

**RESOLUTION OF THE TOWNSHIP OF WEST ORANGE,
IN THE COUNTY OF ESSEX, NEW JERSEY, PROVIDING
FOR AN EMERGENCY APPROPRIATION IN THE
AMOUNT OF \$1,300,000 PURSUANT TO THE
PROVISIONS OF N.J.S.A. 40A:4-46 TO PROVIDE
FUNDING OF INSURANCE CLAIMS AND AUTHORIZING
AN EMERGENCY NOTE OR NOTES TO FUND THE
EMERGENCY APPROPRIATION.**

WHEREAS, an emergency has arisen requiring the appropriation of funds of the Township of West Orange, in the County of Essex, New Jersey (the "Township") in the amount of \$XXXXXX to provide for the funding of insurance claims in an amount not foreseen and in excess of the amount appropriated in the annual budget for the Township's self-insured insurance claims; and

WHEREAS, adequate provision was not made in the 2017 budget of the Township for the aforesaid purpose, and N.J.S.A. 40A:4-46 provides authorization for the undertaking of emergency appropriations for the purpose mentioned above; and

WHEREAS, the Township intends to finance the emergency appropriation with an emergency note or notes pursuant to N.J.S.A. 40A:4-50; and

WHEREAS, the total amount of emergency appropriations created, including the appropriation to be created by this resolution and the \$3,200,000 emergency appropriation for tax appeal refunds being funded with a refunding bond ordinance approved by the Local Finance Board, is \$XXXXXX, and 3% of the total current and utility operating appropriations in the budget for FY 2017 is \$XXXXXX; and

WHEREAS, the foregoing emergency appropriation, together with prior emergency appropriations, will exceed 3% of the total current and utility operating appropriations in the budget for FY 2017.

NOW THEREFORE, BE IT RESOLVED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF WEST ORANGE, IN THE COUNTY OF ESSEX, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section 1. Pursuant to N.J.S.A. 40A:4-46, an emergency appropriation is hereby made in the amount of \$XXXXXX to provide funding for the additional insurance claims described in the Preamble to this resolution. This amount is sufficient to fund this purpose. In accordance with N.J.S.A. 40A:4-49, petition shall be made to the Director of the Division of Local Government Services for permission to exceed the statutory 3 percent for the creation of one or more appropriations for the purposes set forth in the preamble to this resolution.

Section 2. The Township Council hereby determines that the expenditures authorized in Section 2 hereof will meet a pressing need for public expenditure to protect and promote the public health, safety, morale or welfare of the residents of the Township.

Section 3. The Township intends to fund the emergency appropriation with an emergency note or notes pursuant to N.J.S.A. 40A:4-50.

Section 4. An emergency note or notes not in excess of \$XXXXXX are hereby authorized to be issued pursuant to N.J.S.A. 40A:4-50.

Section 5. The emergency note or notes authorized herein, if issued, shall be executed in the name of the Township by the Mayor and the Chief Financial Officer of the Township and attested by the Township Clerk. Such officers are hereby authorized to execute and deliver all documents necessary or convenient in connection with the issuance, sale and delivery of the notes.

Section 6. The Chief Financial Officer of the Township is hereby delegated the authority to sell and award the note and any renewals thereof from time to time at public or private sale in such amounts as such officer may determine at not less than par and to deliver the same from time to time to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the date of delivery thereof and payment therefor. The Chief Financial Officer shall determine all matters in connection with the notes, if any, and such note or notes, if issued, may be renewed from time to time by the Chief Financial Officer, provided that any such renewals shall be payable on or before December 31, 2018. All notes issued hereunder shall bear interest at such rate or rates as may be determined by the Chief Financial Officer. The notes shall be in the form determined by the Chief Financial Officer and the Chief Financial Officer's signature upon the notes shall be conclusive as to such determination. Each such note shall be designated an "Emergency Note".

Section 7. The Township hereby makes the following covenants and declarations with respect to the Emergency Notes authorized herein and determined to be issued by the Chief Financial Officer on a tax-exempt basis. The Township hereby covenants that it will comply with any conditions subsequent imposed by the Internal Revenue Code of 1986, as amended (the "Code"), in order to preserve the exemption from taxation of interest on the notes, including, if necessary, the requirement to rebate all net investment earnings on the gross proceeds above the yield on the notes. The Chief Financial Officer is hereby authorized to act on behalf of the Township to deem the obligations authorized herein as bank qualified for the purposes of Section 265 of the Code, when appropriate. The Township hereby declares the intent of the Township to issue the notes in the amount authorized herein and to use the proceeds to pay or reimburse expenditures for the costs of the purposes described herein. This Section is a declaration of intent within the meaning and for purposes of Treasury Regulations §1.150-2 or any successor provisions of federal income tax law.

Section 8. The Chief Financial Officer of the Township is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the Township and to execute such disclosure document

on behalf of the Township. The Chief Financial Officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Township pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”) for the benefit of holders and beneficial owners of obligations of the Township and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the Township fails to comply with its undertaking, the Township shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking

Section 9. Any note issued pursuant to this resolution shall be a general obligation of the Township. The full faith and credit of the Township are hereby pledged to the punctual payment of the principal of and the interest on the notes authorized herein and, unless otherwise paid or payment is provided for, an amount sufficient for such payment shall be inserted in the budget and a tax sufficient to provide for the payment thereof shall be levied and collected.

Section 10. The Chief Financial Officer is authorized and directed to report in writing to this governing body at the meeting next succeeding the date when any sale or delivery of the notes pursuant to this resolution is made, such report to include the amount, description, interest rate and maturity of the notes sold, the price obtained and the name of the purchaser.

Section 11. Unless an Emergency Note or Notes are issued pursuant to this resolution, the emergency appropriation shall be funded from surplus funds and the emergency appropriation or any Emergency Notes shall be provided for in the succeeding annual budget.

Section 12. Two certified copies of this resolution shall be filed with the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey.

Section 13. This resolution shall take effect immediately.

Karen J. Carnevale, R.M.C.
Municipal Clerk

Joe Krakoviak, Council President

Adopted: December 5, 2017

CERTIFICATION OF CHIEF FINANCIAL OFFICER

Purpose of emergency appropriation: To provide for the funding of insurance claims above the 2017 appropriated amounts.

Date(s) of occurrence:

Have any **contracts** been awarded or purchase orders placed in connection with this emergency appropriation?

IN WITNESS WHEREOF, I have hereunto set my hand as of this _____ day of May, 2017.

John Gross
Chief Financial Officer
Township of West Orange