

*Village of Dorchester
Dorchester, Wis 54425**Ernest Oberle 7034.00
Ak. 24540*Resolution No. 189

RESOLUTION AUTHORIZING THE BORROWING
OF \$505,000;
PROVIDING FOR THE ISSUANCE AND SALE OF
GENERAL OBLIGATION PROMISSORY NOTES, SERIES 1997
THEREFOR; AND LEVYING A
TAX IN CONNECTION THEREWITH

WHEREAS, the Village Board hereby finds and determines that it is necessary, desirable and in the best interest of the Village of Dorchester, Clark and Marathon Counties, Wisconsin (the "Village") to raise funds for the purpose of paying the cost of various improvements and expenditures set forth in the Project Plan for the Village's two Tax Incremental Financing Districts (the "Project"), and refunding certain outstanding obligations of the Village, to wit: a portion of its \$250,000 General Obligation Promissory Note, dated July 5, 1996 (the "1996 Note") (hereinafter the refinancing of the Village's 1996 Note shall be referred to as the "Refunding"), and there are insufficient funds on hand to pay said costs;

WHEREAS, the Village Board hereby finds and determines that the Project is within the Village's power to undertake and serves a "public purpose" as that term is defined in Section 67.04(1)(b) of the Wisconsin Statutes;

WHEREAS, the Village Board deems it to be necessary, desirable and in the best interest of the Village to refund the 1996 Note for the purpose of achieving debt service cost savings; and,

WHEREAS, villages are authorized by the provisions of Section 67.12(12) of the Wisconsin Statutes to borrow money and to issue general obligation promissory notes for such public purposes and to refinance their outstanding obligations.

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

Section 1. Authorization of the Notes. For the purpose of paying the cost of the Project and the Refunding, there shall be borrowed pursuant to Section 67.12(12) of the Wisconsin Statutes, the principal sum of FIVE HUNDRED FIVE THOUSAND DOLLARS (\$505,000) from Bankers' Bank, Madison, Wisconsin (the "Purchaser").

Section 2. Sale of the Notes. To evidence such indebtedness, the President and Village Clerk/Treasurer are

the Village, general obligation promissory notes aggregating the principal amount of FIVE HUNDRED FIVE THOUSAND DOLLARS (\$505,000) (the "Notes") for the sum of FIVE HUNDRED THOUSAND DOLLARS (\$500,000), plus accrued interest to the date of delivery.

Section 3. Terms of the Notes. The Notes shall be designated "General Obligation Promissory Notes, Series 1997"; shall be dated May 1, 1997; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered 1 and upward; shall bear interest at the rates set forth below; and shall mature serially on October 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
1999	\$ 45,000	4.80%
2000	60,000	4.95
2001	20,000	5.05
2002	20,000	5.10
2003	75,000	5.20
2004	85,000	5.30
2005	100,000	5.40
2006	100,000	5.50

Interest is payable semi-annually on April 1 and October 1 of each year commencing on April 1, 1998.

Section 4. Redemption Provisions. At the option of the Village, the Notes maturing on October 1, 2004 and thereafter shall be subject to redemption prior to maturity on October 1, 2003 or on any interest payment date thereafter. Said Notes shall be redeemable as a whole or in part, and if in part, from maturities selected by the Village and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

Section 5. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit A and incorporated herein by this reference.

Section 6. Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same becomes due, the full faith, credit and resources of the Village are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the Village a direct annual irrepealable tax in the years and in the amounts as follows:

Levy Year

Amount

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1997	\$37,492.08
1998	71,465.00
1999	84,305.00
2000	41,335.00
2001	40,325.00
2002	94,305.00
2003	100,405.00
2004	110,900.00
2005	105,500.00

The direct annual irrevocable tax hereby levied shall be carried onto the tax roll and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the Village for said years are collected. So long as any part of the principal of or interest on the Notes remains unpaid, the tax hereinabove levied shall be and continues irrevocable except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus in the Debt Service Fund Account created by Section 7 hereof.

Section 7. Debt Service Fund Account. There is hereby established in the Village treasury a fund account separate and distinct from all other funds or accounts of the Village designated "Debt Service Fund Account for \$505,000 Village of Dorchester General Obligation Promissory Notes, Series 1997 dated May 1, 1997", which fund account shall be used solely for the purpose of paying the principal of and interest on the Notes. There shall be deposited in said fund account all accrued interest paid on the Notes at the time the Notes are delivered to the Purchaser, any premium, all money raised by taxation pursuant to Section 6 hereof and all other sums as may be necessary to pay principal of and interest on the Notes as the same becomes due. Said fund account shall be used for the sole purpose of paying the principal of and interest on the Notes and shall be maintained for such purpose until such indebtedness is fully paid or otherwise extinguished.

Section 8. Borrowed Money Fund; Reimbursement. The proceeds of the Notes (the "Note Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Notes into the Debt Service Fund Account created above) shall be deposited into an account separate and distinct from all other funds and disbursed solely for the purposes for which borrowed or for the payment of the principal of and the interest on the Notes.

The Village declares its reasonable expectation to reimburse itself from the Note Proceeds for expenditures relating to the

Project which it pays from other funds of the Village prior to receipt of the Note Proceeds no more than 60 days prior to the date this Resolution is adopted. The Village may also reimburse itself for preliminary expenditures relating to the Project (such as architectural, engineering, surveying, soil testing, costs of issuance and similar costs but not including land acquisition, site preparation and similar costs incident to the commencement of construction) which are in an amount which is less than 20% of the issue price of the Notes. This declaration and the Resolution of which it is a part, shall be publicly available in the official books, records or proceedings of the Village Board.

Section 9. Arbitrage Covenant. The Village shall not take any action with respect to the Note Proceeds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken on the date of the delivery of and payment for the Notes (the "Closing"), would cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") and any income tax regulations promulgated thereunder (the "Regulations").

The Note Proceeds may be temporarily invested in legal investments until needed, provided however, that the Village hereby covenants and agrees that so long as the Notes remain outstanding, moneys on deposit in any fund or account created or maintained in connection with the Notes, whether such moneys were derived from the Note Proceeds or from any other source, will not be used or invested in a manner which would cause the Notes to be "arbitrage bonds" within the meaning of the Code or Regulations.

The Village Clerk/Treasurer, or other officer of the Village charged with responsibility for issuing the Notes, shall provide an appropriate certificate of the Village, for inclusion in the transcript of proceedings, setting forth the reasonable expectations of the Village regarding the amount and use of the Note Proceeds and the facts and estimates on which such expectations are based, all as of the Closing.

Section 10. Additional Tax Covenants; Small Issuer and Six Month Expenditure Exemption from Rebate; Qualified Tax-Exempt Obligation Status. The Village hereby further covenants and agrees that it will take all necessary steps and perform all obligations required by the Code and Regulations (whether prior to or subsequent to the issuance of the Notes) to assure that the Notes are obligations described in Section 103(a) of the Code, the interest on which is excluded from gross income for federal income tax purposes, throughout their term. The Village Clerk/Treasurer or other officer of the Village charged with the responsibility of issuing the Notes, shall provide an appropriate certificate of the Village as of the Closing, for inclusion in

the transcript of proceedings, certifying that it can and VOL. 564 PAGE 561
covenanting that it will comply with the provisions of the Code
and Regulations.

Further, it is the intent of the Village to take all reasonable and lawful actions to comply with any new tax laws enacted so that the Notes will continue to be obligations described in Section 103(a) of the Code, the interest on which is excluded from gross income for federal income tax purposes.

For purposes of complying with the Regulations, particularly the rebate requirements of the Regulations, the portion of the proceeds of the Notes that will be used for the Refunding and the portion of the proceeds of the Notes that will be used for the Project shall be considered proceeds of separate issues, respectively referred to as the "Refunding Portion" and "New Money Portion."

In accordance with Section 148(f)(4)(D) of the Code, the Village covenants that it is a governmental unit with general taxing powers; that the New Money Portion of the Notes are not "private activity bonds" as defined in Section 141 of the Code; that ninety-five percent (95%) or more of the net proceeds of the New Money Portion of the Notes are to be used for local governmental activities of the Village; and that the aggregate face amount of all tax-exempt obligations (other than "private activity bonds") issued by the Village, including all subordinate entities of the Village, during calendar year 1997 will not exceed \$5,000,000. If for any reason the Village did not qualify for the small issuer exemption from the rebate requirements of the Code for the New Money Portion of the Notes, the Village covenants that it would take all necessary steps to comply with such requirements.

In accordance with Section 148(f)(4)(B) of the Code, the Village covenants that it is a governmental unit with general taxing powers; that the Refunding Portion of the Notes are not "private activity bonds" as defined in Section 141 of the Code; that ninety-five percent (95%) or more of the net proceeds of the Refunding Portion of the Notes are to be used for local governmental activities of the Village; and that 100% of the proceeds of the Refunding Portion of the Notes will be expended for the governmental purposes of the issue within six months of the Closing. If for any reason the Village did not qualify for the six month exemption from the rebate requirements of the Code for the Refunding Portion of the Notes, the Village covenants that it would take all necessary steps to comply with such requirements.

The Village Board hereby designates the Notes to be "qualified tax-exempt obligations" pursuant to the provisions of

Section 265(b)(3) of the Code and in support of such designation, the Village Clerk/Treasurer or other officer of the Village charged with the responsibility for issuing the Notes, shall provide an appropriate certificate of the Village, all as of the Closing.

Section 11. Execution of the Notes. The Notes shall be issued in typewritten or printed form, executed on behalf of the Village by the manual or facsimile signatures of the President and Village Clerk/Treasurer, authenticated by its fiscal agent, if any, sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the Village of the purchase price thereof, plus accrued interest to the date of delivery. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the delivery of the Notes, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until such delivery. The aforesaid officers are hereby authorized to do all acts and execute and deliver all documents as may be necessary and convenient to effectuate the Closing.

Section 12. Payment of the Notes. The principal of and interest on the Notes shall be paid in lawful money of the United States of America by the Village Clerk/Treasurer.

Section 13. Persons Treated as Owners; Transfer of Notes. The Village shall keep books for the registration and for the transfer of the Notes. The person in whose name any 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.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Village Clerk/Treasurer, 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 President and Village Clerk/Treasurer shall execute and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the Village Clerk/Treasurer shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Village Clerk/Treasurer shall cancel any Note surrendered for transfer.

The Village shall cooperate in any such transfer, and the President and Village Clerk/Treasurer are authorized to execute any new Note or Notes necessary to effect any such transfer.

The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Notes. Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the Village at the close of business on the corresponding record date.

Section 14. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the Village agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations on file in the Village Clerk/Treasurer's office. The Village Clerk/Treasurer or other authorized representative of the Village is authorized and directed to execute such Blanket Issuer Letter of Representations and deliver it to DTC on behalf of the Village.

Section 15. Redemption of the 1996 Note. The Village Board of the Village hereby calls the 1996 Note due on and after July 5, 1997 for redemption on or about May 1, 1997. The Village hereby directs the purchaser to cause sufficient and timely notice of redemption to be provided.

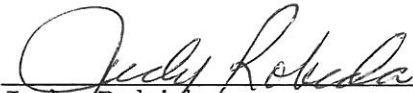
Section 16. Conflicting Resolutions; Severability;
Effective Date. All prior resolutions, rules or other actions of the Village Board or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted and recorded this 16th day of April, 1997.



James Jantsch
President

ATTEST:



Judy Robida
Village Clerk/Treasurer

(SEAL)



(Form of Note)

REGISTERED NO. R- _____	UNITED STATES OF AMERICA STATE OF WISCONSIN CLARK AND MARATHON COUNTIES VILLAGE OF DORCHESTER GENERAL OBLIGATION PROMISSORY NOTE, SERIES 1997	DOLLARS \$ _____
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MATURITY DATE:	ORIGINAL DATE OF ISSUE:	INTEREST RATE:	CUSIP:
October 1, _____	May 1, 1997	_____ %	_____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
(\$ _____)

COPY

KNOW ALL MEN BY THESE PRESENTS, that the Village of Dorchester, Clark and Marathon Counties, Wisconsin (the "Village"), hereby acknowledges itself to owe and for value received promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest is payable semi-annually on April 1 and October 1 of each year commencing on April 1, 1998 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by the Village Clerk/Treasurer at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date").

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 Village are hereby irrevocably pledged.

This Note is one of an issue of Notes aggregating the principal amount of \$505,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and

redemption provision, issued by the Village pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, for the purpose of paying the cost of various improvements and expenditures set forth in the Project Plan for the Village's two Tax Incremental Financing Districts and refunding certain outstanding obligations of the Village, all as authorized by a resolution of the Village Board duly adopted by said governing body at a meeting held on April 16, 1997. Said resolution is recorded in the official minutes of the Village Board for said date.

At the option of the Village, the Notes maturing on October 1, 2004 and thereafter are subject to redemption prior to maturity on October 1, 2003 or on any interest payment date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the Village and within each maturity by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

In the event the Village exercises its option to redeem the Notes prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, or overnight express delivery, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes of a maturity are to be called for redemption, the Notes of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Notes called for redemption, CUSIP numbers, and the date of redemption. Any notice mailed as provided herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

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 Village, including this Note and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrevocable tax has been levied sufficient to pay this Note, together with the interest thereon, when and as payable. It is hereby further certified that the Village Board has designated this Note to be a

"qualified tax-exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Note is transferable only upon the books of the Village kept for that purpose at the office of the Village Clerk/Treasurer, only in the event that the Depository does not continue to act as depository for the Notes, and the Village appoints another depository, upon surrender of the Note to the Village Clerk/Treasurer, and thereupon a new fully registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the Village for any tax, fee or other governmental charge required to be paid with respect to such registration. The Village shall not be obliged to make any transfer of the Notes (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Village may treat and consider the Depository in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or Redemption Price hereof and interest due hereon and for all other purposes whatsoever.

IN WITNESS WHEREOF, the Village of Dorchester, Clark and Marathon Counties, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified President and Village Clerk/Treasurer; and to be sealed with its official or corporate seal, if any, all as of the 1st day of May, 1997.

VILLAGE OF DORCHESTER
CLARK AND MARATHON COUNTIES,
WISCONSIN

By James Jantsch
President

By: Judy Robida
Village Clerk/Treasurer

(SEAL)

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 constitutes and appoints _____, Legal Representative, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

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

(Depository or Nominee Name)

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

(Authorized Officer)