162,000 aggregate principal amount of the outstanding 2011 School Bonds maturing on or after January 1, 2022 (the "2011 Refunded Bonds" and collectively with the 2010 Refunded Bonds, the "Refunded Bonds"); and

WHEREAS, in efforts to realize such taxpayer savings, the Board now desires to adopt and enact a refunding school bond ordinance (the "Refunding Bond Ordinance") authorizing the issuance of the Refunding School Bonds in an aggregate principal amount not to exceed \$13,175,000, the net proceeds of which shall be used to refund all or a portion of the Refunded Bonds in accordance with their terms.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE BOARD OF EDUCATION OF THE TOWNSHIP OF UNION IN THE COUNTY OF UNION, NEW

**JERSEY (not less than two-thirds of all members thereof affirmatively concurring)
AS FOLLOWS:**

Section 1. The Board is hereby authorized to refund (A) all or a portion of the \$8,470,000 aggregate principal amount of outstanding 2010 School Bonds maturing on or after August 15, 2022 and (B) all or a portion of the \$4,162,000 aggregate principal amount of outstanding 2011 School Bonds maturing on or after January 1, 2022. The 2010 Refunded Bonds may be redeemed on and after August 15, 2021, at a redemption price equal to par, plus accrued interest to the date of redemption. The 2011 Refunded Bonds may be redeemed on and after January 1, 2021, at a redemption price equal to par, plus accrued interest to the date of redemption.

Section 2. In order to finance the cost of the purpose set forth in Section 1 hereof, the Board is hereby authorized to issue not to exceed \$13,175,000 aggregate principal amount of School Bonds, all in accordance with the requirements of N.J.S.A. 18A:24-61 through 62.

Section 3. An aggregate amount not exceeding \$350,000 may be allocated from the aggregate principal amount of the Refunding School Bonds to pay for the aggregate costs of issuance thereof, including, but not limited to, bond insurance premiums, underwriting fees, official statement printing fees, public advertisement expenses, refunding verification agent fees, refunding escrow agent fees, bond counsel fees and other expenses in connection therewith.

Section 4. The purpose of the issuance of the Refunding School Bonds is to realize net present value interest cost savings for property taxpayers residing in the School District ("net" meaning savings after payment of all costs of issuance of the Refunding School Bonds). Applicable State requirements mandate that such net present value interest cost savings equal at least 3% of the principal amount of the Refunded Bonds. In addition, the issuance of the Refunding Bonds shall comply with the provisions of N.J.A.C. 5:30-2.5, including that within 10 days of the date of the closing on the Refunding Bonds, the Business Administrator/Board Secretary shall file a report with the Local Finance Board within the Division of Local Government Services, New Jersey Department of Community Affairs setting forth (a) a comparison of the Refunding School Bonds' debt service and the Refunded Bonds' debt service which comparison shall set forth the present value savings achieved by the issuance of the Refunding School Bonds; (b) a summary of the issuance of the Refunding School Bonds; (c) an itemized accounting of all costs of issuance in connection with the issuance of the Refunding School Bonds and (d) a certification of the Business Administrator/Board Secretary that (i) all of the conditions of section (b) of N.J.A.C. 5:30- 2.5 have been met and (ii) a resolution authorizing the issuance of the Refunding School Bonds, adopted pursuant to N.J.S.A. 18A:24-61.5(b), was approved by a two-thirds vote of the full membership of the Board.

Section 5. The supplemental debt statement required by N.J.S.A. 18A:24-16 and N.J.S.A. 18A:24-61.4 has been duly prepared by the Chief Financial Officer of the Township of Union and has been filed in the Office of the Clerk of the municipality and in

the Office of the Business Administrator/Board Secretary of the Board as of the date of approval of this Refunding Bond Ordinance and a complete executed duplicate has been filed in the Office of the Director and such statement shows that the gross debt of the Board is increased by the authorization of the Refunding School Bonds in this Refunding Bond Ordinance, and will be decreased by the amount of the Refunded Bonds.

Section 6. If the Refunding School Bonds are issued on a federally tax-exempt basis, the Board covenants to maintain the exclusion from gross income under Section 103(a) of the Internal Revenue Code of 1986, as amended, of the interest on all Refunding School Bonds issued under this Refunding Bond Ordinance.

Section 7. This Refunding Bond Ordinance shall take effect upon final adoption hereof.

