

Resolution No. 215

RESOLUTION AUTHORIZING THE BORROWING
OF \$1,400,000;
PROVIDING FOR THE ISSUANCE AND SALE OF
GENERAL OBLIGATION PROMISSORY NOTES
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 acquiring a street sweeper (the "Project") and refinancing certain outstanding obligations of the Village, to wit: the General Obligation Promissory Notes, Series 1997, dated May 1, 1997 (the "1997 Notes") and the Promissory Note dated May 1, 2002 (the "2002 Note") (hereinafter the refinancing of the Village's 1997 Notes and 2002 Note (collectively, the "Prior Issues") 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 Prior Issues for the purpose of achieving debt service cost savings;

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 purpose and to refinance their outstanding obligations; and

WHEREAS, the Village Board 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 its general obligation promissory notes to Advantage Community Bank, Wausau, Wisconsin.

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 ONE MILLION FOUR HUNDRED THOUSAND DOLLARS (\$1,400,000) from Advantage Community Bank, Wausau, Wisconsin (the "Purchaser").

Section 2. Sale of the Notes. To evidence such indebtedness, the President and Village Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the Purchaser for, on behalf of and in the name of the Village, General Obligation Promissory Notes aggregating the principal amount of ONE MILLION FOUR HUNDRED THOUSAND DOLLARS (\$1,400,000) (the "Notes") for the sum of \$1,400,000, plus accrued interest to the date of delivery.

Section 3. Terms of the Notes. The Notes shall be designated "General Obligation Promissory Notes"; shall be dated October 15, 2003; shall be in the denomination of \$100,000 or more; shall be numbered 1 and upward; shall bear interest at the rate of 2.95% per annum and shall be payable in monthly installments of principal and interest on the dates and in the amounts set forth on the schedule prepared by the Purchaser and attached hereto as Exhibit A (the "Schedule").

Section 4. Redemption Provisions. At the option of the Village, the Notes shall be subject to redemption prior to maturity at any time. Said Notes shall be redeemable as a whole or in part, at 101% of 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 B 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 2003 through 2005 for the payments due in the years 2004 through 2006 in the amounts set forth on the Schedule.

The direct annual irrepealable 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 below.

There be and there hereby is appropriated from funds of the Village on hand a sum sufficient to be deposited in the Debt Service Fund Account to meet payments with respect to debt service due on November 15, 2003 and December 15, 2003.

Section 7. Segregated 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 \$1,400,000 Village of Dorchester General Obligation Promissory Notes, dated October 15, 2003", 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, and shall at all times be invested in a manner that conforms with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and any applicable income tax regulations (the "Regulations").

Section 8. Borrowed Money Fund. 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.

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 Code and 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 covenants that it will not invest in any obligation if such investment would violate the "prohibited payment" requirement of Section 148 of the Code.

The Village Clerk, 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 Exemption from Rebate; 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 excludable from gross income for federal income tax purposes, throughout their term. The Village further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Notes) if taking, permitting or omitting to take such action would cause any of the Notes to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Notes to be included in the gross income of the recipients thereof for federal income tax purposes. The Village Clerk 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 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 excludable from gross income for federal income tax purposes throughout their term.

The Village covenants that it is a governmental unit with general taxing powers and that the Notes are not "private activity bonds" as defined in Section 141 of the Code.

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 herein as the "Refunding Portion" and the "New Money Portion."

In accordance with Section 148(f)(4)(D) of the Code, the Village covenants 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 2003 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, 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 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 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, 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 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, authenticated, if required, 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 or Village Treasurer.

Section 12A. 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, 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 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 shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Village Clerk shall cancel any Note surrendered for transfer.

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

The last 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 13. Continuing Disclosure. The Notes are an exempt transaction in connection with the continuing disclosure requirements of SEC Rule 15c2-12, as amended, because the minimum authorized denominations for the Notes are \$100,000 or more and the sale of the Notes is limited to no more than 35 sophisticated persons (in the Purchaser's reasonable belief) none of whom is purchasing for more than one account or with a view to distributing the securities.

Section 14. Redemption of Prior Issues. (a) The 1997 Notes maturing in the years 2004 through 2006 have been called for prior payment on October 1, 2003, at the price of par plus accrued interest to the date of redemption. Any actions taken by or on behalf of the Village to call the 1997 Notes for redemption are hereby ratified and approved. The Village shall pay the 1997 Notes on October 1, 2003 with funds on hand and will be reimbursed with proceeds of the Notes after the closing for the Notes.

(b) The 2002 Note shall be prepaid on October 15, 2003 or as soon thereafter as is practicable at the outstanding principal amount thereof plus accrued interest to the prepayment date. The appropriate officers of the Village are authorized and directed to take such actions as are necessary to prepay the 2002 Note.

Section 15. 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 September 24, 2003.

Bea Seidel
President

ATTEST:

Judy Robida
Village Clerk

(SEAL)

EXHIBIT A

Debt Service Schedule and Tax Levies

(See Attached)

Amortization

Borrower name

Address

Loan number

Date	Amount	Payment	Principal	Interest	Remaining Balance
10-15-2003 Fixed Rate	2.950				
10-15-2003 Funding	1,400,000.00				1,400,000.00
11-15-2003 Regular Pmt		13,514.44	9,958.05	3,556.39	1,390,041.95
12-15-2003 Regular Pmt		13,514.44	10,097.25	3,417.19	1,379,944.70
2003 Totals:		27,028.88	20,055.30	6,973.58	
01-15-2004 Regular Pmt		13,514.44	10,009.00	3,505.44	1,369,935.70
02-15-2004 Regular Pmt		13,514.44	10,034.42	3,480.02	1,359,901.28
03-15-2004 Regular Pmt		13,514.44	10,282.79	3,231.65	1,349,618.49
04-15-2004 Regular Pmt		13,514.44	10,086.03	3,428.41	1,339,532.46
05-15-2004 Regular Pmt		13,514.44	10,221.42	3,293.02	1,329,311.04
06-15-2004 Regular Pmt		13,514.44	10,137.62	3,376.82	1,319,173.42
07-15-2004 Regular Pmt		13,514.44	10,271.47	3,242.97	1,308,901.95
08-15-2004 Regular Pmt		13,514.44	10,189.47	3,324.97	1,298,712.48
09-15-2004 Regular Pmt		13,514.44	10,215.35	3,299.09	1,288,497.13
10-15-2004 Regular Pmt		13,514.44	10,346.88	3,167.56	1,278,150.25
11-15-2004 Regular Pmt		13,514.44	10,267.58	3,246.86	1,267,882.67
12-15-2004 Regular Pmt		13,514.44	10,397.56	3,116.88	1,257,485.11
2004 Totals:		162,173.28	122,459.59	39,713.69	
01-15-2005 Regular Pmt		13,514.44	10,320.08	3,194.36	1,247,165.03
02-15-2005 Regular Pmt		13,514.44	10,346.29	3,168.15	1,236,818.74
03-15-2005 Regular Pmt		13,514.44	10,676.63	2,837.81	1,226,142.11
04-15-2005 Regular Pmt		13,514.44	10,399.70	3,114.74	1,215,742.41
05-15-2005 Regular Pmt		13,514.44	10,525.74	2,988.70	1,205,216.67
06-15-2005 Regular Pmt		13,514.44	10,452.85	3,061.59	1,194,763.82
07-15-2005 Regular Pmt		13,514.44	10,577.31	2,937.13	1,184,186.51
08-15-2005 Regular Pmt		13,514.44	10,506.28	3,008.16	1,173,680.23
09-15-2005 Regular Pmt		13,514.44	10,532.97	2,981.47	1,163,147.26

file://C:\Documents%20and%20Settings\mhenrichs\Local%20Settings\Temp\t_Amortizati... 9/15/2003

10-15-2005 Regular Pmt	13,514.44	10,655.04	2,859.40	1,152,492.22
11-15-2005 Regular Pmt	13,514.44	10,586.79	2,927.65	1,141,905.43
12-15-2005 Regular Pmt	13,514.44	10,707.26	2,807.18	1,131,198.17
<hr/>				
2005 Totals:	162,173.28	126,286.94	35,886.34	
01-15-2006 Regular Pmt	13,514.44	10,640.88	2,873.56	1,120,557.29
02-15-2006 Regular Pmt	13,514.44	10,667.91	2,846.53	1,109,889.38
03-15-2006 Regular Pmt	13,514.44	10,967.86	2,546.58	1,098,921.52
04-15-2006 Regular Pmt	13,514.44	10,722.87	2,791.57	1,088,198.65
05-15-2006 Regular Pmt	13,514.44	10,839.28	2,675.16	1,077,359.37
06-15-2006 Regular Pmt	13,514.44	10,777.65	2,736.79	1,066,581.72
07-15-2006 Regular Pmt	13,514.44	10,892.43	2,622.01	1,055,689.29
08-15-2006 Regular Pmt	13,514.44	10,832.70	2,681.74	1,044,856.59
09-15-2006 Regular Pmt	13,514.44	10,860.21	2,654.23	1,033,996.38
10-15-2006 Final Pmt	1,036,538.29	1,033,996.38	2,541.91	0.00
<hr/>				
2006 Totals:	1,158,168.25	1,131,198.17	26,970.08	
Loan Totals:	1,509,543.69	1,400,000.00	109,543.69	

Printed on: 09-15-2003

EXHIBIT B
(Form of Note)

REGISTERED UNITED STATES OF AMERICA DOLLARS
STATE OF WISCONSIN
CLARK AND MARATHON COUNTIES
NO. R-_____ VILLAGE OF DORCHESTER \$1,400,000
GENERAL OBLIGATION PROMISSORY NOTE

ORIGINAL DATE OF ISSUE: INTEREST RATE:

October 15, 2003

2.95%

REGISTERED OWNER: ADVANTAGE COMMUNITY BANK

PRINCIPAL AMOUNT: ONE MILLION FOUR HUNDRED THOUSAND DOLLARS
(\$1,400,000)

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 registered owner identified above (or to registered assigns), 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, in installments as set forth on the attached schedule. Both the principal of and interest on this Note are payable in lawful money of the United States. Installments of principal of and interest on this Note (except the last) shall be payable by check or draft dated as of the applicable payment date and mailed from the office of the Village Treasurer to the person in whose name this Note is registered as of the close of business on the last day of the calendar month next preceding the payment date. The final installment of principal of and interest on this Note shall be payable only upon presentation and surrender of this Note at the office of the Village 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 Village are hereby irrevocably pledged.

This Note is one of an issue of Notes aggregating the principal amount of \$1,400,000, all of which are of like tenor, except as to denomination, issued by the Village pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, for the purpose of paying the cost of acquiring a street sweeper 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 September 24, 2003. Said resolution is recorded in the official minutes of the Village Board for said date.

At the option of the Village, the Notes are subject to redemption prior to maturity at any time. Said Notes are redeemable as a whole or in part, at 101% of 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, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, or legible facsimile transmission, to the registered owner not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. Such notice will include but not be limited to the following: the designation, date and maturities of the Notes called for redemption 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.

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; the Village has set aside from funds on hand a sum sufficient which has been irrevocably deposited in the debt service fund account for the Notes to be used solely to pay principal and interest coming due on November 15, 2003 and December 15, 2003; and that a direct annual irrevocable tax has

been levied sufficient to pay this Note, together with the remaining 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 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 authorized denomination or denominations and in the same aggregate principal amount, shall be issued to the transferee in exchange hereof.

The Village 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 Village shall not be affected by notice to the contrary.

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; and to be sealed with its official or corporate seal, if any, all as of the 15th day of October, 2003.

VILLAGE OF DORCHESTER,
CLARK AND MARATHON COUNTIES,
WISCONSIN

By: _____
Bea Seidel
President

(SEAL)

By: _____
Judy Robida
Village Clerk

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)

(Registered Owner)

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.

(Authorized Officer)