

TOWN OF EAST TROY

Resolution No. 2023-4

RESOLUTION APPROVING THE TAX LEVY AMOUNT FOR PAVING AND ADMINISTRATIVE COSTS FOR SHOREWOOD DRIVE ROADWORK AND BORROWING FOR THE EXPENSES INCURRED REGARDING THE SAME

Whereas, under Wisconsin Statute §82.25, the Town Board of the Town of East Troy may levy and collect a tax for limited-use (private) roads; and

Whereas, the Town Board of the Town of East Troy had authorized a tax levy for the above-stated purpose at its Special Town Board Meeting held on May 23, 2022 as evidenced in Resolution 2022-6; and

Whereas, the 2022-6 Resolution indicated that a future resolution would need to be passed to determine the actual amount of the tax levy; and

Whereas, the paving on Shorewood Drive has been completed, and the costs thereof consist of the following:

- \$122,151.00 for paving

- \$1,449.00 for administrative costs including the time of the Town Clerk/Treasurer, the Supervisor for the Department of Public Works, and publication costs; and

Whereas, the Town Board hereby authorizes the Town Clerk/Treasurer to levy said taxes upon the residences of Shorewood Drive to offset the costs associated with a loan in the amount of \$123,600.00 at 5.20% interest with First Citizens State Bank of Whitewater over five (5) years, and,

Whereas, the “public purpose” allowing the Town to undertake this borrowing is met under Section 67.04(1)(b), Wisconsin Statutes, which defines a “public purpose” as the performance of any power or duty of the issuing municipality, and

Whereas, Section 67.04(4) states that “The legislature finds that contracting of debt under this chapter for any project constitutes as public purpose”,

NOW, THEREFORE, BE IT RESOLVED:

I. That the Town shall borrow the sum of One Hundred Twenty-Three Thousand Six Hundred Dollars (\$123,600.00) on the terms set in a five (5) year loan instrument due no later than five (5) 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 properties on Shorewood Drive 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 5.20% 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 Note 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 on Shorewood Drive in the Town a direct annual irrepealable tax, pursuant to the limitations in Wisconsin Statute §82.25, 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 taxes on Shorewood Drive properties 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 10th day of July, 2023.

TOWN OF EAST TROY

BY: Joseph S. Klarkowski
JOSEPH KLARKOWSKI, Chairman

ATTEST:

Kim M. Buchanan
KIM BUCHANAN, Clerk/Treasurer