



AGENDA FOR COMMON COUNCIL SPECIAL MEETING

MEETING NOTICE

A Common Council Special Meeting meeting will be held on **Tuesday, February 23, 2021 at 6:00 PM** in the **Council Chambers at City Hall, 819 Superior Avenue, Tomah, WI.**

*****PLEASE NOTE THAT THE COMMON COUNCIL WILL GO INTO CLOSED SESSION AT 6:00 P.M. IF NECESSARY, THE COUNCIL WILL RECONVENE TO CLOSED SESSION IMMEDIATELY FOLLOWING THE REGULAR SESSION. *****

NOTE: The Mayor, Alderpersons, City Clerk and City Attorney will gather in the Council Chambers and will dial into the teleconference referenced below prior to the "Call to Order". Department heads, news media, and others appearing before the council, as well as any members of the public desiring to monitor the meeting, are to do as follows:

Join Zoom Meeting: <https://zoom.us/j/7689466740?pwd=dEdLR2hXK0ZYMk1qNU5vNFJwMzdSZz09>

Meeting ID: 768 946 6740 Password: Tomah2020

Dial by your location +1 312 626 6799 US (Chicago)

AGENDA:

GENERAL:

1. Adjourn into Closed Session pursuant to Wisconsin State Statute 19.85 (1) (e) deliberating or negotiating the purchasing of public properties regarding the possible relocation of the City's Fire Department from one of many possible sites located along Superior Avenue.
2. Action on Closed Session
3. Taxicab Driver's License Appeal for Christopher Matthew
4. The Central Wisconsin Ice Racing Association use of Lake Tomah for February 27, 2021
5. Ehlers information and Presentation on Debt Refinancing: City of Tomah \$3,830,000 Taxable General Obligation Refunding Bonds, Series 2021A; \$1,195,000 Taxable Water System Revenue Refunding Bonds, Series 2021B; & 790,000 Taxable Sewer System Revenue Refunding Bonds, Series 2021C
6. Resolution Authorizing the Issuance and Establishing Parameters for the Sale of Not to Exceed \$3,830,000 Taxable General Obligation Refunding Bonds, Series 2021A
7. Resolution Authorizing the Issuance and Establishing Parameters for the Sale of Not to Exceed \$1,195,000 Taxable Water System Revenue Refunding Bonds, Series 2021B of the City of Tomah, Monroe County, Wisconsin, and Providing for the Payment of the Bonds and Other Details with Respect to the Bonds
8. Resolution Authorizing the Issuance and Establishing Parameters for the Sale of Not to Exceed \$790,000 Taxable Sewer System Revenue Refunding Bonds, Series 2021C of the City of Tomah, Monroe County, Wisconsin, and Providing for the Payment of the Bonds and Other Details with Respect to the Bonds
9. To assist with the transition to a new City Treasurer and current staff with their daily duties
10. Presentation on the Documentary "All the Queens Horses"

Common Council Special Meeting – February 23, 2021

- [11.](#) We will discuss this documentary in preparation for future Common Council discussions that will increase efficiency with City functions, create change, introduce segregation of duties, reduce cash handling in multiple different locations within City Hall, reduce personnel handling payments, and reduce loss risk to City assets and revenue.

ADJOURN

NOTICE: It is possible that a quorum of members of other governmental bodies of the municipality may be in attendance at the above-stated meeting to gather information. No action will be taken by any governmental body at the above-stated meeting other than the governmental body specifically referred to above in this notice. Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information or to request this service, contact Becki Weyer, City Clerk, at 819 Superior Avenue, Tomah, WI 54660.

STAFF COMMITTEE PREPARATION REPORT

Agenda Item:

Taxicab Driver’s License Appeal for Christopher Matthew

Summary and Background Information:

(Appropriate Documentation Attached)

Christopher Matthew submitted an application for a taxicab driver’s license to work for Running Inc. DBA Tomah Transit. After conducting a record check, Chief Nicholson located an extensive history of criminal charges/convictions during 2003 to 2018 and has been classified as a “Repeater”.

The City of Tomah’s Taxi Cab License application process does not address or take into consideration an applicant who has amassed an extensive criminal history over an extended period of time and who has been classified as a Habitual Criminal referred to by the courts system as a “Repeater”.

For the reasons listed in the reference letter, Chief Nicholson is referring this application to the Committee of the Whole/City Council and requesting that Christopher Matthew’s application be brought before the City Council for discussion and action as needed.

Fiscal Note:

The City receives \$25.00 for the Taxicab Driver’s License.

Recommendation:

It is requested that the Committee of the Whole review the information and make a recommendation to the Common Council regarding the appeal.

Respectfully submitted by:

Berta A. Downs

Committee: Committee of the Whole & Common Council

Meeting Date: February 8 & 9, 2021

STAFF COMMITTEE PREPARATION REPORT

Agenda Item:

The Central Wisconsin Ice Racing Association has requested the use of Lake Tomah for February 27th, 2021 for a motorcycle and ATV race. This race has traditionally been approved by the Lake Committee. They have already been approved for the use of Lake Tomah on February 28th, 2021 and have asked to add in an additional day.

Summary and Background Information:

(Appropriate Documentation Attached)

Recommendation:

It is requested that the Committee of the Whole recommend the Common Council approve the date of February 27, 2021 for the use of Lake Tomah for the Central Wisconsin Ice Racing Association ATV and motorcycle races.

Becki Weyer

Becki Weyer, City Clerk

02/16/2021

Date

Committee: Common Council Special Meeting

Meeting Date: February 23, 2021



Parameters Sale Information

1. The City is considering selling the 2021 Taxable General Obligation Refunding Bonds, 2021 Taxable Sewer System Revenue Refunding Bonds and 2021 Taxable Water System Revenue Refunding Bonds using the parameters method of selling. What does this mean?
 - a. The sale occurs just like it would on any sale day. Bids are taken, evaluated and the lowest True Interest Cost bidder is awarded.
 - b. Underwriters bidding on the City's Bonds need to bid within the parameters that Ehlers and the City set ahead of time to be considered for the bid.
 - c. The biggest difference is instead of the City Council approving the resolution to award the bid, the resolution authorizes typically two individuals to sign off on the lowest bid, as long as all the established parameters are met. Usually the signers are Mayors, Administrators or Finance Directors.
 - d. A sale day report is still prepared and distributed to the City and for review after sale day and if desired, Ehlers can review it with you at the next City Council meeting.

2. Why would the City use this type of a process?
 - a. It gives the City flexibility to sell on a non-City Council day. Some reasons that this is helpful is as follows:
 - i. At times of the year, Mondays and Tuesdays can be busy selling days. If the sale were to be moved to another day it could lead to greater interest in the issue. In the case of the City of Tomah, March 24 or March 25 is when the sale could be scheduled which is a low activity day.
 - ii. The City wants to take advantage of low interest rates and a parameters sale could cut off time before the next City Council meeting.
 - iii. These issues are being issued to Advance Refund the 2014A. The process for getting necessary items in place required by this type of refunding necessitates about a month in between the setting of the sale and the sale day.
 - b. If an event occurs that causes unexpected shifts in the market, this type of sale allows the City to be flexible as to when to sell. (i.e. last year's COVID shut down)
 - c. The City used this method in 2020 for both issues and is familiar with this concept.



Financing Plan / Issue Sizing

	Issue 1 Tax GO Ref Bonds 2021	Issue 2 Sewer Revenue Ref Bonds 2021	Issue 3 Water Revenue Ref Bonds 2021	Issue 4 Sewer Revenue Ref Bonds 2021	Issue 5 Water Revenue Ref Bonds 2021
Refundings					
Amount Needed to Refund 2017 STF TID 8	428,714				
Amount Needed to Refund 2019 STF TID 8	157,083				
Amount Needed to Refund 2014A General	3,208,500				
Less: Debt Service Funds Available	(75,259)				
Amount Needed to Refund 2014A Sewer		1,372,936		1,372,936	
Less: Debt Service Funds Available		(33,776)		(34,699)	
Less: Additional Funds Available		(510,000)		(621,500)	
Amount Needed to Refund 2014A Water			1,636,728		1,636,728
Less: Debt Service Funds Available			(39,384)		(40,236)
Less: Additional Funds Available			(481,000)		(592,000)
Project Needs	3,719,038	829,160	1,116,344	716,737	1,004,492
Debt Service Reserve¹		90,000	119,000	78,500	108,000
Less: Additional Funds Available		(90,000)	(119,000)	(78,500)	(108,000)
Issuance Expenses					
Municipal Advisor	29,900	23,900	25,900	22,500	25,200
CPA Verification	2,500	2,500	2,500	2,500	2,500
Escrow Agent	2,500	2,500	2,500	2,500	2,500
Bond Counsel	13,000	13,000	13,000	13,000	13,000
Rating Agency Fee	13,500	14,000	14,000	14,000	14,000
Paying Agent If terms	850	850	850	850	850
Underwriter Fees	45,960	10,800	14,280	9,420	12,960
Total Funds Needed	3,827,248	896,710	1,189,374	781,507	1,075,502
Rounding	2,752	3,290	626	3,493	4,498
Size of Issue	3,830,000	900,000	1,190,000	785,000	1,080,000

Notes: ¹ Debt service reserve calculation that produces the least amount of reserve is 10% of par.

City of Tomah

\$900,000 Taxable Sewer Revenue Refunding Bonds

Issue Summary

Dated May 1, 2021 Assumes A Tax Rev BVAL scale of 1/15/21 + .35

Debt Service Comparison -- Accrual Basis

Calendar Year	Total P+I	Existing D/S	Additional Cash Contribution	Net New D/S	Old Net D/S	Savings
2021	7,138.00	145,845.73	510,000.00	662,983.73	152,983.73	(510,000.00)
2022	14,276.00	148,235.87	-	162,511.87	189,170.61	26,658.74
2023	123,720.50	-	-	123,720.50	193,282.87	69,562.37
2024	127,521.00	-	-	127,521.00	194,765.50	67,244.50
2025	126,141.00	-	-	126,141.00	194,761.11	68,620.11
2026	129,523.00	-	-	129,523.00	198,805.48	69,282.48
2027	132,578.50	-	-	132,578.50	200,124.74	67,546.24
2028	125,358.00	-	-	125,358.00	199,868.06	74,510.06
2029	127,887.50	-	-	127,887.50	199,157.10	71,269.60
2030	70,787.50	-	-	70,787.50	103,033.70	32,246.20
-	\$984,931.00	\$294,081.60	\$510,000.00	\$1,789,012.60	\$1,825,952.90	\$36,940.30

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	475,966.28
Net PV Cashflow Savings @ 3.294%(AIC)	475,966.28
Total Cash contribution	(510,000.00)
Transfers from Prior Issue Debt Service Fund	(33,796.74)
Transfers from Prior Issue DSR Fund	(90,000.00)
Amount deposited into new DSR Fund	90,000.00
Net Present Value Loss	\$(67,830.46)
Net PV Loss / \$1,292,751 Refunded Principal	(5.247%)
Net PV Loss / \$900,000 Refunding Principal	(7.537%)

Refunding Bond Information

Refunding Dated Date	5/01/2021
Refunding Delivery Date	5/01/2021

*Net D/S Excludes: DSR



Coverage Analysis - Sewer Utility

YEAR	System Revenues		Debt Service						Coverage Ratios		YEAR		
	Total ¹	Net	Existing Rev Debt			Sewer Utility Revenue Projected Debt			Debt	Capacity			
			Principal	Interest	Total	Principal	Rates	Interest				Total	
2020	3,016,923	1,727,713						7,158	7,158	241.36	2,152,483	2020	
2021	3,016,923	1,727,713						14,317	14,317	120.68	2,145,325	2021	
2022	3,016,923	1,727,713					110,000	1.01%	13,761	123,761	13.96	2,035,880	2022
2023	3,016,923	1,727,713					110,000	1.12%	12,590	122,590	14.09	2,037,052	2023
2024	3,016,923	1,727,713					115,000	1.28%	11,238	126,238	13.69	2,033,404	2024
2025	3,016,923	1,727,713					120,000	1.47%	9,620	129,620	13.33	2,030,022	2025
2026	3,016,923	1,727,713					125,000	1.70%	7,675	132,675	13.02	2,026,966	2026
2027	3,016,923	1,727,713					125,000	1.93%	5,406	130,406	13.25	2,029,235	2027
2028	3,016,923	1,727,713					125,000	2.10%	2,888	127,888	13.51	2,031,754	2028
2029	3,016,923	1,727,713					70,000	2.25%	788	70,788	24.41	2,088,854	2029
2030	3,016,923	1,727,713									2,159,641	2030	
2031	3,016,923	1,727,713									2,159,641	2031	
2032	3,016,923	1,727,713									2,159,641	2032	
2033	3,016,923	1,727,713									2,159,641	2033	
2034	3,016,923	1,727,713									2,159,641	2034	
2035	3,016,923	1,727,713									2,159,641	2035	
2036	3,016,923	1,727,713									2,159,641	2036	
2037	3,016,923	1,727,713									2,159,641	2037	
2038	3,016,923	1,727,713									2,159,641	2038	
2039	3,016,923	1,727,713									2,159,641	2039	
2040	3,016,923	1,727,713									2,159,641	2040	
2041	3,016,923	1,727,713									2,159,641	2041	
			0	0	0			900,000	85,439	985,439			

NOTES:
¹Total system revenues available for debt service is based upon the 2019 audit.

City of Tomah

\$1,190,000 Taxable Water Revenue Refunding Bonds

Issue Summary

Dated May 1, 2021 Assumes Taxable Rev BVAL scale of 1/15/21 + .35

Debt Service Comparison -- Accrual Basis

Calendar Year	Total P+I	Existing D/S	Additional Cash Contribution	Net New D/S	Old Net D/S	Savings
2021	9,415.75	173,868.20	481,000.00	664,283.95	183,283.95	(481,000.00)
2022	18,831.50	176,717.55	-	195,549.05	225,517.37	29,968.32
2023	163,099.25	-	-	163,099.25	230,419.76	67,320.51
2024	166,527.00	-	-	166,527.00	232,187.27	65,660.27
2025	169,695.00	-	-	169,695.00	232,181.82	62,486.82
2026	172,527.00	-	-	172,527.00	237,003.49	64,476.49
2027	174,948.50	-	-	174,948.50	238,576.20	63,627.70
2028	176,905.50	-	-	176,905.50	238,270.21	61,364.71
2029	168,532.50	-	-	168,532.50	237,422.67	68,890.17
2030	80,900.00	-	-	80,900.00	122,830.35	41,930.35
-	\$1,301,382.00	\$350,585.75	\$481,000.00	\$2,132,967.75	\$2,177,693.09	\$44,725.34

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	467,664.15
Net PV Cashflow Savings @ 2.998%(AIC)	467,664.15
Total Cash contribution	(481,000.00)
Transfers from Prior Issue Debt Service Fund	(39,384.07)
Transfers from Prior Issue DSR Fund	(119,000.00)
Amount deposited into new DSR Fund	119,000.00
Net Present Value Loss	\$(52,719.92)
Net PV Loss / \$1,541,137 Refunded Principal	(3.421%)
Net PV Loss / \$1,190,000 Refunding Principal	(4.430%)

Refunding Bond Information

Refunding Dated Date	5/01/2021
Refunding Delivery Date	5/01/2021

*Net D/S Excludes: DSR



Coverage Analysis - Water Utility

YEAR	System Revenues		Debt Service							Coverage Ratios		YEAR	
	Total ¹	Net	Existing Debt Rev Debt			Water Utility Revenue Projected Debt				Total Payments	Debt		Capacity
			Principal	Interest	Total	Principal	Rates	Interest	Total				
2020	2,194,170	951,989	270,997	30,229	301,226			9,416	9,416	310,642	3.06	879,344	2020
2021	2,194,170	951,989	274,772	26,427	301,199			18,832	18,832	320,031	2.97	869,955	2021
2022	2,194,170	951,989	278,601	22,571	301,172	145,000	1.01%	18,099	163,099	464,271	2.05	725,715	2022
2023	2,194,170	951,989	282,484	18,660	301,144	150,000	1.12%	16,527	166,527	467,671	2.04	722,315	2023
2024	2,194,170	951,989	229,230	15,165	244,395	155,000	1.28%	14,695	169,695	414,090	2.30	775,896	2024
2025	2,194,170	951,989	166,211	12,562	178,773	160,000	1.47%	12,527	172,527	351,300	2.71	838,687	2025
2026	2,194,170	951,989	168,366	10,392	178,758	165,000	1.70%	9,949	174,949	353,707	2.69	836,279	2026
2027	2,194,170	951,989	74,925	8,904	83,829	170,000	1.93%	6,906	176,906	260,734	3.65	929,252	2027
2028	2,194,170	951,989	75,718	8,106	83,825	165,000	2.10%	3,533	168,533	252,357	3.77	937,629	2028
2029	2,194,170	951,989	76,520	7,301	83,821	80,000	2.25%	900	80,900	164,721	5.78	1,025,266	2029
2030	2,194,170	951,989	77,330	6,487	83,816					83,816	11.36	1,106,170	2030
2031	2,194,170	951,989	78,148	5,664	83,812					83,812	11.36	1,106,174	2031
2032	2,194,170	951,989	78,976	4,832	83,807					83,807	11.36	1,106,179	2032
2033	2,194,170	951,989	79,812	3,991	83,803					83,803	11.36	1,106,183	2033
2034	2,194,170	951,989	80,657	3,142	83,799					83,799	11.36	1,106,188	2034
2035	2,194,170	951,989	81,511	2,284	83,794					83,794	11.36	1,106,192	2035
2036	2,194,170	951,989	82,374	1,416	83,789					83,789	11.36	1,106,197	2036
2037	2,194,170	951,989	43,421	736	44,157					44,157	21.56	1,145,829	2037
2038	2,194,170	951,989	43,908	246	44,154					44,154	21.56	1,145,832	2038
2039	2,194,170	951,989										1,189,986	2039
2040	2,194,170	951,989										1,189,986	2040
2041	2,194,170	951,989										1,189,986	2041
			2,543,960	189,115	2,733,074	1,190,000		111,382	1,301,382	4,034,456			

NOTES:
¹Total system revenues available for debt service is based upon the 2019 audit.

City of Tomah

\$785,000 Taxable Sewer Revenue Refunding Bonds

Issue Summary

Dated May 1, 2021 Assumes A Tax Rev BVAL scale of 1/15/21 + .35

Debt Service Comparison -- Accrual Basis

Calendar Year	Total P+I	Existing D/S	Additional Cash Contribution	Net New D/S	Old Net D/S	Savings
2021	6,235.50	145,845.73	621,500.00	773,581.23	152,081.23	(621,500.00)
2022	12,471.00	148,235.87	-	160,706.87	189,170.61	28,463.74
2023	106,991.25	-	-	106,991.25	193,282.87	86,291.62
2024	110,951.50	-	-	110,951.50	194,765.50	83,814.00
2025	109,751.50	-	-	109,751.50	194,761.11	85,009.61
2026	113,339.75	-	-	113,339.75	198,805.48	85,465.73
2027	111,675.50	-	-	111,675.50	200,124.74	88,449.24
2028	114,721.50	-	-	114,721.50	199,868.06	85,146.56
2029	112,505.00	-	-	112,505.00	199,157.10	86,652.10
2030	60,675.00	-	-	60,675.00	103,033.70	42,358.70
-	\$859,317.50	\$294,081.60	\$621,500.00	\$1,774,899.10	\$1,825,050.40	\$50,151.30

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	577,063.58
Net PV Cashflow Savings @ 3.455%(AIC)	577,063.58
Total Cash contribution	(621,500.00)
Transfers from Prior Issue Debt Service Fund	(34,699.24)
Transfers from Prior Issue DSR Fund	(78,500.00)
Amount deposited into new DSR Fund	78,500.00
Net Present Value Loss	\$(79,135.66)
Net PV Loss / \$1,292,751 Refunded Principal	(6.121%)
Net PV Loss / \$785,000 Refunding Principal	(10.081%)

Refunding Bond Information

Refunding Dated Date	5/01/2021
Refunding Delivery Date	5/01/2021

***Net D/S Excludes: DSR**



Coverage Analysis - Sewer Utility

YEAR	System Revenues		Debt Service						Coverage Ratios		YEAR	
	Total ¹	Net	Existing Rev Debt			Sewer Utility Revenue Projected Debt			Debt	Capacity		
			Principal	Interest	Total	Principal	Rates	Interest				Total
2020	3,016,923	1,727,713						6,236	6,236	277.08	2,153,406	2020
2021	3,016,923	1,727,713						12,471	12,471	138.54	2,147,170	2021
2022	3,016,923	1,727,713				95,000	1.01%	11,991	106,991	16.15	2,052,650	2022
2023	3,016,923	1,727,713				100,000	1.12%	10,952	110,952	15.57	2,048,690	2023
2024	3,016,923	1,727,713				100,000	1.28%	9,752	109,752	15.74	2,049,890	2024
2025	3,016,923	1,727,713				105,000	1.47%	8,340	113,340	15.24	2,046,302	2025
2026	3,016,923	1,727,713				105,000	1.70%	6,676	111,676	15.47	2,047,966	2026
2027	3,016,923	1,727,713				110,000	1.93%	4,722	114,722	15.06	2,044,920	2027
2028	3,016,923	1,727,713				110,000	2.10%	2,505	112,505	15.36	2,047,136	2028
2029	3,016,923	1,727,713				60,000	2.25%	675	60,675	28.47	2,098,966	2029
2030	3,016,923	1,727,713									2,159,641	2030
2031	3,016,923	1,727,713									2,159,641	2031
2032	3,016,923	1,727,713									2,159,641	2032
2033	3,016,923	1,727,713									2,159,641	2033
2034	3,016,923	1,727,713									2,159,641	2034
2035	3,016,923	1,727,713									2,159,641	2035
2036	3,016,923	1,727,713									2,159,641	2036
2037	3,016,923	1,727,713									2,159,641	2037
2038	3,016,923	1,727,713									2,159,641	2038
2039	3,016,923	1,727,713									2,159,641	2039
2040	3,016,923	1,727,713									2,159,641	2040
2041	3,016,923	1,727,713									2,159,641	2041
			0	0	0	785,000		74,318	859,318			

NOTES:
¹Total system revenues available for debt service is based upon the 2019 audit.

City of Tomah

\$1,080,000 Taxable Water Revenue Refunding Bonds

Issue Summary

Dated May 1, 2021 Assumes Taxable Rev BVAL scale of 1/15/21 + .35

Debt Service Comparison -- Accrual Basis

Calendar Year	Total P+I	Existing D/S	Additional Cash Contribution	Net New D/S	Old Net D/S	Savings
2021	8,563.75	173,868.20	592,000.00	774,431.95	182,431.95	(592,000.00)
2022	17,127.50	176,717.55	-	193,845.05	225,517.37	31,672.32
2023	146,471.00	-	-	146,471.00	230,419.76	83,948.76
2024	150,058.50	-	-	150,058.50	232,187.27	82,128.77
2025	153,406.50	-	-	153,406.50	232,181.82	78,775.32
2026	156,444.75	-	-	156,444.75	237,003.49	80,558.74
2027	159,104.00	-	-	159,104.00	238,576.20	79,472.20
2028	161,333.25	-	-	161,333.25	238,270.21	76,936.96
2029	153,262.50	-	-	153,262.50	237,422.67	84,160.17
2030	75,843.75	-	-	75,843.75	122,830.35	46,986.60
-	\$1,181,615.50	\$350,585.75	\$592,000.00	\$2,124,201.25	\$2,176,841.09	\$52,639.84

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	567,831.83
Net PV Cashflow Savings @ 3.090%(AIC)	567,831.83
Total Cash contribution	(592,000.00)
Transfers from Prior Issue Debt Service Fund	(40,236.07)
Transfers from Prior Issue DSR Fund	(108,000.00)
Amount deposited into new DSR Fund	108,000.00
Net Present Value Loss	\$(64,404.24)
Net PV Loss / \$1,541,137 Refunded Principal	(4.179%)
Net PV Loss / \$1,080,000 Refunding Principal	(5.963%)

Refunding Bond Information

Refunding Dated Date	5/01/2021
Refunding Delivery Date	5/01/2021

***Net D/S Excludes: DSR**



Coverage Analysis - Water Utility

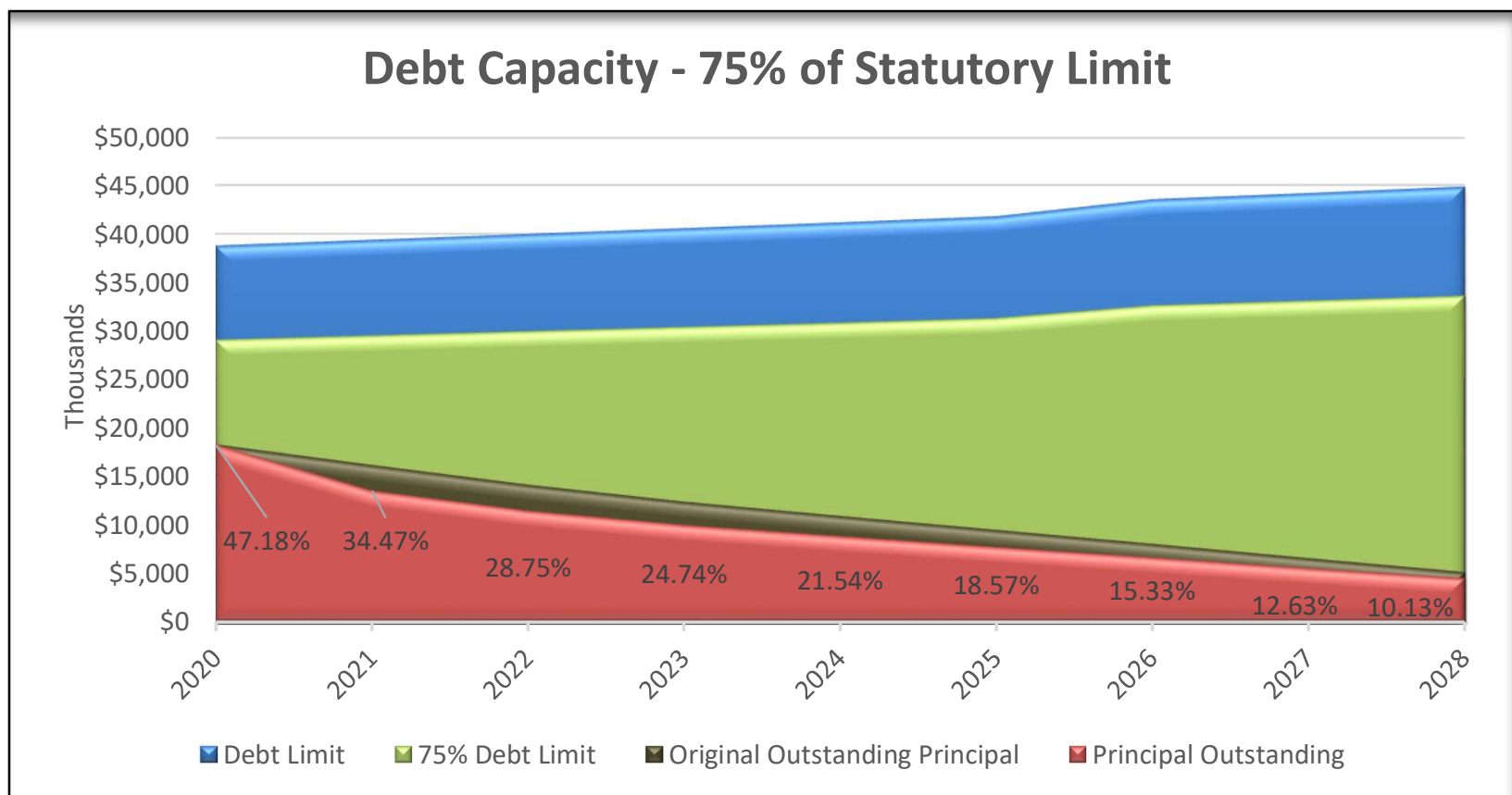
YEAR	System Revenues		Debt Service							Coverage Ratios		YEAR	
	Total ¹	Net	Existing Debt Rev Debt			Water Utility Revenue Projected Debt				Total Payments	Debt		Capacity
			Principal	Interest	Total	Principal	Rates	Interest	Total				
2020	2,194,170	951,989	270,997	30,229	301,226			8,564	8,564	309,790	3.07	880,196	2020
2021	2,194,170	951,989	274,772	26,427	301,199			17,128	17,128	318,327	2.99	871,659	2021
2022	2,194,170	951,989	278,601	22,571	301,172	130,000	1.01%	16,471	146,471	447,643	2.13	742,343	2022
2023	2,194,170	951,989	282,484	18,660	301,144	135,000	1.12%	15,059	150,059	451,203	2.11	738,783	2023
2024	2,194,170	951,989	229,230	15,165	244,395	140,000	1.28%	13,407	153,407	397,802	2.39	792,184	2024
2025	2,194,170	951,989	166,211	12,562	178,773	145,000	1.47%	11,445	156,445	335,217	2.84	854,769	2025
2026	2,194,170	951,989	168,366	10,392	178,758	150,000	1.70%	9,104	159,104	337,862	2.82	852,124	2026
2027	2,194,170	951,989	74,925	8,904	83,829	155,000	1.93%	6,333	161,333	245,162	3.88	944,824	2027
2028	2,194,170	951,989	75,718	8,106	83,825	150,000	2.10%	3,263	153,263	237,087	4.02	952,899	2028
2029	2,194,170	951,989	76,520	7,301	83,821	75,000	2.25%	844	75,844	159,664	5.96	1,030,322	2029
2030	2,194,170	951,989	77,330	6,487	83,816					83,816	11.36	1,106,170	2030
2031	2,194,170	951,989	78,148	5,664	83,812					83,812	11.36	1,106,174	2031
2032	2,194,170	951,989	78,976	4,832	83,807					83,807	11.36	1,106,179	2032
2033	2,194,170	951,989	79,812	3,991	83,803					83,803	11.36	1,106,183	2033
2034	2,194,170	951,989	80,657	3,142	83,799					83,799	11.36	1,106,188	2034
2035	2,194,170	951,989	81,511	2,284	83,794					83,794	11.36	1,106,192	2035
2036	2,194,170	951,989	82,374	1,416	83,789					83,789	11.36	1,106,197	2036
2037	2,194,170	951,989	43,421	736	44,157					44,157	21.56	1,145,829	2037
2038	2,194,170	951,989	43,908	246	44,154					44,154	21.56	1,145,832	2038
2039	2,194,170	951,989										1,189,986	2039
2040	2,194,170	951,989										1,189,986	2040
2041	2,194,170	951,989										1,189,986	2041
			2,543,960	189,115	2,733,074	1,080,000		101,616	1,181,616	3,914,690			

NOTES:

¹Total system revenues available for debt service is based upon the 2019 audit.



Debt Limit Calculation - Refunding Effect





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February 17, 2021

VIA EMAIL

Mr. Bradley Hanson
City Administrator
City of Tomah
City Hall
819 Superior Avenue
Tomah, WI 54660

**Re: City of Tomah
\$3,830,000 Taxable General Obligation Refunding Bonds, Series 2021A
\$1,195,000 Taxable Water System Revenue Refunding Bonds, Series 2021B
\$790,000 Taxable Sewer System Revenue Refunding Bonds, Series 2021C**

Dear Bradley:

Attached please find the following Parameters Resolutions to be adopted in connection with the above-referenced financings. We have prepared the Resolutions with the information provided to us by Ehlers & Associates, Inc. ("Ehlers"). Please review the Resolutions carefully:

- (i) Resolution Authorizing the Issuance and Establishing Parameters for the Sale of Not to Exceed \$3,830,000 Taxable General Obligation Refunding Bonds, Series 2021A
- (ii) A Resolution Authorizing the Issuance and Establishing Parameters for the Sale of Not to Exceed \$1,195,000 Taxable Water System Revenue Refunding Bonds, Series 2021B of the City of Tomah, Monroe County, Wisconsin, and Providing for the Payment of the Bonds and Other Details with Respect to the Bonds
- (iii) A Resolution Authorizing the Issuance and Establishing Parameters for the Sale of Not to Exceed \$790,000 Taxable Sewer System Revenue Refunding Bonds, Series 2021C of the City of Tomah, Monroe County, Wisconsin, and Providing for the Payment of the Bonds and Other Details with Respect to the Bonds

It is our understanding that the Resolutions will be considered by the Common Council at its meeting on February 23, 2021. As you know, the Resolutions are structured to provide the necessary Common Council authorization for the issuance and sale of the Bonds. Under the Resolutions, issuance of the Bonds is conditioned on the either you or the City Clerk approving the final terms of the Bonds. Please be sure to carefully review the parameters established by the Resolutions, as the terms of the Bonds will have to comply with those parameters. Please note that a draft of the Approving Certificate to be signed after Ehlers provides the final pricing information is attached as an exhibit to each of the Resolutions. Please review them carefully.

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Mr. Bradley Hanson
 February 17, 2021
 Page 2

If you have not already done so, please include the titles of the Resolutions on the agenda for the meeting. Please then post the agenda in at least three public places and provide it to the official newspaper of the City (or if the City has no official newspaper, to a news medium likely to give notice in the area) and to any other requesting media at least twenty-four hours prior to the meeting (see Section 19.84(1)(b), Wisconsin Statutes). **If the meeting will be a virtual meeting, please be sure to include on the agenda and the notices the dial-in number or other information necessary for the public and the media to access and monitor the meeting.** The attached **Certificate of Compliance with Open Meeting Law** must be completed in connection with the meeting at which the Resolutions are adopted.

Unless the Common Council has adopted special rules regarding the adoption of borrowing resolutions, a vote of at least a majority of the members of the Common Council is necessary to adopt the Resolutions. Please find attached an **Excerpts of Minutes** form for you to complete which records the vote on the Resolutions on the day of the meeting.

Following the adoption of the Resolutions, we request that you return one executed copy of each of the Resolutions, as well as one executed copy of the Certificate of Compliance with Open Meeting Law and Excerpts of Minutes form to us for our review. All of these originally signed documents will be included in the closing transcripts. Copies of the Resolutions should be incorporated into the minutes of the February 23, 2021 meeting.

We are also attaching a **Municipal Information Questionnaire**. Please review, correct, if necessary, complete and return this questionnaire to us. It contains information which will help us draft the closing documents which will be required in connection with these financings.

Please feel free to contact me at (414) 277-5775 or any member of the Quarles & Brady LLP public finance team if you have any questions or comments.

Very truly yours,

QUARLES & BRADY LLP

 FcV
 Brian G. Lanser

BGL/JPL/MMC

Enclosures

cc: Ms. Rebecca Weyer (w/enc. via email)
 Ms. Julia Mann (w/enc. via email)
 Mr. Phil Cosson (w/enc. via email)
 Mr. David Ferris (w/enc. via email)
 Mr. Peter Curtin (w/enc. via email)
 Ms. Kathy Myers (w/enc. via email)
 Ms. Bridgette Keating (w/enc. via email)
 Mr. Jacob Lichter (w/enc. via email)
 Ms. Margaret Callan (w/enc. via email)

QB\67034202.1



819 N Superior Ave
Tomah, WI 54660
608.374.7400

"The Gateway to Cranberry Country"
City Clerk Becki Weyer
City Treasurer Julia Mann

Mayor Mike Murray
City Administrator
Bradley J. Hanson

February 17, 2021

STAFF COMMITTEE PREPARATION REPORT

Agenda Item:

Ehlers Information and Presentation on Debt Refinancing

Summary and Background Information:

(Appropriate Documentation Attached)

Appropriate Documentation is attached within the meeting packets. This is the request to refinance existing City debt to lower the City's debt amount, thereby reducing the possibility of reaching the City's debt limit. This would also finance some of the City's debt for the utilities out of the General Obligation and assess it to the Utilities.

Fiscal Note:

This will create a cost savings to the City's General Fund as indicated in Ehler's presentation.

Recommendation:

It is staff's recommendation to approve Ehler's refinancing of selected existing financial obligations and passing all three proposed resolutions.

Department Head

Date



City Administrator

02/17/2021
Date

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE ISSUANCE AND
ESTABLISHING PARAMETERS FOR THE SALE OF NOT TO
EXCEED \$3,830,000 TAXABLE GENERAL OBLIGATION
REFUNDING BONDS, SERIES 2021A

WHEREAS, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City of Tomah, Monroe County, Wisconsin (the "City") to raise funds to pay the cost of (i) advance refunding the portion of the 2023 through 2030 maturities of the General Obligation Refunding Bonds, Series 2014A, dated January 28, 2014 that did not refinance water or sewer projects (the "2014 General Obligation Bonds") and (ii) current refunding the State Trust Fund Loan, dated October 31, 2017 and the State Trust Fund Loan, dated April 15, 2019 (collectively, the "State Trust Fund Loans") (the "Refunding");

WHEREAS, the Common Council deems it to be necessary, desirable and in the best interest of the City to refund the 2014 General Obligation Bonds and the State Trust Fund Loans (collectively, the "Refunded Obligations") for the purpose of achieving debt service savings;

WHEREAS, the City has authorized the issuance of not to exceed \$790,000 Taxable Sewer System Revenue Refunding Bonds and not to exceed \$1,195,000 Taxable Water System Revenue Refunding Bonds (collectively, the "Refunding Bonds") which Refunding Bonds will be used to refund portions of the 2014 General Obligation Bonds not being refunded with proceeds of the Bonds;

WHEREAS, the City is authorized by the provisions of Section 67.04, Wisconsin Statutes, to borrow money and issue general obligation refunding bonds (the "Bonds") to refinance its outstanding obligations;

WHEREAS, due to certain provisions contained in the Internal Revenue Code of 1986, as amended, it is necessary to issue the Bonds on a taxable rather than tax-exempt basis;

WHEREAS, it is the finding of the Common Council that it is in the best interest of the City to direct its financial advisor, Ehlers & Associates, Inc. ("Ehlers"), to take the steps necessary for the City to offer and sell the Bonds at public sale and to obtain bids for the purchase of the Bonds; and

WHEREAS, in order to facilitate the sale of the Bonds in a timely manner, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City to delegate to either the City Administrator or the City Clerk (each an "Authorized Officer") of the City the authority to accept on behalf of the City the bid for the Bonds that results in the lowest true interest cost for the Bonds (the "Proposal") and meets the terms and conditions provided for in this Resolution by executing a certificate in substantially the form attached hereto as Exhibit A and incorporated herein by reference (the "Approving Certificate").

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1. Authorization and Sale of the Bonds; Parameters. For the purpose of paying costs of the Refunding, the City is authorized to borrow pursuant to Section 67.04 Wisconsin Statutes, the principal sum of not to exceed THREE MILLION EIGHT HUNDRED THIRTY THOUSAND DOLLARS (\$3,830,000) upon the terms and subject to the conditions set forth in this Resolution. Subject to satisfaction of the conditions set forth in Section 14 of this Resolution, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the financial institution that submitted the Proposal (the "Purchaser") for, on behalf of and in the name of the City, Bonds aggregating the principal amount of not to exceed THREE MILLION EIGHT HUNDRED THIRTY THOUSAND DOLLARS (\$3,830,000). The purchase price to be paid to the City for the Bonds shall not be less than 98.80% nor more than 106.00% of the principal amount of the Bonds.

Section 2. Terms of the Bonds. The Bonds shall be designated "Taxable General Obligation Refunding Bonds, Series 2021A"; shall be issued in the aggregate principal amount of up to \$3,830,000; shall be dated as of their date of issuance; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and mature or be subject to mandatory redemption on the dates and in the principal amounts set forth below, provided that the principal amount of each maturity or mandatory redemption amount may be increased or decreased by up to \$75,000 per maturity or mandatory redemption amount and that the aggregate principal amount of the Bonds shall not exceed \$3,830,000. The schedule below assumes the Bonds are issued in the aggregate principal amount of \$3,830,000.

<u>Date</u>	<u>Principal Amount</u>
05/01/2022	\$165,000
05/01/2023	525,000
05/01/2024	540,000
05/01/2025	485,000
05/01/2026	500,000
05/01/2027	505,000
05/01/2028	440,000
05/01/2029	440,000
05/01/2030	230,000

Interest shall be payable semi-annually on May 1 and November 1 of each year commencing on November 1, 2021. The true interest cost on the Bonds (computed taking the Purchaser's compensation into account) will not exceed 2.50%. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

The present value debt service savings achieved by the Refunding (the "Savings") shall be at least 2.00% of the principal amount refunded.

Section 2A. Designation of Maturities. For purposes of State law, the Bonds are designated as being issued to pay and discharge the debts incurred by the City through the issuance of the Refunded Obligations and any obligations refunded by the Refunded Obligations in the order in which those debts were incurred, so that the Bonds of the earliest maturities are considered to be issued to discharge the debts which were incurred first.

Section 3. Redemption Provisions. The Bonds shall not be subject to optional redemption or shall be callable as set forth on the Approving Certificate. If the Proposal specifies that certain of the Bonds are subject to mandatory redemption, the terms of such mandatory redemption shall be set forth on an attachment to the Approving Certificate labeled as Exhibit MRP. Upon the optional redemption of any of the Bonds subject to mandatory redemption, the principal amount of such Bonds so redeemed shall be credited against the mandatory redemption payments established in the Approving Certificate in such manner as the City shall direct.

Section 4. Form of the Bonds. The Bonds 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 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Bonds as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2021 through 2029 for the payments due in the years 2021 through 2030 in the amounts as are sufficient to meet the principal and interest payments when due. The amount of tax levied in the year 2021 shall be the total amount of debt service due on the Bonds in the years 2021 and 2022; provided that the amount of such tax carried onto the tax rolls shall be abated by any amounts appropriated pursuant to subsection (D) below which are applied to payment of interest on the Bonds in the year 2021.

(B) Tax Collection. So long as any part of the principal of or interest on the Bonds remains unpaid, the City 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 Bonds, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(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 said Bonds when due, the requisite amounts shall be paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

(D) Appropriation. The City hereby appropriates from amounts levied to pay debt service on the Refunded Obligations or other funds of the City on hand a sum sufficient to be irrevocably deposited in the segregated Debt Service Fund Account created below and used to pay interest on the Bonds coming due in 2021 as set forth on the schedule to be attached to the Approving Certificate.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, 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. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for Taxable General Obligation Refunding Bonds, Series 2021A" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Bonds is fully paid or otherwise extinguished. There shall be deposited into the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Bonds; (ii) any premium not used for the Refunding which may be received by the City above the par value of the Bonds and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Bonds when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Bonds when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Bonds until all such principal and interest has been paid in full and the Bonds canceled; provided (i) the funds to provide for each payment of principal of and interest on the Bonds 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 Bonds may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Bonds as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account.

(C) Remaining Monies. When all of the Bonds have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Bonds; Segregated Borrowed Money Fund. The proceeds of the Bonds (the "Bond Proceeds") (other than any premium not used for the Refunding and accrued interest which must be paid at the time of the delivery of the Bonds into the Debt Service Fund Account created above) shall be deposited into a special fund (the "Borrowed Money Fund") separate and distinct from all other funds of the City and disbursed solely for the purpose or purposes for which borrowed. In order to accomplish the purpose for which the Bonds are

issued, a portion of the proceeds of the Bonds shall be transferred to the Escrow Account, as provided below and applied to refunding the 2014 General Obligation Bonds. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purpose or purposes for which the Bonds have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purpose(s) shall be deposited in the Debt Service Fund Account.

Section 8. Execution of the Bonds; Closing; Professional Services. The Bonds shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Bonds may be imprinted on the Bonds in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Bonds, at least one of the signatures appearing on each Bond shall be a manual signature. In the event that either of the officers whose signatures appear on the Bonds shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Bonds and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Bonds, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Bonds is hereby ratified and approved in all respects.

Section 9. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by Bond Trust Services Corporation, Roseville, Minnesota, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The City hereby authorizes the Mayor and City Clerk or other appropriate officers of the City to enter a Fiscal Agency Agreement between the City and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Bonds.

Section 10. Persons Treated as Owners; Transfer of Bonds. The City shall cause books for the registration and for the transfer of the Bonds to be kept by the Fiscal Agent. The person in whose name any Bond 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 Bond 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 Bond to the extent of the sum or sums so paid.

Any Bond may be transferred by the registered owner thereof by surrender of the Bond at the office of the Fiscal Agent, 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 Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Bond surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Bond or Bonds necessary to effect any such transfer.

Section 11. Record Date. The 15th day of the calendar month next preceding each interest payment date shall be the record date for the Bonds (the "Record Date"). Payment of interest on the Bonds on any interest payment date shall be made to the registered owners of the Bonds as they appear on the registration book of the City at the close of business on the Record Date.

Section 12. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Bonds eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Clerk's office.

Section 13. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of the proceeds of the Bonds allocable to the payment of issuance expenses to Old National Bank or the Escrow Agent at Closing for further distribution as directed by Ehlers.

Section 14. Conditions on Issuance and Sale of the Bonds. The issuance of the Bonds and the sale of the Bonds to the Purchaser are subject to satisfaction of the following conditions:

- (a) approval by an Authorized Officer of the principal amount, definitive maturities, redemption provisions, interest rates and purchase price for the Bonds, which approval shall be evidenced by execution by an Authorized Officer of the Approving Certificate; and
- (b) realization by the City of the Savings in an amount equal to at least 2.00% of the principal amount refunded.

The Bonds shall not be issued, sold or delivered until these conditions are satisfied. Upon satisfaction of these conditions, an Authorized Officer is authorized to execute a Proposal with the Purchaser providing for the sale of the Bonds to the Purchaser.

Section 15. Official Statement. The Common Council hereby directs the Authorized Officers to approve the Preliminary Official Statement with respect to the Bonds and deem the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by the Authorized Officers or other

officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda or final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or final Official Statement to be distributed to the Purchaser.

Section 16. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Bonds or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Bonds, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 17. Escrow Agent; Escrow Agreement; Escrow Account. Zions Bancorporation, National Association, Chicago, Illinois, is hereby appointed escrow agent for the City, for the purpose of ensuring the payment of the principal of and interest on the 2014 General Obligation Bonds (the "Escrow Agent").

The Mayor and City Clerk, or other appropriate officers of the City, are hereby authorized and directed to execute an escrow agreement (the "Escrow Agreement") with the Escrow Agent, for the purpose of effectuating the provisions of this Resolution.

The Bond Proceeds allocable to refunding the 2014 General Obligation Bonds, other than any premium not used for the Refunding and accrued interest which shall be deposited in the Debt Service Fund Account created above, shall be deposited in a refunding escrow account which is hereby created with the Escrow Agent, pursuant to the Escrow Agreement, for the purpose of retaining the required amount of cash, if any, and acquiring the United States obligations provided for in the Escrow Agreement.

Upon transfer of the Bond Proceeds and any other necessary funds allocable to refunding the 2014 General Obligation Bonds to the Escrow Account, the taxes heretofore levied to pay debt service on the 2014 General Obligation Bonds shall be abated to the extent such transfer together with investment earnings thereon is sufficient to pay the principal of and interest on the 2014 General Obligation Bonds, but such abatement shall not affect the City's pledge of its full faith, credit and resources to make such payments. The refunding escrow account created by the Escrow Agreement shall hereinafter serve as the debt service (or sinking) fund account for the 2014 General Obligation Bonds. The Escrow Agent shall serve as custodian of said debt service (or sinking) funds.

Section 18. SLGS Subscriptions. The Escrow Agent and appropriate officers and agents of the City are authorized to submit subscriptions for United States Treasury Securities - State and Local Government Series and to purchase other U.S. government securities on behalf of the City in such amount as is necessary in order to carry out the refunding of the 2014 General Obligation Bonds.

Section 19. Redemption of the 2014 General Obligation Bonds. Subject to final approval by an Authorized Officer, the 2014 General Obligation Bonds are hereby called for prior payment and redemption on December 1, 2022 at a price of par plus accrued interest to the date of redemption.

The City hereby directs the Escrow Agent to cause timely notice of redemption, in substantially the form to be attached to the Escrow Agreement, to be provided at the times, to the parties and in the manner set forth on the notice.

Section 20. Redemption of the State Trust Fund Loans. Subject to final approval by an Authorized Officer, the City hereby calls the State Trust Fund Loans for redemption on a date to be set forth on the Approving Certificate at a price of par plus accrued interest to the date of redemption.

The City hereby directs the City Clerk to take all actions necessary for the redemption of the State Trust Fund Loans on their redemption date. Any and all actions heretofore taken by the officers and agents of the City to effectuate such redemption are hereby ratified and approved.

Section 21. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "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 the Bonds in the Record Book.

Section 22. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Bonds, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Bond proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Bonds by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Bond provided herein.

Section 23. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council 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, approved and recorded February 23, 2021.

Michael Murray
Mayor

ATTEST:

Rebecca Weyer
City Clerk

(SEAL)

EXHIBIT A

Approving Certificate

CERTIFICATE APPROVING THE DETAILS OF
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021A

I [_____], [_____] of the City of Tomah, Monroe County, Wisconsin (the "City"), hereby certify that:

1. Resolution. On February 23, 2021, the Common Council of the City adopted a resolution (the "Resolution") authorizing the issuance and establishing parameters for the sale of not to exceed \$3,830,000 Taxable General Obligation Refunding Bonds, Series 2021A of the City (the "Bonds") after a public sale and delegating to me the authority to approve the purchase proposal for the Bonds, and to determine the details for the Bonds within the parameters established by the Resolution.

2. Proposal; Terms of the Bonds. On the date hereof, the Bonds were offered for public sale and the bids set forth on the Bid Tabulation attached hereto as Schedule I and incorporated herein by this reference were received and the institution listed first on the Bid Tabulation (the "Purchaser") offered to purchase the Bonds in accordance with the terms set forth in the Proposal attached hereto as Schedule II and incorporated herein by this reference (the "Proposal"). Ehlers & Associates, Inc. recommends the City accept the Proposal. The Proposal meets the parameters and conditions established by the Resolution and is hereby approved and accepted.

The Bonds shall be issued in the aggregate principal amount of \$ _____, which is not more than the \$3,830,000 approved by the Resolution, and shall mature on May 1 of each of the years and in the amounts and shall bear interest at the rates per annum as set forth in the Pricing Summary attached hereto as Schedule III and incorporated herein by this reference. The amount of each annual principal or mandatory redemption payment due on the Bonds is not more than \$75,000 more or less per maturity or mandatory redemption amount than the schedule included in the Resolution as set forth below:

<u>Date</u>	<u>Resolution Schedule</u>	<u>Actual Amount</u>
05/01/2022	\$165,000	\$ _____
05/01/2023	525,000	_____
05/01/2024	540,000	_____
05/01/2025	485,000	_____
05/01/2026	500,000	_____
05/01/2027	505,000	_____
05/01/2028	440,000	_____
05/01/2029	440,000	_____
05/01/2030	230,000	_____

The true interest cost on the Bonds (computed taking the Purchaser's compensation into account) is _____%, which is not in excess of 2.50%, as required by the Resolution. The present value debt service savings achieved by the Refunding is \$ _____, which is at least 2.00% of the principal amount refunded as required by the Resolution.

3. Purchase Price of the Bonds. The Bonds shall be sold to the Purchaser in accordance with the terms of the Proposal at a price of \$ _____, plus accrued interest, if any, to the date of delivery of the Bonds which is not less than 98.80% nor more than 106.00% of the principal amount of the Bonds as required by the Resolution.

4. Redemption Provisions of the Bonds. The Bonds maturing on May 1, _____ and thereafter are subject to redemption prior to maturity, at the option of the City, on May 1, _____ or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption. [If the Proposal specifies that any of the Bonds are subject to mandatory redemption, the terms of such mandatory redemption shall be set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference. Upon the optional redemption of any of the Bonds subject to mandatory redemption, the principal amount of such Bonds so redeemed shall be credited against the mandatory redemption payments established in Exhibit MRP for such Bonds in such manner as the City shall direct.]

5. Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Bonds as the same respectively falls due, the full faith, credit and taxing powers of the City have been irrevocably pledged and there has been levied on all of the taxable property in the City, pursuant to the Resolution, a direct, annual irrepealable tax in an amount and at the times sufficient for said purpose. Such tax shall be for the years and in the amounts set forth on the debt service schedule attached hereto as Schedule IV.

6. Redemption of the State Trust Fund Loans. In the Resolution, the Common Council authorized the redemption of the State Trust Fund Loans and granted me the authority to determine the redemption date. The State Trust Fund Loans shall be redeemed on May 1, 2021.

7. Approval. This Certificate constitutes my approval of the Proposal, and the principal amount, definitive maturities, interest rates, purchase price and redemption provisions for the Bonds and the direct annual irrepealable tax levy to repay the Bonds, in satisfaction of the parameters set forth in the Resolution.

IN WITNESS WHEREOF, I have executed this Certificate on _____, 2021 pursuant to the authority delegated to me in the Resolution.

[_____]
[_____]

SCHEDULE I TO APPROVING CERTIFICATE

Proposal

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

SCHEDULE II TO APPROVING CERTIFICATE

Bid Tabulation

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

SCHEDULE III TO APPROVING CERTIFICATE

Pricing Summary

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

SCHEDULE IV TO APPROVING CERTIFICATE

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

EXHIBIT MRP

Mandatory Redemption Provision

The Bonds due on May 1, ____, ____, and ____ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem on May 1 of each year the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on May 1, 20

<u>Redemption</u>	
<u>Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on May 1, 20

<u>Redemption</u>	
<u>Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on May 1, 20

<u>Redemption</u>	
<u>Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on May 1, 20

<u>Redemption</u>	
<u>Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)]

EXHIBIT B

(Form of Bond)

REGISTERED UNITED STATES OF AMERICA
 STATE OF WISCONSIN DOLLARS
 MONROE COUNTY
 CITY OF TOMAH \$ _____
 NO. R- _____
 TAXABLE GENERAL OBLIGATION REFUNDING BOND, SERIES 2021A

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:
 May 1, _____ [_____], 2021 _____% _____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
 (\$ _____)

FOR VALUE RECEIVED, the City of Tomah, Monroe County, Wisconsin (the "City"), hereby acknowledges itself to owe and 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 shall be payable semi-annually on May 1 and November 1 of each year commencing on November 1, 2021 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Bond are payable to the registered owner 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 Bond is registered on the Bond Register maintained by Bond Trust Services Corporation, Roseville, Minnesota (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding each interest payment date (the "Record Date"). This Bond is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

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

This Bond is one of an issue of Bonds aggregating the principal amount of \$ [_____], all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.04, Wisconsin Statutes, for the public purpose of paying the cost of refunding certain obligations of the City, as authorized by a resolution adopted on February 23, 2021 as supplemented by a Certificate Approving the Details of Taxable General Obligation Refunding Bonds, Series 2021A (the

"Approving Certificate") (collectively, the "Resolution"). Said Resolution is recorded in the official minutes of the Common Council for said date.

The Bonds maturing on May 1, _____ and thereafter are subject to redemption prior to maturity, at the option of the City, on May 1, _____ or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City, and within each maturity by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

[The Bonds maturing in the years _____ are subject to mandatory redemption by lot as provided in the Approving Certificate, at the redemption price of par plus accrued interest to the date of redemption and without premium.]

In the event the Bonds are redeemed prior to maturity, as long as the Bonds are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, 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 Bonds of a maturity are to be called for redemption, the Bonds of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation and date of the Bonds called for redemption, CUSIP number, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Bonds 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 Bonds 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 Bond have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Bond 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 irrepealable tax has been levied sufficient to pay this Bond, together with the interest thereon, when and as payable.

This Bond is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Bonds, and the City appoints another depository, upon surrender of the Bond to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Bond 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 City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Bonds (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 Bonds, or (iii) with respect to any particular Bond, after such Bond has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Bond 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. The Bonds are issuable solely as negotiable, fully-registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof.

This Bond shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Tomah, Monroe County, Wisconsin, by its governing body, has caused this Bond to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF TOMAH
MONROE COUNTY, WISCONSIN

By: _____
Michael Murray
Mayor

(SEAL)

By: _____
Rebecca Weyer
City Clerk

Date of Authentication: _____, _____

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue authorized by the within-mentioned Resolution of the City of Tomah, Monroe County, Wisconsin.

BOND TRUST SERVICES
CORPORATION,
ROSEVILLE, MINNESOTA

By _____
Authorized Signatory

COPY

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 Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Bond 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 Bond in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

COPY

February 23, 2021

Pre-Sale Report for

City of Tomah, Wisconsin

\$3,830,000 Taxable General Obligation
Refunding Bonds, Series 2021A



Prepared by:

Ehlers
N21W23350 Ridgeview Parkway West,
Suite 100
Waukesha, WI 53188

Advisors:

David Ferris, CPA, Municipal Advisor
Philip Cosson, Senior Municipal Advisor

BUILDING COMMUNITIES. IT'S WHAT WE DO.

EXECUTIVE SUMMARY OF PROPOSED DEBT

Proposed Issue:

\$3,830,000 Taxable General Obligation Refunding Bonds, Series 2021A

Purposes:

The proposed issue includes financing for the following purposes:

- Advance Refund General Obligation Refunding Bonds, Series 2014A. Debt service will be paid from ad valorem property taxes.

This refunding is considered an Advance Refunding as the new Bonds will be issued more than 90 days prior to the call date of the obligations being refunded.

- Current Refunding 2017 State Trust Fund Loan. Debt service will be paid from TID 8 tax increment revenues.

The interest rate on the obligations proposed to be refunded is 3.500%. The refunding is expected to reduce debt service expense by approximately \$25,439.79 over the next 7 years. The Net Present Value Benefit of the refunding is estimated to be \$25,330.95, equal to 5.953% of the refunded principal.

This refunding is considered to be a Current Refunding as the obligations being refunded are either callable (pre-payable) now, or will be within 90 days of the date of issue of the new Bonds.

- Current Refunding 2019 State Trust Fund Loan. Debt service will be paid from TID 8 tax increment revenues.

The interest rate on the obligations proposed to be refunded is 4.250%. The refunding is expected to reduce debt service expense by approximately \$6,823.72 over the next 6 years. The Net Present Value Benefit of the refunding is estimated to be \$6,049.36, equal to 3.886% of the refunded principal.

This refunding is considered to be a Current Refunding as the obligations being refunded are either callable (pre-payable) now, or will be within 90 days of the date of issue of the new Bonds.

Authority:

The Bonds are being issued pursuant to Wisconsin Statute(s):

- 67.04

The Bonds will be general obligations of the City for which its full faith, credit and taxing powers are pledged.

Federal tax code also requires that the costs of issuance, including any underwriter's discount, for a qualified 501(c)(3) financing cannot exceed 2.0% of the principal amount of the Bonds.

The Bonds count against the City's General Obligation Debt Capacity Limit of 5% of total City Equalized Valuation. Following issuance of the Bonds, the City's total General Obligation debt principal outstanding will be \$14,789,358, which is 38% of its limit. Remaining General Obligation Borrowing Capacity will be approximately \$23,978,352.

Term/Call Feature:

The Bonds are being issued for a term of 9 years. Principal on the Bonds will be due on May 1 in the years 2022 through 2030. Interest is payable every six months beginning November 1, 2021.

The Bonds will be subject to prepayment at the discretion of the City on May 1, 2028 or any date thereafter.

Bank Qualification:

Because the Bonds are taxable obligations they will not be designated as "bank qualified" obligations.

Rating:

The City's most recent bond issues were rated by Moody's Investors Service. The current ratings on those bonds are "A1". The City will request a new rating for the Bonds.

If the winning bidder on the Bonds elects to purchase bond insurance, the rating for the issue may be higher than the City's bond rating in the event that the bond rating of the insurer is higher than that of the City.

Basis for Recommendation:

Based on our knowledge of your situation, your objectives communicated to us, our advisory relationship as well as characteristics of various municipal financing options, we are recommending the issuance of Bonds as a suitable option based on:

- The expectation this form of financing will provide the overall lowest cost of funds while also meeting the City's objectives for term, structure and optional redemption.
- The City having adequate General Obligation debt capacity to undertake this financing and anticipating any potential rating impacts.

Method of Sale/Placement:

We will solicit competitive bids for the purchase of the Bonds from underwriters and banks.

We will include an allowance for discount bidding in the terms of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.

If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.

Premium Pricing:

In some cases, investors in municipal bonds prefer “premium” pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid in excess of face value is considered “reoffering premium.” The underwriter of the bonds will retain a portion of this reoffering premium as their compensation (or “discount”) but will pay the remainder of the premium to the City.

For this issue of Bonds, any premium amount received will be used to reduce the issue size. These adjustments may slightly change the true interest cost of the original bid, either up or down.

The amount of premium allowed can be restricted in the bid specifications. Restrictions on premium may result in fewer bids, but may also eliminate large adjustments on the day of sale and unintended results with respect to debt service payment impacts. Ehlers will identify appropriate premium restrictions for the Bonds intended to achieve the City’s objectives for this financing.

Parameters:

The Common Council will consider adoption of a Parameters Resolution on February 23, 2021, which delegates authority to the City Administrator or City Clerk to accept and approve a bid for the Bonds so long as the bid meets certain parameters. These parameters are:

- * Issue size not to exceed \$3,830,000
- * Maximum Bid of 106.00%
- * Minimum Bid of 98.80%
- * Maximum True Interest Cost (TIC) of 2.50%
- * Maturity Schedule Adjustments not to exceed \$75,000 per maturity

Other Considerations:

The Bonds will be offered with the option of the successful bidder utilizing a term bond structure. By offering underwriters the option to “term up” some of the maturities at the time of the sale, it gives them more flexibility in finding a market for your Bonds. This makes your issue more marketable, which can result in lower borrowing costs. In the event that the successful bidder utilizes a term bond structure, we recommend the City retain a paying agent to handle responsibility for processing mandatory redemption/call notices associated with term bonds.

Review of Existing Debt:

We have reviewed all outstanding indebtedness for the City and find that, other than the obligations proposed to be refunded by the Bonds, there are no other refunding opportunities at this time.

We will continue to monitor the market and the call dates for the City's outstanding debt and will alert you to any future refunding opportunities.

Continuing Disclosure:

Because the City has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the City will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually, as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the "MSRB"), as required by rules of the Securities and Exchange Commission (SEC). The City is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.

Arbitrage Monitoring:

The Bonds are taxable obligations and are therefore not subject to IRS arbitrage and yield restriction requirements.

Risk Factors:

GO with Planned Abatement: The City expects to abate a portion of the City debt service with tax incremental revenues. In the event this revenue is not available, the City is obligated to levy property taxes in an amount sufficient to make all debt payments.

Current Refunding: The Bonds are being issued to finance a current refunding of prior City debt obligations. Those prior debt obligations are callable now and therefore can be paid off within 90 days or less. The new Bonds will not be pre-payable until May 1, 2028.

This refunding is being undertaken based in part on an assumption that the City does not expect to pre-pay off this debt prior to the new call date and that market conditions warrant the refunding at this time.

Advance Refunding: The Bonds are being issued for the purpose of "advance" refunding prior City debt obligations. An advance refunding of an original tax-exempt debt obligation must be a taxable financing under current IRS rules. This refunding is being undertaken based in part on the following assumptions:

- Since the new Bonds will extend the "call" date for this debt, we are assuming that the City does not expect to have revenues available to pre-pay the current obligations prior to this new call date.
- That advance refunding on a taxable basis will provide an overall lower debt cost as compared to waiting to refund the issue until its call date.

Other Service Providers:

This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.

Bond Counsel: Quarles & Brady LLP

Paying Agent: Bond Trust Services Corporation

Rating Agency: Moody's Investors Service, Inc.

PROPOSED DEBT ISSUANCE SCHEDULE

Pre-Sale Review and Adopt Parameters by Common Council to Award Sale of Bonds:	February 23, 2021
Distribute Official Statement:	Week of March 15, 2021
Due Diligence Call to review Official Statement:	To be determined
Conference with Rating Agency:	To be determined
Designated Officials Award Sale of the Bonds:	March 24, 2021
Estimated Closing Date:	April 15, 2021
Redemption Date for the 2017 State Trust Fund Loan Being Refunded:	May 1, 2021
Redemption Date for the 2019 State Trust Fund Loan Being Refunded:	May 1, 2021
Redemption Date for the 2014A General Obligation Refunding Bonds Being Refunded:	December 1, 2022

Attachments

- Estimated Sources and Uses of Funds
- Estimated Proposed Debt Service Schedule/Tax Impact
- Estimated Issue Allocation
- Estimated Debt Capacity Calculation
- Bond Buyer Index
- Estimated Debt Service Comparison

EHLERS' CONTACTS

David Ferris, Municipal Advisor	(262) 796-6194
Philip Cosson, Senior Municipal Advisor	(262) 796-6161
Peter Curtin, Public Finance Analyst	(262) 796-6187
Kathy Myers, Financial Analyst	(262) 796-6177

The Preliminary Official Statement for this financing will be sent to the Common Council at their home or email address for review prior to the sale date.



Financing Plan / Issue Sizing

	Taxable GO Ref Bonds 2021	Taxable Water Revenue Ref Bonds 2021	Taxable Sewer Revenue Ref Bonds 2021
Refundings			
Amount Needed to Refund 2017 STF TID 8	427,449		
Amount Needed to Refund 2019 STF TID 8	156,521		
Amount Needed to Refund 2014A General	3,208,390		
Less: Debt Service Funds Available	(76,620)		
Amount Needed to Refund 2014A Sewer			1,372,889
Less: Debt Service Funds Available			(34,699)
Less: Additional Funds Available			(621,000)
Amount Needed to Refund 2014A Water		1,636,672	
Less: Debt Service Funds Available		(39,384)	
Less: Additional Funds Available		(480,500)	
Project Needs	3,715,740	1,116,788	717,189
Debt Service Reserve¹	0	119,500	79,000
Less: Additional Funds Available	0	(119,500)	(79,000)
Issuance Expenses			
Municipal Advisor	29,900	25,900	22,500
CPA Verification	2,500	2,500	2,500
Escrow Agent	2,500	2,500	2,500
Bond Counsel	13,000	13,000	13,000
Rating Agency Fee	13,500	14,000	14,000
Paying Agent If terms	850	850	850
Refunding Contingency	5,000	5,000	5,000
Underwriter Fees	45,960	14,340	9,480
Total Funds Needed	3,828,950	1,194,878	787,019
Rounding	1,050	122	2,981
Size of Issue	3,830,000	1,195,000	790,000

Notes: ¹ Debt service reserve calculation that produces the least amount of reserve is 10% of par.



Projected Impact of Proposed Projects

Existing Debt Payments							Projected Debt Service																
YEAR	Equalized Value Projection	Change in Value	Total of All Obligations	Total Abatement Sources	Net Debt Service Levy	Debt Service Tax Rate	Taxable General Obligation Refunding Bonds, 2021 \$3,830,000 Dated 4-15-21				Taxable Water Revenue Refunding Bonds, 2021 \$1,195,000 Dated 4-15-21				Taxable Sewer Revenue Refunding Bonds, 2021 \$790,000 Dated 4-15-21								
							Prin (5/1)	Rate	Interest	Total	Prin (5/1)	Rate	Interest	Total	Prin (5/1)	Rate	Interest	Total					
2020	692,455,700	4.02%	2,721,944	(1,292,144)	1,429,800	2.06																	
2021	725,388,800	4.76%	2,656,421	(1,391,017)	1,265,404	1.74			21,534			10,314	10,314								6,854	6,854	
2022	736,269,632	1.50%	2,342,423	(1,198,449)	1,143,974	1.55	165,000	0.60%	39,057	204,057		18,944	18,944								12,590	12,590	
2023	747,313,676	1.50%	1,129,360	(721,246)	408,114	0.55	525,000	0.65%	36,855	561,855	145,000	1.01%	18,212	163,212	100,000	1.01%	12,085				112,085	112,085	
2024	758,523,382	1.50%	802,213	(570,418)	231,795	0.31	540,000	0.73%	33,178	573,178	150,000	1.12%	16,640	166,640	95,000	1.12%	11,048				106,048	106,048	
2025	769,901,232	1.50%	785,484	(574,014)	211,470	0.27	485,000	0.83%	29,194	514,194	155,000	1.28%	14,808	169,808	100,000	1.28%	9,876				109,876	109,876	
2026	781,449,751	1.50%	729,468	(547,651)	181,816	0.23	500,000	0.93%	24,857	524,857	160,000	1.47%	12,640	172,640	100,000	1.47%	8,501				108,501	108,501	
2027	814,143,197	4.18%	714,179	(571,041)	143,138	0.18	505,000	1.03%	19,931	524,931	165,000	1.70%	10,061	175,061	110,000	1.70%	6,831				116,831	116,831	
2028	826,355,345	1.50%	714,034	(583,896)	130,138	0.16	440,000	1.45%	14,140	454,140	170,000	1.93%	7,018	177,018	110,000	1.93%	4,834				114,834	114,834	
2029	838,750,675	1.50%	669,445	(537,229)	132,216	0.16	440,000	1.60%	7,430	447,430	165,000	2.10%	3,645	168,645	110,000	2.10%	2,618				112,618	112,618	
2030	851,331,935	1.50%	679,821	(545,669)	134,153	0.16	230,000	1.70%	1,955	231,955	85,000	2.25%	956	85,956	65,000	2.25%	731				65,731	65,731	
2031	864,101,914	1.50%	565,731	(434,714)	131,018	0.15																	
2032	896,386,743	3.74%	562,416	(434,534)	127,883	0.15																	
2033	909,832,544	1.50%	563,698	(438,950)	124,748	0.14																	
2034	923,480,032	1.50%	549,718	(428,105)	121,613	0.13																	
2035	937,332,233	1.50%	348,025	(229,548)	118,478	0.13																	
2036	972,462,616	3.75%	343,549	(228,206)	115,343	0.12																	
TOTALS			16,877,926	(10,726,830)	6,151,096		3,830,000		228,130	4,058,130	1,195,000		113,236	1,308,236	790,000		75,965				865,965		

NOTES Rates based on 11/30/20 sale + 0.35 Rates based on 1/15/21 sale + .35 Rates based on 1/15/21 sale + .35
 - Growth is projected at a conservative 1.5%. The City has averaged 3.08% (TID Out) growth over the last 5 years.
 - Growth includes projected TID closure increases.



Projected Impact of Proposed Projects

Projected Debt Service

YEAR	Capital Plan Debt Service			Less Abatements					Total Projected Debt Service Less Abatements	Net Debt Service Levy	Levy Change	Debt Service Tax Rate	Impact on a		Debt Service Tax Rate @ 3% Growth	YEAR
				TID 8	Water Utility	Sewer Utility	Cash on Hand	Total Abatements					\$ 100,000 Taxes	of Value Change		
	Principal	Interest	Total													
2020		38,702	38,702	(2,490)	(10,314)	(6,854)	(19,045)	(38,703)	1,429,800		2.06	206.48		2.06	2020	
2021		38,702	38,702	(2,490)	(10,314)	(6,854)	(19,045)	(38,703)	1,265,404	(164,396)	1.74	174.44	(32.04)	1.74	2021	
2022	165,000	70,590	235,590	(124,214)	(18,944)	(12,590)		(155,748)	79,842	1,223,816	(41,588)	1.66	166.22	(8.23)	1.64	2022
2023	770,000	67,152	837,152	(128,448)	(163,212)	(112,085)		(403,745)	433,407	841,520	(382,296)	1.13	112.61	(53.61)	1.09	2023
2024	785,000	60,865	845,865	(132,567)	(166,640)	(106,048)		(405,255)	440,610	672,405	(169,115)	0.89	88.65	(23.96)	0.85	2024
2025	740,000	53,877	793,877	(76,781)	(169,808)	(109,876)		(356,465)	437,412	648,882	(23,523)	0.84	84.28	(4.37)	0.79	2025
2026	760,000	45,997	805,997	(76,121)	(172,640)	(108,501)		(357,262)	448,735	630,551	(18,332)	0.81	80.69	(3.59)	0.75	2026
2027	780,000	36,822	816,822	(75,386)	(175,061)	(116,831)		(367,278)	449,544	592,682	(37,869)	0.73	72.80	(7.89)	0.68	2027
2028	720,000	25,992	745,992		(177,018)	(114,834)		(291,852)	454,140	584,278	(8,404)	0.71	70.71	(2.09)	0.65	2028
2029	715,000	13,693	728,693		(168,645)	(112,618)		(281,263)	447,430	579,646	(4,632)	0.69	69.11	(1.60)	0.63	2029
2030	380,000	3,643	383,643		(85,956)	(65,731)		(151,687)	231,956	366,108	(213,538)	0.43	43.00	(26.10)	0.39	2030
2031										131,018	(235,091)	0.15	15.16	(27.84)	0.13	2031
2032										127,883	(3,135)	0.14	14.27	(0.90)	0.13	2032
2033										124,748	(3,135)	0.14	13.71	(0.56)	0.12	2033
2034										121,613	(3,135)	0.13	13.17	(0.54)	0.11	2034
2035										118,478	(3,135)	0.13	12.64	(0.53)	0.11	2035
2036										115,343	(3,135)	0.12	11.86	(0.78)	0.10	2036
TOTALS	5,815,000	417,331	6,232,331	(616,007)	(1,308,238)	(865,968)	(19,045)	(2,809,258)	3,423,075	9,574,171						TOTALS

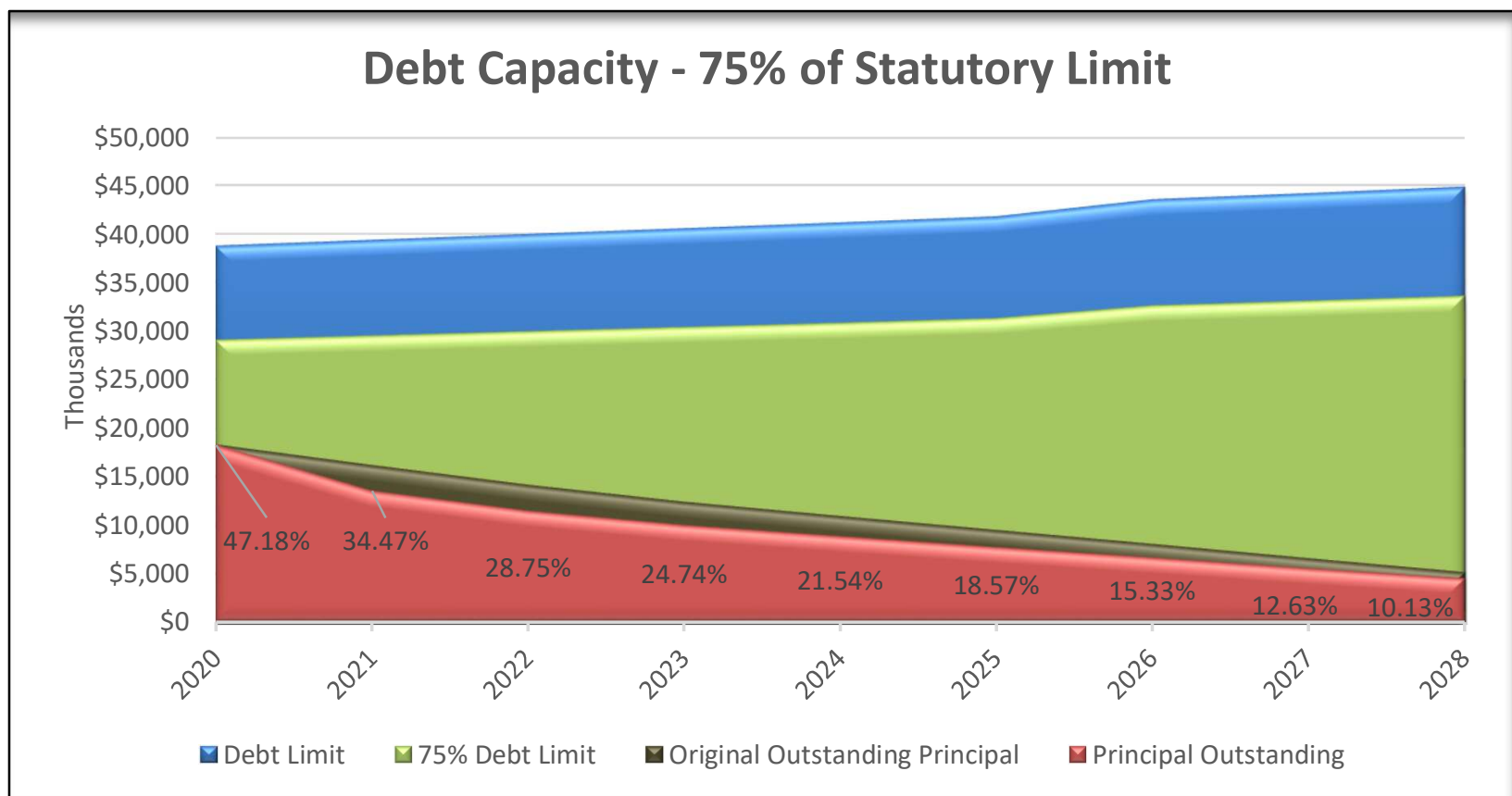


Allocation of Taxable General Obligation Refunding Bonds, 2021

Issue	Issue 1				TID 8				TOTAL			Total Outstanding
Purpose	Levy											
Amount	\$3,230,000				\$600,000							
Dated	4/15/2021				4/15/2021							
Payment Date	5/1				5/1							
Year	Principal	Rate	Interest	Total	Principal	Rate	Interest	Total	Principal	Interest	Total	
2021			19,043	19,043			2,490	2,490	-	21,534	21,534	3,830,000
2022	45,000	0.60%	34,843	79,843	120,000	0.60%	4,214	124,214	165,000	39,057	204,057	3,665,000
2023	400,000	0.65%	33,408	433,408	125,000	0.65%	3,448	128,448	525,000	36,855	561,855	3,140,000
2024	410,000	0.73%	30,611	440,611	130,000	0.73%	2,567	132,567	540,000	33,178	573,178	2,600,000
2025	410,000	0.83%	27,413	437,413	75,000	0.83%	1,781	76,781	485,000	29,194	514,194	2,115,000
2026	425,000	0.93%	23,735	448,735	75,000	0.93%	1,121	76,121	500,000	24,857	524,857	1,615,000
2027	430,000	1.03%	19,545	449,545	75,000	1.03%	386	75,386	505,000	19,931	524,931	1,110,000
2028	440,000	1.45%	14,140	454,140					440,000	14,140	454,140	670,000
2029	440,000	1.60%	7,430	447,430					440,000	7,430	447,430	230,000
2030	230,000	1.70%	1,955	231,955					230,000	1,955	231,955	-
	\$ 3,230,000		\$ 212,122	\$ 3,442,122	\$ 600,000		\$ 16,008	\$ 616,008	\$ 3,830,000	\$ 228,130	\$ 4,058,130	



Debt Limit Calculation - Refunding Effect





Refunding Analysis

<u>Issue</u>	<u>Cash Flow Savings / (Loss)</u>	<u>Net Present Savings / (Loss)</u>	<u>Description</u>
2014A General Obligation Refunding Bonds			
<u>Purpose</u>			
General Levy - Streets	\$ 140,166	\$ 97,818	1. The 2014A issue will be refunded for savings purposes and to free up General Obligation Debt Capacity.
Water Utility	38,371	(57,918)	2. A Taxable General Obligation Refunding Bond will be used to Advance Refund the maturities of 2023 - 2030 for the Street portion of the 2014A Bonds as well as current refund the 2017 and 2019 TID 8 State Trust Fund Loans
Sewer Utility	44,004	(83,881)	
Total	<u>222,541</u>	<u>(43,981)</u>	
2017 State Trust Fund Loan			
<u>Purpose</u>			
TID 8	25,440	25,331	3. A Taxable Sewer Revenue Refunding Bond will be used to Advance Refund the Sewer Utility share of the 2014A Bonds The change in the type of security resulted in a net present value loss.
2019 State Trust Fund Loan			
<u>Purpose</u>			
TID 8	6,824	6,049	4. A Taxable Water Revenue Refunding Bond will be used to Advance Refund the Water Utility share of the 2014A Bonds The change in the type of security resulted in a net present value loss.
Total Refunding	<u><u>254,805</u></u>	<u><u>(12,601)</u></u>	

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ISSUANCE AND ESTABLISHING PARAMETERS
FOR THE SALE OF NOT TO EXCEED
\$1,195,000 TAXABLE WATER SYSTEM REVENUE REFUNDING BONDS, SERIES 2021B
OF THE CITY OF TOMAH, MONROE COUNTY, WISCONSIN,
AND PROVIDING FOR THE PAYMENT OF THE BONDS AND
OTHER DETAILS WITH RESPECT TO THE BONDS

WHEREAS, the City of Tomah, Monroe County, Wisconsin (the "City") owns and operates its Water System (the "System") which is operated for a public purpose as a public utility; and

WHEREAS, under the provisions of Section 66.0621, Wisconsin Statutes (the "Act"), any municipality in the State of Wisconsin may, by action of its governing body, provide funds for extending, adding to and improving a public utility or to refund obligations issued to finance such extensions, additions and improvements from the proceeds of bonds, which bonds are to be payable only from the income and revenues of such utility and are to be secured by a pledge of the revenues of the utility; and

WHEREAS, the City has outstanding its General Obligation Refunding Bonds, Series 2014A, dated January 28, 2014 (the "2014 General Obligation Bonds"), which 2014 General Obligation Bonds refinanced, among other things, obligations used to finance additions, extensions and improvements to the System; and

WHEREAS, the City has determined that it is necessary and desirable to refund portion of the 2023 through 2030 maturities of the 2014 General Obligation Bonds which refinanced additions, extensions and improvements to the System (the "Refunded Obligations") for the purpose of restructuring the City's outstanding indebtedness (the "Refunding"); and

WHEREAS, it is necessary, desirable and in the best interests of the City to authorize and sell water system revenue bonds (the "Bonds") to refund the Refunded Obligations payable solely from the Revenues of the System, which bonds are to be authorized and issued pursuant to the provisions of Section 66.0621, Wisconsin Statutes; and

WHEREAS, the City has authorized the issuance of not to exceed \$790,000 Taxable Sewer System Revenue Refunding Bonds and not to exceed \$3,830,000 Taxable General Obligation Refunding Bonds (collectively, the "Refunding Bonds") which Refunding Bonds will be used to refund the portion of the 2014 General Obligation Bonds not refunded by the Bonds; and

WHEREAS, pursuant to a resolution adopted on December 9, 2003 (the "2003 Resolution"), the City has heretofore issued its Water System Revenue Bonds, Series 2003A, dated December 23, 2003 (the "2003A Bonds"), which 2003A Bonds are payable from the

Revenues of the System; and

WHEREAS, pursuant to a resolution adopted on November 9, 2004 (the "2004 Resolution"), the City has heretofore issued its Water System Revenue Bonds, Series 2004A, dated November 24, 2004 (the "2004A Bonds"), which 2004A Bonds are payable from the Revenues of the System; and

WHEREAS, pursuant to a resolution adopted on December 12, 2006 (the "2006 Resolution"), the City has heretofore issued its Water System Revenue Bonds, Series 2006A, dated December 27, 2006 (the "2006A Bonds"), which 2006A Bonds are payable from the Revenues of the System; and

WHEREAS, pursuant to a resolution adopted on June 14, 2016 (the "2016 Resolution"), the City has heretofore issued its Water System Revenue Bonds, Series 2016, dated June 22, 2016 (the "2016 Bonds"), which 2016 Bonds are payable from the Revenues of the System; and

WHEREAS, pursuant to a resolution adopted on June 12, 2018 (the "2018 Resolution"), the City has heretofore issued its Water System Revenue Bonds, Series 2018, dated June 27, 2018 (the "2018 Bonds"), which 2018 Bonds are payable from the Revenues of the System; and

WHEREAS, the 2003A Bonds, the 2004A Bonds, the 2006A Bonds, the 2016 Bonds and the 2018 Bonds shall collectively be referred to as the "Prior Bonds"; and

WHEREAS, the 2003 Resolution, the 2004 Resolution, the 2006 Resolution, the 2016 Resolution and the 2018 Resolution shall collectively be referred to as the "Prior Resolutions"; and

WHEREAS, the Prior Resolutions permit the issuance of additional bonds on a parity with the Prior Bonds upon certain conditions, and those conditions have been met; and

WHEREAS, other than the Prior Bonds, no bonds or obligations payable from the Revenues of the System are now outstanding; and

WHEREAS, it is the finding of the Common Council that it is in the best interest of the City to direct its financial advisor, Ehlers & Associates, Inc. ("Ehlers"), to take the steps necessary for the City to offer and sell the Bonds at a public sale and to obtain bids for the purchase of the Bonds; and

WHEREAS, due to certain provisions contained in the Internal Revenue Code of 1986, as amended, it is necessary to issue the Bonds on a taxable rather than tax-exempt basis; and

WHEREAS, in order to facilitate the sale of the Bonds in a timely manner, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City to delegate to either the City Administrator or the City Clerk (each an "Authorized Officer") the authority to accept on behalf of the City the bid for the Bonds that results in the lowest true

interest cost for the Bonds (the "Proposal") so long as the Proposal meets the terms and conditions provided for in this Resolution by executing a certificate in substantially the form attached hereto as Exhibit A and incorporated herein by reference (the "Approving Certificate").

NOW, THEREFORE, the Common Council of the City of Tomah, Monroe County, Wisconsin, do resolve that:

Section 1. Authorization and Sale of the Bonds; Parameters. For the purpose of paying the costs of the Refunding, the City is authorized to borrow pursuant to Section 66.0621, Wisconsin Statutes, the principal sum of not to exceed ONE MILLION ONE HUNDRED NINETY-FIVE THOUSAND DOLLARS (\$1,195,000) upon the terms and subject to the conditions set forth in this Resolution. Subject to satisfaction of the conditions set forth in Section 17 of this Resolution, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the Purchaser, on behalf of and in the name of the City, the Bonds in a principal amount of not to exceed ONE MILLION ONE HUNDRED NINETY-FIVE THOUSAND DOLLARS (\$1,195,000). The purchase price to be paid to the City for the Bonds shall not be less than 98.80% nor more than 106.00% of the principal amount of the Bonds.

Section 2. Terms of the Bonds. The Bonds shall be designated "Taxable Water System Revenue Refunding Bonds, Series 2021B"; shall be issued in the aggregate principal amount of up to \$1,195,000; shall be dated as of their date of issuance; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall mature or be subject to mandatory redemption on the dates and in the principal amounts set forth below, provided that the principal amount of each maturity or mandatory redemption amount may be increased or decreased by up to \$50,000 per maturity or mandatory redemption amount and that the aggregate principal amount of the Bonds shall not exceed \$1,195,000. The schedule below assumes the Bonds are issued in the aggregate principal amount of \$1,085,000.

<u>Date</u>	<u>Amount</u>
05/01/2023	\$135,000
05/01/2024	135,000
05/01/2025	140,000
05/01/2026	145,000
05/01/2027	150,000
05/01/2028	150,000
05/01/2029	155,000
05/01/2030	75,000

Interest shall be payable semi-annually on May 1 and November 1 of each year commencing on November 1, 2021. The true interest cost on the Bonds (computed taking the Purchaser's compensation into account) will not exceed 3.00%. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

The schedule of maturities or mandatory redemptions is found to be such that the amount of annual debt service payments is reasonable in accordance with prudent municipal utility practices and will be confirmed in the Approving Certificate.

The Refunding is advantageous and necessary to the City.

The Bonds, together with interest thereon, shall be payable only out of the Debt Service Fund hereinafter provided, and shall be a valid claim of the registered owner or owners thereof only against the Debt Service Fund and the Revenues pledged to such Fund, and sufficient Revenues are pledged to the Debt Service Fund, and shall be used for no other purpose than to pay the principal of and interest on the Bonds, the Prior Bonds and any Parity Bonds as the same fall due.

The Bonds shall either not be subject to optional redemption or be callable as set forth in the Approving Certificate. If the Proposal specifies that certain of the Bonds are subject to mandatory redemption, the terms of such mandatory redemption shall be set forth on an attachment to the Approving Certificate. Upon the optional redemption of any of the Bonds subject to mandatory redemption, the principal amount of such Bonds so redeemed shall be credited against the mandatory redemption payments established for such Bonds in such manner as the City shall direct.

Section 3. Form of the Bonds. The Bonds 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 4. Definitions. In addition to the words defined elsewhere in this Resolution, the following words shall have the following meanings unless the context or use indicates another or different meaning or intent:

"Annual Debt Service Requirement" means the total amount of principal and interest due in any Fiscal Year on the Bonds, the Prior Bonds and Parity Bonds.

"Bond Year" means the twelve-month period ending each May 1..

"Code" means the Internal Revenue Code of 1986, as amended.

"DTC" means The Depository Trust Company, New York, New York, or any successor securities depository for the City with respect to the Bonds.

"Fiscal Year" means the fiscal year adopted by the City for the System, which is currently the calendar year.

"Net Revenues" means the Revenues minus all Operation and Maintenance Expenses of the System.

"Operation and Maintenance Expenses" or "Current Expenses" means the reasonable and necessary costs of operating, maintaining, administering and repairing the System, including salaries, wages, costs of materials and supplies, insurance and audits, but excluding depreciation, debt service, tax equivalents and capital expenditures.

"Parity Bonds" means additional bonds or obligations issued on a parity as to pledge and lien with the Bonds in accordance with the provisions of Section 8 of this Resolution.

"Reserve Requirement" means an amount, determined as of the date of issuance of the Bonds, equal to the least of (a) 10% of the proceeds of the Bonds (up to the amount permitted to be deposited from proceeds of the Bonds pursuant to Section 148 (d)(1) of the Code); (b) the maximum annual debt service on the Bonds in any Bond Year; and (c) 125% of average annual debt service on the Bonds. If Parity Bonds which are to be secured by the Reserve Fund are issued, the Reserve Requirement shall mean an amount, determined as of the date of issuance of the Parity Bonds, equal to the least of (a) the amount required to be on deposit in the Reserve Fund prior to the issuance of such Parity Bonds, plus the amount permitted to be deposited therein from proceeds of the Parity Bonds pursuant to Section 148(d)(1) of the Code; (b) the maximum annual debt service on outstanding obligations secured by the Reserve Fund and the Parity Bonds to be issued in any Bond Year; and (c) 125% of average annual debt service on the outstanding obligations secured by the Reserve Fund and the Parity Bonds to be issued.

"Revenues" or "Gross Earnings" means all income and revenue derived from operation of the System, including the revenues received from the City for services rendered to it, funds appropriated by the Common Council for services provided by the System to the City and all moneys received from any other source, including income derived from investments.

"System" means the entire Water System of the City including all property of every nature now or hereafter owned by the City for the extraction, collection, storage, treatment, transmission, distribution, metering and discharge of industrial and potable public water, including all improvements and extensions thereto made by the City while any of the Bonds and Parity Bonds remain outstanding, including all real and personal property of every nature comprising part of or used or useful in connection with such Water System and including all appurtenances, contracts, leases, franchises and other intangibles.

Section 5A. Income and Revenue Funds. In accordance with the Act, for the purpose of the application and proper allocation of the revenues of the System, and to secure the payment of the principal of and interest on the Prior Bonds, the Bonds and Parity Bonds, certain funds of the System have heretofore been created and established which shall be used solely for the following respective purposes:

(a) Revenue Fund, into which shall be deposited as received the Gross Earnings of the System, which money shall then be divided among the Operation and Maintenance Fund, the Debt Service Fund, the Reserve Fund, the Depreciation Fund and the Surplus Fund in the amounts and in the manner set forth in Section 5B hereof and used for the purposes described below.

(b) Operation and Maintenance Fund, which shall be used for the payment of Current Expenses.

(c) Debt Service Fund, which shall be used for the payment of the principal of, premium, if any, and interest on the Prior Bonds, the Bonds and Parity Bonds as the same becomes due.

(d) Reserve Fund, which shall be used for the payment of the principal of, premium, if any, and interest on the Bonds if funds in the Debt Service Fund are not sufficient.
The Prior Bonds are not secured by the Reserve Fund.

(e) Depreciation Fund, which may be expended for repairs, replacements, new construction, extensions or additions to the System. Any money on deposit in the Depreciation Fund not required during the current Fiscal Year for purposes of the Depreciation Fund, may be transferred to the Surplus Fund.

(f) Surplus Fund, which shall first be used whenever necessary to pay principal of, premium, if any, or interest on the Prior Bonds, the Bonds and Parity Bonds when the Debt Service Fund shall be insufficient for such purpose, and thereafter shall be disbursed as follows: (i) at any time, to remedy any deficiency in any of the Funds provided in this Section 5A hereof; and (ii) money thereafter remaining in the Surplus Fund at the end of any Fiscal Year may be transferred to any of the funds or accounts created herein or to reimburse the general fund of the City for advances made by the City to the System or for any other lawful purpose.

Section 5B. Application of Revenues. After the delivery of the Bonds, the Gross Earnings of the System shall be deposited as collected in the Revenue Fund and shall be transferred monthly to the funds listed below in the following order of priority and in the manner set forth below:

(a) to the Operation and Maintenance Fund, in an amount equal to the estimated Current Expenses for such month and for the following month (after giving effect to available amounts in said Fund from prior deposits);

(b) to the Debt Service Fund, an amount equal to one-sixth (1/6) of the next installment of interest coming due on the Prior Bonds, the Bonds and any Parity Bonds then outstanding and an amount equal to one-twelfth (1/12) of the installment of principal of the Prior Bonds, the Bonds and any Parity Bonds coming due during such Bond Year (after giving effect to available amounts in said Fund from accrued interest, any premium or any other source);

(c) to the Reserve Fund, amounts necessary to restore the amount on deposit in the Reserve Fund to the Reserve Requirement in the manner set forth in this Section 5B;

(d) to the Depreciation Fund, an amount determined by the Governing Body to be sufficient to provide a proper and adequate depreciation account for the System; and

(e) to the Surplus Fund, any amount remaining in the Revenue Fund after the monthly transfers required above have been completed.

Transfers from the Revenue Fund to the Operation and Maintenance Fund, the Debt Service Fund, the Reserve Fund, the Depreciation Fund and the Surplus Fund shall be made monthly not later than the tenth day of each month, and such transfer shall be applicable to monies on deposit in the Revenue Fund as of the last day of the month preceding. Any other transfers and deposits to any fund required or permitted by subsection (a) through (e) of this Section, except transfers or deposits which are required to be made immediately or annually, shall be made on or before the tenth day of the month. Any transfer or deposit required to be made at the end of any Fiscal Year shall be made within sixty (60) days after the close of such Fiscal Year. If the tenth day of any month shall fall on a day other than a business day, such transfer or deposit shall be made on the next succeeding business day.

It is the express intent and determination of the Common Council that the amounts transferred from the Revenue Fund and deposited in the Debt Service Fund shall be sufficient in any event to pay the interest on the Prior Bonds, the Bonds and any Parity Bonds as the same accrues and the principal thereof as the same matures.

The City covenants and agrees that upon the issuance of the Bonds an amount sufficient to make the amount on deposit in the Reserve Fund equal to the Reserve Requirement shall be deposited into the Reserve Fund and shall be maintained therein.

The City covenants and agrees that at any time that the Reserve Fund is drawn on and the amount in the Reserve Fund shall be less than the Reserve Requirement, an amount equal to one-twelfth of the Reserve Requirement will be paid monthly into the Reserve Fund from those funds in the Debt Service Fund, the Operation and Maintenance Fund, the Depreciation Fund and the Surplus Fund which are in excess of the minimum amounts required by the preceding paragraphs to be paid therein until the Reserve Requirement will again have accumulated in the Reserve Fund. No such payments need be made into the Reserve Fund at such times as the monies in the Reserve Fund are equal to the highest remaining annual debt service requirement on the Bonds and Parity Bonds secured by the Reserve Fund in any Bond Year. If at any time the amount on deposit in the Reserve Fund exceeds the Reserve Requirement, the excess shall be transferred to the Debt Service Fund and used to pay principal and interest on the Bonds and Parity Bonds. If for any reason there shall be insufficient funds on hand in the Debt Service Fund to meet principal or interest becoming due on the Bonds or Parity Bonds secured by the Reserve Fund, then all sums then held in the Reserve Fund shall be used to pay the portion of interest or principal on such Bonds or Parity Bonds becoming due as to which there would otherwise be default, and thereupon the payments required by this paragraph shall again be made into the Reserve Fund until an amount equal to the Reserve Requirement is on deposit in the Reserve Fund.

Section 6. Service to the City. The reasonable cost and value of any service rendered to the City by the System by furnishing water services for public purposes shall be charged against the City and shall be paid by it in monthly installments as the service accrues, out of the current revenues of the City collected or in the process of collection, exclusive of the revenues derived from the System, to wit: out of the tax levy of the City made by it to raise money to meet its necessary current expenses. It is hereby found and determined that the reasonable cost and value of such service to the City in each year shall be in an amount which, together with Revenues of

the System, will produce Net Revenues equivalent to not less than 1.25 times the Annual Debt Service Requirement. Such compensation for such service rendered to the City shall, in the manner provided hereinabove, be paid into the separate and special funds described in Section 5A of this Resolution. However, such payment is subject to (a) annual appropriations by the Common Council therefor, (b) approval of the Wisconsin Public Service Commission, if necessary, and (c) applicable levy limits, if any; and neither this Resolution nor such payment shall be construed as constituting an obligation of the City to make any such appropriation over and above the reasonable cost and value of services rendered to the City or to make any subsequent payment over and above such reasonable cost and value.

Section 7. Operation of System; City Covenants. It is covenanted and agreed by the City with the owner or owners of the Bonds, and each of them, that:

(a) The City will faithfully and punctually perform all duties with reference to the System required by the Constitution and Statutes of the State of Wisconsin, including the making and collecting of reasonable and sufficient rates lawfully established for services rendered by the System, and will collect and segregate the Revenues of the System and apply them to the respective funds and accounts described hereinabove;

(b) The City will not sell, lease, or in any manner dispose of the System, including any part thereof or any additions, extensions, or improvements that may be made part thereto, except that the City shall have the right to sell, lease or otherwise dispose of any property of the System found by the Common Council to be neither necessary nor useful in the operation of the System, provided the proceeds received from such sale, lease or disposal shall be paid into the Debt Service Fund or applied to the acquisition or construction of capital facilities for use in the normal operation of the System, and such payment shall not reduce the amounts otherwise required to be paid into the Debt Service Fund;

(c) The City will pay or cause to be paid all lawful taxes, assessments, governmental charges, and claims for labor, materials or supplies which if unpaid could become a lien upon the System or its Revenues or could impair the security of the Bonds;

(d) The City will maintain in reasonably good condition and operate the System, and will establish, charge and collect such lawfully established rates and charges for the service rendered by the System, so that in each Fiscal Year Net Revenues shall not be less than 125% of the Annual Debt Service Requirement, and so that the Revenues of the System herein agreed to be set aside to provide for the payment of the Bonds, the Prior Bonds and Parity Bonds and the interest thereon as the same becomes due and payable, and to meet the Reserve Requirement, will be sufficient for those purposes;

(e) The City will prepare a budget not less than sixty days prior to the end of each Fiscal Year and, in the event such budget indicates that the Net Revenues for each Fiscal Year will not exceed the Annual Debt Service Requirement for each corresponding Fiscal Year by the proportion stated hereunder, will take any and all steps permitted by law to increase rates so that the aforementioned proportion of Net Revenues to the Annual Debt Service Requirement shall be accomplished as promptly as possible;

(f) The City will keep proper books and accounts relative to the System separate from all other records of the City and will cause such books and accounts to be audited annually by a recognized independent firm of certified public accountants including a balance sheet and a profit and loss statement of the System as certified by such accountants. Each such audit, in addition to whatever matters may be thought proper by the accountants to be included therein shall include the following: (1) a statement in detail of the income and expenditures of the System for the Fiscal Year; (2) a statement of the Net Revenues of the System for such Fiscal Year; (3) a balance sheet as of the end of such Fiscal Year; (4) the accountants' comment regarding the manner in which the City has carried out the requirements of this Resolution and the accountants' recommendations for any changes or improvements in the operation of the System; (5) the number of connections to the System at the end of the Fiscal Year, for each user classification (i.e., residential, commercial, public and industrial); (6) a list of the insurance policies in force at the end of the Fiscal Year setting out as to each policy the amount of the policy, the risks covered, the name of the insurer, and the expiration date of the policy; and (7) the volume of water used. The owners of any of the Bonds shall have at all reasonable times the right to inspect the System and the records, accounts and data of the City relating thereto; and

(g) So long as any of the Bonds are outstanding the City will carry for the benefit of the owners of the Bonds insurance of the kinds and in the amounts normally carried by private companies or other public bodies engaged in the operation of similar systems. All money received for loss of use and occupancy shall be considered Revenue of the System payable into the separate funds and accounts named in Section 5A of this Resolution. All money received for losses under any casualty policies shall be used in repairing the damage or in replacing the property destroyed provided that if the Common Council shall find it is inadvisable to repair such damage or replace such property and that the operation of the System has not been impaired thereby, such money shall be deposited in the Debt Service Fund, but in that event such payments shall not reduce the amounts otherwise required to be paid into the Debt Service Fund.

Section 8. Additional Bonds. No bonds or obligations payable out of the Revenues of the System may be issued in such manner as to enjoy priority over the Bonds. Additional obligations may be issued if their lien and pledge is junior and subordinate to that of the Bonds. Additional obligations may be issued on a parity with the Bonds as to the pledge of Revenues of the System ("Parity Bonds") only if all of the following conditions are met:

a. (1) The Net Revenues for the last completed Fiscal Year preceding the issuance of such additional obligations must have been at least equal to 1.25 times the average combined annual interest and principal requirements on all Bonds, Prior Bonds and any Parity Bonds then outstanding payable from the revenues of the System (other than the Bonds, Prior Bonds and any Parity Bonds being refunded), and the obligations so proposed to be issued; provided, however, that if prior to the authorization of such additional obligations the City shall have adopted and put into effect a revised schedule of rates, then the Net Revenues of the System for the last completed Fiscal Year which would, in the written opinion of a financial advisor, an independent consulting engineer or independent certified public accountant employed for that purpose, have resulted from such rates had they been in effect for such period may be used in lieu of the actual Net Revenues for the last completed Fiscal Year; or

(2) An independent certified public accountant, financial advisor or consulting professional engineer provides a certificate setting forth for each of the three Fiscal Years commencing with the Fiscal Year following that in which the projects financed by such additional obligations are to be completed, the projected Net Revenues and the maximum annual interest and principal requirements on all bonds outstanding payable from the Gross Revenues of the System and on the obligations then to be issued (the "Maximum Annual Debt Service Requirement"); and demonstrating that for each such Fiscal Year the projected Net Revenues will be in an amount not less than 125% of such Maximum Annual Debt Service Requirement.

b. The payments required to be made into the funds and accounts enumerated in Section 5A of this Resolution (including the Reserve Fund, but not the Surplus Fund) must have been made in full.

c. The additional obligations must have principal maturing on May 1 of each year in which principal falls due and interest falling due on May 1 and November 1 of each year.

d. If the additional obligations are to be secured by the Reserve Fund, the amount on deposit in the Reserve Fund must be equal to the Reserve Requirement applicable upon the issuance of Parity Bonds as defined in Section 4 of this Resolution.

e. The proceeds of the additional obligations must be used only for the purpose of providing additions, extensions or improvements to the System, or to refund obligations issued for such purpose.

While any of the Prior Bonds are outstanding, unless waived by the owners of the Prior Bonds, Parity Bonds may not be issued unless the terms and conditions set forth in the Prior Resolutions are also satisfied.

Section 9. Application of Bond Proceeds. All accrued interest received from the sale of the Bonds shall be deposited into the Debt Service Fund. An amount of proceeds of the Bonds equal to the Reserve Requirement shall be deposited in the Reserve Fund. An amount of proceeds of the Bonds sufficient to provide for the payment of the Refunded Obligations being refunded by the Bonds shall be deposited into a refunding escrow account established by the Escrow Agreement (defined below). The balance of the proceeds, less the expenses incurred in authorizing, issuing and delivering the Bonds, shall be deposited in the Debt Service Fund for use in payment of principal of and interest on the Bonds.

Section 10. Amendment to Resolution. After the issuance of any of the Bonds, no change or alteration of any kind in the provisions of this Resolution may be made until all of the Bonds have been paid in full as to both principal and interest, or discharged as herein provided, except:

a. The City may, from time to time, amend this Resolution without the consent of any of the owners of the Bonds, but only to cure any ambiguity, administrative conflict, formal defect, or omission or procedural inconsistency of this Resolution; and

b. This Resolution may be amended, in any respect, with the written consent of the owners of not less than two-thirds of the principal amount of the Bonds then outstanding, exclusive of Bonds held by the City; provided, however, that no amendment shall permit any change in the pledge of Revenues derived from the System, or in the maturity of any Bond issued hereunder, or a reduction in the rate of interest on any Bond, or in the amount of the principal obligation thereof, or in the amount of the redemption premium payable in the case of redemption thereof, or change the terms upon which the Bonds may be redeemed or make any other modification in the terms of the payment of such principal or interest without the written consent of the owner of each such Bond to which the change is applicable.

Section 11. Defeasance. When all Bonds have been discharged, all pledges, liens, covenants and other rights granted to the owners thereof by this Resolution shall cease. The City may discharge all Bonds due on any date by depositing into a special account on or before that date a sum sufficient to pay the same in full; or if any Bonds should not be paid when due, it may nevertheless be discharged by depositing into a special account a sum sufficient to pay it in full with interest accrued from the due date to the date of such deposit. The City, at its option, may also discharge all Bonds called for redemption on any date when they are prepayable according to their terms, by depositing into a special account on or before that date a sum sufficient to pay them in full, with the required redemption premium, if any, provided that notice of redemption has been duly given as required by this Resolution. The City, at its option, may also discharge all Bonds of said issue at any time by irrevocably depositing in escrow with a suitable bank or trust company a sum of cash and/or bonds or securities issued or guaranteed as to principal and interest of the U.S. Government, or of a commission, board or other instrumentality of the U.S. Government, maturing on the dates and bearing interest at the rates required to provide funds sufficient to pay when due the interest to accrue on each of said Bonds to its maturity or, at the City's option, if said Bond is prepayable to any prior date upon which it may be called for redemption, and to pay and redeem the principal amount of each such Bond at maturity, or at the City's option, if said Bond is prepayable, at its earliest redemption date, with the premium required for such redemption, if any, provided that notice of the redemption of all prepayable Bonds on such date has been duly given or provided for. Upon such payment or deposit, in the amount and manner provided by this Section, all liability of the City with respect to the Bonds shall cease, terminate and be completely discharged, and the owners thereof shall be entitled only to payment out of the money so deposited.

Section 12. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the City and the owner or owners of the Bonds, and after issuance of any of the Bonds no change or alteration of any kind in the provisions of this Resolution may be made, except as provided in Section 10, until all of the Bonds have been paid in full as to both principal and interest. The owner or owners of any of the Bonds shall have the right in addition to all other rights, by mandamus or other suit or action in any court of competent jurisdiction, to enforce such owner's or owners' rights against the City, the governing body thereof, and any and all officers and agents thereof including, but without limitation, the right to require the City, its governing body and any other authorized body, to fix and collect rates and charges fully adequate to carry out all of the provisions and agreements contained in this Resolution.

Section 13. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Bonds eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Clerk's office.

Section 14. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by the Bond Trust Services Corporation, Roseville, Minnesota, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The City hereby authorizes the Mayor and City Clerk or other appropriate officers of the City to enter into a Fiscal Agency Agreement between the City and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Bonds.

Section 15. Persons Treated as Owners; Transfer of Bonds. The City shall cause books for the registration and for the transfer of the Bonds to be kept by the Fiscal Agent. The person in whose name any Bond 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 Bond 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 Bond to the extent of the sum or sums so paid.

Any Bond may be transferred by the registered owner thereof by surrender of the Bond at the office of the Fiscal Agent, 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 Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Bond surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Bond or Bonds necessary to effect any such transfer.

Section 16. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Bonds (the "Record Date"). Payment of interest on the Bonds on any interest payment date shall be made to the registered owners of the Bonds as they appear on the registration book of the City at the close of business on the Record Date.

Section 17. Conditions on Issuance and Sale of the Bonds. The issuance of the Bonds and the sale of the Bonds to the Purchaser are subject to approval by an Authorized Officer of the principal amount, definitive maturities, redemption provisions, interest rates and purchase price

for the Bonds. Satisfaction of such conditions shall be evidenced by execution by an Authorized Officer of the Approving Certificate.

The Bonds shall not be issued, sold or delivered until these conditions have been satisfied. Upon satisfaction of the conditions, an Authorized Officer is authorized to execute the Proposal with the Purchaser providing for the sale of the Bonds to the Purchaser.

Section 18. Escrow Agent; Escrow Agreement; Escrow Account. Zions Bancorporation, National Association, Chicago, Illinois, is hereby appointed escrow agent for the City, for the purpose of ensuring the payment of the principal of and interest on the Refunded Obligations (the "Escrow Agent").

The Mayor and City Clerk, or other appropriate officers of the City, are hereby authorized and directed to execute an escrow agreement (the "Escrow Agreement") with the Escrow Agent, for the purpose of effectuating the provisions of this Resolution.

The Bond proceeds allocable the Refunding shall be deposited in a refunding escrow account which is hereby created with the Escrow Agent, pursuant to the Escrow Agreement, for the purpose of retaining the required amount of cash, if any, and acquiring the United States obligations provided for in the Escrow Agreement.

Section 19. SLGS Subscriptions. The Escrow Agent and appropriate officers and agents of the City are authorized to submit subscriptions for United States Treasury Securities - State and Local Government Series and to purchase other U.S. government securities on behalf of the City in such amount as is necessary in order to carry out the Refunding.

Section 20. Redemption of Refunded Obligations. Subject to final approval by an Authorized Officer, as evidenced by the execution of the Approving Certificate, the Refunded Obligations are called for prior payment and redemption on December 1, 2022.

The City hereby directs the Escrow Agent to cause timely notice of redemption, in substantially the form to be attached to the Escrow Agreement, to be provided at the times, to the parties and in the manner set forth on the notice.

Section 21. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of the proceeds of the Bonds allocable to the payment of issuance expenses to Old National Bank or the Escrow Agent at Closing for further distribution as directed by Ehlers.

Section 22. Official Statement. The Common Council hereby directs the Authorized Officers to approve the Preliminary Official Statement with respect to the Bonds and deem the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by the Authorized Officers or other officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or final Official Statement are hereby ratified and approved. In connection with the closing of the Bonds, the appropriate City official shall certify the Preliminary Official

Statement and any addenda or final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or final Official Statement to be distributed to the Purchaser.

Section 23. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Bonds or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

The Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Bonds, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 24. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "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 the Bonds in the Record Book.

Section 25. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Bonds, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Bond proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Bonds by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Bond provided herein.

Section 26. Execution of the Bonds; Closing; Professional Services. The Bonds shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent, sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Bonds may be imprinted on the Bonds in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Bonds, at least one of the signatures appearing on each Bond shall be a manual signature. In the event that either of the officers whose signatures appear on the Bonds shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Bonds and all such documents, certificates and

acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Bonds, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Bonds is hereby ratified and approved in all respects.

Section 27. Conflicting Ordinances or Resolutions. All prior ordinances, resolutions, rules, or orders, or parts thereof heretofore enacted, adopted or entered, in conflict with the provisions of this Resolution, are hereby repealed and this Resolution shall be in effect from and after its passage. In the case of any conflict between this Resolution and the Prior Resolutions, the Prior Resolutions shall control so long as any Prior Bonds are outstanding

Adopted, approved and recorded February 23, 2021.

Michael Murray
Mayor

ATTEST:

Rebecca Weyer
City Clerk

(SEAL)

EXHIBIT A

CERTIFICATE APPROVING THE DETAILS OF TAXABLE WATER SYSTEM REVENUE REFUNDING BONDS, SERIES 2021B

I, [____],[____] of the City of Tomah, Monroe County, Wisconsin (the "City") hereby certify that:

1. Resolution. On February 23, 2021, the Common Council of the City adopted a resolution (the "Resolution") authorizing the issuance and establishing parameters for the sale of not to exceed \$1,195,000 Taxable Water System Revenue Refunding Bonds, Series 2021B of the City (the "Bonds") and delegating to me the authority to approve the purchase proposal for the Bonds, and to determine the details for the Bonds within the parameters established by the Resolution.

2. Proposal; Terms of the Bonds. On the date hereof, the Bonds were offered for public sale and the bids set forth on the Bid Tabulation attached hereto as Schedule I and incorporated herein by this reference were received and the institution listed first on the Bid Tabulation (the "Purchaser") offered to purchase the Bonds in accordance with the terms set forth in the Proposal attached hereto as Schedule II and incorporated herein by this reference (the "Proposal"). Ehlers & Associates, Inc. recommends the City accept the Proposal. The Proposal meets the parameters and conditions established by the Resolution and is hereby approved and accepted.

The Bonds shall be issued in the aggregate principal amount of \$_____, which is not more than the \$1,195,000 approved by the Resolution, and shall mature on May 1 of each of the years and in the amounts and shall bear interest at the rates per annum as set forth in the Pricing Summary attached hereto as Schedule III and incorporated herein by this reference. The amount of each annual principal or mandatory redemption payment due on the Bonds is not more than \$50,000 more or less per maturity or mandatory redemption amount than the schedule included in the Resolution as set forth below:

<u>Date</u>	<u>Resolution Schedule</u>	<u>Actual Amount</u>
05/01/2023	\$135,000	\$ _____
05/01/2024	135,000	_____
05/01/2025	140,000	_____
05/01/2026	145,000	_____
05/01/2027	150,000	_____
05/01/2028	150,000	_____
05/01/2029	155,000	_____
05/01/2030	75,000	_____

The true interest cost on the Bonds (computed taking the Purchaser's compensation into account) is _____%, which is not in excess of 3.00%, as required by the Resolution.

4. Purchase Price of the Bonds. The Bonds shall be sold to the Purchaser in accordance with the terms of the Proposal at a price of \$ _____, plus accrued interest, if any, to the date of delivery of the Bonds which is not less than 98.80% nor more than 106.00% of the principal amount of the Bonds as required by the Resolution.

5. Redemption Provisions of the Bonds. [The Bonds maturing on May 1, [____] and thereafter are subject to redemption prior to maturity, at the option of the City, on May 1, [____] or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.] [The Proposal specifies that [some of] the Bonds are subject to mandatory redemption. The terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference.]

6. Approval. This Certificate constitutes my approval of the Proposal, and the principal amount, definitive maturities, interest rates, purchase price and redemption provisions for the Bonds and the debt service schedule attached hereto as Schedule IV is found to be such that the amount of annual debt service payments is reasonable in accordance with prudent municipal utility practices, in satisfaction of the parameters set forth in the Resolution.

IN WITNESS WHEREOF, I have executed this Certificate on _____, 2021 pursuant to the authority delegated to me in the Resolution.

[____], [____]

SCHEDULE I TO APPROVING CERTIFICATE

Bid Tabulation

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

SCHEDULE II TO APPROVING CERTIFICATE

Proposal

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

SCHEDULE III TO APPROVING CERTIFICATE

Pricing Summary

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

SCHEDULE IV TO APPROVING CERTIFICATE

Debt Service Schedule

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

COPY
(See Attached)

COPY

EXHIBIT MRP

Mandatory Redemption Provision

The Bonds due on May 1, _____, _____, _____ and _____ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem on May 1 of each year the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on May 1, _____

<u>Redemption</u>	<u>Amount</u>
<u>Date</u>	<u>\$</u>
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on May 1, _____

<u>Redemption</u>	<u>Amount</u>
<u>Date</u>	<u>\$</u>
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on May 1, _____

<u>Redemption</u>	<u>Amount</u>
<u>Date</u>	<u>\$</u>
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on May 1, _____

<u>Redemption</u>	<u>Amount</u>
<u>Date</u>	<u>\$</u>
_____	_____
_____	_____ (maturity)]

EXHIBIT B

(Form of Bond)

REGISTERED UNITED STATES OF AMERICA DOLLARS
 STATE OF WISCONSIN
 NO. R-___ MONROE COUNTY \$_____
 CITY OF TOMAH
 TAXABLE WATER SYSTEM REVENUE REFUNDING BOND, SERIES 2021B

MATURITY DATE ORIGINAL DATE OF ISSUE INTEREST RATE CUSIP
 May 1, _____, 2021 _____%

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
 (\$_____)

FOR VALUE RECEIVED, the City of Tomah, Monroe County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), solely from the fund hereinafter specified, 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 May 1 and November 1 of each year commencing on November 1, 2021, until the aforesaid principal amount is paid in full. Both the principal of and interest on this Bond are payable to the registered owner 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 Bond is registered on the Bond Register maintained by Bond Trust Services Corporation, Roseville, Minnesota (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Bond is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

The Bonds maturing on May 1, [____], and thereafter are subject to redemption prior to maturity, at the option of the City, on May 1, [____], or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

[The Bonds maturing in the years _____, _____ and _____ are subject to mandatory redemption by lot as provided in the Resolution referenced below at the redemption price of par plus accrued interest to the date of redemption and without premium.]

In the event the Bonds are redeemed prior to maturity, as long as the Bonds are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, 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 Bonds of a maturity are to be called for redemption, the Bonds 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 Bonds called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Bonds 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 Bonds shall no longer be deemed to be outstanding.

This Bond is one of an issue aggregating \$[_____], issued for the purpose of paying the cost of refunding obligations of the City issued to finance additions, improvements and extensions to the City's Water System, pursuant to Article XI, Section 3, of the Wisconsin Constitution, Section 66.0621, Wisconsin Statutes, acts supplementary thereto and a Resolution adopted February 23, 2021, and entitled: "A Resolution Authorizing the Issuance and Establishing Parameters for the Sale of Not to Exceed \$1,195,000 Taxable Water System Revenue Refunding Bonds, Series 2021B of the City of Tomah, Monroe County, Wisconsin, and Providing for the Payment of the Bonds and Other Details with Respect to the Bonds", as supplemented by a Certificate Approving the Details of Taxable Water System Revenue Refunding Bonds, Series 2021B (collectively, the "Resolution") and is payable only from the income and revenues of said Water System. Such revenues have been set aside and pledged as a special fund for that purpose and identified as "Debt Service Fund", created by a resolution adopted by the City on December 9, 2003 and continued by the Resolution. The Bonds are issued on a parity with the City's Water System Revenue Bonds, Series 2003A, dated December 23, 2003, Water System Revenue Bonds, Series 2004A, dated November 24, 2004, Water System Revenue Bonds, Series 2006A, dated December 27, 2006, Water System Revenue Bonds, Series 2016, dated June 22, 2016 and Water System Revenue Bonds, Series 2018, dated June 27, 2018, as to the pledge of income and revenues of the Water System. This Bond does not constitute an indebtedness of the City within the meaning of any constitutional or statutory debt limitation or provision.

This Bond is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Bonds, and the City appoints another depository, upon surrender of the Bond to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly

authorized attorney. Thereupon a new fully registered Bond 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 City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Bonds (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 Bonds, or (iii) with respect to any particular Bond, after such Bond has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Bond 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. The Bonds are issuable solely as negotiable, fully-registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof.

It is hereby certified, recited and declared that all conditions, things and acts required by law to exist, happen, and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as required by law; and that sufficient of the income and revenue to be received by said City from the operation of its Water System has been pledged to and will be set aside into a special fund for the payment of the principal of and interest on this Bond.

This Bond shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.

IN WITNESS WHEREOF, the City of Tomah, Monroe County, Wisconsin, by its governing body, has caused this Bond to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF TOMAH,
MONROE COUNTY, WISCONSIN

By: _____
Michael Murray
Mayor

By: _____
Rebecca Weyer
City Clerk

(SEAL)

Date of Authentication: _____, _____

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue authorized by the within-mentioned Resolution of the City of Tomah, Wisconsin.

BOND TRUST SERVICES CORPORATION
ROSEVILLE, MINNESOTA

By _____
Authorized Signatory

COPY

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 Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Bond 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 Bond in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

COPY

February 23, 2021

Pre-Sale Report for

City of Tomah, Wisconsin

\$1,195,000 Taxable Water System Revenue
Refunding Bonds, Series 2021B



Prepared by:

Ehlers
N21W23350 Ridgeview Parkway West,
Suite 100
Waukesha, WI 53188

Advisors:

David Ferris, CPA, Municipal Advisor
Philip Cosson, Senior Municipal Advisor

BUILDING COMMUNITIES. IT'S WHAT WE DO.

EXECUTIVE SUMMARY OF PROPOSED DEBT

Proposed Issue:

\$1,195,000 Taxable Water System Revenue Refunding Bonds, Series 2021B

Purposes:

The proposed issue includes financing for the following purposes:

- Advance Refund General Obligation Refunding Bonds, Series 2014A. Debt service will be paid from water revenues.

This refunding is considered an Advance Refunding as the new Bonds will be issued more than 90 days prior to the call date of the obligations being refunded.

Authority:

The Bonds are being issued pursuant to Wisconsin Statute(s):

- 66.0621

The Bonds are not general obligations of the City but are payable only from and secured by a pledge of income and revenue to be derived from the operation of the Water System.

Term/Call Feature:

The Bonds are being issued for a term of 9 years. Principal on the Bonds will be due on May 1 in the years 2023 through 2030. Interest is payable every six months beginning November 1, 2021.

The Bonds will be subject to prepayment at the discretion of the City on May 1, 2028 or any date thereafter.

Bank Qualification:

Because the Bonds are taxable obligations they will not be designated as “bank qualified” obligations.

Rating:

The City will request a new rating for the Bonds.

If the winning bidder on the Bonds elects to purchase bond insurance, the rating for the issue may be higher than the City’s bond rating in the event that the bond rating of the insurer is higher than that of the City.

Basis for Recommendation:

Based on our knowledge of your situation, your objectives communicated to us, our advisory relationship as well as characteristics of various municipal financing options, we are recommending the issuance of Bonds as a suitable option based on:

- Net system revenues available for debt service that provide sufficient coverage for the estimated principal and interest payments of the proposed Bonds and existing parity debt.
- The City's Debt Management Policy which restricts General Obligation borrowing to 75% of its constitutional limit.

Method of Sale/Placement:

We will solicit competitive bids for the purchase of the Bonds from underwriters and banks.

We will include an allowance for discount bidding in the terms of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.

If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.

Premium Pricing:

In some cases, investors in municipal bonds prefer "premium" pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid in excess of face value is considered "reoffering premium." The underwriter of the bonds will retain a portion of this reoffering premium as their compensation (or "discount") but will pay the remainder of the premium to the City.

For this issue of Bonds, any premium amount received may: be retained; used to reduce the issue size; or combination thereof. These adjustments may slightly change the true interest cost of the original bid, either up or down. We anticipate using any premium amounts received to reduce the issue size.

The amount of premium allowed can be restricted in the bid specifications. Restrictions on premium may result in fewer bids, but may also eliminate large adjustments on the day of sale and unintended results with respect to debt service payment impacts. Ehlers will identify appropriate premium restrictions for the Bonds intended to achieve the City's objectives for this financing.

Parameters:

The Common Council will consider adoption of a Parameters Resolution on February 23, 2021, which delegates authority to the City Administrator or City Clerk to accept and approve a bid for the Bonds so long as the bid meets certain parameters. These parameters are:

- * Issue size not to exceed \$1,195,000
- * Maximum Bid of 106.00%
- * Minimum Bid of 98.80%
- * Maximum True Interest Cost (TIC) of 3.00%
- * Maturity Schedule Adjustments not to exceed \$50,000 per maturity

Other Considerations:

The Bonds will be offered with the option of the successful bidder utilizing a term bond structure. By offering underwriters the option to “term up” some of the maturities at the time of the sale, it gives them more flexibility in finding a market for your Bonds. This makes your issue more marketable, which can result in lower borrowing costs. In the event that the successful bidder utilizes a term bond structure, we recommend the City retain a paying agent to handle responsibility for processing mandatory redemption/call notices associated with term bonds.

Review of Existing Debt:

We have reviewed all outstanding indebtedness for the City and find that, other than the obligations proposed to be refunded by the Bonds, there are no other refunding opportunities at this time.

We will continue to monitor the market and the call dates for the City’s outstanding debt and will alert you to any future refunding opportunities.

Continuing Disclosure:

Because the City has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the City will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually, as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the “MSRB”), as required by rules of the Securities and Exchange Commission (SEC). The City is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.

Arbitrage Monitoring:

The Bonds are taxable obligations and are therefore not subject to IRS arbitrage and yield restriction requirements.

Risk Factors:

Utility Revenue: The City expects to pay the Bond debt service with:

- Water Revenues

In the event utility revenues are insufficient to pay debt service, the Common Council is committing to consider appropriating funds from any other available sources in an amount sufficient to cover the shortfall. If it chooses to do so, the City may levy a tax to make up a shortfall. Any amount levied for this purpose is exempted from levy limits. While the City is not required to appropriate the funds necessary to remedy any shortfall in revenues needed to pay debt service, failure to do so would result in either a lack of access to capital markets in the future, or access at a substantially higher cost.

Advance Refunding: The Bonds are being issued for the purpose of “advance” refunding prior City debt obligations. An advance refunding of an original tax-exempt debt obligation must be a taxable financing under current IRS rules. This refunding is being undertaken based in part on the following assumptions:

- Since the new Bonds will extend the “call” date for this debt, we are assuming that the City does not expect to have revenues available to pre-pay the current obligations prior to this new call date.
- That advance refunding on a taxable basis will provide an overall lower debt cost as compared to waiting to refund the issue until its call date

Other Service Providers:

This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.

Bond Counsel: Quarles & Brady LLP

Paying Agent: Bond Trust Services Corporation

Rating Agency: Moody’s Investors Service, Inc.

PROPOSED DEBT ISSUANCE SCHEDULE

Pre-Sale Review and Adopt Parameters by Common Council to Award Sale of Bonds:	February 23, 2021
Distribute Official Statement:	Week of March 15, 2021
Due Diligence Call to review Official Statement:	To be determined
Conference with Rating Agency:	To be determined
Designated Officials Award Sale of the Bonds:	March 24, 2021
Estimated Closing Date:	April 15, 2021
Redemption Date for the 2014A General Obligation Refunding Bonds Being Refunded:	December 1, 2022

Attachments

- Estimated Sources and Uses of Funds
- Estimated Proposed Debt Service Schedule/Coverage Analysis
- Bond Buyer Index
- Estimated Debt Service Comparison

EHLERS' CONTACTS

David Ferris, Municipal Advisor	(262) 796-6194
Philip Cosson, Senior Municipal Advisor	(262) 796-6161
Peter Curtin, Public Finance Analyst	(262) 796-6187
Kathy Myers, Financial Analyst	(262) 796-6177

The Preliminary Official Statement for this financing will be sent to the Common Council at their home or email address for review prior to the sale date.



Financing Plan / Issue Sizing

	Taxable GO Ref Bonds 2021	Taxable Water Revenue Ref Bonds 2021	Taxable Sewer Revenue Ref Bonds 2021
Refundings			
Amount Needed to Refund 2017 STF TID 8	427,449		
Amount Needed to Refund 2019 STF TID 8	156,521		
Amount Needed to Refund 2014A General	3,208,390		
Less: Debt Service Funds Available	(76,620)		
Amount Needed to Refund 2014A Sewer			1,372,889
Less: Debt Service Funds Available			(34,699)
Less: Additional Funds Available			(621,000)
Amount Needed to Refund 2014A Water		1,636,672	
Less: Debt Service Funds Available		(39,384)	
Less: Additional Funds Available		(480,500)	
Project Needs	3,715,740	1,116,788	717,189
Debt Service Reserve¹	0	119,500	79,000
Less: Additional Funds Available	0	(119,500)	(79,000)
Issuance Expenses			
Municipal Advisor	29,900	25,900	22,500
CPA Verification	2,500	2,500	2,500
Escrow Agent	2,500	2,500	2,500
Bond Counsel	13,000	13,000	13,000
Rating Agency Fee	13,500	14,000	14,000
Paying Agent If terms	850	850	850
Refunding Contingency	5,000	5,000	5,000
Underwriter Fees	45,960	14,340	9,480
Total Funds Needed	3,828,950	1,194,878	787,019
Rounding	1,050	122	2,981
Size of Issue	3,830,000	1,195,000	790,000

Notes: ¹ Debt service reserve calculation that produces the least amount of reserve is 10% of par.

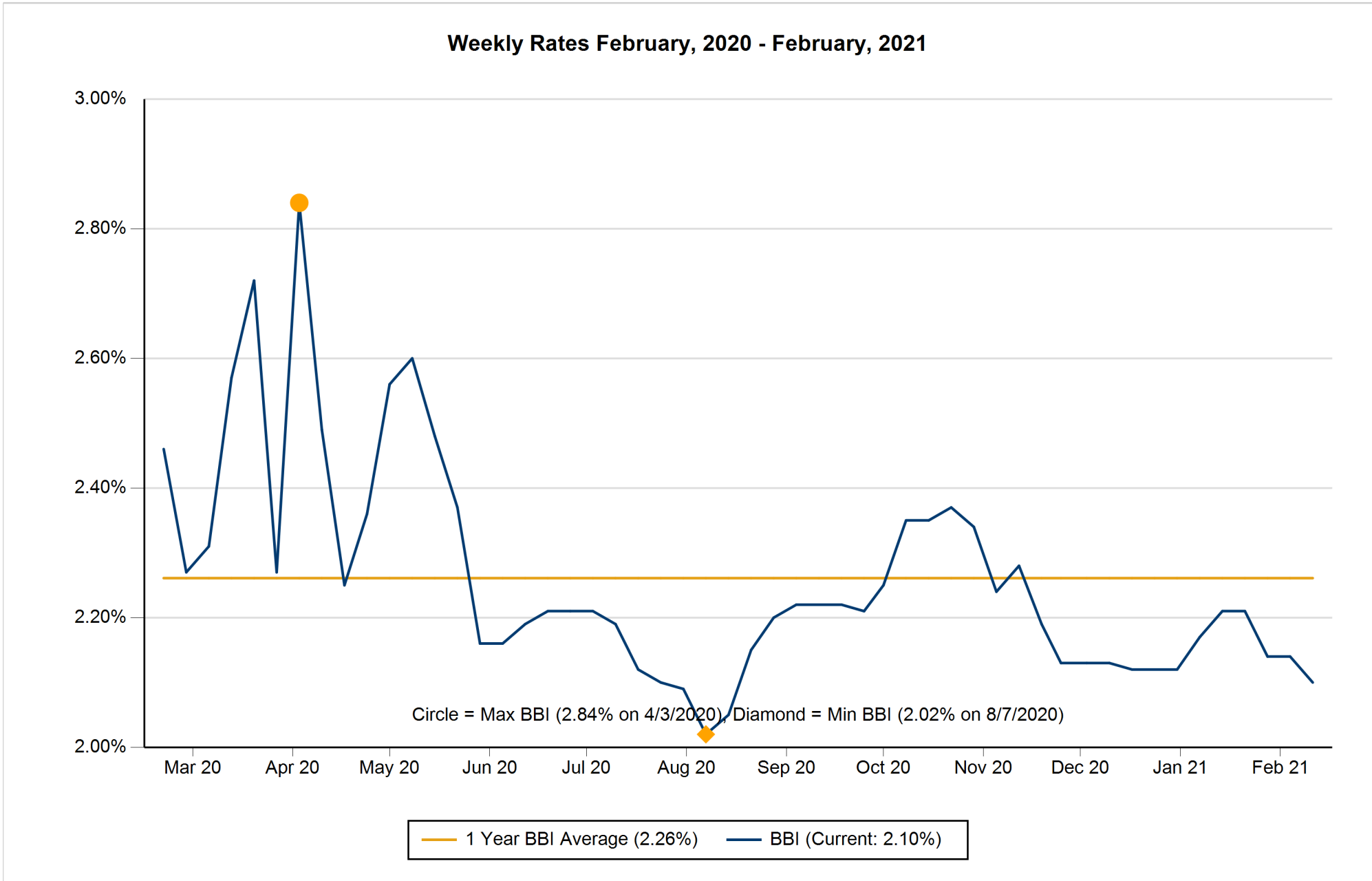


Coverage Analysis - Water Utility

YEAR	System Revenues		Debt Service							Coverage Ratios		YEAR	
	Total ¹	Net	Existing Debt Rev Debt			Water Utility Revenue Projected Debt				Total Payments	Debt		Capacity
			Principal	Interest	Total	Principal	Rates	Interest	Total				
2020	2,194,170	951,989	270,997	30,229	301,226			10,314	10,314	311,540	3.06	878,446	2020
2021	2,194,170	951,989	274,772	26,427	301,199			18,944	18,944	320,143	2.97	869,843	2021
2022	2,194,170	951,989	278,601	22,571	301,172	145,000	1.01%	18,212	163,212	464,384	2.05	725,602	2022
2023	2,194,170	951,989	282,484	18,660	301,144	150,000	1.12%	16,640	166,640	467,784	2.04	722,202	2023
2024	2,194,170	951,989	229,230	15,165	244,395	155,000	1.28%	14,808	169,808	414,203	2.30	775,783	2024
2025	2,194,170	951,989	166,211	12,562	178,773	160,000	1.47%	12,640	172,640	351,412	2.71	838,574	2025
2026	2,194,170	951,989	168,366	10,392	178,758	165,000	1.70%	10,061	175,061	353,819	2.69	836,167	2026
2027	2,194,170	951,989	74,925	8,904	83,829	170,000	1.93%	7,018	177,018	260,847	3.65	929,139	2027
2028	2,194,170	951,989	75,718	8,106	83,825	165,000	2.10%	3,645	168,645	252,470	3.77	937,516	2028
2029	2,194,170	951,989	76,520	7,301	83,821	85,000	2.25%	956	85,956	169,777	5.61	1,020,209	2029
2030	2,194,170	951,989	77,330	6,487	83,816					83,816	11.36	1,106,170	2030
2031	2,194,170	951,989	78,148	5,664	83,812					83,812	11.36	1,106,174	2031
2032	2,194,170	951,989	78,976	4,832	83,807					83,807	11.36	1,106,179	2032
2033	2,194,170	951,989	79,812	3,991	83,803					83,803	11.36	1,106,183	2033
2034	2,194,170	951,989	80,657	3,142	83,799					83,799	11.36	1,106,188	2034
2035	2,194,170	951,989	81,511	2,284	83,794					83,794	11.36	1,106,192	2035
2036	2,194,170	951,989	82,374	1,416	83,789					83,789	11.36	1,106,197	2036
2037	2,194,170	951,989	43,421	736	44,157					44,157	21.56	1,145,829	2037
2038	2,194,170	951,989	43,908	246	44,154					44,154	21.56	1,145,832	2038
2039	2,194,170	951,989										1,189,986	2039
2040	2,194,170	951,989										1,189,986	2040
2041	2,194,170	951,989										1,189,986	2041
			2,543,960	189,115	2,733,074	1,195,000		113,236	1,308,236	4,041,311			

NOTES:
¹Total system revenues available for debt service is based upon the 2019 audit.

1 YEAR TREND IN MUNICIPAL BOND INDICES



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

Source: The Bond Buyer



Refunding Analysis

<u>Issue</u>	<u>Cash Flow Savings / (Loss)</u>	<u>Net Present Savings / (Loss)</u>	<u>Description</u>
2014A General Obligation Refunding Bonds			
<u>Purpose</u>			
General Levy - Streets	\$ 140,166	\$ 97,818	1. The 2014A issue will be refunded for savings purposes and to free up General Obligation Debt Capacity. 2. A Taxable General Obligation Refunding Bond will be used to Advance Refund the maturities of 2023 - 2030 for the Street portion of the 2014A Bonds as well as current refund the 2017 and 2019 TID 8 State Trust Fund Loans 3. A Taxable Sewer Revenue Refunding Bond will be used to Advance Refund the Sewer Utility share of the 2014A Bonds. The change in the type of security resulted in a net present value loss. 4. A Taxable Water Revenue Refunding Bond will be used to Advance Refund the Water Utility share of the 2014A Bonds. The change in the type of security resulted in a net present value loss.
Water Utility	38,371	(57,918)	
Sewer Utility	44,004	(83,881)	
Total	<u>222,541</u>	<u>(43,981)</u>	
2017 State Trust Fund Loan			
<u>Purpose</u>			
TID 8	25,440	25,331	
2019 State Trust Fund Loan			
<u>Purpose</u>			
TID 8	6,824	6,049	
Total Refunding	<u><u>254,805</u></u>	<u><u>(12,601)</u></u>	

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ISSUANCE AND ESTABLISHING PARAMETERS
FOR THE SALE OF NOT TO EXCEED
\$790,000 TAXABLE SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2021C
OF THE CITY OF TOMAH, MONROE COUNTY, WISCONSIN,
AND PROVIDING FOR THE PAYMENT OF THE BONDS AND
OTHER DETAILS WITH RESPECT TO THE BONDS

WHEREAS, the City of Tomah, Monroe County, Wisconsin (the "City") owns and operates its Sewer System (the "System") which is operated for a public purpose as a public utility; and

WHEREAS, under the provisions of Section 66.0621, Wisconsin Statutes, any municipality in the State of Wisconsin may, by action of its governing body, provide funds for extending, adding to and improving a public utility or to refund obligations issued to finance such extensions, additions and improvements from the proceeds of bonds, which bonds are to be payable only from the income and revenues of such utility and are to be secured by a pledge of the revenues of the utility; and

WHEREAS, the City has outstanding its General Obligation Refunding Bonds, Series 2014A, dated January 28, 2014 (the "2014 General Obligation Bonds") which 2014 General Bonds refinanced, among other things, obligations used to finance additions, extensions and improvements to the System; and

WHEREAS, the City has determined that it is necessary and desirable to refund the portion of the 2023 through 2030 maturities of the 2014 General Obligation Bonds which refinanced additions, extensions and improvements to the System (the "Refunded Obligations") for the purpose of restructuring the City's outstanding indebtedness (the "Refunding"); and

WHEREAS, it is necessary, desirable and in the best interests of the City to authorize and sell sewer system revenue bonds (the "Bonds") to refund the Refunded Bonds payable solely from the Revenues of the System, which Bonds are to be authorized and issued pursuant to the provisions of Section 66.0621, Wisconsin Statutes; and

WHEREAS, the City has authorized the issuance of not to exceed \$1,195,000 Taxable Water System Revenue Refunding Bonds and not to exceed \$3,830,000 Taxable General Obligation Refunding Bonds (collectively, the "Refunding Bonds") which Refunding Bonds will be used to refund the portion of the 2014 General Obligation Bonds not refunded by the Bonds; and

WHEREAS, the City has no bonds or obligations outstanding which are payable from the Revenues of the System; and

WHEREAS, it is the finding of the Common Council that it is in the best interest of the City to direct its financial advisor, Ehlers & Associates, Inc. ("Ehlers"), to take the steps necessary for the City to offer and sell sewer system revenue refunding bonds (the "Bonds") at a public sale and to obtain bids for the purchase of the Bonds; and

WHEREAS, due to certain provisions contained in the Internal Revenue Code of 1986, as amended, it is necessary to issue the Bonds on a taxable rather than tax-exempt basis; and

WHEREAS, in order to facilitate the sale of the Bonds in a timely manner, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City to delegate to either the City Administrator or the City Clerk (each an "Authorized Officer") the authority to accept on behalf of the City the bid for the Bonds that results in the lowest true interest cost for the Bonds (the "Proposal") so long as the Proposal meets the terms and conditions provided for in this Resolution by executing a certificate in substantially the form attached hereto as Exhibit A and incorporated herein by reference (the "Approving Certificate").

NOW, THEREFORE, the Common Council of the City of Tomah, Monroe County, Wisconsin, do resolve that:

Section 1. Authorization and Sale of the Bonds; Parameters. For the purpose of paying the costs of the Refunding, the City is authorized to borrow pursuant to Section 66.0621, Wisconsin Statutes, the principal sum of not to exceed SEVEN HUNDRED NINETY THOUSAND DOLLARS (\$790,000) upon the terms and subject to the conditions set forth in this Resolution. Subject to satisfaction of the conditions set forth in Section 17 of this Resolution, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the Purchaser, on behalf of and in the name of the City, the Bonds in a principal amount of not to exceed SEVEN HUNDRED NINETY THOUSAND DOLLARS (\$790,000). The purchase price to be paid to the City for the Bonds shall not be less than 98.80% nor more than 106.00% of the principal amount of the Bonds.

Section 2. Terms of the Bonds. The Bonds shall be designated "Taxable Sewer System Revenue Refunding Bonds, Series 2021C"; shall be issued in the aggregate principal amount of up to \$790,000; shall be dated as of their date of issuance; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall mature or be subject to mandatory redemption on the dates and in the principal amounts set forth below, provided that the principal amount of each maturity or mandatory redemption amount may be increased or decreased by up to \$50,000 per maturity or mandatory redemption amount and that the aggregate principal amount of the Bonds shall not exceed \$790,000. The schedule below assumes the Bonds are issued in the aggregate principal amount of \$790,000.

<u>Date</u>	<u>Amount</u>
05/01/2023	\$100,000
05/01/2024	95,000
05/01/2025	100,000
05/01/2026	100,000
05/01/2027	110,000
05/01/2028	110,000

05/01/2029	110,000
05/01/2030	65,000

Interest shall be payable semi-annually on May 1 and November 1 of each year commencing on November 1, 2021. The true interest cost on the Bonds (computed taking the Purchaser's compensation into account) will not exceed 3.00%. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

The schedule of maturities or mandatory redemptions is found to be such that the amount of annual debt service payments is reasonable in accordance with prudent municipal utility practices and will be confirmed in the Approving Certificate.

The Refunding is advantageous and necessary to the City.

The Bonds, together with interest thereon, shall be payable only out of the Special Redemption Fund hereinafter provided, and shall be a valid claim of the registered owner or owners thereof only against the Special Redemption Fund and the Revenues pledged to such Fund, and sufficient Revenues are pledged to the Special Redemption Fund, and shall be used for no other purpose than to pay the principal of and interest on the Bonds and any Parity Bonds as the same fall due.

The Bonds shall either not be subject to optional redemption or be callable as set forth in the Approving Certificate. If the Proposal specifies that certain of the Bonds are subject to mandatory redemption, the terms of such mandatory redemption shall be set forth on an attachment to the Approving Certificate. Upon the optional redemption of any of the Bonds subject to mandatory redemption, the principal amount of such Bonds so redeemed shall be credited against the mandatory redemption payments established for such Bonds in such manner as the City shall direct.

Section 3. Form of the Bonds. The Bonds 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 4. Definitions. In addition to the words defined elsewhere in this Resolution, the following words shall have the following meanings unless the context or use indicates another or different meaning or intent:

"Annual Debt Service Requirement" means the total amount of principal and interest due in any Fiscal Year on the Bonds and Parity Bonds.

"Bond Year" means the Twelve-month period ending on each May 1.

"Code" means the Internal Revenue Code of 1986, as amended.

"DTC" means The Depository Trust Company, New York, New York, or any successor securities depository for the City with respect to the Bonds.

"Fiscal Year" means the fiscal year adopted by the City for the System, which is currently the calendar year.

"Net Revenues" means the Revenues minus all Operation and Maintenance Expenses of the System.

"Operation and Maintenance Expenses" means the reasonable and necessary costs of operating, maintaining, administering and repairing the System, including salaries, wages, costs of materials and supplies, insurance and audits, but excluding depreciation, debt service, tax equivalents and capital expenditures.

"Parity Bonds" means additional bonds or obligations issued on a parity as to pledge and lien with the Bonds in accordance with the provisions of Section 8 of this Resolution.

"Reserve Requirement" means an amount, determined as of the date of issuance of the Bonds, equal to the least of (a) 10% of the proceeds of the Bonds (up to the amount permitted to be deposited from proceeds of the Bonds pursuant to Section 148 (d)(1) of the Code); (b) the maximum annual debt service on the Bonds in any Bond Year; and (c) 125% of average annual debt service on the Bonds. If Parity Bonds which are to be secured by the Reserve Account are issued, the Reserve Requirement shall mean an amount, determined as of the date of issuance of the Parity Bonds, equal to the least of (a) the amount required to be on deposit in the Reserve Account prior to the issuance of such Parity Bonds, plus the amount permitted to be deposited therein from proceeds of the Parity Bonds pursuant to Section 148(d)(1) of the Code; (b) the maximum annual debt service on outstanding obligations secured by the Reserve Account and the Parity Bonds to be issued in any Bond Year; and (c) 125% of average annual debt service on the outstanding obligations secured by the Reserve Account and the Parity Bonds to be issued.

"Revenues" means all income and revenue derived from operation of the System, including the revenues received from the City for services rendered to it, funds appropriated by the Common Council for services provided by the System to the City and all moneys received from any other source, including income derived from investments.

"System" means the entire sewerage system of the City including all property of every nature now or hereafter owned by the City for the collection, transmission, treatment, storage, metering and disposal of domestic, industrial and public sewage, including all improvements and extensions thereto made by the City while any of the Bonds and Parity Bonds remain outstanding, including all real and personal property of every nature comprising part of or used or useful in connection with such sewerage system and including all appurtenances, contracts, leases, franchises and other intangibles.

Section 5. Income and Revenue Funds. When the Bonds shall have been delivered in whole or in part, the Revenues shall be set aside into the following separate and special funds, which are hereby created and established and shall be used and applied as described below:

- Revenues in amounts sufficient to provide for the reasonable and proper operation and maintenance of the System through the payment of Operation and Maintenance Expenses shall

be set aside into the Sewer System Operation and Maintenance Fund (the "Operation and Maintenance Fund").

- Revenues in amounts sufficient to pay the principal of and interest on the Bonds and Parity Bonds and to meet the Reserve Requirement shall be set aside into the Sewer System Revenue Bond and Interest Special Redemption Fund (the "Special Redemption Fund"), to be applied to the payment of the principal of and interest on the Bonds and Parity Bonds and to meet the Reserve Requirement. The monies standing in the Special Redemption Fund are irrevocably pledged to the payment of principal of and interest on the Bonds and Parity Bonds.

- Revenues in amounts sufficient to provide a proper and adequate depreciation account for the System shall be set aside into the Sewer System Depreciation Fund (the "Depreciation Fund").

The Operation and Maintenance Fund and Depreciation Fund shall be deposited as received in public depositories to be selected by the Common Council in the manner required by Chapter 34, Wisconsin Statutes and may be invested in legal investments subject to the provisions of Section 66.0603(1m), Wisconsin Statutes.

Money in the Operation and Maintenance Fund shall be used to pay Operation and Maintenance Expenses as the same come due; money not immediately required for Operation and Maintenance Expenses shall be used to accumulate a reserve in the Operation and Maintenance Fund equal to estimated Operation and Maintenance Expenses for one month. Any money then available and remaining in the Operation and Maintenance Fund may be transferred to the Surplus Fund, which fund is hereby continued.

Revenues shall be deposited in the Depreciation Fund each month until such amount as the Common Council may from time to time determine to constitute an adequate and reasonable depreciation account for the System (the "Depreciation Requirement") is accumulated therein. Money in the Depreciation Fund shall be available and shall be used, whenever necessary, to restore any deficiency in the Special Redemption Fund and for the maintenance of the Reserve Account therein. When the Special Redemption Fund is sufficient for its purpose, funds in the Depreciation Fund may be expended for repairs, replacements, new construction, extensions or additions to the System. Any money on deposit in the Depreciation Fund in excess of the Depreciation Requirement which is not required during the current Fiscal Year for the purposes of the Depreciation Fund, may be transferred to the Surplus Fund.

It is the express intent and determination of the Common Council that the amount of Revenues to be set aside and paid into the Special Redemption Fund (including the Reserve Account) shall in any event be sufficient to pay principal of and interest on the Bonds and Parity Bonds and to meet the Reserve Requirement, and the City Treasurer shall each Fiscal Year deposit at least sufficient Revenues in the Special Redemption Fund to pay promptly all principal and interest falling due on the Bonds and Parity Bonds and to meet the Reserve Requirement.

The Revenues so set aside for payment of the principal of and interest on the Bonds and Parity Bonds shall be set apart and shall be paid into the Special Redemption Fund not later than

the 10th day of each month. The amount deposited each month shall be not less than one-sixth of the interest next coming due, plus one-twelfth of the principal next maturing or subject to mandatory redemption on the next redemption date.

The minimum amounts to be so deposited for debt service on the Bonds will be set forth on the schedule attached to the Approving Certificate.

The Special Redemption Fund shall be used for no purpose other than the payment of interest on and principal of the Bonds and Parity Bonds promptly as the same become due and payable or to pay redemption premiums. All money in the Special Redemption Fund shall be deposited in a special account and invested in legal investments subject to Section 66.0603(1m), Wisconsin Statutes, and the monthly payments required to be made to the Special Redemption Fund shall be made directly to such account.

A Reserve Account is hereby established to additionally secure the payment of principal of and interest on the Bonds. The City covenants and agrees that upon the issuance of the Bonds an amount sufficient to make the amount on deposit in the Reserve Account equal to the Reserve Requirement shall be deposited into the Reserve Account and shall be maintained therein.

The City covenants and agrees that at any time that the Reserve Account is drawn on and the amount in the Reserve Account shall be less than the Reserve Requirement, an amount equal to one-twelfth of the Reserve Requirement will be paid monthly into the Reserve Account from those funds in the Special Redemption Fund, the Operation and Maintenance Fund, the Depreciation Fund and the Surplus Fund which are in excess of the minimum amounts required by the preceding paragraphs to be paid therein until the Reserve Requirement will again have accumulated in the Reserve Account. If at any time the amount on deposit in the Reserve Account exceeds the Reserve Requirement, the excess shall be transferred to the Special Redemption Fund and used to pay principal and interest on the Bonds. If for any reason there shall be insufficient funds on hand in the Special Redemption Fund to meet principal or interest becoming due on the Bonds or Parity Bonds secured by the Reserve Account, then all sums then held in the Reserve Account shall be used to pay the portion of interest or principal on such Bonds or Parity Bonds becoming due as to which there would otherwise be default, and thereupon the payments required by this paragraph shall again be made into the Reserve Account until an amount equal to the Reserve Requirement is on deposit in the Reserve Account.

Funds in the Special Redemption Fund in excess of the minimum amounts required to be paid therein plus reserve requirements may be transferred to the Surplus Fund.

Money in the Surplus Fund shall first be used when necessary to meet requirements of the Operation and Maintenance Fund including the one month reserve, the Special Redemption Fund including the Reserve Account, and the Depreciation Fund. Any money then remaining in the Surplus Fund at the end of any Fiscal Year may be used only as permitted and in the order specified in Section 66.0811(2), Wisconsin Statutes. Money thereafter remaining in the Surplus Fund may be transferred to any of the funds or accounts created by this section.

Section 6. Service to the City. The reasonable cost and value of any service rendered to the City by the System by furnishing sewer services for public purposes shall be charged against the City and shall be paid by it in monthly installments as the service accrues, out of the current revenues of the City collected or in the process of collection, exclusive of the revenues derived from the System, to wit: out of the tax levy of the City made by it to raise money to meet its necessary current expenses. It is hereby found and determined that the reasonable cost and value of such service to the City in each year shall be in an amount which, together with Revenues of the System, will produce Net Revenues equivalent to not less than 1.25 times the Annual Debt Service Requirement. Such compensation for such service rendered to the City shall, in the manner provided hereinabove, be paid into the separate and special funds described in Section 5 of this Resolution. However, such payment is subject to (a) annual appropriations by the Common Council therefor and (b) applicable levy limits, if any; and neither this Resolution nor such payment shall be construed as constituting an obligation of the City to make any such appropriation over and above the reasonable cost and value of services rendered to the City or to make any subsequent payment over and above such reasonable cost and value.

Section 7. Operation of System; City Covenants. It is covenanted and agreed by the City with the owner or owners of the Bonds, and each of them, that:

(a) The City will faithfully and punctually perform all duties with reference to the System required by the Constitution and Statutes of the State of Wisconsin, including the making and collecting of reasonable and sufficient rates lawfully established for services rendered by the System, and will collect and segregate the Revenues of the System and apply them to the respective funds and accounts described hereinabove;

(b) The City will not sell, lease, or in any manner dispose of the System, including any part thereof or any additions, extensions, or improvements that may be made part thereto, except that the City shall have the right to sell, lease or otherwise dispose of any property of the System found by the Common Council to be neither necessary nor useful in the operation of the System, provided the proceeds received from such sale, lease or disposal shall be paid into the Special Redemption Fund or applied to the acquisition or construction of capital facilities for use in the normal operation of the System, and such payment shall not reduce the amounts otherwise required to be paid into the Special Redemption Fund;

(c) The City will pay or cause to be paid all lawful taxes, assessments, governmental charges, and claims for labor, materials or supplies which if unpaid could become a lien upon the System or its Revenues or could impair the security of the Bonds;

(d) The City will maintain in reasonably good condition and operate the System, and will establish, charge and collect such lawfully established rates and charges for the service rendered by the System, so that in each Fiscal Year Net Revenues shall not be less than 125% of the Annual Debt Service Requirement, and so that the Revenues of the System herein agreed to be set aside to provide for the payment of the Bonds and Parity Bonds and the interest thereon as the same becomes due and payable, and to meet the Reserve Requirement, will be sufficient for those purposes;

(e) The City will prepare a budget not less than sixty days prior to the end of each Fiscal Year and, in the event such budget indicates that the Net Revenues for each Fiscal Year will not exceed the Annual Debt Service Requirement for each corresponding Fiscal Year by the proportion stated hereunder, will take any and all steps permitted by law to increase rates so that the aforementioned proportion of Net Revenues to the Annual Debt Service Requirement shall be accomplished as promptly as possible;

(f) The City will keep proper books and accounts relative to the System separate from all other records of the City and will cause such books and accounts to be audited annually by a recognized independent firm of certified public accountants including a balance sheet and a profit and loss statement of the System as certified by such accountants. Each such audit, in addition to whatever matters may be thought proper by the accountants to be included therein shall include the following: (1) a statement in detail of the income and expenditures of the System for the Fiscal Year; (2) a statement of the Net Revenues of the System for such Fiscal Year; (3) a balance sheet as of the end of such Fiscal Year; (4) the accountants' comment regarding the manner in which the City has carried out the requirements of this Resolution and the accountants' recommendations for any changes or improvements in the operation of the System; (5) the number of connections to the System at the end of the Fiscal Year, for each user classification (i.e., residential, commercial, public and industrial); (6) a list of the insurance policies in force at the end of the Fiscal Year setting out as to each policy the amount of the policy, the risks covered, the name of the insurer, and the expiration date of the policy; and (7) the volume of water used. The owners of any of the Bonds shall have at all reasonable times the right to inspect the System and the records, accounts and data of the City relating thereto; and

(g) So long as any of the Bonds are outstanding the City will carry for the benefit of the owners of the Bonds insurance of the kinds and in the amounts normally carried by private companies or other public bodies engaged in the operation of similar systems. All money received for loss of use and occupancy shall be considered Revenue of the System payable into the separate funds and accounts named in Section 5 of this Resolution. All money received for losses under any casualty policies shall be used in repairing the damage or in replacing the property destroyed provided that if the Common Council shall find it is inadvisable to repair such damage or replace such property and that the operation of the System has not been impaired thereby, such money shall be deposited in the Special Redemption Fund, but in that event such payments shall not reduce the amounts otherwise required to be paid into the Special Redemption Fund.

Section 8. Additional Bonds. No bonds or obligations payable out of the Revenues of the System may be issued in such manner as to enjoy priority over the Bonds. Additional obligations may be issued if their lien and pledge is junior and subordinate to that of the Bonds. Additional obligations may be issued on a parity with the Bonds as to the pledge of Revenues of the System ("Parity Bonds") only if all of the following conditions are met:

a. (1) The Net Revenues for the last completed Fiscal Year preceding the issuance of such additional obligations must have been at least equal to 1.25 times the average combined annual interest and principal requirements on all Bonds and any Parity Bonds then outstanding payable from the revenues of the System (other than the Bonds

and any Parity Bonds being refunded), and the obligations so proposed to be issued; provided, however, that if prior to the authorization of such additional obligations the City shall have adopted and put into effect a revised schedule of rates, then the Net Revenues of the System for the last completed Fiscal Year which would, in the written opinion of a financial advisor, an independent consulting engineer or independent certified public accountant employed for that purpose, have resulted from such rates had they been in effect for such period may be used in lieu of the actual Net Revenues for the last completed Fiscal Year; or

(2) An independent certified public accountant, financial advisor or consulting professional engineer provides a certificate setting forth for each of the three Fiscal Years commencing with the Fiscal Year following that in which the projects financed by such additional obligations are to be completed, the projected Net Revenues and the maximum annual interest and principal requirements on all bonds outstanding payable from the Gross Revenues of the System and on the obligations then to be issued (the "Maximum Annual Debt Service Requirement"); and demonstrating that for each such Fiscal Year the projected Net Revenues will be in an amount not less than 125% of such Maximum Annual Debt Service Requirement.

b. The payments required to be made into the funds and accounts enumerated in Section 5 of this Resolution (including the Reserve Account, but not the Surplus Fund) must have been made in full.

c. The additional obligations must have principal maturing on May 1 of each year in which principal falls due and interest falling due on May 1 and November 1 of each year.

d. If the additional obligations are to be secured by the Reserve Account, the amount on deposit in the Reserve Account must be equal to the Reserve Requirement applicable upon the issuance of Parity Bonds as defined in Section 4 of this Resolution.

e. The proceeds of the additional obligations must be used only for the purpose of providing additions, extensions or improvements to the System, or to refund obligations issued for such purpose.

Section 9. Application of Bond Proceeds. All accrued interest received from the sale of the Bonds shall be deposited into the Special Redemption Fund. An amount of proceeds of the Bonds sufficient to make the amount on deposit in the Reserve Account equal to the Reserve Requirement shall be deposited in the Reserve Account. An amount of proceeds of the Bonds, after taking into account other amounts deposited, sufficient to provide for the Refunding shall be deposited in a refunding escrow account established by the Escrow Agreement (defined below). The balance of the proceeds, less the expenses incurred in authorizing, issuing and delivering the Bonds, shall be deposited in the Special Redemption Fund for use in payment of principal of and interest on the Bonds.

Section 10. Amendment to Resolution. After the issuance of any of the Bonds, no change or alteration of any kind in the provisions of this Resolution may be made until all of the Bonds have been paid in full as to both principal and interest, or discharged as herein provided, except:

a. The City may, from time to time, amend this Resolution without the consent of any of the owners of the Bonds, but only to cure any ambiguity, administrative conflict, formal defect, or omission or procedural inconsistency of this Resolution; and

b. This Resolution may be amended, in any respect, with the written consent of the owners of not less than two-thirds of the principal amount of the Bonds then outstanding, exclusive of Bonds held by the City; provided, however, that no amendment shall permit any change in the pledge of Revenues derived from the System, or in the maturity of any Bond issued hereunder, or a reduction in the rate of interest on any Bond, or in the amount of the principal obligation thereof, or in the amount of the redemption premium payable in the case of redemption thereof, or change the terms upon which the Bonds may be redeemed or make any other modification in the terms of the payment of such principal or interest without the written consent of the owner of each such Bond to which the change is applicable.

Section 11. Defeasance. When all Bonds have been discharged, all pledges, liens, covenants and other rights granted to the owners thereof by this Resolution shall cease. The City may discharge all Bonds due on any date by depositing into a special account on or before that date a sum sufficient to pay the same in full; or if any Bonds should not be paid when due, it may nevertheless be discharged by depositing into a special account a sum sufficient to pay it in full with interest accrued from the due date to the date of such deposit. The City, at its option, may also discharge all Bonds called for redemption on any date when they are prepayable according to their terms, by depositing into a special account on or before that date a sum sufficient to pay them in full, with the required redemption premium, if any, provided that notice of redemption has been duly given as required by this Resolution. The City, at its option, may also discharge all Bonds of said issue at any time by irrevocably depositing in escrow with a suitable bank or trust company a sum of cash and/or bonds or securities issued or guaranteed as to principal and interest of the U.S. Government, or of a commission, board or other instrumentality of the U.S. Government, maturing on the dates and bearing interest at the rates required to provide funds sufficient to pay when due the interest to accrue on each of said Bonds to its maturity or, at the City's option, if said Bond is prepayable to any prior date upon which it may be called for redemption, and to pay and redeem the principal amount of each such Bond at maturity, or at the City's option, if said Bond is prepayable, at its earliest redemption date, with the premium required for such redemption, if any, provided that notice of the redemption of all prepayable Bonds on such date has been duly given or provided for. Upon such payment or deposit, in the amount and manner provided by this Section, all liability of the City with respect to the Bonds shall cease, terminate and be completely discharged, and the owners thereof shall be entitled only to payment out of the money so deposited.

Section 12. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the City and the owner or owners of the Bonds, and after issuance of any of the Bonds no change or alteration of any kind in the provisions of this Resolution may be made,

except as provided in Section 10, until all of the Bonds have been paid in full as to both principal and interest. The owner or owners of any of the Bonds shall have the right in addition to all other rights, by mandamus or other suit or action in any court of competent jurisdiction, to enforce such owner's or owners' rights against the City, the governing body thereof, and any and all officers and agents thereof including, but without limitation, the right to require the City, its governing body and any other authorized body, to fix and collect rates and charges fully adequate to carry out all of the provisions and agreements contained in this Resolution.

Section 13. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Bonds eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Clerk's office.

Section 14. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by the Bond Trust Services Corporation, Roseville, Minnesota, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The City hereby authorizes the Mayor and City Clerk or other appropriate officers of the City to enter into a Fiscal Agency Agreement between the City and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Bonds.

Section 15. Persons Treated as Owners; Transfer of Bonds. The City shall cause books for the registration and for the transfer of the Bonds to be kept by the Fiscal Agent. The person in whose name any Bond 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 Bond 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 Bond to the extent of the sum or sums so paid.

Any Bond may be transferred by the registered owner thereof by surrender of the Bond at the office of the Fiscal Agent, 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 Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Bond surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Bond or Bonds necessary to effect any such transfer.

Section 16. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Bonds (the "Record Date"). Payment of

interest on the Bonds on any interest payment date shall be made to the registered owners of the Bonds as they appear on the registration book of the City at the close of business on the Record Date.

Section 17. Conditions on Issuance and Sale of the Bonds. The issuance of the Bonds and the sale of the Bonds to the Purchaser are subject to approval by an Authorized Officer of the principal amount, definitive maturities, redemption provisions, interest rates and purchase price for the Bonds. Satisfaction of such conditions shall be evidenced by execution by an Authorized Officer of the Approving Certificate.

The Bonds shall not be issued, sold or delivered until these conditions have been satisfied. Upon satisfaction of the conditions, an Authorized Officer is authorized to execute the Proposal with the Purchaser providing for the sale of the Bonds to the Purchaser.

Section 18. Escrow Agent; Escrow Agreement; Escrow Account. Zions Bancorporation, National Association., Chicago, Illinois, is hereby appointed escrow agent for the City, for the purpose of ensuring the payment of the principal of and interest on the Refunded Obligations (the "Escrow Agent").

The Mayor and City Clerk, or other appropriate officers of the City, are hereby authorized and directed to execute an escrow agreement (the "Escrow Agreement") with the Escrow Agent, for the purpose of effectuating the provisions of this Resolution.

The Bond proceeds allocable to refunding the Refunded Obligations shall be deposited in a refunding escrow account which is hereby created with the Escrow Agent, pursuant to the Escrow Agreement, for the purpose of retaining the required amount of cash, if any, and acquiring the United States obligations provided for in the Escrow Agreement.

Section 19. SLGS Subscriptions. The Escrow Agent and appropriate officers and agents of the City are authorized to submit subscriptions for United States Treasury Securities - State and Local Government Series and to purchase other U.S. government securities on behalf of the City in such amount as is necessary in order to carry out the Refunding.

Section 20. Redemption of Refunded Obligations. Subject to final approval by an Authorized Officer, as evidenced by the execution of the Approving Certificate, the Refunded Obligations are called for prior payment and redemption on December 1, 2022.

The City hereby directs the Escrow Agent to cause timely notice of redemption, in substantially the form to be attached to the Escrow Agreement, to be provided at the times, to the parties and in the manner set forth on the notice.

Section 21. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of the proceeds of the Bonds allocable to the payment of issuance expenses to Old National Bank or the Escrow Agent at Closing for further distribution as directed by Ehlers.

Section 22. Official Statement. The Common Council hereby directs the Authorized Officers to approve the Preliminary Official Statement with respect to the Bonds and deem the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by the Authorized Officers or other officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or final Official Statement are hereby ratified and approved. In connection with the closing of the Bonds, the appropriate City official shall certify the Preliminary Official Statement and any addenda or final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or final Official Statement to be distributed to the Purchaser.

Section 23. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Bonds or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

The Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Bonds, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 24. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "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 the Bonds in the Record Book.

Section 25. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Bonds, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Bond proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Bonds by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Bond provided herein.

Section 26. Execution of the Bonds; Closing; Professional Services. The Bonds shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent, sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the

"Closing"). The facsimile signature of either of the officers executing the Bonds may be imprinted on the Bonds in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Bonds, at least one of the signatures appearing on each Bond shall be a manual signature. In the event that either of the officers whose signatures appear on the Bonds shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Bonds and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Bonds, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Bonds is hereby ratified and approved in all respects.

Section 27. Conflicting Ordinances or Resolutions. All prior ordinances, resolutions, rules, or orders, or parts thereof heretofore enacted, adopted or entered, in conflict with the provisions of this Resolution, are hereby repealed and this Resolution shall be in effect from and after its passage.

Adopted, approved and recorded February 23, 2021.

Michael Murray
Mayor

ATTEST:

Rebecca Weyer
City Clerk

(SEAL)

EXHIBIT A

CERTIFICATE APPROVING THE DETAILS OF TAXABLE SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2021C

I, [____],[____] of the City of Tomah, Monroe County, Wisconsin (the "City") hereby certify that:

1. Resolution. On February 23, 2021, the Common Council of the City adopted a resolution (the "Resolution") authorizing the issuance and establishing parameters for the sale of not to exceed \$790,000 Taxable Sewer System Revenue Refunding Bonds, Series 2021C of the City (the "Bonds") and delegating to me the authority to approve the purchase proposal for the Bonds, and to determine the details for the Bonds within the parameters established by the Resolution.

2. Proposal; Terms of the Bonds. On the date hereof, the Bonds were offered for public sale and the bids set forth on the Bid Tabulation attached hereto as Schedule I and incorporated herein by this reference were received and the institution listed first on the Bid Tabulation (the "Purchaser") offered to purchase the Bonds in accordance with the terms set forth in the Proposal attached hereto as Schedule II and incorporated herein by this reference (the "Proposal"). Ehlers & Associates, Inc. recommends the City accept the Proposal. The Proposal meets the parameters and conditions established by the Resolution and is hereby approved and accepted.

The Bonds shall be issued in the aggregate principal amount of \$_____, which is not more than the \$790,000 approved by the Resolution, and shall mature on May 1 of each of the years and in the amounts and shall bear interest at the rates per annum as set forth in the Pricing Summary attached hereto as Schedule III and incorporated herein by this reference. The amount of each annual principal or mandatory redemption payment due on the Bonds is not more than \$50,000 more or less per maturity or mandatory redemption amount than the schedule included in the Resolution as set forth below:

<u>Date</u>	<u>Resolution Schedule</u>	<u>Actual Amount</u>
05/01/2023	\$100,000	\$ _____
05/01/2024	95,000	_____
05/01/2025	100,000	_____
05/01/2026	100,000	_____
05/01/2027	110,000	_____
05/01/2028	110,000	_____
05/01/2029	110,000	_____
05/01/2030	65,000	_____

The true interest cost on the Bonds (computed taking the Purchaser's compensation into account) is _____%, which is not in excess of 3.00%, as required by the Resolution.

4. Purchase Price of the Bonds. The Bonds shall be sold to the Purchaser in accordance with the terms of the Proposal at a price of \$_____, plus accrued interest, if

any, to the date of delivery of the Bonds which is not less than 98.80% nor more than 106.00% of the principal amount of the Bonds as required by the Resolution.

5. Redemption Provisions of the Bonds. [The Bonds maturing on May 1, [_____] and thereafter are subject to redemption prior to maturity, at the option of the City, on May 1, [_____] or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.] [The Proposal specifies that [some of] the Bonds are subject to mandatory redemption. The terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference.]

6. Approval. This Certificate constitutes my approval of the Proposal, and the principal amount, definitive maturities, interest rates, purchase price and redemption provisions for the Bonds and the debt service schedule attached hereto as Schedule IV is found to be such that the amount of annual debt service payments is reasonable in accordance with prudent municipal utility practices, in satisfaction of the parameters set forth in the Resolution.

IN WITNESS WHEREOF, I have executed this Certificate on _____, 2021 pursuant to the authority delegated to me in the Resolution.

[____], [____]

COPY

SCHEDULE I TO APPROVING CERTIFICATE

Bid Tabulation

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

SCHEDULE II TO APPROVING CERTIFICATE

Proposal

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

COPY
(See Attached)

COPY

SCHEDULE III TO APPROVING CERTIFICATE

Pricing Summary

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

SCHEDULE IV TO APPROVING CERTIFICATE

Debt Service Schedule

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

EXHIBIT MRP

Mandatory Redemption Provision

The Bonds due on May 1, _____, _____, _____ and _____ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from special redemption fund deposits which are required to be made in amounts sufficient to redeem on May 1 of each year the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on May 1, _____

<u>Redemption</u>	<u>Amount</u>
<u>Date</u>	<u>\$</u>
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on May 1, _____

<u>Redemption</u>	<u>Amount</u>
<u>Date</u>	<u>\$</u>
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on May 1, _____

<u>Redemption</u>	<u>Amount</u>
<u>Date</u>	<u>\$</u>
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on May 1, _____

<u>Redemption</u>	<u>Amount</u>
<u>Date</u>	<u>\$</u>
_____	_____
_____	_____ (maturity)]

EXHIBIT B

(Form of Bond)

REGISTERED	UNITED STATES OF AMERICA	DOLLARS
	STATE OF WISCONSIN	
NO. R-__	MONROE COUNTY	\$ _____
	CITY OF TOMAH	
TAXABLE SEWER SYSTEM REVENUE REFUNDING BOND, SERIES 2021C		

MATURITY DATE	ORIGINAL DATE OF ISSUE	INTEREST RATE	CUSIP
May 1, _____	_____, 2021	_____%	_____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
(\$ _____)

FOR VALUE RECEIVED, the City of Tomah, Monroe County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), solely from the fund hereinafter specified, 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 May 1 and November 1 of each year commencing on November 1, 2021, until the aforesaid principal amount is paid in full. Both the principal of and interest on this Bond are payable to the registered owner 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 Bond is registered on the Bond Register maintained by Bond Trust Services Corporation, Roseville, Minnesota (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Bond is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

The Bonds maturing on May 1, [____], and thereafter are subject to redemption prior to maturity, at the option of the City, on May 1, [____], or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

【The Bonds maturing in the years _____, _____ and _____ are subject to mandatory redemption by lot as provided in the Resolution referenced below at the redemption price of par plus accrued interest to the date of redemption and without premium.】

In the event the Bonds are redeemed prior to maturity, as long as the Bonds are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, 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 Bonds of a maturity are to be called for redemption, the Bonds 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 Bonds called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Bonds 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 Bonds shall no longer be deemed to be outstanding.

This Bond is one of an issue aggregating \$[_____], issued for the purpose of paying the cost of refunding obligations of the City issued to finance additions, improvements and extensions to the City's Sewer System, pursuant to Article XI, Section 3, of the Wisconsin Constitution, Section 66.0621, Wisconsin Statutes, acts supplementary thereto and a Resolution adopted February 23, 2021, and entitled: "A Resolution Authorizing the Issuance and Establishing Parameters for the Sale of Not to Exceed \$790,000 Taxable Sewer System Revenue Refunding Bonds, Series 2021C of the City of Tomah, Monroe County, Wisconsin, and Providing for the Payment of the Bonds and Other Details with Respect to the Bonds", as supplemented by a Certificate Approving the Details of Taxable Sewer System Revenue Refunding Bonds, Series 2021C (collectively, the "Resolution") and is payable only from the income and revenues of said Sewer System. Such revenues have been set aside and pledged as a special fund for that purpose and identified as "Special Redemption Fund", created by the Resolution. This Bond does not constitute an indebtedness of the City within the meaning of any constitutional or statutory debt limitation or provision.

This Bond is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Bonds, and the City appoints another depository, upon surrender of the Bond to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Bond 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 City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Bonds (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 Bonds, or

(iii) with respect to any particular Bond, after such Bond has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Bond 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. The Bonds are issuable solely as negotiable, fully-registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof.

It is hereby certified, recited and declared that all conditions, things and acts required by law to exist, happen, and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as required by law; and that sufficient of the income and revenue to be received by said City from the operation of its Sewer System has been pledged to and will be set aside into a special fund for the payment of the principal of and interest on this Bond.

This Bond shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.

IN WITNESS WHEREOF, the City of Tomah, Monroe County, Wisconsin, by its governing body, has caused this Bond to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF TOMAH,
MONROE COUNTY, WISCONSIN

By: _____
Michael Murray
Mayor

(SEAL)

By: _____
Rebecca Weyer
City Clerk

Date of Authentication: _____

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue authorized by the within-mentioned Resolution of the City of Tomah, Wisconsin.

COPI

BOND TRUST SERVICES CORPORATION
ROSEVILLE, MINNESOTA

By _____
Authorized Signatory

COPI

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 Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Bond 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 Bond in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

February 23, 2021
Pre-Sale Report for

City of Tomah, Wisconsin

\$790,000 Taxable Sewer System Revenue
Refunding Bonds, Series 2021C



Prepared by:

Ehlers
N21W23350 Ridgeview Parkway West,
Suite 100
Waukesha, WI 53188

Advisors:

David Ferris, CPA, Municipal Advisor
Philip Cosson, Senior Municipal Advisor

BUILDING COMMUNITIES. IT'S WHAT WE DO.

EXECUTIVE SUMMARY OF PROPOSED DEBT

Proposed Issue:

\$790,000 Taxable Sewer System Revenue Refunding Bonds, Series 2021C

Purposes:

The proposed issue includes financing for the following purposes:

- Advance Refund General Obligation Refunding Bonds, Series 2014A. Debt service will be paid from sewer revenues.

This refunding is considered an Advance Refunding as the new Bonds will be issued more than 90 days prior to the call date of the obligations being refunded.

Authority:

The Bonds are being issued pursuant to Wisconsin Statute(s):

- 66.0621

The Bonds are not general obligations of the City but are payable only from and secured by a pledge of income and revenue to be derived from the operation of the Sewer System.

Term/Call Feature:

The Bonds are being issued for a term of 9 years. Principal on the Bonds will be due on May 1 in the years 2023 through 2030. Interest is payable every six months beginning November 1, 2021.

The Bonds will be subject to prepayment at the discretion of the City on May 1, 2028 or any date thereafter.

Bank Qualification:

Because the Bonds are taxable obligations they will not be designated as “bank qualified” obligations.

Rating:

The City will request a new rating for the Bonds.

If the winning bidder on the Bonds elects to purchase bond insurance, the rating for the issue may be higher than the City’s bond rating in the event that the bond rating of the insurer is higher than that of the City.

Basis for Recommendation:

Based on our knowledge of your situation, your objectives communicated to us, our advisory relationship as well as characteristics of various municipal financing options, we are recommending the issuance of Bonds as a suitable option based on:

- Net system revenues available for debt service that provide sufficient coverage for the estimated principal and interest payments of the proposed Bonds [and existing parity debt].
- The City's Debt Management Policy which restricts General Obligation borrowing to 75% of its constitutional limit.

Method of Sale/Placement:

We will solicit competitive bids for the purchase of the Bonds from underwriters and banks.

We will include an allowance for discount bidding in the terms of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.

If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.

Premium Pricing:

In some cases, investors in municipal bonds prefer "premium" pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid in excess of face value is considered "reoffering premium." The underwriter of the bonds will retain a portion of this reoffering premium as their compensation (or "discount") but will pay the remainder of the premium to the City.

For this issue of Bonds, any premium amount received may: be retained; used to reduce the issue size; or combination thereof. These adjustments may slightly change the true interest cost of the original bid, either up or down. We anticipate using any premium amounts received to reduce the issue size.

The amount of premium allowed can be restricted in the bid specifications. Restrictions on premium may result in fewer bids, but may also eliminate large adjustments on the day of sale and unintended results with respect to debt service payment impacts. Ehlers will identify appropriate premium restrictions for the Bonds intended to achieve the City's objectives for this financing.

Parameters:

The Common Council will consider adoption of a Parameters Resolution on February 23, 2021, which delegates authority to the City Administrator or City Clerk to accept and approve a bid for the Bonds so long as the bid meets certain parameters. These parameters are:

- * Issue size not to exceed \$790,000
- * Maximum Bid of 106.00%
- * Minimum Bid of 98.80%
- * Maximum True Interest Cost (TIC) of 3.00%
- * Maturity Schedule Adjustments not to exceed \$50,000 per maturity

Other Considerations:

The Bonds will be offered with the option of the successful bidder utilizing a term bond structure. By offering underwriters the option to “term up” some of the maturities at the time of the sale, it gives them more flexibility in finding a market for your Bonds. This makes your issue more marketable, which can result in lower borrowing costs. In the event that the successful bidder utilizes a term bond structure, we recommend the City retain a paying agent to handle responsibility for processing mandatory redemption/call notices associated with term bonds.

Review of Existing Debt:

We have reviewed all outstanding indebtedness for the City and find that, other than the obligations proposed to be refunded by the Bonds, there are no other refunding opportunities at this time.

We will continue to monitor the market and the call dates for the City’s outstanding debt and will alert you to any future refunding opportunities.

Continuing Disclosure:

Because the City has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the City will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually, as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the “MSRB”), as required by rules of the Securities and Exchange Commission (SEC). The City is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.

Arbitrage Monitoring:

The Bonds are taxable obligations and are therefore not subject to IRS arbitrage and yield restriction requirements.

Risk Factors:

Utility Revenue: The City expects to pay the Bond debt service with:

- Sewer Revenues

In the event utility revenues are insufficient to pay debt service, the Common Council is committing to consider appropriating funds from any other available sources in an amount sufficient to cover the shortfall. If it chooses to do so, the City may levy a tax to make up a shortfall. Any amount levied for this purpose is exempted from levy limits. While the City is not required to appropriate the funds necessary to remedy any shortfall in revenues needed to pay debt service, failure to do so would result in either a lack of access to capital markets in the future, or access at a substantially higher cost.

Advance Refunding: The Bonds are being issued for the purpose of “advance” refunding prior City debt obligations. An advance refunding of an original tax-exempt debt obligation must be a taxable financing under current IRS rules. This refunding is being undertaken based in part on the following assumptions:

- Since the new Bonds will extend the “call” date for this debt, we are assuming that the City does not expect to have revenues available to pre-pay the current obligations prior to this new call date.
- That advance refunding on a taxable basis will provide an overall lower debt cost as compared to waiting to refund the issue until its call date

Other Service Providers:

This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.

Bond Counsel: Quarles & Brady LLP

Paying Agent: Bond Trust Services Corporation

Rating Agency: Moody’s Investors Service, Inc.

PROPOSED DEBT ISSUANCE SCHEDULE

Pre-Sale Review and Adopt Parameters by Common Council to Award Sale of Bonds:	February 23, 2021
Distribute Official Statement:	Week of March 15, 2021
Due Diligence Call to review Official Statement:	To be determined
Conference with Rating Agency:	To be determined
Designated Officials Award Sale of the Bonds:	March 24, 2021
Estimated Closing Date:	April 15, 2021
Redemption Date for the 2014A General Obligation Refunding Bonds Being Refunded:	December 1, 2022

Attachments

Estimated Sources and Uses of Funds
 Estimated Proposed Debt Service Schedule/Coverage Analysis
 Bond Buyer Index
 Estimated Debt Service Comparison

EHLERS' CONTACTS

David Ferris, Municipal Advisor	(262) 796-6194
Philip Cosson, Senior Municipal Advisor	(262) 796-6161
Peter Curtin, Public Finance Analyst	(262) 796-6187
Kathy Myers, Financial Analyst	(262) 796-6177

The Preliminary Official Statement for this financing will be sent to the Common Council at their home or email address for review prior to the sale date.



Financing Plan / Issue Sizing

	Taxable GO Ref Bonds 2021	Taxable Water Revenue Ref Bonds 2021	Taxable Sewer Revenue Ref Bonds 2021
Refundings			
Amount Needed to Refund 2017 STF TID 8	427,449		
Amount Needed to Refund 2019 STF TID 8	156,521		
Amount Needed to Refund 2014A General	3,208,390		
Less: Debt Service Funds Available	(76,620)		
Amount Needed to Refund 2014A Sewer			1,372,889
Less: Debt Service Funds Available			(34,699)
Less: Additional Funds Available			(621,000)
Amount Needed to Refund 2014A Water		1,636,672	
Less: Debt Service Funds Available		(39,384)	
Less: Additional Funds Available		(480,500)	
Project Needs	3,715,740	1,116,788	717,189
Debt Service Reserve¹	0	119,500	79,000
Less: Additional Funds Available	0	(119,500)	(79,000)
Issuance Expenses			
Municipal Advisor	29,900	25,900	22,500
CPA Verification	2,500	2,500	2,500
Escrow Agent	2,500	2,500	2,500
Bond Counsel	13,000	13,000	13,000
Rating Agency Fee	13,500	14,000	14,000
Paying Agent If terms	850	850	850
Refunding Contingency	5,000	5,000	5,000
Underwriter Fees	45,960	14,340	9,480
Total Funds Needed	3,828,950	1,194,878	787,019
Rounding	1,050	122	2,981
Size of Issue	3,830,000	1,195,000	790,000

Notes: ¹ Debt service reserve calculation that produces the least amount of reserve is 10% of par.



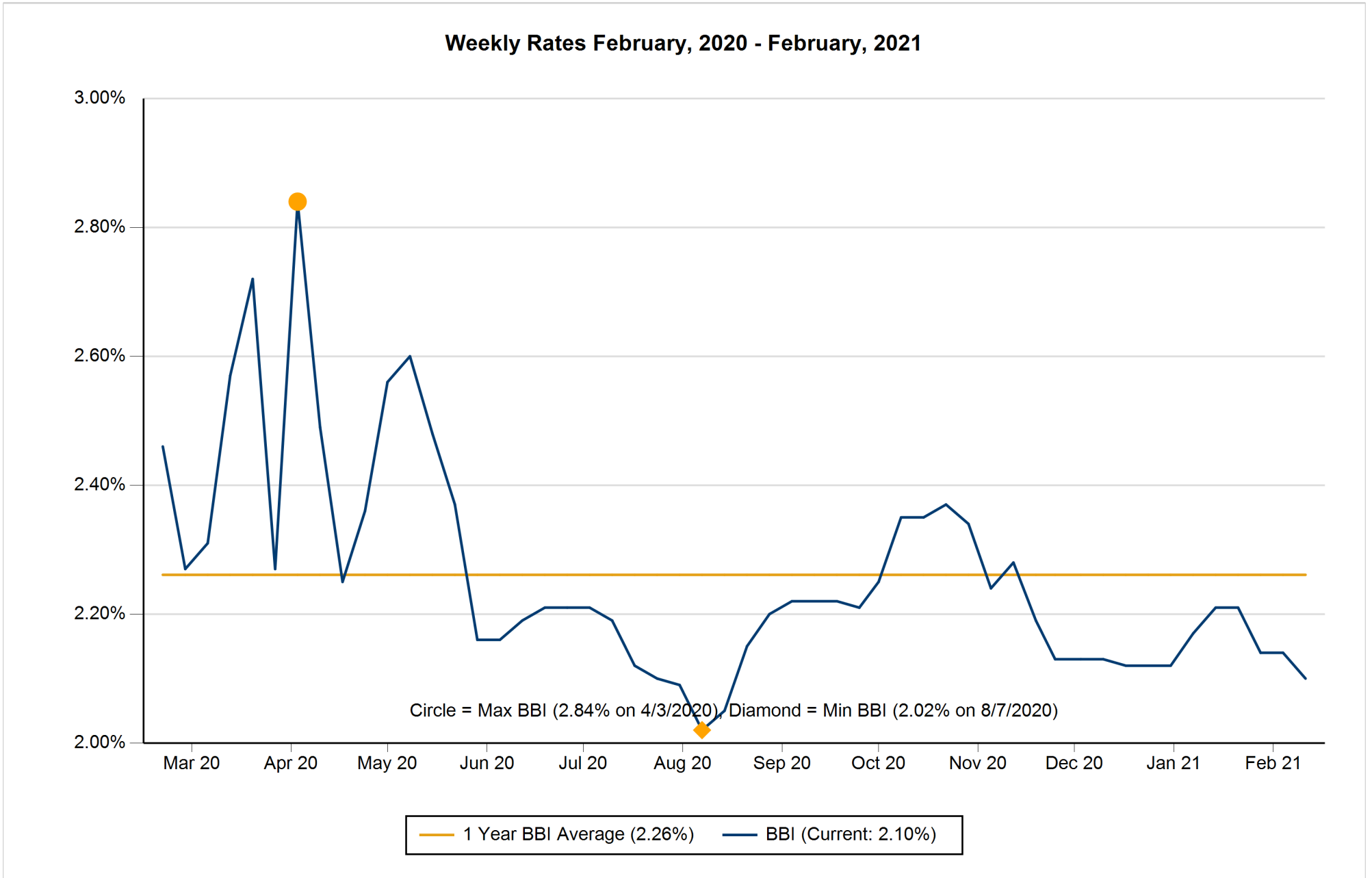
Coverage Analysis - Sewer Utility

YEAR	System Revenues		Debt Service						Coverage Ratios		YEAR	
	Total ¹	Net	Existing Rev Debt			Sewer Utility Revenue Projected Debt			Debt	Capacity		
			Principal	Interest	Total	Principal	Rates	Interest				Total
2020	3,016,923	1,727,713						6,854	6,854	252.06	2,152,787	2020
2021	3,016,923	1,727,713						12,590	12,590	137.23	2,147,052	2021
2022	3,016,923	1,727,713				100,000	1.01%	12,085	112,085	15.41	2,047,557	2022
2023	3,016,923	1,727,713				95,000	1.12%	11,048	106,048	16.29	2,053,594	2023
2024	3,016,923	1,727,713				100,000	1.28%	9,876	109,876	15.72	2,049,766	2024
2025	3,016,923	1,727,713				100,000	1.47%	8,501	108,501	15.92	2,051,141	2025
2026	3,016,923	1,727,713				110,000	1.70%	6,831	116,831	14.79	2,042,811	2026
2027	3,016,923	1,727,713				110,000	1.93%	4,834	114,834	15.05	2,044,807	2027
2028	3,016,923	1,727,713				110,000	2.10%	2,618	112,618	15.34	2,047,024	2028
2029	3,016,923	1,727,713				65,000	2.25%	731	65,731	26.28	2,093,910	2029
2030	3,016,923	1,727,713									2,159,641	2030
2031	3,016,923	1,727,713									2,159,641	2031
2032	3,016,923	1,727,713									2,159,641	2032
2033	3,016,923	1,727,713									2,159,641	2033
2034	3,016,923	1,727,713									2,159,641	2034
2035	3,016,923	1,727,713									2,159,641	2035
2036	3,016,923	1,727,713									2,159,641	2036
2037	3,016,923	1,727,713									2,159,641	2037
2038	3,016,923	1,727,713									2,159,641	2038
2039	3,016,923	1,727,713									2,159,641	2039
2040	3,016,923	1,727,713									2,159,641	2040
2041	3,016,923	1,727,713									2,159,641	2041
			0	0	0	790,000		75,965	865,965			

NOTES:
¹Total system revenues available for debt service is based upon the 2019 audit.

1 YEAR TREND IN MUNICIPAL BOND INDICES

Item 8.



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

Source: The Bond Buyer



Refunding Analysis

<u>Issue</u>	<u>Cash Flow Savings / (Loss)</u>	<u>Net Present Savings / (Loss)</u>	<u>Description</u>
2014A General Obligation Refunding Bonds			
<u>Purpose</u>			
General Levy - Streets	\$ 140,166	\$ 97,818	1. The 2014A issue will be refunded for savings purposes and to free up General Obligation Debt Capacity.
Water Utility	38,371	(57,918)	2. A Taxable General Obligation Refunding Bond will be used to Advance Refund the maturities of 2023 - 2030 for the Street portion of the 2014A Bonds as well as current refund the 2017 and 2019 TID 8 State Trust Fund Loans
Sewer Utility	44,004	(83,881)	
Total	<u>222,541</u>	<u>(43,981)</u>	
2017 State Trust Fund Loan			
<u>Purpose</u>			
TID 8	25,440	25,331	3. A Taxable Sewer Revenue Refunding Bond will be used to Advance Refund the Sewer Utility share of the 2014A Bonds The change in the type of security resulted in a net present value loss.
2019 State Trust Fund Loan			
<u>Purpose</u>			
TID 8	6,824	6,049	4. A Taxable Water Revenue Refunding Bond will be used to Advance Refund the Water Utility share of the 2014A Bonds The change in the type of security resulted in a net present value loss.
Total Refunding	<u><u>254,805</u></u>	<u><u>(12,601)</u></u>	



819 N Superior Ave
Tomah, WI 54660
608.374.7400

"The Gateway to Cranberry Country"

City Clerk Becki Weyer
City Treasurer Julia Mann

Mayor Mike Murray
City Administrator
Bradley J. Hanson

February 17, 2021

STAFF COMMITTEE PREPARATION REPORT

Agenda Item:

Interim City Treasurer

Summary and Background Information:

(Appropriate Documentation Attached)

Staff will discuss with Council the possible implementation of an Interim, or temporary, City Treasurer (ICT). We are in the process of advertising for this position with a very expedited timeline. This is done as the fastest the City could achieve filling this position based on the interviews scheduled, any testing of the selected candidate, and their ability to provide an adequate notice to their employer. Based on this, the position could be filled as early as mid-April – if we are lucky.

The ICT retained must have City Treasurer experience within the State of Wisconsin for obvious reasons. The use of an ICT would further relieve some stress on the remaining Treasury Office employees, assist with State Reporting requirements, and aid in Property Tax Collection in April. Finally, the ICT would be able to assist in the transition with the newly selected City Treasurer's orientation to State requirements and reporting.

Fiscal Note:


Expenditure could equal the salary and benefit cost of the outgoing City Treasurer, but could be more.

Recommendation:

Staff is requesting Council to grant the City Administrator the authority to locate and retain the services of an ICT for during the vacancy of the outgoing City Treasurer and up to one month after the new City Treasurer assumes their role.

Department Head

Date



City Administrator

02/17/2021
Date



819 N Superior Ave
Tomah, WI 54660
608.374.7400

"The Gateway to Cranberry Country"
City Clerk Becki Weyer
City Treasurer Julia Mann

Mayor Mike Murray
City Administrator
Bradley J. Hanson

February 17, 2021

STAFF COMMITTEE PREPARATION REPORT

Agenda Item:

"All the Queens Horses" Documentary

Summary and Background Information:

(Appropriate Documentation Attached)

This documentary discusses a City official in Dixon, IL and her embezzlement of over \$50 million from the City of approximately 14,000 residents. This presentation is being completed to set the stage for some recommendations forthcoming beginning with the March Council meeting and future meetings with changes. These changes will help improve the City's financial stability, increased safety and security, improve segregation of duties, and includes the re-organization of City Hall and staff.

Fiscal Note:


There is no expenditure on the City's behalf.

Recommendation:

We will be discussing this presentation in preparation for future discussions and possible Council action.

Department Head

Date



City Administrator

02/17/2021
Date