

**BOARD OF FIRE COMMISSIONERS  
PENNINGTON BOROUGH FIRE DISTRICT NO. 1  
PO Box 387  
Pennington, New Jersey 08534**

Mark E. Blackwell, Chairman  
William Meyrott, Vice-Chairman

Eugene Schooley, Secretary  
Robert DiFalco, Treasurer  
Brian Hofacker, Commissioner

July 19, 2017

Michael A. Chipowsky, Chairman  
Board of Fire Commissioners  
Hopewell Township Fire District No. 1  
201 Washington Crossing-Pennington Road  
Titusville, NJ 08560

**Re: Pennington Borough District #1  
Aerial Repayment Agreement**

Dear Chairman Chipowsky:

Enclosed are two agreements confirming the understanding between our boards regarding the purchase and payment for the Spartan aerial apparatus. Attached to each Agreement is the related amortization schedule. The first is for a repayment term of 10 years and the second is for 15 years.

The final cost of the apparatus was \$1,176,719.00. In order to show the entire purchase price and yet create an amortization schedule showing only the Township Board's 76% principal obligation, you will see on each of the amortization schedules that there is a "payment" in 2017 of \$ 282,413.00. This figure represents and removes the Borough Board's 24% of the principal obligation from the schedules. The Township Board's obligation amounts to \$894,306.00 (principal) and begins with the first payment due March 1, 2018.

Please review and if everything meets with your board's approval, choose the repayment term you desire and return one executed copy of that Agreement to me for execution on behalf of the Pennington Board. I will return to you a fully executed Agreement for your records. As always, call anytime with questions or if I can provide additional information.

**HTFD No. 1**

**JUL 20 2017**

**RECEIVED**

Very truly yours,

Mark E. Blackwell, Chairman  
(609) 381-1367

Enclosures

**AERIAL APPARATUS PROMISSORY NOTE AND PAYMENT AGREEMENT**

*August 24*  
DATED: July 2017

THIS AGREEMENT is between the **Board of Fire Commissioners, Pennington Borough Fire District No. 1** ("Pennington Board"), PO Box 367, Pennington, NJ 08534, and the **Board of Fire Commissioners, Hopewell Township Fire District No. 1** ("Township Board"), 201 Washington Crossing-Pennington Road, Titusville, NJ 08560.

In compliance with the Agreement for Fire Protection and Services between the parties dated December 13, 2016, the Township Board agrees to provide funding to the Pennington Board for 76% of the cost of a Spartan aerial apparatus and appurtenant equipment (Aerial) for use by the volunteer firefighters serving Hopewell Township pursuant to the aforementioned agreement. The Township Board agrees and promises to pay to the Pennington Board the principal sum of Eight Hundred Ninety-Four Thousand Three Hundred Six Dollars (\$ 894,306.00) over a period of fifteen (15) years, together with 3.410 percent annual interest thereon, compounded annually.

The Township Board agrees to make fifteen (15) annual payments of Seventy-Seven Thousand One Hundred Fifty-Two and 02/100 Dollars (\$77,152.02) each to the Pennington Board, or to its successors or assigns, on or before March 1<sup>st</sup> of each year. The first annual payment is due and payable in 2018 and the last in 2032. Payments shall be made to the address set forth above, or to such other address as shall be designated in writing by the Pennington Board to the Township Board. If a different remittance address is not received by the Township Board at least thirty (30) days prior to the due date of a payment, remittance to the address set forth above or if amended, to the most recently designated payment address shall be deemed payment of the then due amount.

Throughout of term of this Promissory Note and Payment Agreement the Township Board agrees to include adequate funds for each payment in the Debt Service Schedule of its Annual Fire District Budget. The Township Board and any endorser of this Note waive demand, presentment, notice and protest. The obligations created by this Promissory Note and Payment Agreement shall survive the termination, lapse, or amendment of any Agreement for Fire Protection and Services between the parties.

*Dol C. K.*  
Witness:

Board of Fire Commissioners,  
Hopewell Township Fire District No. 1  
by:

*Michael Chipowsky*  
Michael Chipowsky, Chairman  
Date: 8/24/2017

*Bailey S. Griswold*  
Witness:

Board of Fire Commissioners,  
Pennington Borough Fire District No. 1  
by:

*Mark Blackwell*  
Mark Blackwell, Chairman  
Date:

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Spartan Truck Ladder Financing

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Compound Period ..... : Annual

Nominal Annual Rate .... : 3.410 %

## CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	03/01/2017	1,176,719.00	1		
2 Payment	03/01/2017	282,413.00	1		
3 Payment	03/01/2018	77,152.02	15	Annual	03/01/2032

## AMORTIZATION SCHEDULE - Normal Amortization

	Date	Payment	Interest	Principal	Balance
Loan	03/01/2017				1,176,719.00
1	03/01/2017	282,413.00	0.00	282,413.00	894,306.00
2017 Totals		282,413.00	0.00	282,413.00	
2	03/01/2018	77,152.02	30,495.83	46,656.19	847,649.81
2018 Totals		77,152.02	30,495.83	46,656.19	
3	03/01/2019	77,152.02	28,904.86	48,247.16	799,402.65
2019 Totals		77,152.02	28,904.86	48,247.16	
4	03/01/2020	77,152.02	27,259.63	49,892.39	749,510.26
2020 Totals		77,152.02	27,259.63	49,892.39	
5	03/01/2021	77,152.02	25,558.30	51,593.72	697,916.54
2021 Totals		77,152.02	25,558.30	51,593.72	
6	03/01/2022	77,152.02	23,798.95	53,353.07	644,563.47
2022 Totals		77,152.02	23,798.95	53,353.07	
7	03/01/2023	77,152.02	21,979.61	55,172.41	589,391.06
2023 Totals		77,152.02	21,979.61	55,172.41	
8	03/01/2024	77,152.02	20,098.24	57,053.78	532,337.28
2024 Totals		77,152.02	20,098.24	57,053.78	
9	03/01/2025	77,152.02	18,152.70	58,999.32	473,337.96
2025 Totals		77,152.02	18,152.70	58,999.32	
10	03/01/2026	77,152.02	16,140.82	61,011.20	412,326.76
2026 Totals		77,152.02	16,140.82	61,011.20	
11	03/01/2027	77,152.02	14,060.34	63,091.68	349,235.08
2027 Totals		77,152.02	14,060.34	63,091.68	
12	03/01/2028	77,152.02	11,908.92	65,243.10	283,991.98

## Spartan Truck Ladder Financing

Date	Payment	Interest	Principal	Balance
2028 Totals	77,152.02	11,908.92	65,243.10	
13 03/01/2029	77,152.02	9,684.13	67,467.89	216,524.09
2029 Totals	77,152.02	9,684.13	67,467.89	
14 03/01/2030	77,152.02	7,383.47	69,768.55	146,755.54
2030 Totals	77,152.02	7,383.47	69,768.55	
15 03/01/2031	77,152.02	5,004.36	72,147.66	74,607.88
2031 Totals	77,152.02	5,004.36	72,147.66	
16 03/01/2032	77,152.02	2,544.14	74,607.88	0.00
2032 Totals	77,152.02	2,544.14	74,607.88	
Grand Totals	1,439,693.30	262,974.30	1,176,719.00	