



City of West Allis

Matter Summary

7525 W. Greenfield Ave.
West Allis, WI 53214

File Number	Title	Status
R-2006-0124	Resolution	In Committee
Resolution authorizing the sale of \$12,270,000 General Obligation Refunding Bonds, Series 2006B.		
Introduced: 4/18/2006		Controlling Body: Administration & Finance Committee

COMMITTEE RECOMMENDATION

P6F

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
APR 18 2006			Barczak				
			Czaplewski	✓			✓
			Dobrowski				
	✓		Kopplin				
			Lajsic	✓			
			Narlock				
			Reinke	✓			
			Sengstock				
			Vitale				
		✓	Weigel	✓			
TOTAL				4	-		1

SIGNATURE OF COMMITTEE MEMBER

Chair

Vice-Chair

Member

COMMON COUNCIL ACTION

PLACE ON FILE

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
APR 18 2006	✓		Barczak				✓
			Czaplewski	✓			
			Dobrowski	✓			
			Kopplin	✓			
			Lajsic	✓			
			Narlock	✓			
			Reinke	✓			
			Sengstock				
		✓	Vitale	✓			✓
			Weigel	✓			
TOTAL				8	-		2

RESOLUTION NO. ____

RESOLUTION AUTHORIZING THE SALE OF \$12,270,000
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2006B

By Administration and Finance Committee

WHEREAS the City of West Allis, Milwaukee County, Wisconsin (the "City") has duly received bids for its proposed issue of General Obligation Refunding Bonds, Series 2006B (the "Bonds") as described on the bid tabulation attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS it has been determined that the best bid received was that submitted by the bidder (the "Purchaser") whose bid is attached hereto as Exhibit B and incorporated herein by this reference (the "Proposal"); and

WHEREAS it has been determined that the Bonds shall be issued in the principal amount of \$12,270,000;

NOW, THEREFORE, BE IT RESOLVED that:

Section 1. Award. The bid of the Purchaser for the purchase price set forth in the Proposal be and it hereby is accepted and the Mayor and City Clerk are authorized and directed to execute an acceptance of the offer of said successful bidder on behalf of the City. The good faith deposit of the Purchaser shall be retained by the City Treasurer until the closing of the bond issue, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned.

Section 2. The Bonds. The Mayor and City Clerk shall make, execute and deliver the Bonds to the Purchaser, for and on behalf of the City. The Bonds shall be negotiable, general obligation bonds of the City in the aggregate principal amount of \$12,270,000, registered as to both principal and interest, in the denomination of Five Thousand Dollars (\$5,000) each or whole multiples thereof, numbered from R-1 upward and dated May 1, 2006. The Bonds shall bear interest at the rates per annum set forth in the Proposal and shall mature on April 1 of each year, in the years and principal amounts set forth in the debt service schedule attached hereto as Exhibit C and incorporated herein by this reference (the "Schedule").

Interest on the Bonds shall be payable on April 1 and October 1 of each year, commencing October 1, 2006.

Bonds maturing in the years 2017 through 2021 shall be subject to call and prior payment at the option of the City in whole or from time to time in part on April 1, 2016, or any date thereafter at the price of par plus accrued interest to the date of redemption. The amounts and maturities of the Bonds to be redeemed shall be selected by the City. If less than the entire principal amount of any maturity is to be redeemed, the Bonds of that maturity which are to be redeemed shall be selected by lot.

Section 3. Form of Bonds. The Bonds shall be in substantially the form attached hereto as Exhibit D and incorporated herein by this reference.

Section 4. Tax Provisions.

(A) Direct Annual Irrepealable Tax. For the purpose of paying the principal of and interest on the Bonds as the same become due, the full faith, credit and resources of the City are hereby irrevocably pledged and there be and there hereby is levied on all the taxable property in the City a direct, annual, irrepealable tax in the years 2006 through 2020 for payment of principal of and interest on the Bonds in the years 2006 through 2021 in the amounts set forth in the Schedule. The amount of tax levied for the year 2006 shall be the total amount of debt service due on the Bonds in the years 2006 and 2007; 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 principal of or interest on the Bonds in the year 2006.

(B) Tax Collection. 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 into the tax rolls of the City and collected as other taxes are collected, provided that the amount of tax carried into said tax rolls may be reduced in any year by the amount of any surplus money in the Debt Service Account created in Section 5(A) hereof.

(C) Additional Funds. If in any year there shall be insufficient funds from the tax levy to pay the principal of or interest on the Bonds when due, the said principal or interest shall be paid from other funds of the City on hand, said amounts to be returned when said taxes have been collected.

(D) Appropriation. There be and there hereby is appropriated from taxes levied in anticipation of the issuance of the Bonds or other funds of the City on hand a sum sufficient to be deposited in the Debt Service Account to meet payments with respect to debt service due on October 1, 2006.

Section 5. Debt Service Fund and 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. 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 be and there hereby is established a separate and distinct account designated as the "Debt Service Account for 'General Obligation Refunding Bonds, Series 2006B,' dated May 1, 2006" (the "Debt Service Account") and said Account shall be maintained until the indebtedness evidenced by the Bonds is fully paid or otherwise extinguished. The City Treasurer shall deposit in such Debt Service Account (i) all accrued interest received by the City at the time of delivery of and payment for the Bonds; (ii) the taxes herein levied for the specific purpose of meeting principal of and interest on the Bonds when due; (iii) such other sums as may be necessary at any time to pay principal of and interest on the Bonds when due; (iv) any premium which may be received by the City over and above the par value of the Bonds and accrued interest thereon; (v) surplus monies in the Borrowed Money

Fund as specified in Section 6 hereof; and (vi) such further deposits as may be required by Sec. 67.11, Wis. Stats.

(B) Use and Investment. No money shall be withdrawn from the Debt Service 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 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), Wis. Stats., in interest-bearing obligations of the United States of America, in other obligations of the City or in other investments permitted by law, which investments shall continue to be a part of the Debt Service 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 Account shall be deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 6. Borrowed Money Fund. All monies received by the City upon the delivery of the Bonds to the Purchaser thereof except for accrued interest and premium, if any, shall be deposited by the City Treasurer into a Borrowed Money Fund and such fund shall be maintained separate and distinct from all other funds of the City and shall be used for no purpose other than the purpose for which the Bonds are issued. In order to accomplish the purpose for which the Bonds are issued, proceeds of the Bonds shall be transferred to the Escrow Account, as provided in Section 13 hereof. Monies in the Borrowed Money Fund may be temporarily invested as provided in Section 66.0603(1m), Wis. Stats. Any monies, including any income from permitted investments, remaining in the Borrowed Money Fund after the 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 purposes shall be deposited in the Debt Service Account.

Section 7. No Arbitrage. All investments permitted by this resolution shall be legal investments, but no such investment shall be made in such a manner as would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") or the Regulations of the Commissioner of Internal Revenue thereunder (the "Regulations"); and an officer of the City, charged with the responsibility for issuing the Bonds, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of closing which will permit the conclusion that the Bonds are not "arbitrage bonds," within the meaning of said Code or Regulations.

Section 8. Persons Treated as Owners; Transfer of Bonds. The City Clerk shall keep books for the registration and for the transfer of the Bonds. 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 City Clerk, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the 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 City Clerk shall record the name of each transferee in the registration book. No registration shall be made to bearer. The City Clerk 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.

The fifteenth day of each calendar month next preceding each interest payment date shall be the record dates for the Bonds. 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 corresponding record date.

Section 9. Election to Treat Certain Bonds as Qualified 501(c)(3) Bonds. The City elects to treat that portion of the Bonds which is to be used to finance or refinance projects at West Allis Memorial Hospital (the "Qualified 501(c)(3) Bonds") as qualified 501(c)(3) bonds under Section 145 of the Code.

Section 10. Compliance with Federal Tax Laws. The City represents and covenants that (a) the projects financed by the Bonds and the Refunded Obligations defined in Section 12 and their ownership, management and use will not cause the Bonds (other than the Qualified 501(c)(3) Bonds) to be "private activity bonds" within the meaning of Section 141 of the Code and (b) it will not use or permit the facilities financed by the Qualified 501(c)(3) Bonds to be used in a manner which would cause the Qualified 501(c)(3) Bonds not to be qualified 501(c)(3) bonds under Section 145 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Bonds including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or would otherwise cause interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Bonds shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Bonds provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Bonds and the laws of Wisconsin, and to the extent that there is a reasonable period of time in which to comply.

Section 11. 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, the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations previously executed on behalf of the City and on file in the City Clerk's office.

Section 12. Redemption of Refunded Obligations. The outstanding obligations of the City described on Exhibit E (the "Refunded Obligations") are called for prior payment on the redemption dates set forth on Exhibit E at the price of par plus accrued interest to the date of redemption.

The Escrow Agent shall be directed pursuant to the Escrow Agreement referred to in Section 13 hereof to give notice of the call of the Refunded Obligations.

Section 13. Escrow Agent; Escrow Agreement; Escrow Account. _____, _____, is hereby appointed Escrow Agent of the City, for the purpose of ensuring the payment of the principal of and interest on the Refunded Obligations.

The Mayor and City Clerk are hereby authorized and directed to execute an escrow agreement substantially in the form attached hereto as Exhibit F and incorporated herein by this reference (the "Escrow Agreement") (such form may be modified by said officers prior to execution, the execution of such agreement by said officers to constitute full approval of the City of any such modifications), with the Escrow Agent, for the purpose of effecting the provisions of this Resolution.

The Bond proceeds allocable to refunding the Refunded Obligations shall be deposited in an Escrow Account which is hereby created with the Escrow Agent, pursuant to the Escrow Agreement. The use, investment and disbursement of the Bond proceeds by the Escrow Agent in the manner provided in the Escrow Agreement is authorized and approved.

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

Section 14. SLGS Subscriptions. The Escrow Agent and Stifel Nicolaus & Company Incorporated 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 authorized by this resolution pursuant to Section 67.04, Wisconsin Statutes.

Section 15. Undertaking to Provide Continuing Disclosure. The City covenants and agrees, for the benefit of the holders of the Bonds, to enter into a written undertaking (the "Undertaking") required by SEC Rule 15c2-12 promulgated by the Securities and Exchange

Commission pursuant to the Securities and Exchange Act of 1934 (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 holders of the Bonds or by the original purchaser(s) of the Bonds on behalf of such holders (provided that the rights of the holders and the purchaser(s) 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 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 16. Records. The City Clerk shall provide and keep a separate 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 these Bonds.

Section 17. Bond Insurance. If the Purchaser of the Bonds 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, appropriate reference to the municipal bond insurance policy shall be made in the form of Bond provided herein.

Section 18. 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 the 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 19. Closing. The Mayor and City Clerk are hereby authorized and directed to execute and deliver the Bonds to the Purchaser thereof upon receipt of the purchase price. The Mayor and City Clerk may execute the Bonds by manual or facsimile signature, but at least one of said officers shall sign the Bonds manually.

The officers of the City hereby are directed and authorized to take all necessary steps to close the bond issue as soon as practicable hereafter, in accordance with the terms of sale thereof, and said officers are hereby authorized and directed to execute and deliver such documents, certificates and acknowledgments as may be necessary or convenient in accordance therewith.

Adopted, approved and recorded April 18, 2006.

ADOPTED: April ____, 2006

City Administrative Officer, Clerk/Treasurer

APPROVED: April ____, 2006

Mayor

EXHIBIT A
BID TABULATION
(SEE ATTACHED)

EXHIBIT B
PURCHASE PROPOSAL
(SEE ATTACHED)

EXHIBIT C

DEBT SERVICE SCHEDULE AND IRREPEALABLE TAX LEVIES

(SEE ATTACHED)

EXHIBIT D

(Form of Bond)

UNITED STATES OF AMERICA
STATE OF WISCONSIN
COUNTY OF MILWAUKEE
CITY OF WEST ALLIS

GENERAL OBLIGATION REFUNDING BOND, SERIES 2006B

<u>Number</u>	<u>Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>Amount</u>	<u>CUSIP</u>
R-			May 1, 2006	\$	

KNOW ALL MEN BY THESE PRESENTS: That the City of West Allis, Milwaukee County, Wisconsin (the "City"), hereby acknowledges itself to owe and for value received promises to pay to _____, or registered assigns, the principal amount of _____ DOLLARS (\$_____) on the maturity date specified above, together with interest thereon from May 1, 2006, or the most recent payment date to which interest has been paid, unless the date of registration of this Bond is after the 15th day of the calendar month immediately preceding an interest payment date, in which case interest will be paid from such interest payment date, at the rate per annum specified above, such interest being payable on April 1 and October 1 of each year, with the first interest on this issue being payable on October 1, 2006. For the prompt payment of this Bond with interest hereon as aforesaid, the full faith, credit and resources of the City have been and are hereby irrevocably pledged.

Bonds of this issue maturing in the years 2017 through 2021 shall be subject to call and prior payment at the option of the City in whole or from time to time in part on April 1, 2016, or on any date thereafter, at the price of par plus accrued interest to the date of redemption. The amounts and maturities of the Bonds to be redeemed shall be selected by the City. If less than the entire principal amount of any maturity is to be redeemed, the Bonds of that maturity which are to be redeemed shall be selected by lot. Notice of such call shall be given by the sending of a notice thereof by registered or certified mail, facsimile transmission, electronic transmission or overnight express delivery at least thirty (30) days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

Both principal hereof and interest hereon are hereby made payable to the registered owner in lawful money of the United States of America. The principal of this Bond shall be payable only upon presentation and surrender of this Bond at the office of the City Treasurer. Interest hereon shall be payable by check or draft dated as of the applicable interest payment date and mailed from the office of the City Treasurer to the person in whose name this Bond is registered at the close of business on the fifteenth day of the calendar month next preceding each interest payment date.

This Bond is transferable only upon the books of the City kept for that purpose at the office of the City Clerk, 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 City Clerk duly executed by the registered owner or his duly authorized attorney. Thereupon a new Bond or Bonds of the same aggregate principal amount, series and maturity shall be issued to the transferee in exchange therefor. The City may deem and treat the person 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 interest hereof and for all other purposes. The Bonds are issuable solely as negotiable, fully-registered Bonds without coupons in authorized denominations of \$5,000 or any whole multiple thereof.

This Bond is one of an issue aggregating \$12,270,000, each of which is of like original issue date and tenor except as to numbers, interest rates, redemption privilege and maturities, issued for the public purpose of refunding obligations of the City, including interest on them, pursuant to an initial resolution duly adopted by the Common Council and in full conformity with the Constitution and laws of the State of Wisconsin thereunto enabling.

It is hereby recited and certified that all acts, conditions and things required by law to be done precedent to and in the issuance of this Bond have been done, have happened and have been performed in regular and due form, time and manner; that a direct, annual irrepealable tax has been levied by the City sufficient in times and amounts to pay the interest on this Bond when it falls due and also to pay and discharge the principal hereof at maturity; and that this Bond, together with all other existing indebtedness of the City, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of West Allis, Milwaukee County, Wisconsin has caused this Bond to be executed in its behalf by its duly qualified and acting Mayor and City Clerk, and its corporate seal to be impressed hereon, all as of the date of original issue specified above.

(SEAL)

CITY OF WEST ALLIS,
MILWAUKEE COUNTY, WISCONSIN

By _____
City Clerk

By _____
Mayor

(Form of Assignment)

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite name and address, including zip code, of Assignee)

Please insert Social Security or other
identifying number of Assignee

the within Bond, and all rights thereunder, hereby irrevocably constituting and appointing

Attorney to transfer said Bond on the books kept for the registration thereof with full power of
substitution in the premises.

Dated:

NOTICE: The signature to this assignment
must correspond with the name as it appears
upon the face of the within Bond in every
particular, without alteration or enlargement
or any change whatever.

Signature(s) guaranteed by:

EXHIBIT E

DESCRIPTION OF REFUNDED OBLIGATIONS

<u>Issue</u>	<u>Call Date</u>	<u>Maturities to be Refunded</u>	<u>Amount of Principal Refunded</u>
General Obligation Corporate Purpose Bonds, Series 1998B, dated: January 15, 1998	4/1/2007	2008-2017	\$ 750,000
General Obligation Refunding Bonds, Series 1998C, dated: March 1, 1998	6/1/2006	2008-2012	7,975,000
General Obligation Corporate Purpose Bonds, Series 1999B, dated: February 15, 1999	4/1/2008	2010-2018	570,000
General Obligation Corporate Purpose Bonds, Series 2001, dated: March 1, 2001	4/1/2008	2009-2020	1,625,000
General Obligation Corporate Purpose Bonds, Series 2002, dated: March 1, 2002	4/1/2009	2010-2021	1,265,000

EXHIBIT F

ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made and entered into the 1st day of May, 2006, by and between the City of West Allis, Wisconsin (the "City") and , _____, a national banking association with trust powers (the "Escrow Agent").

RECITALS

The City has duly issued \$ _____
_____, dated _____, _____ [(the " _____") and
\$ _____, dated _____, _____ (the " _____")
(collectively, the _____ and _____ shall be referred to herein as the "Prior Issues")].

The City has duly authorized and sold and is delivering this day its \$12,270,000 General Obligation Refunding Bonds, Series 2006B, dated May 1, 2006 (the "Refunding Obligations") for the purpose of providing funds sufficient to refund the _____ through _____ maturities of the _____ and the _____ through _____ maturities of the _____ (collectively, hereinafter the portion of the Prior Issues being refunded shall be referred to herein as the "Refunded Obligations") (the "Refunding").

The Refunded Obligations mature and bear interest on the dates and in the amounts shown on Exhibit A-1 through Exhibit A-, respectively.

In order to accomplish the Refunding, it is necessary to irrevocably deposit in trust an amount (in the form of investment securities and cash) which, together with investment income therefrom, will be sufficient to pay when due the principal of and interest on the Refunded Obligations.

To accomplish the Refunding, the Escrow Agent has been appointed depository of the proceeds of the Refunding Obligations (in the form of investment securities and cash) as hereinafter specified and has been appointed custodian of the City's debt service fund account for the Refunded Obligations until the Refunded Obligations are paid in full.

The execution of this Agreement has been duly authorized by a resolution of the Common Council entitled: "Resolution Authorizing the Sale of \$12,270,000 General Obligation Refunding Bonds, Series 2006B" (the "Resolution") adopted by the Common Council of the City on April 18, 2006.

In consideration of the mutual covenants contained herein, the parties hereto covenant and agree as follows for the equal and proportionate benefit and security of the holders of the Refunding Obligations and the Refunded Obligations:

1. Escrow Deposit. Concurrently with the execution of this Agreement, the City has irrevocably deposited with the Escrow Agent, receipt of which is hereby acknowledged by the Escrow Agent, \$_____ being a portion of the proceeds of the Refunding Obligations (the "Bond Proceeds") and \$_____ from funds of the City (the "Funds") for a total of \$_____.

The foregoing, along with earnings and interest thereon, shall be held and disposed of by the Escrow Agent only in accordance with this Agreement. The City represents and warrants that the foregoing, if held, invested and disposed of by the Escrow Agent in accordance with this Agreement, will be sufficient, without the need for any further investment or reinvestment, to make all payments required under this Agreement. The Escrow Agent has not and is under no obligation to determine whether the amounts deposited hereunder are or will be sufficient to make all of the payments directed to be made hereunder.

2. Acceptance of Escrow. The Escrow Agent acknowledges receipt of the escrow deposit hereunder and accepts the responsibilities imposed on it by this Agreement.

3. Application of Escrow Deposit. There is hereby created by the City and ordered established with the Escrow Agent an account hereby designated, "City of West Allis Escrow Account" (the "Escrow Account").

The Escrow Agent shall deposit the amount described above in the Escrow Account to be used as follows:

a) \$_____ to be used to purchase the \$_____ principal amount of United States Treasury Certificates of Indebtedness, Notes and/or Bonds - State and Local Government Series ("SLGs"), described on the attached Exhibit B-1, pay for the SLGs from monies in the Escrow Account and hold the SLGs in the Escrow Account; (\$_____ from Bond Proceeds and \$_____ from Funds);

b) \$_____ to be used to establish a beginning cash balance in the Escrow Account [(\$_____ from Bond Proceeds and \$_____ from Funds)]; and

c) \$_____ to be used to pay the Issuance Expenses set forth on the attached Exhibit C-1, which the Escrow Agent is hereby authorized to pay.

[d) \$_____ of accrued interest to be used to pay a portion of the interest on the Refunding Obligations on _____, 200__.]

Except as set forth in Section 8 hereof, the Escrow Account (other than the cash held pursuant to subsection (b) above) shall remain invested in the SLGs, and the Escrow Agent shall not sell or otherwise dispose of the SLGs.

In addition to the foregoing, the Escrow Agent is hereby directed to reinvest excess investment proceeds accruing in the years _____ to _____ in SLGs as follows:

<u>Amount</u>	<u>Interest Rate</u>	<u>Reinvestment Date</u>	<u>Maturity Date</u>
\$ _____	0.00%	_____	_____
_____	0.00	_____	_____

The Escrow Agent is hereby directed to submit the subscription for these SLGs on behalf of the City, at least seven (7) days in advance of the date of reinvestment (or such other period of time in advance of the date of reinvestment as is then required by law or regulation) and such subscription shall be in accordance with then applicable law and regulations. The City will cooperate with the Escrow Agent as necessary to allow any subscriptions to be made as described herein.

If SLGs with an interest rate of 0.00% are not available at the time such Escrow Account monies are to be reinvested, the Escrow Agent is hereby directed to reinvest such Escrow Account monies on behalf of the City in direct obligations of the United States of America ("U.S. Government Obligations"), or hold such monies uninvested, as directed by the City, upon the Escrow Agent's receipt, at the expense of the City, of (i) an opinion of the bond counsel for the Refunding Obligations or other nationally recognized firm of attorneys experienced in the area of municipal finance to the effect that such transaction would not cause any of the Refunded Obligations or any of the Refunding Obligations to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the income tax regulations thereunder (the "Regulations") and (ii) a certification from an independent certified public accountant that, after such transaction, the principal of and interest on the U.S. Government Obligations in the Escrow Account will, together with other monies in the Escrow Account available for such purposes, be sufficient at all times to pay, when due, the principal of and interest on the Refunded Obligations.

The Escrow Account cash flow (taking into account any reinvestments) prepared by the Accountant defined below is set forth on Exhibit D-1.

Except for the foregoing or as set forth in Section 8 hereof, no reinvestment of amounts on deposit in the Escrow Account shall be permitted.

The Escrow Agent shall apply the monies in the Escrow Account to the timely payment of the interest on the Refunding Obligations at the time and in the amounts set forth on the attached Exhibit A- by transfers made to or at the direction of _____, _____, the Fiscal Agent of the City with respect to the Refunding Obligations. On _____, _____, the Escrow Agent shall apply the monies available in the Escrow Account to the payment of the Refunded Obligations in the amounts set forth on the attached Exhibit A-1 through Exhibit A-.

_____, a firm of independent accountants (the "Accountant"), has delivered to the City, the Escrow Agent, Stifel, Nicolaus & Company, Incorporated, the bond insurer for the Refunding Obligations, if any, and Quarles & Brady LLP, for their purposes, a report stating that the firm has reviewed the arithmetical accuracy of certain computations based on assumptions relating to the sufficiency of forecasted net cash flow from the United States government securities (paragraph (a) above) and any initial cash deposit (paragraph (b) above) to pay the principal of and interest (if any) on the Refunded Obligations when due as described on Exhibit A-1 through Exhibit A-. Based upon the

summarized data presented in its report and the assumption that the principal and interest payments on the United States government securities are deposited in the Escrow Account when due, in its opinion, the proceeds from the United States government securities, plus any initial cash deposit will be sufficient for the timely payment of principal and interest, when due, on the Refunded Obligations.

If at any time it shall appear to the Escrow Agent that the money in the Escrow Account will not be sufficient to make any required payments due to the holders of the Refunded Obligations, the Escrow Agent shall immediately notify the City. Upon receipt of such notice, the City shall forthwith transmit to the Escrow Agent for deposit in the Escrow Account from legally available funds such additional monies as may be required to make any such payment.

4. Redemption of the Refunded Obligations. Pursuant to the Resolution, the City has heretofore called the Refunded Obligations for redemption and authorized and directed the Escrow Agent to give notice of said intended redemption of the Refunded Obligations by providing appropriate notice (in substantially the forms attached hereto as Exhibit E-1 through Exhibit E-) in the manner and at the times set forth on Exhibit E-1 through Exhibit E-, and the Escrow Agent hereby agrees to give such notice.

5. Notice of Advance Refunding of the Refunded Obligations. The Escrow Agent is hereby directed and agrees to provide to the owners of the Refunded Obligations a Notice of Advance Refunding and Redemption, in substantially the forms attached hereto as Exhibit F-1 through F-, as soon as practicable after the closing for the Refunding Obligations. The Notice of Advance Refunding and Redemption shall also be provided to any fiscal agent for the Refunded Obligations and to the nationally recognized municipal securities information repositories (NRMSIRs), the MSRB and to DTC and any other depositories as described in Exhibit F-1 through F-.

6. The Escrow Agent.

a) Annual Report. The Escrow Agent shall, in the month of February of each year while this Agreement is in effect, and as soon as practicable after termination of this Agreement, forward by first class mail to the City a report of the receipts, income, investments, reinvestments, redemptions and payments of and from the Escrow Account during the preceding calendar year, including in such report a statement, as of the end of the preceding calendar year, regarding the manner in which it has carried out the requirements of this Agreement. The City shall have the right, at any time during business hours, to examine all of the Escrow Agent's records regarding the status and details of the Escrow Account.

b) Separate Funds; Accountability. Except as otherwise permitted under Section 3 hereof, the Escrow Agent shall keep all monies, securities and other properties deposited hereunder, all investments and all interest thereon and profits therefrom, at all times in a special fund and separate trust account, wholly segregated from all other funds and securities on deposit with it; shall never commingle such deposits, investments and proceeds with other funds or securities of the Escrow Agent; and shall never at any time use, pledge, loan or borrow the same in any way. The fund established hereunder shall be held separately and distinctly and not commingled with any other such fund. Nothing herein contained shall be construed as requiring the Escrow Agent to keep the identical monies, or any part thereof, received from or for the Escrow Account, on hand, but monies of an equal

amount shall always be maintained on hand as funds held by the Escrow Agent, belonging to the City, and a special account thereof, evidencing such fact, shall at all times be maintained on the books of the Escrow Agent. All uninvested money held at any time in the Escrow Account shall be continuously secured by the deposit in a Federal Reserve Bank or direct obligations of the United States of America in a principal amount always not less than the total amount of uninvested money in the Escrow Account. It is understood and agreed that the responsibility of the Escrow Agent under this Agreement is limited to the safekeeping and segregation of the monies and securities deposited with it for the Escrow Account, and the collection of and accounting for the principal and interest payable with respect thereto.

In the event the Escrow Agent due to any action or inaction required hereunder is unable or fails to account for any property held hereunder, such property shall be and remain the property of the City, and if, for any reason such property cannot be identified, all other assets of the Escrow Agent shall be impressed with a trust for the amount thereof and the City shall be entitled to the preferred claim upon such assets enjoyed by any trust beneficiary. Property held by the Escrow Agent hereunder shall not be deemed to be a banking deposit of the City to the extent that the Escrow Agent shall have no right or title with respect thereto (including any right of set-off) and the City shall have no right of withdrawal thereof.

c) Liability. Escrow Agent shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the City or any paying agent of any of its obligations, or to protect any of the City's rights under any bond proceeding or any of the City's other contracts with or franchises or privileges from any state, county, municipality or other governmental agency or with any person. Escrow Agent shall not be liable for any act done or step taken or omitted by it, as Escrow Agent, or for any mistake of fact or law, or for anything which it may do or refrain from doing in good faith and in the exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, except for its negligence or its default in the performance of any obligation imposed upon it hereunder. Escrow Agent shall not be responsible in any manner whatsoever for the recitals or statements contained herein, including without limitation those as to the sufficiency of the trust deposit to accomplish the purposes hereof or in the Refunded Obligations or the Refunding Obligations or in any proceedings taken in connection therewith, but they are made solely by the City.

d) Resignations; Successor Escrow Agent. Escrow Agent may at any time resign by giving not less than 60 days written notice to the City. Upon giving such notice of resignation, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor escrow agent. Such court may thereupon, after such notice, if any, as it may deem proper and prescribes, appoint a successor escrow agent of comparable qualifications to those of the resigning Escrow Agent. The resignation of the Escrow Agent shall take effect only upon the appointment of a successor escrow agent and such successor escrow agent's acceptance of such appointment.

Any successor escrow agent shall be a state or national bank, have full banking and trust powers, and have a combined capital and surplus of at least \$5,000,000.

Any successor escrow agent shall execute, acknowledge and deliver to the City and to its predecessor escrow agent an instrument accepting such appointment hereunder, and thereupon the

resignation of the predecessor escrow agent shall become effective and such successor escrow agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as escrow agent herein; but nevertheless, on written request of the City or on the request of the successor escrow agent, the escrow agent ceasing to act shall execute and deliver an instrument transferring to such successor escrow agent, upon the terms herein expressed, all the rights, power, and duties of the escrow agent so ceasing to act. Upon the request of any such successor escrow agent, the City shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor escrow agent all such rights, powers and duties. Any predecessor escrow agent shall pay over to its successor escrow agent a proportional part of the Escrow Agent's fee hereunder.

e) Fees. The Escrow Agent acknowledges receipt from the City the sum of _____ DOLLARS (\$ _____) as and for full compensation for all services to be performed by it as the Escrow Agent under this Agreement. Any out-of-pocket expenses including legal fees and publication costs will be paid by the City as incurred. The Escrow Agent expressly waives any lien upon or claim against the monies and investments in the Escrow Account.

7. Arbitrage. The City has covenanted and agreed and the Escrow Agent hereby covenants and agrees, to the extent any action is within its control and to its knowledge, to and for the benefit of the holders of the Refunding Obligations and the Refunded Obligations, that no investment of the monies on deposit in the Escrow Account will be made in a manner that would cause the Refunding Obligations or the Refunded Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code or any Regulations promulgated or proposed thereunder.

In order to ensure continuing compliance with Section 148 of the Code and the Regulations, the Escrow Agent agrees that it will not invest the cash balance nor reinvest any cash received in payment of the principal of and interest on the federal securities held in the Escrow Account nor redeem such federal securities except as specifically provided in Section 1 hereof. Said prohibition on reinvestment shall continue unless and until the City requests that such reinvestment be made and shall be restricted to noncallable direct obligations of the United States Treasury. Prior to any such request for reinvestment of the proceeds from the federal securities held in the Escrow Account, the City shall provide to the Escrow Agent: (i) an opinion by an independent public accountant that after such reinvestment the principal amount of the substituted securities, together with the earnings thereon and other available monies, will be sufficient to pay, as the same become due, any required interest payments on the Refunding Obligations and all principal of, redemption premium where required, and interest on the Refunded Obligations which have not then previously been paid, and (ii) an unqualified opinion of nationally recognized bond counsel to the effect that (a) such reinvestment will not cause the Refunding Obligations or the Refunded Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations in effect thereunder on the date of such reinvestment, and (b) such reinvestment complies with the Constitution and laws of the State of Wisconsin and the provisions of all relevant documents relating to the issuance of the Refunding Obligations and the Refunded Obligations.

8. Substitute Investments. At the written request of the City and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to request the redemption of the

SLGs and to substitute direct obligations of, or obligations which are unconditionally guaranteed by, the United States of America, which are not subject to redemption prior to maturity and which are available for purchase with the proceeds derived from the disposition of the SLGs on the date of such transaction. The Escrow Agent shall purchase such substitute obligations with the proceeds derived from the sale, transfer, disposition or redemption of the SLGs. The transactions may be effected only by simultaneous sale and purchase transactions, and only if (i) the amounts and dates on which the anticipated transfers from the Escrow Account to the fiscal agent or depository for the payment of the principal of and interest on the Refunded Obligations will not be diminished or postponed thereby, (ii) the Escrow Agent shall receive, at the expense of the City, an opinion of a nationally recognized firm of attorneys experienced in the area of municipal finance to the effect that such disposition and substitution would not cause any Refunded Obligations or Refunding Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations thereunder; and (iii) the Escrow Agent shall receive, at the expense of the City, a certification from an independent certified public accountant that, after such transaction, the principal of and interest on the U.S. government obligations in the Escrow Account will, together with other monies in the Escrow Account available for such purpose, be sufficient at all times to pay, when due, the principal of, redemption premium, where required, and interest on the Refunded Obligations.

The City hereby covenants that no part of the monies or funds at any time in the Escrow Account shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any Refunded Obligations or Refunding Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations thereunder.

9. Miscellaneous.

a) Third Party Beneficiaries. This Agreement has been entered into by the City and the Escrow Agent for the benefit of the holders of the Refunding Obligations and the Refunded Obligations, and is not revocable by the City or the Escrow Agent, and the investments and other funds deposited in the Escrow Account and all income therefrom have been irrevocably appropriated for the payment of interest on the Refunding Obligations when due and the payment and any redemption of the Refunded Obligations and interest thereon when due, in accordance with this Agreement. This Agreement shall be binding upon and shall inure to the benefit of the City and the Escrow Agent and their respective successors and assigns. In addition, this Agreement shall constitute a third party beneficiary contract for the benefit of the owners of the Refunding Obligations and the Refunded Obligations. Said third party beneficiaries shall be entitled to enforce performance and observance by the City and the Escrow Agent of the respective agreements and covenants herein contained as fully and completely as if said third party beneficiaries were parties hereto.

b) Severability. If any section, paragraph, clause or provision of this Agreement shall be invalid or ineffective for any reason, the remainder of this Agreement shall remain in full force and effect, it being expressly hereby agreed that the remainder of this Agreement would have been entered into by the parties hereto notwithstanding any such invalidity.

c) Termination. This Agreement shall terminate upon the payment of all of the principal of and interest on the Refunded Obligations. The parties realize that some of the amounts hereunder may remain upon termination. Any amounts remaining upon termination shall be returned to the City

for deposit in the account designated "Debt Service Fund Account for \$12,270,000 General Obligation Refunding Bonds, Series 2006B, dated May 1, 2006," "Interest and Principal Account for \$12,270,000 General Obligation Refunding Bonds, Series 2006B, dated May 1, 2006," created by the Resolution and used solely to pay the principal of and interest on the Refunding Obligations. Termination of this Agreement shall not, of itself, have any effect on the City's obligation to pay the Refunding Obligations and the Refunded Obligations in full in accordance with the respective terms thereof.

d) Indemnification. The City agrees to hold the Escrow Agent harmless and to indemnify the Escrow Agent against any loss, liability, expenses (including attorney's fees and expenses), claims, or demand arising out of or in connection with the performance of its obligations in accordance with the provisions of this Agreement, except for gross negligence or willful misconduct of the Escrow Agent. The foregoing indemnities in this paragraph shall survive the resignation or removal of the Escrow Agent or the termination of the Agreement.

e) Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the date first above written.

CITY OF WEST ALLIS,
MILWAUKEE COUNTY, WISCONSIN

By: _____
Jeannette Bell
Mayor

(SEAL)

By: _____
Paul M. Ziehler
City Clerk

_____, as Agent

By: _____

(SEAL)

And: _____

(Refunded Obligations)

EXHIBIT A-1

\$ _____
City of West Allis, Wisconsin

Dated _____, ____

Debt Service Requirements

<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Interest Amount</u>	<u>Total Principal and Interest</u>
-------------------------	-----------------------------	--------------------------	----------------------------	---

* To be called for prior payment at 100% on _____, ____ [and are the only portion of the Prior Issue/ _____ subject to the terms of this Escrow Agreement.]

Bond Registrar
or Fiscal Agent:

Depository:

The Depository Trust Company
New York, New York

(Refunded Obligations)

EXHIBIT A-2

\$ _____
City of West Allis, Wisconsin

Dated _____, ____

Debt Service Requirements

<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Interest Amount</u>	<u>Total Principal and Interest</u>
-------------------------	-----------------------------	--------------------------	----------------------------	---

* To be called for prior payment at 100% on _____, ____ [and are the only portion of the Prior Issue/ _____ subject to the terms of this Escrow Agreement.]

Bond Registrar
or Fiscal Agent:

Depository:

The Depository Trust Company
New York, New York

EXHIBIT B-1

U.S. TREASURY SECURITIES

[(State and Local Government Series)]

For Delivery May 1, 2006

<u>Type</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Coupon Rate</u>	<u>Cost</u>
-------------	----------------------	-----------------------	------------------------	-------------

(See Attached Subscription Forms)

[(See Attached Confirmation Forms)]

EXHIBIT C-1

AUTHORIZED ISSUANCE EXPENSES

Escrow Agent,	\$ _____
, _____	
Escrow Verification,	_____
, _____	
Legal Opinion,	
Quarles & Brady LLP, Milwaukee, Wisconsin	_____
Rating Fee,	
Moody's Investors Service Inc.,	_____
New York, New York	
Standard & Poor's, New York, New York	
Financial Advisor,	
Stifel, Nicolaus & Company, Incorporated, Milwaukee, Wisconsin	_____
Fiscal Agent,	
, _____	
Printing,	
Miscellaneous	_____
Total:	\$ _____

EXHIBIT D-1

ESCROW ACCOUNT CASH FLOW

(SEE ATTACHED)

EXHIBIT E-

[Form of Redemption Notice to be Provided]

NOTICE OF FULL CALL*

Exhibit F-1

Notice of [PARTIAL] Advance Refunding and Redemption
of the _____, dated _____
of the City of West Allis, Wisconsin (the "_____")

[FORM OF NOTICE TO BE PROVIDED]



City of West Allis

7525 W. Greenfield Ave.
West Allis, WI 53214

Resolution

File Number: R-2006-0124

Final Action:

APR 18 2006

Resolution authorizing the sale of \$12,270,000 General Obligation Refunding Bonds, Series 2006B.

WHEREAS the City of West Allis, Milwaukee County, Wisconsin (the "City") has duly received bids for its proposed issue of General Obligation Refunding Bonds, Series 2006B (the "Bonds") as described on the bid tabulation attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS it has been determined that the best bid received was that submitted by the bidder (the "Purchaser") whose bid is attached hereto as Exhibit B and incorporated herein by this reference (the "Proposal"); and

WHEREAS it has been determined that the Bonds shall be issued in the principal amount of \$12,270,000;

NOW, THEREFORE, BE IT RESOLVED that:

Section 1. Award. The bid of the Purchaser for the purchase price set forth in the Proposal be and it hereby is accepted and the Mayor and City Clerk are authorized and directed to execute an acceptance of the offer of said successful bidder on behalf of the City. The good faith deposit of the Purchaser shall be retained by the City Treasurer until the closing of the bond issue, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned.

Section 2. The Bonds. The Mayor and City Clerk shall make, execute and deliver the Bonds to the Purchaser, for and on behalf of the City. The Bonds shall be negotiable, general obligation bonds of the City in the aggregate principal amount of \$12,270,000, registered as to both principal and interest, in the denomination of Five Thousand Dollars (\$5,000) each or whole multiples thereof, numbered from R-1 upward and dated May 1, 2006. The Bonds shall bear interest at the rates per annum set forth in the Proposal and shall mature on April 1 of each year, in the years and principal amounts set forth in the debt service schedule attached hereto as Exhibit C and incorporated herein by this reference (the "Schedule").

Interest on the Bonds shall be payable on April 1 and October 1 of each year, commencing October 1, 2006.

Bonds maturing in the years 2017 through 2021 shall be subject to call and prior payment at the option of the City in whole or from time to time in part on April 1, 2016, or any date thereafter at the price of par plus accrued interest to the date of redemption. The amounts and maturities of the Bonds to be redeemed shall be selected by the City. If less than the entire principal amount of any maturity is to be redeemed, the Bonds of that maturity which are to be redeemed shall be selected by lot.

Section 3. Form of Bonds. The Bonds shall be in substantially the form attached hereto as Exhibit D and incorporated herein by this reference.

Section 4. Tax Provisions.

(A) Direct Annual Irrepealable Tax. For the purpose of paying the principal of and interest on the Bonds as the same become due, the full faith, credit and resources of the City are hereby irrevocably

pledged and there be and there hereby is levied on all the taxable property in the City a direct, annual, irrevocable tax in the years 2006 through 2020 for payment of principal of and interest on the Bonds in the years 2006 through 2021 in the amounts set forth in the Schedule. The amount of tax levied for the year 2006 shall be the total amount of debt service due on the Bonds in the years 2006 and 2007; 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 principal of or interest on the Bonds in the year 2006.

(B) Tax Collection. 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 into the tax rolls of the City and collected as other taxes are collected, provided that the amount of tax carried into said tax rolls may be reduced in any year by the amount of any surplus money in the Debt Service Account created in Section 5(A) hereof.

(C) Additional Funds. If in any year there shall be insufficient funds from the tax levy to pay the principal of or interest on the Bonds when due, the said principal or interest shall be paid from other funds of the City on hand, said amounts to be returned when said taxes have been collected.

(D) Appropriation. There be and there hereby is appropriated from taxes levied in anticipation of the issuance of the Bonds or other funds of the City on hand a sum sufficient to be deposited in the Debt Service Account to meet payments with respect to debt service due on October 1, 2006.

Section 5. Debt Service Fund and 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. 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 be and there hereby is established a separate and distinct account designated as the "Debt Service Account for 'General Obligation Refunding Bonds, Series 2006B,' dated May 1, 2006" (the "Debt Service Account") and said Account shall be maintained until the indebtedness evidenced by the Bonds is fully paid or otherwise extinguished. The City Treasurer shall deposit in such Debt Service Account (i) all accrued interest received by the City at the time of delivery of and payment for the Bonds; (ii) the taxes herein levied for the specific purpose of meeting principal of and interest on the Bonds when due; (iii) such other sums as may be necessary at any time to pay principal of and interest on the Bonds when due; (iv) any premium which may be received by the City over and above the par value of the Bonds and accrued interest thereon; (v) surplus monies in the Borrowed Money Fund as specified in Section 6 hereof; and (vi) such further deposits as may be required by Sec. 67.11, Wis. Stats.

(B) Use and Investment. No money shall be withdrawn from the Debt Service 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 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), Wis. Stats., in interest-bearing obligations of the United States of America, in other obligations of

the City or in other investments permitted by law, which investments shall continue to be a part of the Debt Service 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 Account shall be deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 6. Borrowed Money Fund. All monies received by the City upon the delivery of the Bonds to the Purchaser thereof except for accrued interest and premium, if any, shall be deposited by the City Treasurer into a Borrowed Money Fund and such fund shall be maintained separate and distinct from all other funds of the City and shall be used for no purpose other than the purpose for which the Bonds are issued. In order to accomplish the purpose for which the Bonds are issued, proceeds of the Bonds shall be transferred to the Escrow Account, as provided in Section 13 hereof. Monies in the Borrowed Money Fund may be temporarily invested as provided in Section 66.0603(1m), Wis. Stats. Any monies, including any income from permitted investments, remaining in the Borrowed Money Fund after the 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 purposes shall be deposited in the Debt Service Account.

Section 7. No Arbitrage. All investments permitted by this resolution shall be legal investments, but no such investment shall be made in such a manner as would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") or the Regulations of the Commissioner of Internal Revenue thereunder (the "Regulations"); and an officer of the City, charged with the responsibility for issuing the Bonds, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of closing which will permit the conclusion that the Bonds are not "arbitrage bonds," within the meaning of said Code or Regulations.

Section 8. Persons Treated as Owners; Transfer of Bonds. The City Clerk shall keep books for the registration and for the transfer of the Bonds. 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 City Clerk, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the 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 City Clerk shall record the name of each transferee in the registration book. No registration shall be made to bearer. The City Clerk 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.

The fifteenth day of each calendar month next preceding each interest payment date shall be the record dates for the Bonds. 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 corresponding record date.

Section 9. Election to Treat Certain Bonds as Qualified 501(c)(3) Bonds. The City elects to treat that portion of the Bonds which is to be used to finance or refinance projects at West Allis Memorial Hospital (the "Qualified 501(c)(3) Bonds") as qualified 501(c)(3) bonds under Section 145 of the

Code.

Section 10. Compliance with Federal Tax Laws. The City represents and covenants that (a) the projects financed by the Bonds and the Refunded Obligations defined in Section 12 and their ownership, management and use will not cause the Bonds (other than the Qualified 501(c)(3) Bonds) to be "private activity bonds" within the meaning of Section 141 of the Code and (b) it will not use or permit the facilities financed by the Qualified 501(c)(3) Bonds to be used in a manner which would cause the Qualified 501(c)(3) Bonds not to be qualified 501(c)(3) bonds under Section 145 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Bonds including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or would otherwise cause interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Bonds shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Bonds provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Bonds and the laws of Wisconsin, and to the extent that there is a reasonable period of time in which to comply.

Section 11. 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, the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations previously executed on behalf of the City and on file in the City Clerk's office.

Section 12. Redemption of Refunded Obligations. The outstanding obligations of the City described on Exhibit E (the "Refunded Obligations") are called for prior payment on the redemption dates set forth on Exhibit E at the price of par plus accrued interest to the date of redemption. The Escrow Agent shall be directed pursuant to the Escrow Agreement referred to in Section 13 hereof to give notice of the call of the Refunded Obligations.

Section 13. Escrow Agent; Escrow Agreement; Escrow Account. _____, _____, is hereby appointed Escrow Agent of the City, for the purpose of ensuring the payment of the principal of and interest on the Refunded Obligations.

The Mayor and City Clerk are hereby authorized and directed to execute an escrow agreement substantially in the form attached hereto as Exhibit F and incorporated herein by this reference (the "Escrow Agreement") (such form may be modified by said officers prior to execution, the execution of such agreement by said officers to constitute full approval of the City of any such modifications), with the Escrow Agent, for the purpose of effecting the provisions of this Resolution.

The Bond proceeds allocable to refunding the Refunded Obligations shall be deposited in an Escrow Account which is hereby created with the Escrow Agent, pursuant to the Escrow Agreement. The use, investment and disbursement of the Bond proceeds by the Escrow Agent in the manner provided in the Escrow Agreement is authorized and approved.

Upon transfer to the Escrow Account of the proceeds of the Bonds and any other necessary funds allocable to refunding the Refunded Obligations, the taxes heretofore levied to pay debt service on

the Refunded Obligations shall be abated to the extent such transfer together with investment earnings thereon is sufficient to pay the principal of and interest on the Refunded Obligations, but such abatement shall not affect the City's pledge of its full faith, credit and resources to make such payments. The Escrow Account created by the Escrow Agreement shall hereafter serve as the debt service account (or sinking fund) for the Refunded Obligations. The Escrow Agent shall serve as custodian of said debt service account (or sinking fund).

Section 14. SLGS Subscriptions. The Escrow Agent and Stifel Nicolaus & Company Incorporated 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 authorized by this resolution pursuant to Section 67.04, Wisconsin Statutes.

Section 15. Undertaking to Provide Continuing Disclosure. The City covenants and agrees, for the benefit of the holders of the Bonds, to enter into a written undertaking (the "Undertaking") required by SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (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 holders of the Bonds or by the original purchaser(s) of the Bonds on behalf of such holders (provided that the rights of the holders and the purchaser(s) 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 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 16. Records. The City Clerk shall provide and keep a separate 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 these Bonds.

Section 17. Bond Insurance. If the Purchaser of the Bonds 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, appropriate reference to the municipal bond insurance policy shall be made in the form of Bond provided herein.

Section 18. 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 the 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 19. Closing. The Mayor and City Clerk are hereby authorized and directed to execute and deliver the Bonds to the Purchaser thereof upon receipt of the purchase price. The Mayor and City Clerk may execute the Bonds by manual or facsimile signature, but at least one of said officers shall sign the Bonds manually.

The officers of the City hereby are directed and authorized to take all necessary steps to close the bond issue as soon as practicable hereafter, in accordance with the terms of sale thereof, and said officers are hereby authorized and directed to execute and deliver such documents, certificates and acknowledgments as may be necessary or convenient in accordance therewith.

ADM\ORDRES\ADMR12M270K AuthSaleRes

ADOPTED

APR 18 2006

Paul M. Ziehler, City Admin. Officer, Clerk/Treas.

APPROVED

Jeannette Bell, Mayor

EXHIBIT A
BID TABULATION
(SEE ATTACHED)

EXHIBIT B
PURCHASE PROPOSAL
(SEE ATTACHED)

EXHIBIT C

DEBT SERVICE SCHEDULE AND IRREPEALABLE TAX LEVIES

(SEE ATTACHED)

EXHIBIT D

(Form of Bond)

UNITED STATES OF AMERICA
STATE OF WISCONSIN
COUNTY OF MILWAUKEE
CITY OF WEST ALLIS

GENERAL OBLIGATION REFUNDING BOND, SERIES 2006B

<u>Number</u>	<u>Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>Amount</u>	<u>CUSIP</u>
R-			May 1, 2006	\$	

KNOW ALL MEN BY THESE PRESENTS: That the City of West Allis, Milwaukee County, Wisconsin (the "City"), hereby acknowledges itself to owe and for value received promises to pay to _____, or registered assigns, the principal amount of _____ DOLLARS (\$ _____) on the maturity date specified above, together with interest thereon from May 1, 2006, or the most recent payment date to which interest has been paid, unless the date of registration of this Bond is after the 15th day of the calendar month immediately preceding an interest payment date, in which case interest will be paid from such interest payment date, at the rate per annum specified above, such interest being payable on April 1 and October 1 of each year, with the first interest on this issue being payable on October 1, 2006. For the prompt payment of this Bond with interest hereon as aforesaid, the full faith, credit and resources of the City have been and are hereby irrevocably pledged.

Bonds of this issue maturing in the years 2017 through 2021 shall be subject to call and prior payment at the option of the City in whole or from time to time in part on April 1, 2016, or on any date thereafter, at the price of par plus accrued interest to the date of redemption. The amounts and maturities of the Bonds to be redeemed shall be selected by the City. If less than the entire principal amount of any maturity is to be redeemed, the Bonds of that maturity which are to be redeemed shall be selected by lot. Notice of such call shall be given by the sending of a notice thereof by registered or certified mail, facsimile transmission, electronic transmission or overnight express delivery at least thirty (30) days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

Both principal hereof and interest hereon are hereby made payable to the registered owner in lawful money of the United States of America. The principal of this Bond shall be payable only upon presentation and surrender of this Bond at the office of the City Treasurer. Interest hereon shall be payable by check or draft dated as of the applicable interest payment date and mailed from the office of the City Treasurer to the person in whose name this Bond is registered at the close of business on the fifteenth day of the calendar month next preceding each interest payment date.

This Bond is transferable only upon the books of the City kept for that purpose at the office of the City Clerk, 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 City Clerk duly executed by the registered owner or his duly authorized attorney. Thereupon a new Bond or Bonds of the same aggregate principal amount, series and maturity shall be issued to the transferee in exchange therefor. The City may deem and treat the person 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 interest hereof and for all other purposes. The Bonds are issuable solely as negotiable, fully-registered Bonds without coupons in authorized denominations of \$5,000 or any whole multiple thereof.

This Bond is one of an issue aggregating \$12,270,000, each of which is of like original issue date and tenor except as to numbers, interest rates, redemption privilege and maturities, issued for the public purpose of refunding obligations of the City, including interest on them, pursuant to an initial resolution duly adopted by the Common Council and in full conformity with the Constitution and laws of the State of Wisconsin thereunto enabling.

It is hereby recited and certified that all acts, conditions and things required by law to be done precedent to and in the issuance of this Bond have been done, have happened and have been performed in regular and due form, time and manner; that a direct, annual irrepealable tax has been levied by the City sufficient in times and amounts to pay the interest on this Bond when it falls due and also to pay and discharge the principal hereof at maturity; and that this Bond, together with all other existing indebtedness of the City, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City of West Allis, Milwaukee County, Wisconsin has caused this Bond to be executed in its behalf by its duly qualified and acting Mayor and City Clerk, and its corporate seal to be impressed hereon, all as of the date of original issue specified above.

(SEAL)

CITY OF WEST ALLIS,
MILWAUKEE COUNTY, WISCONSIN

By _____
City Clerk

By _____
Mayor

(Form of Assignment)

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite name and address, including zip code, of Assignee)

Please insert Social Security or other
identifying number of Assignee

the within Bond, and all rights thereunder, hereby irrevocably constituting and appointing

Attorney to transfer said Bond on the books kept for the registration thereof with full power of
substitution in the premises.

Dated:

NOTICE: The signature to this assignment
must correspond with the name as it appears
upon the face of the within Bond in every
particular, without alteration or enlargement
or any change whatever.

Signature(s) guaranteed by:

EXHIBIT E

DESCRIPTION OF REFUNDED OBLIGATIONS

<u>Issue</u>	<u>Call Date</u>	<u>Maturities to be Refunded</u>	<u>Amount of Principal Refunded</u>
General Obligation Corporate Purpose Bonds, Series 1998B, dated: January 15, 1998	4/1/2007	2008-2017	\$ 750,000
General Obligation Refunding Bonds, Series 1998C, dated: March 1, 1998	6/1/2006	2008-2012	7,975,000
General Obligation Corporate Purpose Bonds, Series 1999B, dated: February 15, 1999	4/1/2008	2010-2018	570,000
General Obligation Corporate Purpose Bonds, Series 2001, dated: March 1, 2001	4/1/2008	2009-2020	1,625,000
General Obligation Corporate Purpose Bonds, Series 2002, dated: March 1, 2002	4/1/2009	2010-2021	1,265,000

EXHIBIT F

ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made and entered into the 1st day of May, 2006, by and between the City of West Allis, Wisconsin (the "City") and , _____, a national banking association with trust powers (the "Escrow Agent").

RECITALS

The City has duly issued \$ _____
_____, dated _____, ____ [(the " _____ ") and
\$ _____, dated _____, ____ (the " _____ ")
(collectively, the _____ and _____ shall be referred to herein as the "Prior Issues")].

The City has duly authorized and sold and is delivering this day its \$12,270,000 General Obligation Refunding Bonds, Series 2006B, dated May 1, 2006 (the "Refunding Obligations") for the purpose of providing funds sufficient to refund the _____ through _____ maturities of the _____ and the _____ through _____ maturities of the _____ (collectively, hereinafter the portion of the Prior Issues being refunded shall be referred to herein as the "Refunded Obligations") (the "Refunding").

The Refunded Obligations mature and bear interest on the dates and in the amounts shown on Exhibit A-1 through Exhibit A-, respectively.

In order to accomplish the Refunding, it is necessary to irrevocably deposit in trust an amount (in the form of investment securities and cash) which, together with investment income therefrom, will be sufficient to pay when due the principal of and interest on the Refunded Obligations.

To accomplish the Refunding, the Escrow Agent has been appointed depository of the proceeds of the Refunding Obligations (in the form of investment securities and cash) as hereinafter specified and has been appointed custodian of the City's debt service fund account for the Refunded Obligations until the Refunded Obligations are paid in full.

The execution of this Agreement has been duly authorized by a resolution of the Common Council entitled: "Resolution Authorizing the Sale of \$12,270,000 General Obligation Refunding Bonds, Series 2006B" (the "Resolution") adopted by the Common Council of the City on April 18, 2006.

In consideration of the mutual covenants contained herein, the parties hereto covenant and agree as follows for the equal and proportionate benefit and security of the holders of the Refunding Obligations and the Refunded Obligations:

1. Escrow Deposit. Concurrently with the execution of this Agreement, the City has irrevocably deposited with the Escrow Agent, receipt of which is hereby acknowledged by the Escrow Agent, \$ _____ being a portion of the proceeds of the Refunding Obligations (the "Bond Proceeds") and \$ _____ from funds of the City (the "Funds") for a total of \$ _____.

The foregoing, along with earnings and interest thereon, shall be held and disposed of by the Escrow Agent only in accordance with this Agreement. The City represents and warrants that the foregoing, if held, invested and disposed of by the Escrow Agent in accordance with this Agreement, will be sufficient, without the need for any further investment or reinvestment, to make all payments required under this Agreement. The Escrow Agent has not and is under no obligation to determine whether the amounts deposited hereunder are or will be sufficient to make all of the payments directed to be made hereunder.

2. Acceptance of Escrow. The Escrow Agent acknowledges receipt of the escrow deposit hereunder and accepts the responsibilities imposed on it by this Agreement.

3. Application of Escrow Deposit. There is hereby created by the City and ordered established with the Escrow Agent an account hereby designated, "City of West Allis Escrow Account" (the "Escrow Account").

The Escrow Agent shall deposit the amount described above in the Escrow Account to be used as follows:

a) \$ _____ to be used to purchase the \$ _____ principal amount of United States Treasury Certificates of Indebtedness, Notes and/or Bonds - State and Local Government Series ("SLGs"), described on the attached Exhibit B-1, pay for the SLGs from monies in the Escrow Account and hold the SLGs in the Escrow Account; (\$ _____ from Bond Proceeds and \$ _____ from Funds);

b) \$ _____ to be used to establish a beginning cash balance in the Escrow Account [(\$ _____ from Bond Proceeds and \$ _____ from Funds)]; and

c) \$ _____ to be used to pay the Issuance Expenses set forth on the attached Exhibit C-1, which the Escrow Agent is hereby authorized to pay.

[d) \$ _____ of accrued interest to be used to pay a portion of the interest on the Refunding Obligations on _____, 200__.]

Except as set forth in Section 8 hereof, the Escrow Account (other than the cash held pursuant to subsection (b) above) shall remain invested in the SLGs, and the Escrow Agent shall not sell or otherwise dispose of the SLGs.

In addition to the foregoing, the Escrow Agent is hereby directed to reinvest excess investment proceeds accruing in the years _____ to _____ in SLGs as follows:

<u>Amount</u>	<u>Interest Rate</u>	<u>Reinvestment Date</u>	<u>Maturity Date</u>
\$ _____	0.00%	_____	_____
_____	0.00	_____	_____

The Escrow Agent is hereby directed to submit the subscription for these SLGs on behalf of the City, at least seven (7) days in advance of the date of reinvestment (or such other period of time in advance of the date of reinvestment as is then required by law or regulation) and such subscription shall be in accordance with then applicable law and regulations. The City will cooperate with the Escrow Agent as necessary to allow any subscriptions to be made as described herein.

If SLGs with an interest rate of 0.00% are not available at the time such Escrow Account monies are to be reinvested, the Escrow Agent is hereby directed to reinvest such Escrow Account monies on behalf of the City in direct obligations of the United States of America ("U.S. Government Obligations"), or hold such monies uninvested, as directed by the City, upon the Escrow Agent's receipt, at the expense of the City, of (i) an opinion of the bond counsel for the Refunding Obligations or other nationally recognized firm of attorneys experienced in the area of municipal finance to the effect that such transaction would not cause any of the Refunded Obligations or any of the Refunding Obligations to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the income tax regulations thereunder (the "Regulations") and (ii) a certification from an independent certified public accountant that, after such transaction, the principal of and interest on the U.S. Government Obligations in the Escrow Account will, together with other monies in the Escrow Account available for such purposes, be sufficient at all times to pay, when due, the principal of and interest on the Refunded Obligations.

The Escrow Account cash flow (taking into account any reinvestments) prepared by the Accountant defined below is set forth on Exhibit D-1.

Except for the foregoing or as set forth in Section 8 hereof, no reinvestment of amounts on deposit in the Escrow Account shall be permitted.

The Escrow Agent shall apply the monies in the Escrow Account to the timely payment of the interest on the Refunding Obligations at the time and in the amounts set forth on the attached Exhibit A- by transfers made to or at the direction of _____, _____, the Fiscal Agent of the City with respect to the Refunding Obligations. On _____, _____, the Escrow Agent shall apply the monies available in the Escrow Account to the payment of the Refunded Obligations in the amounts set forth on the attached Exhibit A-1 through Exhibit A-.

_____, a firm of independent accountants (the "Accountant"), has delivered to the City, the Escrow Agent, Stifel, Nicolaus & Company, Incorporated, the bond insurer for the Refunding Obligations, if any, and Quarles & Brady LLP, for their purposes, a report stating that the firm has reviewed the arithmetical accuracy of certain computations based on assumptions relating to the sufficiency of forecasted net cash flow from the United States government securities (paragraph (a) above) and any initial cash deposit (paragraph (b) above) to pay the principal of and interest (if any) on the Refunded Obligations when due as described on Exhibit A-1 through Exhibit A-. Based upon the

summarized data presented in its report and the assumption that the principal and interest payments on the United States government securities are deposited in the Escrow Account when due, in its opinion, the proceeds from the United States government securities, plus any initial cash deposit will be sufficient for the timely payment of principal and interest, when due, on the Refunded Obligations.

If at any time it shall appear to the Escrow Agent that the money in the Escrow Account will not be sufficient to make any required payments due to the holders of the Refunded Obligations, the Escrow Agent shall immediately notify the City. Upon receipt of such notice, the City shall forthwith transmit to the Escrow Agent for deposit in the Escrow Account from legally available funds such additional monies as may be required to make any such payment.

4. Redemption of the Refunded Obligations. Pursuant to the Resolution, the City has heretofore called the Refunded Obligations for redemption and authorized and directed the Escrow Agent to give notice of said intended redemption of the Refunded Obligations by providing appropriate notice (in substantially the forms attached hereto as Exhibit E-1 through Exhibit E-) in the manner and at the times set forth on Exhibit E-1 through Exhibit E-, and the Escrow Agent hereby agrees to give such notice.

5. Notice of Advance Refunding of the Refunded Obligations. The Escrow Agent is hereby directed and agrees to provide to the owners of the Refunded Obligations a Notice of Advance Refunding and Redemption, in substantially the forms attached hereto as Exhibit F-1 through F-, as soon as practicable after the closing for the Refunding Obligations. The Notice of Advance Refunding and Redemption shall also be provided to any fiscal agent for the Refunded Obligations and to the nationally recognized municipal securities information repositories (NRMSIRs), the MSRB and to DTC and any other depositories as described in Exhibit F-1 through F-.

6. The Escrow Agent.

a) Annual Report. The Escrow Agent shall, in the month of February of each year while this Agreement is in effect, and as soon as practicable after termination of this Agreement, forward by first class mail to the City a report of the receipts, income, investments, reinvestments, redemptions and payments of and from the Escrow Account during the preceding calendar year, including in such report a statement, as of the end of the preceding calendar year, regarding the manner in which it has carried out the requirements of this Agreement. The City shall have the right, at any time during business hours, to examine all of the Escrow Agent's records regarding the status and details of the Escrow Account.

b) Separate Funds; Accountability. Except as otherwise permitted under Section 3 hereof, the Escrow Agent shall keep all monies, securities and other properties deposited hereunder, all investments and all interest thereon and profits therefrom, at all times in a special fund and separate trust account, wholly segregated from all other funds and securities on deposit with it; shall never commingle such deposits, investments and proceeds with other funds or securities of the Escrow Agent; and shall never at any time use, pledge, loan or borrow the same in any way. The fund established hereunder shall be held separately and distinctly and not commingled with any other such fund. Nothing herein contained shall be construed as requiring the Escrow Agent to keep the identical monies, or any part thereof, received from or for the Escrow Account, on hand, but monies of an equal

amount shall always be maintained on hand as funds held by the Escrow Agent, belonging to the City, and a special account thereof, evidencing such fact, shall at all times be maintained on the books of the Escrow Agent. All uninvested money held at any time in the Escrow Account shall be continuously secured by the deposit in a Federal Reserve Bank or direct obligations of the United States of America in a principal amount always not less than the total amount of uninvested money in the Escrow Account. It is understood and agreed that the responsibility of the Escrow Agent under this Agreement is limited to the safekeeping and segregation of the monies and securities deposited with it for the Escrow Account, and the collection of and accounting for the principal and interest payable with respect thereto.

In the event the Escrow Agent due to any action or inaction required hereunder is unable or fails to account for any property held hereunder, such property shall be and remain the property of the City, and if, for any reason such property cannot be identified, all other assets of the Escrow Agent shall be impressed with a trust for the amount thereof and the City shall be entitled to the preferred claim upon such assets enjoyed by any trust beneficiary. Property held by the Escrow Agent hereunder shall not be deemed to be a banking deposit of the City to the extent that the Escrow Agent shall have no right or title with respect thereto (including any right of set-off) and the City shall have no right of withdrawal thereof.

c) Liability. Escrow Agent shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the City or any paying agent of any of its obligations, or to protect any of the City's rights under any bond proceeding or any of the City's other contracts with or franchises or privileges from any state, county, municipality or other governmental agency or with any person. Escrow Agent shall not be liable for any act done or step taken or omitted by it, as Escrow Agent, or for any mistake of fact or law, or for anything which it may do or refrain from doing in good faith and in the exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, except for its negligence or its default in the performance of any obligation imposed upon it hereunder. Escrow Agent shall not be responsible in any manner whatsoever for the recitals or statements contained herein, including without limitation those as to the sufficiency of the trust deposit to accomplish the purposes hereof or in the Refunded Obligations or the Refunding Obligations or in any proceedings taken in connection therewith, but they are made solely by the City.

d) Resignations; Successor Escrow Agent. Escrow Agent may at any time resign by giving not less than 60 days written notice to the City. Upon giving such notice of resignation, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor escrow agent. Such court may thereupon, after such notice, if any, as it may deem proper and prescribes, appoint a successor escrow agent of comparable qualifications to those of the resigning Escrow Agent. The resignation of the Escrow Agent shall take effect only upon the appointment of a successor escrow agent and such successor escrow agent's acceptance of such appointment.

Any successor escrow agent shall be a state or national bank, have full banking and trust powers, and have a combined capital and surplus of at least \$5,000,000.

Any successor escrow agent shall execute, acknowledge and deliver to the City and to its predecessor escrow agent an instrument accepting such appointment hereunder, and thereupon the

resignation of the predecessor escrow agent shall become effective and such successor escrow agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as escrow agent herein; but nevertheless, on written request of the City or on the request of the successor escrow agent, the escrow agent ceasing to act shall execute and deliver an instrument transferring to such successor escrow agent, upon the terms herein expressed, all the rights, power, and duties of the escrow agent so ceasing to act. Upon the request of any such successor escrow agent, the City shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor escrow agent all such rights, powers and duties. Any predecessor escrow agent shall pay over to its successor escrow agent a proportional part of the Escrow Agent's fee hereunder.

e) Fees. The Escrow Agent acknowledges receipt from the City the sum of _____ DOLLARS (\$ _____) as and for full compensation for all services to be performed by it as the Escrow Agent under this Agreement. Any out-of-pocket expenses including legal fees and publication costs will be paid by the City as incurred. The Escrow Agent expressly waives any lien upon or claim against the monies and investments in the Escrow Account.

7. Arbitrage. The City has covenanted and agreed and the Escrow Agent hereby covenants and agrees, to the extent any action is within its control and to its knowledge, to and for the benefit of the holders of the Refunding Obligations and the Refunded Obligations, that no investment of the monies on deposit in the Escrow Account will be made in a manner that would cause the Refunding Obligations or the Refunded Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code or any Regulations promulgated or proposed thereunder.

In order to ensure continuing compliance with Section 148 of the Code and the Regulations, the Escrow Agent agrees that it will not invest the cash balance nor reinvest any cash received in payment of the principal of and interest on the federal securities held in the Escrow Account nor redeem such federal securities except as specifically provided in Section 1 hereof. Said prohibition on reinvestment shall continue unless and until the City requests that such reinvestment be made and shall be restricted to noncallable direct obligations of the United States Treasury. Prior to any such request for reinvestment of the proceeds from the federal securities held in the Escrow Account, the City shall provide to the Escrow Agent: (i) an opinion by an independent public accountant that after such reinvestment the principal amount of the substituted securities, together with the earnings thereon and other available monies, will be sufficient to pay, as the same become due, any required interest payments on the Refunding Obligations and all principal of, redemption premium where required, and interest on the Refunded Obligations which have not then previously been paid, and (ii) an unqualified opinion of nationally recognized bond counsel to the effect that (a) such reinvestment will not cause the Refunding Obligations or the Refunded Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations in effect thereunder on the date of such reinvestment, and (b) such reinvestment complies with the Constitution and laws of the State of Wisconsin and the provisions of all relevant documents relating to the issuance of the Refunding Obligations and the Refunded Obligations.

8. Substitute Investments. At the written request of the City and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to request the redemption of the

SLGs and to substitute direct obligations of, or obligations which are unconditionally guaranteed by, the United States of America, which are not subject to redemption prior to maturity and which are available for purchase with the proceeds derived from the disposition of the SLGs on the date of such transaction. The Escrow Agent shall purchase such substitute obligations with the proceeds derived from the sale, transfer, disposition or redemption of the SLGs. The transactions may be effected only by simultaneous sale and purchase transactions, and only if (i) the amounts and dates on which the anticipated transfers from the Escrow Account to the fiscal agent or depository for the payment of the principal of and interest on the Refunded Obligations will not be diminished or postponed thereby, (ii) the Escrow Agent shall receive, at the expense of the City, an opinion of a nationally recognized firm of attorneys experienced in the area of municipal finance to the effect that such disposition and substitution would not cause any Refunded Obligations or Refunding Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations thereunder; and (iii) the Escrow Agent shall receive, at the expense of the City, a certification from an independent certified public accountant that, after such transaction, the principal of and interest on the U.S. government obligations in the Escrow Account will, together with other monies in the Escrow Account available for such purpose, be sufficient at all times to pay, when due, the principal of, redemption premium, where required, and interest on the Refunded Obligations.

The City hereby covenants that no part of the monies or funds at any time in the Escrow Account shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any Refunded Obligations or Refunding Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations thereunder.

9. Miscellaneous.

a) Third Party Beneficiaries. This Agreement has been entered into by the City and the Escrow Agent for the benefit of the holders of the Refunding Obligations and the Refunded Obligations, and is not revocable by the City or the Escrow Agent, and the investments and other funds deposited in the Escrow Account and all income therefrom have been irrevocably appropriated for the payment of interest on the Refunding Obligations when due and the payment and any redemption of the Refunded Obligations and interest thereon when due, in accordance with this Agreement. This Agreement shall be binding upon and shall inure to the benefit of the City and the Escrow Agent and their respective successors and assigns. In addition, this Agreement shall constitute a third party beneficiary contract for the benefit of the owners of the Refunding Obligations and the Refunded Obligations. Said third party beneficiaries shall be entitled to enforce performance and observance by the City and the Escrow Agent of the respective agreements and covenants herein contained as fully and completely as if said third party beneficiaries were parties hereto.

b) Severability. If any section, paragraph, clause or provision of this Agreement shall be invalid or ineffective for any reason, the remainder of this Agreement shall remain in full force and effect, it being expressly hereby agreed that the remainder of this Agreement would have been entered into by the parties hereto notwithstanding any such invalidity.

c) Termination. This Agreement shall terminate upon the payment of all of the principal of and interest on the Refunded Obligations. The parties realize that some of the amounts hereunder may remain upon termination. Any amounts remaining upon termination shall be returned to the City

for deposit in the account designated "Debt Service Fund Account for \$12,270,000 General Obligation Refunding Bonds, Series 2006B, dated May 1, 2006," "Interest and Principal Account for \$12,270,000 General Obligation Refunding Bonds, Series 2006B, dated May 1, 2006," created by the Resolution and used solely to pay the principal of and interest on the Refunding Obligations. Termination of this Agreement shall not, of itself, have any effect on the City's obligation to pay the Refunding Obligations and the Refunded Obligations in full in accordance with the respective terms thereof.

d) Indemnification. The City agrees to hold the Escrow Agent harmless and to indemnify the Escrow Agent against any loss, liability, expenses (including attorney's fees and expenses), claims, or demand arising out of or in connection with the performance of its obligations in accordance with the provisions of this Agreement, except for gross negligence or willful misconduct of the Escrow Agent. The foregoing indemnities in this paragraph shall survive the resignation or removal of the Escrow Agent or the termination of the Agreement.

e) Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the date first above written.

CITY OF WEST ALLIS,
MILWAUKEE COUNTY, WISCONSIN

By: _____
Jeannette Bell
Mayor

(SEAL)

By: _____
Paul M. Ziehler
City Clerk

_____, as Agent

By: _____

(SEAL)

And: _____

(Refunded Obligations)

EXHIBIT A-1

\$ _____
City of West Allis, Wisconsin

Dated _____, ____

Debt Service Requirements

<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Interest Amount</u>	<u>Total Principal and Interest</u>
-------------------------	-----------------------------	--------------------------	----------------------------	---

* To be called for prior payment at 100% on _____, ____ [and are the only portion of the Prior Issue/ _____ subject to the terms of this Escrow Agreement.]

Bond Registrar
or Fiscal Agent:

Depository:

The Depository Trust Company
New York, New York

(Refunded Obligations)

EXHIBIT A-2

\$ _____
City of West Allis, Wisconsin

Dated _____, ____

Debt Service Requirements

<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Interest Amount</u>	<u>Total Principal and Interest</u>
-------------------------	-----------------------------	--------------------------	----------------------------	---

* To be called for prior payment at 100% on _____, ____ [and are the only portion of the Prior Issue/ _____ subject to the terms of this Escrow Agreement.]

Bond Registrar
or Fiscal Agent:

Depository:

The Depository Trust Company
New York, New York

EXHIBIT B-1

U.S. TREASURY SECURITIES

[(State and Local Government Series)]

For Delivery May 1, 2006

<u>Type</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Coupon Rate</u>	<u>Cost</u>
-------------	----------------------	-----------------------	------------------------	-------------

(See Attached Subscription Forms)

[(See Attached Confirmation Forms)]

EXHIBIT C-1

AUTHORIZED ISSUANCE EXPENSES

Escrow Agent,	\$ _____
Escrow Verification,	_____
Legal Opinion, Quarles & Brady LLP, Milwaukee, Wisconsin	_____
Rating Fee, Moody's Investors Service Inc., New York, New York Standard & Poor's, New York, New York	_____
Financial Advisor, Stifel, Nicolaus & Company, Incorporated, Milwaukee, Wisconsin	_____
Fiscal Agent, _____	
Printing, Miscellaneous	_____
Total:	\$ _____

EXHIBIT D-1

ESCROW ACCOUNT CASH FLOW

(SEE ATTACHED)

EXHIBIT E-

[Form of Redemption Notice to be Provided]

NOTICE OF FULL CALL*

Exhibit F-1

Notice of [PARTIAL] Advance Refunding and Redemption
of the _____, dated _____
of the City of West Allis, Wisconsin (the " _____ ")

[FORM OF NOTICE TO BE PROVIDED]