

RESOLUTION NO. 2016-11-14-02

AMENDED AND RESTATED

RESOLUTION AUTHORIZING THE SECURING OF A LOAN WITH FIRST BANK FINANCIAL CENTRE TO FINANCE SHORT TERM DEBT; PROVIDING FOR THE ISSUANCE AND SALE OF A GENERAL OBLIGATION PROMISSORY NOTE THEREFORE; AND LEVYING A TAX IN CONNECTION THEREWITH

WHEREAS, the Board of Trustees of the Village of Chenequa, Wisconsin, has determined that it is necessary to borrow funds for the purpose of purchasing, upgrading, repairing and/or replacing the following improvements within the Village (see Addendum A attached).

WHEREAS, the Board of Trustees of the Village of Chenequa hereby finds that the Village has sufficient power and authority to authorize such improvements; and

WHEREAS, the Board of Trustees of the Village of Chenequa hereby finds that such purchases serve a "public purpose", as that term is defined in Section 67.04(1)(b) of the Wisconsin Statutes and hereby finds that such purchase serve as a "Project", as the term is defined in Section 67.04(1)(ar) of the Wisconsin Statutes; and

WHEREAS, villages are authorized by the provisions of Section 67.12(12), Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purpose;

WHEREAS, the Board of Trustees of the Village of Chenequa now deems it to be necessary, desirable and in the best interest of the Village to authorize the issuance of and to award the sale of a general obligation promissory note (the "Note") to First Bank Financial Centre (the "Purchaser")

WHEREAS, the Board of Trustees of the Village of Chenequa adopted Resolution No. 10-10-02, a copy of which is attached as Addendum A on October 10, 2016 authorizing the issuance of a general obligation promissory note (the "Note") and a sale to First Bank Financial Centre (the "Purchaser"); and

WHEREAS, the Note is to be documented using Wisconsin Bankers Association ("WBA") forms and Purchaser's counsel has requested adoption of a resolution in substantially the form set forth in the standard form WBA documents, a copy of which is attached as "Addendum B", and

WHEREAS, the Board of Trustees of the Village of Chenequa desires to reaffirm and expand the terms of Resolution No. 2016-10-10-02 through inclusion of the language set forth in the WBA standard form resolution attached as Addendum B.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Village of Chenequa that:

Section 1. Amendment and Restatement. The terms and provisions of Resolution No. 2016-10-10-02 are hereby reaffirmed and said resolution is hereby amended and restated to incorporate the terms of the WBA standard form resolution attached as Addendum B.

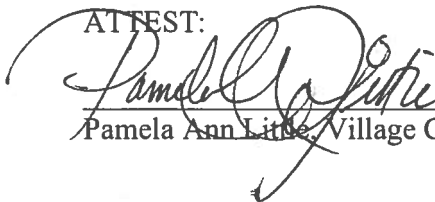
Section 2. Conflicts. In the event of a conflict between the terms and provisions of Resolution No. 2016-10-10-02 and the terms and provisions of addendum B, the terms and provision of Addendum B shall govern.

Dated: November 14, 2016

VILLAGE OF CHENEQUA

BY: 
Susan L. Wilkey
Village President

ATTEST:


Pamela Ann Little, Village Clerk

Date Adopted: November 14, 2016
Date Published: November 15, 2016
Effective Date: *November* 16, 2016

ADDENDUM A TO RESOLUTION NO. 2016-11-14-02

RESOLUTION NO. 2016-10-10-02

**RESOLUTION AUTHORIZING THE SECURING OF A LOAN WITH
FIRST BANK FINANCIAL CENTRE TO FINANCE SHORT TERM DEBT;
PROVIDING FOR THE ISSUANCE AND SALE OF A GENERAL OBLIGATION
PROMISSORY NOTE THEREFOR; AND
LEVYING A TAX IN CONNECTION THEREWITH**

WHEREAS, the Board of Trustees of the Village of Chenequa, Wisconsin, has determined that it is necessary to borrow funds for the purpose of purchasing, upgrading, repairing and/or replacing the following improvements within the Village (See Addendum A attached).

WHEREAS, the Board of Trustees of the Village of Chenequa hereby finds that the Village has sufficient power and authority to authorize such improvements; and

WHEREAS, the Board of Trustees of the Village of Chenequa hereby finds that such purchases serve a "public purpose", as that term is defined in Section 67.04(1)(b) of the Wisconsin Statutes and hereby finds that such purchases serve as a "project", as the term is defined in Section 67.04(1)(ar) of the Wisconsin Statutes; and

WHEREAS, villages are authorized by the provisions of Section 67.12(12), Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purpose;

WHEREAS, the Board of Trustees of the Village of Chenequa now deems it to be necessary, desirable and in the best interest of the Village to authorize the issuance of and to award the sale of a general obligation promissory note (the "Note") to First Bank Financial Centre (the "Purchaser")

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Village of Chenequa that:

Section 1. Authorization. For the purpose of paying the cost of the Project, the Village is authorized to borrow pursuant to Section 67.12(12) of the Wisconsin Statutes, the principal sum of not to exceed ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000) from the Purchaser. To evidence such indebtedness, the President and Village Clerk are hereby authorized, empowered and directed to make, execute, issue and to the Purchaser for, on behalf of and in the name of the Village, the Note in a principal amount not to exceed ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000).

Section 2. Terms. To The Note shall be designated "General Obligation Promissory Notes"; shall be dated November 30, 2016; shall bear interest at the rate of 1.35% per annum and shall be payable in one annual installment of August 31, 2017.

Section 3. Exemption. In order to provide for the collection of direct annual tax sufficient to pay the principal of and interest on the Note as due at maturity, there is hereby levied

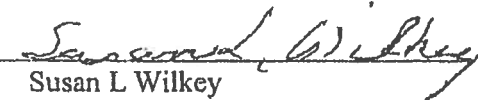
upon all taxable property in the Village, in addition to all other taxes for this purpose. This tax shall be for the year 2016 collected in 2017 in addition to all other taxes.

Section 4. Purpose. The proceeds of said taxes levied when collected by the Village shall be pledged for the payment of principal and interest on the Note.

Section 5. Execution. The Note shall be issued in printed form, executed on behalf of the Village by the President and Village Clerk, and sealed with its official or corporate seal.

Dated: October 10, 2016

VILLAGE OF CHENEQUA

By: 
Susan L Wilkey
Village President

ATTEST:


Pamela Ann Little, Village Clerk

Date Adopted: October 10, 2016
Date Published: October 31, 2016
Effective Date: November 1, 2016

ADDENDUM A
TO RESOLUTION 2016-10-10-02

1. Village Hall Window Replacement	\$ 55,000 (approximate)
2. Village Phone System	10,000 (approximate)
3. Police Department Bathroom Remodel	8,500
4. Concrete Pad in front of Firehouse (Coating over the top of current pad)	19,300
5. Carpet for the Village Board Room, Stairs & Hallway on Second Floor	14,500
6. Replace Firehouse Garage Doors	8,500
7. Replace Heat & Air Exchanger in Firehouse	20,000
8. Sealcoat Village Hall & Highway Garage	5,000
Contingencies / Overruns	<u>9,200</u>
	\$150,000

Stock No. 11059

ADDENDUM B TO RESOLUTION NO. 2016-11-14-02



Prepared and intended for use by commercial banks in transactions governed by Wisconsin Law.

W.B.A. 203B (8/06)

Wisconsin Bankers Association 2006

EXHIBIT A RESOLUTION

(Adopted at an Open Meeting held November 14, 2016)

WHEREAS, the Village of Chenequa, Waukesha County, Wisconsin ("Village"), is presently in need of funds aggregating One Hundred Fifty Thousand Dollars (\$ 150,000.00) for public purpose(s) of: (1) Purchasing, repairing and/or replacing the following:

- 1. Village Hall Window Replacement \$55,000 (approximate)
2. Village Phone System 10,000 (approximate)
3. Police Department Bathroom Remodel 8,500
4. Concrete Pad in front of Firehouse 19,300
5. Carpet for the Village Board Room, Stairs & Hallway on Second Floor 14,500
6. Replace Firehouse Garage Doors 8,500
7. Replace Heat & Air Exchanger in Firehouse 20,000
8. Sealcoat Village Hall & Highway Garage 5,000
Contingencies / Overruns 9,200
\$150,000

; and

WHEREAS, the Village Board deems it necessary and in the best interests of the Village that, pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, the sum of One Hundred Fifty Thousand Dollars (\$ 150,000.00) be borrowed for such purpose(s) upon the terms and conditions hereinafter set forth:

NOW, THEREFORE, BE IT RESOLVED, that for the purpose(s) hereinabove set forth the Village, by its President, and Clerk, pursuant to Section 67.12(12), Wisconsin Statutes, borrow from First Bank Financial Centre

("Lender"), the sum of \$ 150,000.00, and, to evidence such indebtedness, said President and Clerk shall make, execute and deliver to the Lender for and on behalf of the Village the promissory note of the Village to be dated November 17, 2016, in said principal amount with interest at the rate of one and thirty-five hundredths percent (1.35%) per annum and payable as follows:

[Check (a), (b), (c) or (d); only one shall apply.]

- (a) [X] Single Payment. In one payment on August 31, 2017, PLUS interest payable as set forth below.
(b) [] Installments of Principal and Interest. (2) In equal payments of \$ due on and on the same day(s) of each month thereafter every 7th day thereafter every 14th day thereafter, PLUS a final payment of the unpaid balance and accrued interest due on. All payments include principal and interest.
(c) [] Installments of Principal. In equal payments of principal of \$ due on and on the same day(s) of each month thereafter every 7th day thereafter every 14th day thereafter, PLUS a final payment of the unpaid principal due on, PLUS interest payable as set forth below.
(d) [] Other.

Interest is payable on August 31, 2017, and on the same day of each month thereafter, every 7th day thereafter, every 14th day thereafter, and at maturity, or, if box (b) is checked, at the times so indicated. Interest is computed for the actual number of days principal is unpaid on the basis of [X] a 360 day year [] a 365 day year. (2)

Said interest to be payable on the dates set forth above on the outstanding principal balance, with [] no prepayment privileges [X] prepayment privileges on any principal or interest payment date on or after November 17, 2016.

A copy of the promissory note shall be attached to this resolution.

(1) Here describe each purpose in detail. If the purpose is meeting general and current municipal expenses or refinancing obligation of the Village, so specify.
(2) Section 67.12(12), Wisconsin Statutes, does not place any restrictions on the basis of interest rate calculations.

BE IT FURTHER RESOLVED, that there be, and there hereby is, levied on all the taxable property of the Village, a direct annual irrevocable tax sufficient in amount to pay the principal and interest on said note as the same becomes due and payable, said tax to be in the following minimum amounts:(4)

Amount of Tax (principal and interest)	To Meet Note Payments Due On	Year of Levy (must be in year(s) prior to due date)
\$ 151,614.38	11/17/2016 through 8/31/2017	For the year 2016
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____

If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said note when due, the requisite amount shall be paid from other funds of the Village then available, which sums shall be replaced upon the collection of the taxes herein levied.

In the event that the Village exercises its prepayment privilege, if any, then no such direct annual tax shall be included on the tax rolls for the prepayments made and the amount of direct annual tax hereinabove levied shall be reduced accordingly for the year or years with respect to which said note was prepaid.

In each of said levy years, the direct annual tax so levied shall be carried into the tax rolls each year and shall be collected in the same manner and at the same time as other taxes of the Village for such years are collected; provided, that the amount of tax carried into the tax roll may be reduced in any year by the amount of any surplus in the debt service account for the note. So long as any part of the principal of, or interest on, said note remains unpaid, the proceeds of said tax shall be segregated in a special fund used solely for the payment of the principal of, and interest on, said note.

BE IT FURTHER RESOLVED, that there be and there hereby is established in the treasury of the Village, if one has not already been established, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Sinking funds established for obligations previously issued by the Village may be considered as separate and distinct accounts within the debt service fund. Within the debt service fund, there be and there hereby is established a separate and distinct account designated as the "Debt

Service Account for Promissory Note dated November 17 2016," which account shall be used solely for the purpose of paying principal of and interest on said note. There shall be deposited in said account any accrued interest paid on said note at the time it is delivered to the Lender, all money raised by taxation or appropriated pursuant hereto, and such other sums as may be necessary to pay principal and interest on said note when the same shall become due.

BE IT FURTHER RESOLVED, that the proceeds of said note shall be used solely for the purposes for which it is issued, but may be temporarily invested until needed in legal investments, provided that no such investment shall be in such a manner as would cause said note to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or the Regulations of the Commissioner of Internal Revenue thereunder; and an officer of the Village, charged with the responsibility for issuing the note, shall certify by use of an arbitrage certificate, if required, that, on the basis of the facts, estimates and circumstances in existence on the date of the delivery of the note, it is not expected that the proceeds will be used in a manner that would cause said note to be an "arbitrage bond."

BE IT FURTHER RESOLVED, that the projects financed by the note and their ownership, management and use will not cause the note to be a "private activity bond" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended, and that the Village shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the note.

BE IT FURTHER RESOLVED, that the Village Clerk shall keep records for the registration and for the transfer of the note. The person in whose name the note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on the note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such note to the extent of the sum or sums so paid. The note may be transferred by the registered owner thereof by presentation of the note at the office of the Village Clerk, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his legal representative duly authorized in writing. Upon such presentation, the note shall be transferred by appropriate entry in the registration records and a similar notation, including date of registration, name of new registered owner and signature of the Village Clerk, shall be made on such note.

BE IT FURTHER RESOLVED, that the note is hereby designated as a "qualified tax-exempt obligation" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended, relating to the ability of financial institutions to deduct from income, for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.(5)

BE IT FURTHER RESOLVED, that the Village officials are hereby authorized and directed, so long as said note is outstanding, to deliver to the Lender any audit statement or other financial information the Lender may reasonably request and to discuss its affairs and finances with the Lender.

BE IT FURTHER RESOLVED, that said note shall be delivered to the Lender on or after the date of said note, upon receipt of the total principal amount of the loan evidenced thereby, plus accrued interest, if any, to date of delivery, provided that, if this is a refinancing, the refunding note shall be immediately exchanged for the note being refinanced.

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- (4) First tax levy should be for the current year unless tax roll has already been delivered for collection, and amount of levy should be sufficient to meet all principal and interest payments coming due prior to date for collection of next succeeding tax levy.
 - (5) Delete this paragraph if the Village will be issuing more than \$10,000,000 of tax-exempt obligations in the calendar year. In that case, banks will not be entitled to deduct, for federal income tax purposes, interest expense that is allocable to carrying or acquiring the note.