

A Special Session of the Board of Education of the Township of Pittsgrove, County of Salem, New Jersey, was held on Monday November 24, 2014, 7:00 P.M., Arthur P. Schalick High School.

Board Vice President, Mrs. Marlene Smith, opened the meeting at 7:02 P.M., leading the group in the pledge to the flag.

PLEDGE TO THE FLAG

Board Vice President, Mrs. Marlene Smith, read the following statement:

The New Jersey Open Public Meetings law was enacted to ensure the right of the public to have advance notice of and to attend the meetings of the public bodies at which any business affecting their interest is discussed or acted upon. In accordance with the provisions of this Act, the Pittsgrove Township Board of Education has caused notice of this meeting to be published by notifying the Clerk of the Township of Pittsgrove and having the date, time and place thereof posted in the Pittsgrove Township Municipal Building, the South Jersey Times, the Elmer Times, and The Daily Journal.

OPEN PUBLIC MEETINGS LAW

Board Vice President, Mrs. Marlene Smith, read the District Mission Statement:

In partnership with the community, we promote the academic and personal growth of each student through rigorous programs that support lifelong learning.

DISTRICT MISSION STATEMENT

CHAIN OF COMMUNICATION REGARDING SCHOOL-RELATED MATTERS

Mrs. Smith, Board Vice President, called for a Roll Call of the Board:

Members Present: Mrs. Conover, Mrs. Penven, Mr. Rumpp, Mrs. Snyder (7:12 P.M.), Mr. Wentzell, Mr. Wheaton, Mrs. Smith

ROLL CALL

Members Absent: Mr. Lawlor, Mrs. Mullin, Mr. Miletta

Also in Attendance:

Mr. Henry Bermann, Superintendent; Mrs. Suzanne R. Fox Abdill, Business Administrator/Board Secretary; staff members and the public.

Moved by Mrs. Conover and seconded by Mr. Rumpp that the Board of Education approve, by Resolution, for the Pittsgrove Township School District to participate in the Municipalities Continuing Disclosure Cooperation Initiative (MCDC Initiative) of the Securities and Exchange Commission, as submitted. In doing so, the Board also delegates the Board Secretary/Business Administrator, after consultation with counsels and other finance professionals, to prepare and submit all documentation required to enter Pittsgrove Township School District's bond and note issues into the MCDC Initiative, as deemed necessary or required. *(See page 383)*

MCDC INITIATIVE OF SEC

Role Call:

Ayes: (7) Mrs. Conover, Mrs. Penven, Mr. Rumpp, Mrs. Snyder, Mr. Wentzell, Mr. Wheaton, Mrs. Smith

Noes: (0)

Abstain: (0)

Motion Carried

Moved by Mrs. Conover and seconded by Mr. Rumpp that the Board of Education approve, by Resolution, of the Continuing Disclosure Agent Services Agreement, as submitted, with Phoenix Advisors. The cost will be \$650 for up to three (3) outstanding issues and \$100 for each additional outstanding issue, for which filing is required. *(See page 385)*

CONTINUING DISCLOSURE AGENT SERVICES AGREEMENT

Role Call:

Ayes: (7) Mrs. Conover, Mrs. Penven, Mr. Rumpp, Mrs. Snyder, Mr. Wentzell, Mr. Wheaton, Mrs. Smith

Noes: (0)

Abstain: (0)

Motion Carried

AUDIENCE PARTICIPATION

No comments.

RECESS INTO CLOSED SESSION
No Closed Session.

MEETING
ADJOURNED

Moved by Mrs. Conover and seconded by Mrs. Penven that the Board of Education meeting be adjourned. (7:14 P.M.)
Unanimously Approved



Suzanne R. Fox Abdill, Board Secretary

**THE BOARD OF EDUCATION OF THE TOWNSHIP OF PITTSBORO,
IN THE COUNTY OF SALEM, NEW JERSEY
RESOLUTION _____**

**RESOLUTION OF THE BOARD OF EDUCATION
OF THE TOWNSHIP OF PITTSBORO, IN THE
COUNTY OF SALEM, NEW JERSEY, AUTHORIZING
AND APPROVING THE SCHOOL DISTRICT'S
PARTICIPATION IN THE MUNICIPALITIES
CONTINUING DISCLOSURE COOPERATION
INITIATIVE OF THE SECURITIES AND EXCHANGE
COMMISSION; AND AUTHORIZING AND APPROVING
CERTAIN ACTIONS IN CONNECTION WITH THE
FOREGOING**

WHEREAS, The Board of Education of the Township of Pittsboro, in the County of Salem, New Jersey ("Board" when referring to the governing body and "School District" when referring to the legal entity governed by the Board) has previously issued to the public various series of bonds and bond anticipation notes (collectively, the "Obligations"), including Obligations issued by the School District in the past five (5) years; and

WHEREAS, in connection with the issuance of certain of such Obligations, the School District agreed, pursuant to Rule 15c2-12 ("Rule") of the Securities and Exchange Commission ("SEC"), to provide certain continuing disclosure information regarding the School District on an annual basis to the former Nationally Recognized Municipal Securities Information Repositories (pre-2009) and to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system (2009-present) (otherwise known as "EMMA"), including, but not limited to, audited financial statements, certain financial information and operating data, certain notices of ratings changes and certain other events; and

WHEREAS, the SEC has recently focused its attention on what it believes is a widespread failure of local unit issuers across the nation to meet their continuing disclosure obligations and, in particular, possible misrepresentations made by such local unit issuers in the official statements utilized to sell municipal securities regarding past compliance with those continuing disclosure obligations; and

WHEREAS, in an effort to remedy these perceived issues, the SEC has implemented the Municipalities Continuing Disclosure Cooperation Initiative ("MCDC Initiative"), a program currently scheduled to end for issuers at 12:00 a.m. on December 1, 2014, which encourages issuers of municipal securities, including the School District, to self-report possible material misstatements or omissions made in the past five (5) years in an official statement or statements regarding compliance with prior continuing disclosure obligations; and

WHEREAS, by participating in the MCDC Initiative, issuers agree, among other things, to accept certain non-monetary penalties in lieu of unknown, and, by all accounts, hefty monetary and non-monetary penalties that the SEC has threatened on issuers that do not participate in the MCDC Initiative, should the SEC determine that an issuer has made material misstatements in an official statement or statement regarding compliance with prior continuing disclosure obligations; and

WHEREAS, in particular, by participating in the MCDC Initiative, issuers agree to accept the following penalties, if imposed by the SEC: (i) compliance with a cease and desist order in which the issuer neither admits nor denies the findings of the SEC; (ii) implementation of policies, procedures and training regarding continuing disclosure obligations; (iii) compliance with all existing continuing disclosure undertakings; (iv) cooperation with any further SEC investigation; (v) disclosure of settlement terms in any final official statement issued within five years of the date of institution of the proceedings; and (vi) production to the SEC of a compliance certificate regarding the applicable undertakings on the one year anniversary of the proceedings; and

WHEREAS, on July 23, 2014 the New Jersey Department of Community Affairs, Division of Local Government Services ("DLGS"), issued Local Finance Notice 2014-9 ("Notice") warning local unit officials of possible consequences for failing to identify past noncompliance with continuing disclosure requirements and encouraging such issuers to determine whether to take advantage of the MCDC Initiative; and

WHEREAS, as part of the Notice, the DLGS strongly recommended that local unit officials proactively take steps to self-identify their own levels of compliance with their continuing disclosure undertakings and to consult with their public finance professionals in order to determine whether it would be advisable to participate in the MCDC Initiative; and

WHEREAS, based upon the directive of the Notice and in order to fully analyze whether it would be necessary or advisable for the School District to participate in the MCDC Initiative, the School District previously engaged the services of Phoenix Advisors, LLC, Bordentown, New Jersey, as disclosure specialist, in order to undertake a disclosure review on behalf of the School District which: (i) summarized the results of the School District's prior compliance with its secondary market continuing disclosure obligations; and (ii) compared those results to the statements made by the School District in the last five (5) years in its official statement or statements regarding past compliance with continuing disclosure obligations ("Disclosure Review"); and

WHEREAS, based on the results of the Disclosure Review, and weighing heavily the known non-monetary penalties that may come through the School District's participation in the MCDC Initiative versus the unknown, and, by all accounts, hefty monetary and non-monetary penalties the SEC has threatened on issuers that do not self-report, the Board is now desirous of authorizing and approving the School District's participation in the MCDC Initiative and delegating to the Business Administrator/Board Secretary, after consultation with the School District's general counsel, bond counsel, auditor, disclosure agent and other finance professionals, to prepare and submit all documentation required to enter the School District's

MOTION: Mrs. Conover

SECOND Mr. Rump

RECORDED VOTE

AYES:

- Mrs. Conover
- Mrs. Penven
- Mr. Rump
- Mrs. Snyder
- Mr. Wentzell
- Mr. Wheaton
- Mrs. Smith

NAYES:

None

ABSTAIN:

None

ABSENT:

- Mr. Lawlor
- Mrs. Mullin
- Mr. Miletta

bond and note issues into the MCDC Initiative, as deemed necessary or required.
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE TOWNSHIP OF PITTSBORO, IN THE COUNTY OF SALEM, NEW JERSEY, AS FOLLOWS:

Section 1. The School District hereby ratifies and confirms the undertaking and completion of the Disclosure Review.

Section 2. After consultation with the School District's general counsel, bond counsel, auditor, disclosure agent and other finance professionals, the Disclosure Review has revealed that the School District may have made materially inaccurate statements in its bond and note official statement or statements relating to prior compliance with continuing disclosure obligations pursuant to the Rule in connection with its Obligations issued during the prior five (5)

Section 3. The Business Administrator/Board Secretary is hereby authorized to execute and deliver any and all documents and instruments, including, but not limited to, the Municipality's Continuing Disclosure Cooperation Initiative Questionnaire for Self-Reporting Entities contained in the MCDC Initiative, and to do and cause to be done any and all acts and things necessary or proper for participating in the MCDC Initiative and all related transactions contemplated by this Resolution.

Section 4. Any action taken by the Business Administrator/Board Secretary or any other officer or employee of the School District, with respect to the Disclosure Review and the School District's consideration of or participation in the MCDC Initiative is hereby ratified and confirmed.

Section 5. This Resolution shall take effect immediately upon adoption.

The foregoing is a true copy of the Resolution adopted by The Board of Education of the Township of Pittsgrove, in the County of Salem, New Jersey, at a meeting thereof duly called and held on November 24th, 2014.



SUZANNE FOX,
Business Administrator/Board Secretary

CONTINUING DISCLOSURE AGENT SERVICE – ONGOING

- Phoenix Advisors will:
 - ✓ Codify Issues Subject To Continuing Disclosure by obtaining and researching each outstanding bond issue's CDA to determine the specific requirements of every issue. Many issuers are subject to more than one CDA and they often have different requirements. Older ones are typically the most burdensome. Our compliance methodology meets those requirements.
 - ✓ Provide reminders to you of upcoming deadlines. Typically a dissemination agent waits for you, the issuer, to provide items to be filed. We understand that clients have a lot on their plate and a variety of deadlines is difficult to monitor. We do it for you.
 - ✓ Working with your Auditor, coordinate the assembly of what Regulators call an "Annual Report" to for filing pursuant to your obligation. This Annual Report will comply with best practices promulgated by the New Jersey Division of Local Government and contain information generally consistent, but not necessarily identical to statistical data found in an issuer's Official Statement.
 - ✓ Following receipt from the Bond Issuer of appropriate documents Phoenix Advisors will, within the specified time period after the end of the Bond Issuer's fiscal year, file such documents with the appropriate repository.
 - ✓ Provide you with electronic "proof of filing receipts" for each and every required and voluntary (see next item) filing.
 - ✓ Coordinate with you and file, on your behalf, additional and meaningful optional "voluntary" submissions. Budgets (if not a required item), debt statements and unaudited financials are among such information.
 - ✓ "Material Events", as defined by the SEC, relating to the Bond Issuer will be monitored by Phoenix Advisors exercising due care, however, certain information relating to Material Events may be best, or only, known by the Bond issuer and its staff. The Bond Issuer has the obligation to notify Phoenix Advisors of any Material Events of which it is, or becomes, aware. These may include, but are not limited to, rating changes, missed or late payments, the refinancing of bonds, as stipulated in the CDA's. Such Notices of Material Events must be filed within 10 business days of such occurrence.

AGREEMENT
CONTINUING DISCLOSURE AGENT SERVICES

THIS AGREEMENT, made and entered into on this 24th day of NOVEMBER 2014 ("Agreement") by and between the Pittsgrove Board of Education (hereinafter referred to as the "Bond Issuer"), 1076 Almond Road, Pittsgrove, NJ 08318 and Phoenix Advisors, LLC ("Phoenix Advisors"), 4 West Park Street, Bordentown, NJ 08505.

WITNESSETH:

WHEREAS, the Bond Issuer has heretofore agreed through the execution of Continuing Disclosure Agreements ("CDA's") in connection with one or more bond issuances to provide certain financial and other information and notices, within specified timeframes, in a manner prescribed by the regulators of the underwriter that purchased said bond issues; and

WHEREAS, but for the execution of the CDA's, the underwriter of such bonds would be prohibited from purchasing the bonds of the Bond Issuer; and

WHEREAS, in order to ascertain its compliance with various CDA's executed in conjunction with the issuance of bonds, the Bond Issuer needs to codify the requirements stipulated in those various CDA's and compare those requirements with its filings; and

WHEREAS, it is beneficial to retain assistance of experts in the field of municipal bond finance, with knowledge and experience in these matters, to assist in a compliance survey and in the on-going filing of required information and notices; and

WHEREAS, Phoenix Advisors provides such services and has heretofore been appointed by the Bond Issuer to provide the same until the expiration of this Agreement, as defined in Section 3 herein; and

WHEREAS, the parties desire to set forth herein the terms and conditions under which Phoenix Advisors will provide such services to the Bond Issuer.

NOW, THEREFORE, THE PARTIES HERETO, IN CONSIDERATION OF MUTUAL COVENANTS HEREIN CONTAINED AND OTHER GOOD AND VALUABLE CONSIDERATION, EACH INTENDING TO BE LEGALLY BOUND, HEREBY AGREE AS FOLLOWS:

Section 1. Phoenix Advisors will perform the following tasks, as described in the scope of services referenced in Sections II and III of the proposal for such services, dated November 21, 2014 and summarized below:

✓ Prepare for the Bond Issuer an Annual Compliance Report detailing filings made and containing suitable evidence of filings in the form of confirmations from EMMA, or other appropriate repository.

Section 2.

The Bond Issuer will compensate Phoenix Advisors for services provided in accordance with this agreement, as more particularly set forth below

Continuing Disclosure Agent Service:

\$650 – All inclusive fee (for up to three (3) outstanding issues), plus \$100 for each additional outstanding issue for which filings are required.

Section 3.

This Agreement, as to the Continuing Disclosure Agent Service, shall be in effect through the Bond Issuer's fiscal year-end and is subject to annual reappointment.

Section 4.

This Agreement may be terminated by the Bond Issuer or Phoenix Advisors, upon giving thirty (30) days prior written notice.

Section 5.

This Agreement shall be construed in accordance with and governed by the laws of the State of New Jersey.

IN WITNESS WHEREOF, the Bond Issuer and Phoenix Advisors have caused this Agreement to be duly executed by their authorized representatives as of the day and year first above written.

PITTSBORO BOARD OF EDUCATION

By: *Stephen R. G. Abdell*

PHOENIX ADVISORS, LLC

By: *David B. Thompson*
David B. Thompson, Chief Executive Officer