

TOWN OF EAST TROY

Resolution No. 2018-10

RESOLUTION AUTHORIZING BORROWING PURSUANT TO WIS. STAT. §67.12(12)

Whereas, the Town Board of the Town of East Troy hereby finds and determines that it is necessary, desirable and in the best interest of the Town of East Troy, Walworth County, Wisconsin (the "Town") to raise funds for the public purpose of completing road work projects within the Town totaling Two Hundred Eighty Six Thousand Dollars (\$286,000); and

Whereas, the Town Board hereby finds and determines that funding the costs of the above identified purpose is within the Town's power to undertake and therefore serves a "public purpose" as that term is defined in Section 67.04(1)(b), Wisconsin Statutes,

NOW, THEREFORE, BE IT RESOLVED:

I. That the Town shall borrow the sum of Two Hundred Eighty Six Thousand Dollars (\$286,000.00) on the terms set in a ten (10) year loan instrument due no later than ten (10) years from the date the Note is executed for the financing of the above referenced items with said principal and interest to be levied as a direct annual, irreplaceable tax upon all property in the Town, and establishes a debt service fund as required by Section 67.11, Wisconsin Statutes. Said Note shall be with First Citizens State Bank of Whitewater. Said terms of the Note shall include an interest rate of 4.0% and the date(s) of installment payments. See attached Exhibit A for the term, rate of interest, and schedule of payments that is hereby approved.

II. For the purpose of paying the principal of and interest on the Notes as the same becomes due, the full faith, credit and resources of the Town are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property in the Town a direct annual irrevocable tax in the years the loan is in existence.

III. So long as any principal of or interest on the Note remains unpaid, the Town shall be and

continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Note, said tax shall be, from year to year, carried onto the tax roll of the Town and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the Town for said years are collected.

IV. There be and there hereby is established in the treasury of the Town, if one had 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 and pursuant to Wisconsin Statute Section 67.11. Within the debt service fund, there is hereby established a separate and distinct account designated for the borrowed funds herein and such account shall be maintained until the indebtedness evidenced by the Note is fully paid or otherwise extinguished.

V. All prior resolutions, rules or other actions of the Town Board or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions of this resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision hereof. This resolution shall take effect immediately upon adoption and approval in the manner provided by law.

Dated this 8th day of October, 2018.

TOWN OF EAST TROY

BY: Joseph S. Klarkowski
JOSEPH KLARKOWSKI, Chairman

ATTEST:

Kim M. Buchanan
KIM BUCHANAN, Clerk