

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TOWNSHIP OF PARSIPPANY-TROY HILLS FIRE DISTRICT NO. 1, IN THE COUNTY OF MORRIS, NEW JERSEY, DECLARING ITS OFFICIAL INTENT TO REIMBURSE EXPENDITURES FOR PROJECT COSTS FROM PROCEEDS OF TAX-EXEMPT BONDS**

WHEREAS, the Board of Commissioners of the Township of Parsippany-Troy Hills Fire District No. 1, in the County of Morris, New Jersey (the "Fire District"), intends to undertake a project consisting of the acquisition of a fire truck and related accessories and equipment; the acquisition land for a parking lot for the new fire house, and the construction of a new fire house for the Fire District (collectively, the "Project"); and

WHEREAS, the Fire District intends to finance the Project with tax-exempt bonds or notes (collectively, the "Bonds"), but may pay for certain costs of the Project ("Project Costs") prior to the issuance of the Bonds with funds of the Fire District which are not proceeds of tax-exempt bonds or notes; and

WHEREAS, the Fire District desires to preserve its right to treat an allocation of proceeds of the Bonds to the reimbursement of Project Costs paid prior to the issuance of the Bonds as an expenditure for such Project Costs to be reimbursed for purposes of Sections 103 and 141-150 of the Internal Revenue Code of 1986, as amended and the Treasury Regulations promulgated thereunder (the "Code").

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE TOWNSHIP OF PARSIPPANY- TROY HILLS FIRE DISTRICT NO. 1, IN THE COUNTY OF MORRIS, NEW JERSEY, as follows:

Section 1. The Fire District reasonably expects to reimburse its expenditure of Project Costs paid prior to the issuance of the Bonds with proceeds of its Bonds.

Section 2. This resolution is intended to be and hereby is a declaration of the Fire District's official intent to reimburse the expenditure of Project Costs paid prior to the issuance of the Bonds with the proceeds of a borrowing to be incurred by the Fire District, in accordance with Treasury Regulations Section 1.150-2 with respect to tax-exempt bonds.

Section 3. The maximum principal amount of the Bonds expected to be issued to finance the Project is \$5,600,000.

Section 4. The Project Costs to be reimbursed with the proceeds of the Bonds will be "capital expenditures" in accordance with the meaning of Section 150 of the Code.

Section 5. No reimbursement allocation will employ an “abusive arbitrage device” under Treasury Regulations Section 1.148-10 to avoid the arbitrage restrictions or to avoid the restrictions under Sections 142 through 147 of the Code. The proceeds of the Bonds used to reimburse the Fire District for Project Costs, or funds corresponding to such amounts, will not be used in a manner that results in the creation of “replacement proceeds,” including “sinking funds,” “pledged funds,” or funds subject to a “negative pledge” (as such terms are defined in Treasury Regulations Section 1.148-1) of the Bonds or another issue of debt obligations of the Fire District, other than amounts deposited into a “bona fide debt service fund” (as defined in Treasury Regulations Section 1.148-1).

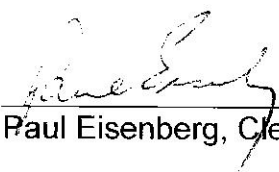
Section 6. All reimbursement allocations will occur not later than 18 months after the original expenditure is paid.

Section 7. This resolution shall take effect upon the adoption hereof.

#### **CERTIFICATION**

The foregoing resolution entitled, “RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TOWNSHIP OF PARSIPPANY-TROY HILLS FIRE DISTRICT NO. 1, IN THE COUNTY OF MORRIS, NEW JERSEY, DECLARING ITS OFFICIAL INTENT TO REIMBURSE EXPENDITURES FOR PROJECT COSTS FROM PROCEEDS OF TAX-EXEMPT BONDS”, was duly adopted on July 26, 2017 at a meeting of the Board of Commissioners of the Township of Parsippany-Troy Hills Fire District No. 1, duly held in accordance with the Open Public Meetings Act and at which a quorum was present and acting throughout and such resolution has not been amended, supplemented or repealed but remains in full force and effect on the date hereof, and said foregoing resolution is a true, complete and correct copy thereof.

Dated: 7-26, 2017

  
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Paul Eisenberg, Clerk