

ATTACHMENT

(Resolution Authorizing Issuance of Equipment Note)

Resolution No. 96

A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION PROMISSORY NOTE (EQUIPMENT NOTE) TO WAUKESHA COUNTY FOR TRUNKED RADIO SYSTEM

WHEREAS the Village of Oconomowoc Lake, Oconomowoc, Wisconsin (sometimes hereinafter called the "Municipality") has entered into the Trunked Radio Services Agreement (the "Agreement") and become a participant in the Trunked Radio System (the "System") operated by Waukesha County, Wisconsin (the "County"); and

WHEREAS the Municipality is presently in need of the sum of Thirty Four Thousand Eight Hundred Fifty dollars (\$34,850) for the public purpose of paying part of the equipment costs of the System; and

WHEREAS the Village Board of the Municipality (the "Governing Body") deems it necessary and in the best interest of the Municipality that the monies needed for such purpose be borrowed by issuing a general obligation promissory note to the County pursuant to the provisions of Section 67.12(12), Wis. Stats., upon the terms and conditions hereinafter provided;

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the Municipality, that:

Section 1. Issuance of Note. The Municipality shall sell and deliver its \$34,850 General Obligation Promissory Note (Equipment Note) (the "Note"), issued for the purpose above stated, to the County for the purpose of paying the cost of radios to be used in connection with the System.

Section 2. The Note. The Board President (the "Chief Executive Officer") and Municipal Clerk shall make, execute and deliver the Note to said purchaser, for and on behalf of the Municipality. The Note shall be a negotiable, general obligation promissory note of the Municipality, registered as to both principal and interest, issued as a single note and shall mature in installments on January 31 in the years and principal amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2001	\$4,419.42	2006	\$3,748.82
2002	\$4,099.90	2007	\$3,906.27
2003	\$3,313.53	2008	\$4,070.33
2004	\$3,452.70	2009	\$4,241.32
2005	\$3,597.71		

The installments of the Note shall bear interest at a rate of 4.20% per annum. Said interest shall start to accrue on October 1, 2001 and shall be payable on January 31 of each year, commencing January 31, 2002. No interest shall accrue on the Note from the date of closing for the Note issue until October 1, 2001.

The total amounts of principal and interest due on the Note each calendar year are set forth on Exhibit A attached hereto.

At the option of the Municipality, the installments of the Note maturing shall be subject to prepayment at any time. Said installments shall be redeemable, as a whole or in part, at the principal amount thereof plus accrued interest to the date of prepayment.

Section 3. Form of Note. The Note shall be in substantially the form set forth on Exhibit B attached hereto.

Section 4. Tax Provisions.

(A) Direct, Annual Irrepealable Tax. For the purpose of paying the principal of and interest on the Note as the same respectively falls due, the full faith, credit and taxing powers of the Municipality are hereby irrevocably pledged and there be and there hereby is levied on all of the taxable property in the Municipality a direct, annual irrepealable tax in an amount and at the times sufficient for said purpose, such tax to be for the following years and in the following minimum amounts:

For the year 2000	\$4,419.42
For the year 2001	\$4,419.42
For the year 2002	\$4,419.42
For the year 2003	\$4,419.42
For the year 2004	\$4,419.42
For the year 2005	\$4,419.42
For the year 2006	\$4,419.42
For the year 2007	\$4,419.42
For the year 2008	\$4,419.46

(B) Tax Collection. The Municipality shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Note, said tax shall be, from year to year, carried into the tax rolls of the Municipality and collected as other taxes are collected, provided that the amount of tax carried into said tax rolls may be reduced in any year by the amount of any surplus money in the Debt Service Account created in Section 5(A) hereof.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on the Note when due, the requisite amounts shall be paid from other funds of the Municipality then available, which sums shall be replaced upon the collection of the taxes herein levied.

Section 5. Debt Service Fund and Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the Municipality, if one has not already been created, 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 Municipality 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 'General Obligation Promissory Note (Equipment Note)'" (the "Debt Service Account") and such account shall be maintained until the indebtedness evidenced by the Note is fully paid or otherwise extinguished. The Municipal Treasurer shall deposit in such Debt Service Account (i) all accrued interest received by the Municipality at the time of delivery of and payment for the Note; (ii) the taxes herein levied for the specific purpose of meeting principal of and interest on the Note when due; (iii) such other sums as may be necessary at any time to pay principal of and interest on the Note when due; (iv) any premium which may be received by the Municipality above the par value of the Note and accrued interest thereon; (v) surplus monies in the Borrowed Money Fund as specified in Section 6 hereof; and (vi) such further deposits as may be required by Sec. 67.11, Wis. Stats.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Account and appropriated for any purpose other than the payment of principal of and interest on the Note until all such principal and interest has been paid in full and canceled; provided (i) the funds to provide for each payment of principal and interest on the Note prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Note may be used to reduce the next succeeding tax levy, or may, at the option of the Municipality be invested by purchasing the Note as permitted by and subject to Section 67.11(2)(a), Wis. Stats., in interest-bearing obligations of the United States of America,

in other obligations of the Municipality or in other investments permitted by law, which investments shall continue to be a part of the Debt Service Account.

(C) Remaining Monies. When all of the Note has been paid in full and canceled, and all permitted investments disposed of, any money remaining in the Debt Service Account shall be deposited in the general fund of the Municipality, unless the Governing Body directs otherwise.

Section 6. Persons Treated as Owners: Transfer of Note. The Municipality shall keep books 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 any 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 surrender of the Note at the office of the Municipal Clerk, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Municipal Clerk shall execute and deliver in the name of the transferee or transferees a new Note or Note of a like aggregate principal amount, series and maturity and shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Municipal Clerk shall cancel any Note surrendered for transfer.

The Municipality shall cooperate in any such transfer or exchange, and the Chief Executive Officer and Municipal Clerk are hereby authorized to execute and deliver any new Note or Notes necessary to effectuate such transfer or exchange.

Section 7. Records. The Municipal Clerk shall provide and keep a separate record book and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing these Note.

Section 8. Closing. The Chief Executive Officer and Municipal Clerk of the Municipality are hereby authorized and directed to execute and deliver the Note to the purchaser thereof upon receipt of the borrowed funds, accrued interest to date of delivery and premium, if any. The Chief Executive Officer and Municipal Clerk may execute the Note by manual or facsimile signature, but, unless the Municipality has contracted with the Fiscal Agent to authenticate the Note, at least one of said officers shall sign the Note manually.

The officers of the Municipality are hereby directed and authorized to take all steps necessary or convenient to close this issue as soon as practicable hereafter, in accordance with the terms of sale thereof; and said officers are hereby authorized and directed to execute and deliver such documents, certificates and acknowledgments as may be necessary or convenient in accordance therewith.

Adopted, approved and recorded 1-15-01.

Raymond D. Foster Jr.
Chief Executive Officer

(SEAL)

Attest:

Barbara Stern
Clerk

EXHIBIT A

DEBT SERVICE SCHEDULE

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>
01/31/2001	\$4,419.42	
01/31/2002	\$4,099.90	\$319.52
01/31/2003	\$3,313.53	\$1,105.89
01/31/2004	\$3,452.70	\$956.72
01/31/2005	\$3,597.71	\$821.71
01/31/2006	\$3,748.82	\$670.60
01/31/2007	\$3,906.27	\$513.15
01/31/2008	\$4,070.33	\$349.09
01/31/2009	<u>\$4,241.32</u>	<u>\$178.14</u>
Totals	\$34,850.00	\$4,924.82

EXHIBIT B

(Form of Note)

UNITED STATES OF AMERICA
STATE OF WISCONSIN

NO. _____

GENERAL OBLIGATION PROMISSORY NOTE (EQUIPMENT NOTE)

ORIGINAL DATE OF ISSUE:

REGISTERED OWNER: Waukesha County, Wisconsin

PRINCIPAL AMOUNT: Thirty Four Thousand Eight Hundred Fifty
DOLLARS (\$34,850)

KNOW ALL MEN BY THESE PRESENTS, that the Village of Oconomowoc Lake, Oconomowoc, Wisconsin (the "Municipality"), hereby acknowledges itself to owe and for value received promises to pay to the registered owner identified above (or to registered assigns), on the installment dates identified below, the principal amount identified above, subject to the provisions set forth herein regarding redemption prior to maturity.

The Note is payable in installments on January 31 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>
2001	\$4,419.42
2002	\$4,099.90
2003	\$3,313.53
2004	\$3,452.70
2005	\$3,597.71
2006	\$3,748.82
2007	\$3,906.27
2008	\$4,070.33
2009	\$4,241.32

The installments of the Note bear interest at the rate of 4.20% per annum. Said interest shall start to accrue on October 1, 2001 and shall be payable on January 31 of each year, commencing January 31, 2002.

Both the principal of and interest on the Note are payable in lawful money of the United States by the Municipal Treasurer. Payment of each installment of interest and the first eight installments of principal shall be made to the registered owner of this Note recorded on the registration books of the Municipality. Payment of the last installment of principal and interest of this Note shall be made upon presentation and surrender hereof to the Municipal Treasurer.

For the prompt payment of this Note together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the Municipality are hereby irrevocably pledged.

This Note is issued by the Municipality pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, for the purpose of paying the cost of part of the equipment costs of the Waukesha County Trunked Radio System, all as authorized by resolution of the Village of Oconomowoc Lake duly adopted by said governing body at meeting held on Jan 15, 2001. Said resolution is recorded in the official minutes of the Village Board for said date.

At the option of the Municipality, the installments of this Note are subject to prepayment at any time. Said installments are prepayable, as a whole or in part, at the principal amount thereof, plus accrued interest to the date of prepayment.

This Note is transferable by a written assignment duly executed by the registered owner hereof or by such owner's duly authorized legal representative. Upon such transfer a new registered Note, in the same aggregate principal amount, shall be issued to the transferee in exchange hereof.

The Municipality may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof, premium, if any, hereon and interest due hereon and for all other purposes, and the Municipality shall not be affected by notice to the contrary.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the Municipality, including this Note, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrepealable tax has been levied sufficient to pay this Note, together with the interest thereon, when and as payable.

IN WITNESS WHEREOF, the Village of Oconomowoc Lake, Waukesha County, Wisconsin has caused this Note to be signed on behalf of said Municipality by the original signatures of its duly qualified and acting Board President and Municipal Clerk, and its corporate seal to be impressed thereon, all as of the date of original issue specified above.

Village of Oconomowoc Lake
WAUKESHA COUNTY, WISCONSIN

By: Raymond Q. Foster Jr
President Vill. Ocon. Lake

(SEAL)

By: Barbara Stern
Clerk - Treasurer

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Note and all rights thereunder and hereby irrevocably authorizes the _____ to transfer said Note on its books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company or Securities Firm)

(Registered Owner)

(Authorized Officer)

NOTICE: This signature must correspond with the name of the registered owner as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.