

PASSAIC COUNTY IMPROVEMENT AUTHORITY
LIST OF AGENDA ITEMS

Meeting to be held on Wednesday, September 28, 2022 at 6 pm. The meeting will be held virtually. The meeting may be accessed by following this link and instructions:
<https://passaiccounty.webex.com/meet/pcia>

Or join by phone

+1-408-418-9388 United States Toll Access code: 129 639 6347

1. Call to order.
2. Pledge of Allegiance.
3. Roll Call.
4. Open Public Meetings Notice
5. Approval of the Minutes of the July 27, 2022 Board Meeting
6. Public Comment. *(The Chairman will ask if any member of the public wishes to make a comment and to so signify through the Webex or on the conference call. He will then set the order of those wishing to make a public comment).*
7. Executive Session
8. Official Action
 - a. R22-24 Resolution Of The Passaic County Improvement Authority Concerning Its 2021 Audit
 - b. R22-25 Resolution Concerning Review Of Findings And Recommendations Of The Local Finance Board Made At A Meeting Of Said Board On June 8, 2022 In Connection With The Governmental Lease Revenue Bonds (Passaic County Guaranteed) (City Of Paterson Board Of Education Project), Series 2022 In Accordance With N.J.S.A. 40A:5A-6
 - c. R22-26 Resolution Of The Passaic County Improvement Authorizing Contract For Arbitrage Compliance Services
 - d. R22-27 Resolution Of The Passaic County Improvement Authority Authorizing Payment Of Bills And Reimbursements
9. Old Business/New Business
10. Adjournment.

PASSAIC COUNTY IMPROVEMENT AUTHORITY

MINUTES OF THE BOARD MEETING OF JULY 27, 2022

The meeting was called to order via virtual webex meeting at approximately 6 p.m. Pledge of Allegiance was said. Roll was taken. Commissioners Alston, Bradley and Marco were present. Also present were Heather Litzebauer, Financial Advisor, and Peter Tucci, Esq., General Counsel. Mr. Tucci read the notice, pursuant to the Open Public Meetings Act.

Commissioner Bradley moved to accept the minutes of the June 22, 2022 meeting. Seconded by Commissioner Alston. Motion carried unanimously.

Seeing no public present, the Commissioners did not open the public portion of the meeting.

No executive session was held.

Official Action

The Commissioners then considered the following items:

- a. R22-21 Resolution Of The Passaic County Improvement Authority Approving The Form Of A Shared Services Agreement By And Between The County Of Passaic And The Passaic County Improvement Authority For General Accounting Services, Pursuant To N.J.S.A. 40A:65-1, Et Seq.

Commissioners	M/S	Y	N	No Vote
Alston	S	X		
Bradley	M	X		
Glovin				
Petriello				
Marco		X		

- b. R22-22 Resolution Of The Passaic County Improvement Authority Appointing Richard Cahill As The Chief Financial Officer Of The Passaic County Improvement Authority As Part Of The Shared Services Agreement By And Between The County Of Passaic And The Passaic County Improvement Authority For General Accounting Services, Pursuant To N.J.S.A. 40A:65-1, Et Seq.

Commissioners	M/S	Y	N	No Vote
Alston	S	X		
Bradley	M	X		
Glovin				
Petriello				
Marco		X		

- a. R22-23 Resolution Of The Passaic County Improvement Authority Authorizing Payment Of Bills And Reimbursements

Commissioners	M/S	Y	N	No Vote
Alston	M	X		
Bradley	S	X		
Glovin				
Petriello				
Marco		X		

New Business / Old Business

None.

Commissioner Bradley moved to adjourn the meeting. Commissioner Petriello seconded the motion. Motion carried unanimously.

**RESOLUTION OF THE PASSAIC COUNTY IMPROVEMENT AUTHORITY
CONCERNING ITS 2021 AUDIT**

WHEREAS, N.J.S.A. 40A:5A-15 requires the governing body of each local authority to cause an annual audit of its accounts to be made, and

WHEREAS, the annual audit report for the fiscal year ended December 31, 2021 has been completed and filed with the Director of the Division of Local Government Services pursuant to N.J.S.A. 40A:5A-15, and

WHEREAS, N.J.A.S. 40A:5A-17 requires the governing body of each Authority to, within 45 days of receipt of the annual audit, certify by resolution to the Local Finance Board that each member thereof has personally reviewed the annual audit report, and specifically the sections of the audit report entitled "General Comments and Recommendations", and has evidenced same by group affidavit in the form prescribed by the Local Finance Board, and

WHEREAS, the members of the governing body have received the annual audit and have personally reviewed the annual audit, and have specifically reviewed the sections of the annual audit report entitled "General Comments and Recommendations" in accordance with N.J.S.A. 40A:5A-17,

NOW, THEREFORE BE IT RESOLVED, that the governing body of the Passaic County Improvement Authority hereby certifies to the Local Finance Board of the State of New Jersey that each governing body member has personally reviewed the annual audit report for the fiscal year ended December 31, 2021, and specifically has reviewed the sections of the audit report entitled "General Comments and Recommendations", and has evidenced same by group affidavit in the form prescribed by the Local Finance Board.

BE IT FURTHER RESOLVED that the Secretary of the Authority is hereby directed to promptly submit to the Local Finance Board the aforesaid group affidavit, accompanied by a certified true copy of this resolution.

IT IS HEREBY CERTIFIED THAT THIS IS A TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING HELD ON _____, 2022.

Michael Bradley Secretary

Date

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Wayne Alston				
Michael Bradley				
Michael Glovin				
Joseph Petriello, Vice Chairman				
Dennis Marco, Chairman				

**PASSAIC COUNTY IMPROVEMENT AUTHORITY
(A Component Unit of the County of Passaic)**

Synopsis of Audit

December 31, 2021

**PASSAIC COUNTY IMPROVEMENT AUTHORITY
(A Component Unit of the County of Passaic)**

General Comments and Recommendations

December 31, 2021

RECOMMENDATIONS

NONE

* * * * *

The above summary or synopsis was prepared from the report of audit of the Passaic County Improvement Authority, County of Passaic, for the calendar year 2021.

This report of audit, submitted by Steven D. Wielkocz, Registered Municipal Accountant of the firm of Wielkocz & Company, LLC, is on file at the Authority's office and may be inspected by any interested person.

R22-25

RESOLUTION CONCERNING REVIEW OF FINDINGS AND RECOMMENDATIONS OF THE LOCAL FINANCE BOARD MADE AT A MEETING OF SAID BOARD ON JUNE 8, 2022 IN CONNECTION WITH THE GOVERNMENTAL LEASE REVENUE BONDS (PASSAIC COUNTY GUARANTEED) (CITY OF PATERSON BOARD OF EDUCATION PROJECT), SERIES 2022 IN ACCORDANCE WITH N.J.S.A. 40A:5A-6

WHEREAS, the findings and recommendations issued by the Local Finance Board, Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Local Finance Board"), held on June 8, 2022, on the project financing of The Passaic County Improvement Authority (the "Authority") have been filed with the Secretary of the Authority, and a copy has been received by each member of the governing body; and

WHEREAS, N.J.S.A. 40A:5A-7 requires that the governing body of the Authority, within 45 days of receipt of the Local Finance Board's findings and recommendations on the proposed project financing, shall certify by resolution to the Local Finance Board that each member thereof has personally reviewed the findings and recommendations; and

WHEREAS, each member of the governing body of the Authority has personally reviewed each of the Local Finance Board's findings and recommendations on the proposed project financing as evidenced by the attached group affidavit of the governing body; and

WHEREAS, failure to comply with this requirement may subject the members of the Authority to the penalty provisions of N.J.S. 52:27BB-52;

NOW, THEREFORE, BE IT RESOLVED that the governing body of The Passaic County Improvement Authority hereby states that it has complied with the requirements of N.J.S. 40A:5A-7 and does hereby direct the Secretary of the Authority to submit a certified copy of this resolution and the required affidavit to the Local Finance Board to evidence said compliance.

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Wayne Alston				
Michael Bradley				
Michael Glovin				
Joseph Petriello, Vice Chairman				
Dennis Marco, Chairman				

I hereby certify the above to be a true copy of the Resolution adopted by The Passaic County Improvement Authority at a meeting held on September 28, 2022.

Michael R.F. Bradley, Secretary

GROUP AFFIDAVIT FORM
CERTIFICATION OF GOVERNING BODY

State of New Jersey
County of Passaic

We, the members of the governing body of The Passaic County Improvement Authority of full age, being duly sworn according to law, upon our oath depose and say:

1. We are duly appointed members of The Passaic County Improvement Authority.
2. We certify that, pursuant to N.J.S. 40A:5A-7, we have personally reviewed the June 8, 2022 findings and recommendations of the Local Finance Board on the proposed financing by The Passaic County Improvement Authority for the issuance of the Governmental Lease Revenue Bonds (Passaic County Guaranteed) (City of Paterson Board of Education Project), Series 2022.

DENNIS F. MARCO, CHAIRMAN

JOSEPH C. PETRIELLO, VICE CHAIRMAN

MICHAEL R.F. BRADLEY, SECRETARY

WAYNE ALSTON, MEMBER

MICHAEL GLOVIN, MEMBER

Sworn to and subscribed before me
this 28th day of September 2022

Notary Public of the State of New Jersey

The Secretary of the Authority shall set forth the reason for the absence of signature of any members of the governing body.

This affidavit must be sent to the Division of Local Government Services, CN 258, Trenton, N.J. 08625 within 45 days of receipt of the Local Finance Board's findings and recommendations on the proposed project financing.



State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS
101 SOUTH BROAD STREET
PO BOX 803
TRENTON, NJ 08625-0803

PHILIP D. MURPHY
Governor

LT. GOVERNOR SHEILA Y. OLIVER
Commissioner

**LOCAL FINANCE BOARD
RESOLUTION**

WHEREAS, a proposed project financing has been submitted to the Local Finance Board for review pursuant to N.J.S.A. 40A:5A-6 by the Passaic County Improvement Authority; and

WHEREAS, the Local Finance Board has held a hearing pursuant to N.J.S.A. 40A:5A-7 on June 8, 2022, to review a proposed project financing in an amount not to exceed \$9,500,000 for the issuance of the Passaic County Improvement Authority's Governmental Lease Revenue Bonds, Series 2022 (Passaic County Guaranteed) (City of Paterson Board of Education Project); and

WHEREAS, the Local Finance Board has given consideration to those matters, to the extent applicable, as provided for by Law, and has examined estimates, computations or calculations made in connection with such submissions and has required the production of such papers, documents, witnesses or information and taken such action which it has deemed necessary for its review of such submission;

NOW, THEREFORE, BE IT RESOLVED that the Local Finance Board does hereby make the following findings:

- a) that the project cost has been determined by reasonable and accepted methods;
- b) that the method proposed for the funding of the project cost, proposed or maximum terms and provision of the financing and of a proposed service contract are not unreasonable nor impracticable, and would not impose an undue and unnecessary financial burden on the local inhabitants within the Authority's jurisdiction or would not materially impair the ability to pay promptly the principal of and the interest on the outstanding indebtedness thereof or to provide essential public services to the inhabitants thereof;
- c) that the proposed or maximum terms and conditions of the sale are, in light of current market conditions for obligations of similar quality, reasonable;

BE IT FURTHER RESOLVED that the Local Finance Board does not deem it necessary to make any of the recommendations with regard to this project financing which the Board is authorized to make pursuant to N.J.S.A. 40A:5A-8; and



Local Finance Board
Passaic County Improvement Authority
June 8, 2022

BE IT FURTHER RESOLVED that the Passaic County Improvement Authority shall, within 30 days of the closing date of the financing that is the subject of this resolution, file with the Executive Secretary of the Local Finance Board a statement setting forth a complete accounting of the actual issuance costs incurred by the Passaic County Improvement Authority in undertaking the financing which statement shall include the following: the name of the Passaic County Improvement Authority; the closing date of the financing; the total amount of the financing; the name of the professionals or others who provided services to the Passaic County Improvement Authority in undertaking the financing; the estimated dollar amount for each type of issuance cost as set forth in the application submitted by the Passaic County Improvement Authority to the Local Finance Board with regard to the financing; and the actual dollar amount for each type of issuance cost incurred by the Passaic County Improvement Authority in undertaking the financing; and

BE IT FURTHER RESOLVED that the details of the issuance of any permanent bonds associated with this application as included in the term sheet (closing statement) shall be promptly provided to the Executive Secretary by forwarding a copy of said term sheet (closing statement); and


BE IT FURTHER RESOLVED that the Executive Secretary of the Local Finance Board is hereby authorized and directed to certify or endorse such documents or instruments as may be necessary, convenient or desirable in order to carry out the purpose and provisions of the Law and this Resolution; and

BE IT FURTHER RESOLVED that pursuant to N.J.S.A. 40A:5A-7, the governing body of the Authority shall provide to the Executive Secretary within 45 days of receipt of this resolution, the required Authority resolution and affidavit; and

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

APPROVED BY:
THE LOCAL FINANCE BOARD

DATE: June 8, 2022


MICHOLAS BENNETT
EXECUTIVE SECRETARY
LOCAL FINANCE BOARD



State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS
101 SOUTH BROAD STREET
PO Box 803
TRENTON, NJ 08625-0803

PHILIP D. MURPHY
Governor

LT. GOVERNOR SHEILA Y. OLIVER
Commissioner

**LOCAL FINANCE BOARD
RESOLUTION**

WHEREAS, a proposed county guaranty has been submitted to the Local Finance Board for review pursuant to N.J.S.A. 40A:5A-6 by the officials of the Passaic County Improvement Authority; and

WHEREAS, the Local Finance Board has held a hearing pursuant to N.J.S.A. 40A:5A-7 on June 8, 2022, to review the county guaranty by and between the Passaic County Improvement Authority and the County of Passaic in an amount not to exceed \$9,500,000 for the issuance of the Passaic County Improvement Authority's Governmental Lease Revenue Bonds, Series 2022 (Passaic County Guaranteed) (City of Paterson Board of Education Project); and

WHEREAS, the Local Finance Board has given consideration to those matters, to the extent applicable, as provided for by Law, and has examined estimates, computations or calculations made in connection with such submissions and has required the production of such papers, documents, witnesses or information and taken such action which it has deemed necessary for its review of such submission;

NOW, THEREFORE, BE IT RESOLVED that the Local Finance Board does hereby make the following findings:

- a) that the county guaranty has been determined by reasonable and accepted methods;
- b) that the county guaranty is not unreasonable nor impracticable, and would not impose an undue and unnecessary financial burden on the local inhabitants within the Authority's jurisdiction or would not materially impair the ability to pay promptly the principal of and the interest on the outstanding indebtedness thereof or to provide essential public services to the inhabitants thereof;

BE IT FURTHER RESOLVED that the Local Finance Board does not deem it necessary to make any of the recommendations with regard to this county guaranty which the Board is authorized to make pursuant to N.J.S.A. 40A:5A-8; and



Local Finance Board
Passaic County Improvement Authority
June 8, 2022

BE IT FURTHER RESOLVED that the Executive Secretary of the Local Finance Board is hereby authorized and directed to certify or endorse such documents or instruments as may be necessary, convenient or desirable in order to carry out the purpose and provisions of the Law and this Resolution; and

BE IT FURTHER RESOLVED that pursuant to N.J.S.A. 40A:5A-7, the governing body of the Authority shall provide to the Executive Secretary within 45 days the required resolution and affidavit; and

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

APPROVED BY:
THE LOCAL FINANCE BOARD

DATE: June 8, 2022


NICHOLAS BENNETT
EXECUTIVE SECRETARY
LOCAL FINANCE BOARD

22231/A-3192

**RESOLUTION OF THE PASSAIC COUNTY IMPROVEMENT AUTHORIZING
CONTRACT FOR ARBITRAGE COMPLIANCE SERVICES**

WHEREAS, a regular meeting of the Passaic County Improvement Authority (the “Authority”) was held on September 28, 2022;

WHEREAS, the Authority has determined that it is necessary, convenient, and desirable to achieve its purposes to contract for the arbitration compliance services;

WHEREAS, N.J.S.A. 40:37A-55 permits the Authority to enter into such agreement for professional services, subject to the requirements of the Local Public Contracts Law;

WHEREAS, the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.) requires that the resolution authorizing the award of contracts for “Professional Services” without competitive bids and the agreement itself must be available for public inspection and requires that the resolution authorizing the award of contracts for “Extraordinary Unspecifiable Services” without competitive bids and the agreement itself must be available for public inspection;

WHEREAS, the New Jersey Election Law, specifically N.J.S.A. 19:44A-20.4, permits the award of such contract that does not exceed \$17,500, without competitive bidding or other fair and open process;

WHEREAS, the contract for the arbitration compliance services will not exceed \$17,500;
and

WHEREAS, the Authority desires to award the contract for arbitration compliance services to Arbitrage Compliance Specialists, Inc.

NOW, THEREFORE, BE IT RESOLVED by the Passaic County Improvement Authority as follows:

1. The Authority awards the contract for arbitration compliance services to Arbitrage Compliance Specialists, Inc. and hereby authorizes the Chairman to negotiate and execute an appropriate professional services agreement substantially in the form of the agreement attached hereto, with the amount of the contract not to exceed \$750.
2. This contract is awarded without competitive bidding as a “Professional Service” and “Extraordinary Unspecifiable Services” in accordance with N.J.S.A. 40A:11-5 et seq. of the Local Public Contracts Law.
3. A notice of the award of this contract shall be printed once in the Official Newspaper of the Authority to satisfy the requirement of the publication of legal notices and a copy of the contract shall be made available for public inspection.

I hereby certify the foregoing to be a true copy of a resolution adopted by the Passaic County Improvement Authority at a meeting held on September 28, 2022.

Michael R. F. Bradley, Secretary

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Wayne Alston				
Michael Bradley				
Michael Glovin				
Joseph Petriello, Vice Chairman				
Dennis Marco, Chairman				

September 19, 2022



Ms. Heather Litzebauer, Managing Director
NW Financial Group, LLC

On behalf of:

Passaic County Improvement Authority, New Jersey ("Issuer")
930 Riverview Drive, Suite 250
Totowa, NJ 07512

ENGAGEMENT LETTER FOR ARBITRAGE COMPLIANCE SERVICES

CONTROL #9.00

**\$57,425,000.00 PREAKNESS HEALTHCARE CENTER EXPANSION PROJECT LEASE REVENUE
REFUNDING BONDS, SERIES 2012**

Arbitrage Compliance Specialists, Inc. ("ACS") is pleased to present our fees to provide arbitrage compliance services for the Issuer. Our firm has distinctive legal and accounting experience with arbitrage compliance services dating back to the inception of the arbitrage rebate regulations of 1986. ACS is one of the most prominent and well-respected providers of arbitrage compliance services in the nation. ACS' staff members are accounting professionals who have extensive knowledge of governmental accounting, accounting allocation methods and legal interpretation skills to compute the lowest permissible liability allowed. We pride ourselves on our unprecedented commitment to each and every client we represent.

ACS has provided a fee schedule to encompass the various elements that we may encounter during the calculations. ACS' fees are derived by the number of years included in the calculation. The fee schedule listed on page 2 provides fees for reports covering the applicable periods. Each calculation includes both a legal opinion and a CPA opinion to provide assurance that the calculations were completed according to Section 148(f) of the Internal Revenue Code of 1986 that governs the arbitrage rebate requirements (the "Tax Code").

We appreciate the opportunity to provide assistance to help the Issuer comply with the IRS arbitrage compliance requirements. As always, if we may be of further assistance or if there are any questions, please do not hesitate to call us at (800) 672-9993 ext.7538.

Sincerely,
Arbitrage Compliance Specialists, Inc.



Matt Collins, Vice President

Please acknowledge acceptance of this engagement by signing and faxing this letter in its entirety to Arbitrage Compliance Specialists, Inc. at (800) 756-6505 or scanning and e-mailing to Matt@rebatebyacs.com.

Accepted by -- Signature

Print Name, Title

Date

Bond Compliance Program Services:		Fees
Arbitrage Rebate Review 10th Year: 07/31/2017 to 07/31/2022		\$750.00
TOTAL		\$750.00

Arbitrage Rebate Calculation Services:	
Debt Service Reserve Fund Analysis	Included
Commingled Funds and / or Transferred Proceeds	Included
Preparation of IRS Form 8038-T and IRS Filing Instructions	Included
Legal Services:	
IRS Audit Assistance (For Bond Issues Completed By ACS)	Included
Post-Calculation Services:	
Debt Compliance Monitoring Service	Included
Record Retention Service	Included

Calculation Services

1. Review the documents related to the debt issue to include the Official Statement, Tax Certificate, IRS Form 8038-G and CPA Verification Report.
2. Complete an in-depth analysis of the debt structure by our in-house tax attorney to determine if the debt issue is subject to rebate and/or yield restriction and identify applicable exceptions.
3. Monitor IRS filing deadlines, election requirements and restricted periods in our database tracking system to ensure timely reporting.
4. Perform the rebate, yield restriction/yield reduction or spending exception/penalty calculations in compliance with Internal Revenue Code of 1986.
5. Provide calculations with legal opinion and CPA certified professional opinion that can be relied upon by the Issuer regarding the liability. The report will provide supporting documentation to include the calculation method employed, assumptions and conclusions.
6. Prepare payment Form 8038-T with detailed filing instructions for accurate and timely filing to the IRS, if applicable.

Support Services

7. Discuss the report and findings to ensure a complete understanding of the procedures and recommendations in such report.
8. Prepare a debt compliance monitoring schedule that identifies all-important relevant information by issue including prior calculations, liability amounts, future calculation due dates and important status notes.
9. Advise on how future changes in the Tax Code may affect the debt issue.
10. Provide technical assistance and consultation in matters related to the arbitrage compliance regulations.
11. Assist in the IRS record retention requirements, which include storage of records related to the debt issue.
12. Provide no cost audit support in the event of an IRS audit.

**RESOLUTION OF THE
PASSAIC COUNTY IMPROVEMENT AUTHORITY AUTHORIZING PAYMENT OF
BILLS AND REIMBURSEMENTS**

WHEREAS, a regular meeting of the Passaic County Improvement Authority (the “Authority”) was held on September 28, 2022;

WHEREAS, the Authority has previously approved agreements for the provision of goods and services;

WHEREAS, the Authority has also authorized reimbursements for certain items, either through prior resolution or agreement; and

WHEREAS, the Authority desires to authorize payment for the aforementioned items.

**NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE
PASSAIC COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:**

1. The Authority hereby authorizes the payment of the items as listed in the attached schedule.
2. The Authority professionals and Chairman are authorized and directed to take all appropriate action to effectuate payment of the items listed in the attached schedule.

I hereby certify the foregoing to be a true copy of a resolution adopted by the Passaic County Improvement Authority at a meeting held on September 28, 2022.

Michael R. F. Bradley, Secretary

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Wayne Alston				
Michael Bradley				
Michael Glovin				
Joseph Petriello, Vice Chairman				
Dennis Marco, Chairman				

Bills to be approved for payment at the 9-28-22 PCIA Meeting:

NW Financial	737.50	Invoice # 29337 (June '22)
NW Financial	635.00	Invoice # 29531 (August '22)
Wielkotz & Company	23,500.00	Invoice # 22-163-02583 (2021 Audit)
County of Passaic	2,000.00	Interlocal Agreement - August-September
Law Offices of Peter Tucci	<u>2,736.00</u>	Invoice #107 (Jan.'22)
	29,608.50	