

10



City of West Allis Matter Summary

7525 W. Greenfield Ave.
West Allis, WI 53214

File Number	Title	Status
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R-2007-0105 Resolution **In Committee**

4955000

Resolution Providing for the Sale of \$5,000,000 General Obligation Corporate Purpose Bonds, Series 2007A of the City of West Allis.

Introduced: 4/17/2007

Controlling Body: Administration & Finance Committee

Sponsor(s): Administration & Finance Committee

COMMITTEE RECOMMENDATION

Adopt

as amended

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
<u>APR 17 2007</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Barczak				<input checked="" type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	Czaplewski	<input checked="" type="checkbox"/>			
	<input type="checkbox"/>	<input type="checkbox"/>	Dobrowski				
	<input type="checkbox"/>	<input type="checkbox"/>	Kopplin				
	<input type="checkbox"/>	<input type="checkbox"/>	Lajsic	<input checked="" type="checkbox"/>			
	<input type="checkbox"/>	<input type="checkbox"/>	Narlock				
	<input type="checkbox"/>	<input type="checkbox"/>	Reinke	<input checked="" type="checkbox"/>			
	<input type="checkbox"/>	<input type="checkbox"/>	Sengstock				
	<input type="checkbox"/>	<input type="checkbox"/>	Vitale				
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Weigel	<input checked="" type="checkbox"/>			
			TOTAL	<u>4</u>	<u>0</u>		<u>1</u>

SIGNATURE OF COMMITTEE MEMBER

[Handwritten Signature]

Chair

Vice-Chair

Member

COMMON COUNCIL ACTION

ADOPT

as amended

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
<u>APR 17 2007</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Barczak				<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Czaplewski	<input checked="" type="checkbox"/>			
	<input type="checkbox"/>	<input type="checkbox"/>	Dobrowski	<input checked="" type="checkbox"/>			
	<input type="checkbox"/>	<input type="checkbox"/>	Kopplin	<input checked="" type="checkbox"/>			
	<input type="checkbox"/>	<input type="checkbox"/>	Lajsic	<input checked="" type="checkbox"/>			
	<input type="checkbox"/>	<input type="checkbox"/>	Narlock	<input checked="" type="checkbox"/>			
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Reinke	<input checked="" type="checkbox"/>			
	<input type="checkbox"/>	<input type="checkbox"/>	Sengstock	<input checked="" type="checkbox"/>			
	<input type="checkbox"/>	<input type="checkbox"/>	Vitale	<input checked="" type="checkbox"/>			
	<input type="checkbox"/>	<input type="checkbox"/>	Weigel	<input checked="" type="checkbox"/>			
			TOTAL	<u>9</u>	<u>-</u>		<u>1</u>



City of West Allis

7525 W. Greenfield Ave.
West Allis, WI 53214

Resolution

File Number: R-2007-0105

Final Action: 4/17/2007

Sponsor(s): Administration & Finance Committee

Resolution Authorizing the Sale of \$4,955,000 General Obligation Corporate Purpose Bonds, Series 2007A.

WHEREAS on March 6, 2007, the Common Council of the City of West Allis, Milwaukee County, Wisconsin (the "City") adopted initial resolutions (the "Initial Resolutions") authorizing the issuance of general obligation bonds for the following public purposes and in the following amounts:

\$2,500,000 to finance street improvement projects;
\$1,300,000 to finance sanitary sewer improvements; and
\$1,200,000 to finance water system improvements;

WHEREAS the City has determined to issue the bonds authorized by the Initial Resolutions in the following principal amounts and for the following purposes:

\$2,485,000 to finance street improvement projects;
\$1,285,000 to finance sanitary sewer improvements; and
\$1,185,000 to finance water system improvements;

WHEREAS the general obligation bonds authorized by the Initial Resolutions which are now to be issued shall be combined into one issue of "General Obligation Corporate Purpose Bonds, Series 2007A" (the "Bonds") in the aggregate principal amount of \$4,955,000;

WHEREAS the City has duly received bids for 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");

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 \$4,955,000, 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, 2007. 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 April 1, 2008.

At the option of the City, the Bonds maturing on April 1, 2018 and thereafter shall be subject to redemption prior to maturity on April 1, 2017, or on any date thereafter. Said Bonds shall be redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

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 2007 through 2021 for payment of principal of and interest on the Bonds in the years 2008 through 2022 in the amounts set forth in the Schedule.

(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.

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 Corporate Purpose Bonds, Series 2007A,' dated May 1, 2007" (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 purposes for which the Bonds are issued. 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. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Bonds and their ownership, management and use will not cause the Bonds to be "private activity bonds" within the meaning of Section 141 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 a private activity bond within the meaning of the Code 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.

(b) 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 10. Designation as Qualified Tax-Exempt Obligations. The Bonds are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

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 ("DTC"), 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. 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.

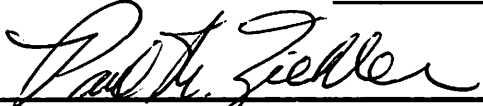
Section 13. Records. The City Clerk shall provide and keep a separate record book and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing these Bonds.

Section 14. 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 15. 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.

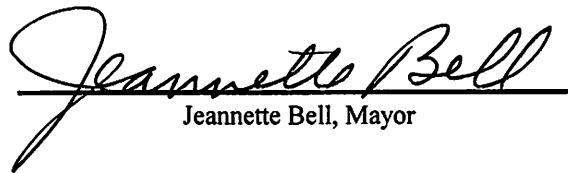
The officers of the City hereby are directed and authorized to take all necessary steps to close the bond issue as soon as practicable hereafter, in accordance with the terms of sale thereof, and said officers are hereby authorized and directed to execute and deliver such documents, certificates and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

ADOPTED AS AMENDED 04/17/2007



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

APPROVED AS AMENDED 4-20-07



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 CORPORATE PURPOSE BOND, SERIES 2007A

<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, 2007	\$	

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, 2007, 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 April 1, 2008. 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.

At the option of the City, the Bonds maturing on April 1, 2018 and thereafter are subject to redemption prior to maturity on April 1, 2017 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption. Notice of such redemption 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 \$4,955,000, each of which is of like original issue date and tenor except as to numbers, interest rates, redemption privilege and maturities, issued for the following public purposes: \$1,285,000 to finance sanitary sewer improvements; \$1,185,000 to finance water system improvements; and \$2,485,000 to finance street improvement projects, pursuant to initial resolutions duly adopted by the Common Council and in full conformity with the Constitution and laws of the State of Wisconsin thereunto enabling.

This Bond has been designated by the City as a "qualified tax-exempt obligation" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended.

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 irrevocable 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:



411 East Wisconsin Avenue
Milwaukee, Wisconsin 53202-4497
Tel: 414.277.5000
Fax: 414.271.3552
www.quarles.com

*Attorneys at Law in
Phoenix and Tucson, Arizona
Naples and Boca Raton, Florida
Chicago, Illinois
Milwaukee and Madison, Wisconsin*

April 13, 2007

VIA EMAIL

Mr. Gary A. Schmid, CPA
Comptroller/Manager of Finance
City Hall
7525 West Greenfield Avenue
West Allis, WI 53214

Re: City of West Allis - General Obligation Corporate Purpose Bonds,
Series 2007A

Dear Gary:

Attached for use in preparing for the Common Council meeting on April 17, 2007, is a draft resolution authorizing the sale of the above Bonds.

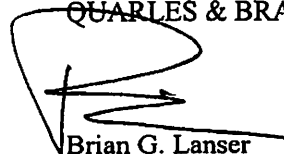
Please be sure to include this resolution on the agenda and the open meeting law notices for the Common Council meeting. For those purposes it can be described as follows: "Resolution Authorizing the Sale of Approximately \$5,000,000 General Obligation Corporate Purpose Bonds, Series 2007A." Please then post the agenda in at least three public places and provide it to the official newspaper of the City and to any other requesting media at least 24 hours prior to the meeting (see Section 19.84(1)(b), Wisconsin Statutes). I also ask that you complete the attached Certificate of Compliance with Open Meeting Law and return it to me.

Also attached is a draft of the Continuing Disclosure Certificate the City will execute with respect to the Bonds. This Certificate constitutes an undertaking by the City to comply with the continuing disclosure requirements of SEC Rule 15c2-12, and you should review it carefully.

If you have any questions regarding the resolution or any other matter, please give me a call.

Very truly yours,

QUARLES & BRADY LLP



Brian G. Lanser

BGL:SMN:adb:tah
Enclosures

cc: Mr. Paul Ziehler (w/enc, via email)
Mr. Scott Post (w/enc, via email)
Ms. Jeanette Wardinski (w/enc, via email)
Mr. Paul Patrie (w/enc, via email)
Mr. Vasilios Gerasopoulos (w/enc., via email)

3. **Notification of Media.** On the _____ day of _____, 20__ at approximately _____ o'clock __.m., I communicated or caused to be communicated, the time, date, place and subject matter (including specific reference to the borrowing) of said meeting to those news media who have filed a written request for such notice, and to the official newspaper of the _____, or, if none exists, to a news medium (County, City, etc.) likely to give notice in the area.

4. **Open Meeting Law Compliance.** Said meeting was a _____ meeting of the (regular, special, adjourned annual, etc.) _____ which was called, noticed, held and (County Board, Common Council, etc.) conducted in open session in compliance with Subchapter V of Chapter 19 of the Wisconsin Statutes and any other applicable local rules and State statutes.

Name:
Title:

Attest:

Name:
Title:

(SEAL)

(Note: Questions regarding this form or open meeting law compliance generally should be directed to local counsel or Quarles & Brady LLP.)



City of West Allis

7525 W. Greenfield Ave.
West Allis, WI 53214

Resolution

File Number: R-2007-0105

Final Action:

Sponsor(s): Administration & Finance Committee

Resolution Authorizing the Sale of Approximately \$5,000,000 General Obligation Corporate Purpose Bonds, Series 2007A.

WHEREAS on March 6, 2007, the Common Council of the City of West Allis, Milwaukee County, Wisconsin (the "City") adopted initial resolutions (the "Initial Resolutions") authorizing the issuance of general obligation bonds for the following public purposes and in the following amounts:

\$2,500,000 to finance street improvement projects;
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WHEREAS the City has determined to issue the bonds authorized by the Initial Resolutions in the following principal amounts and for the following purposes:

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WHEREAS the general obligation bonds authorized by the Initial Resolutions which are now to be issued shall be combined into one issue of "General Obligation Corporate Purpose Bonds, Series 2007A" (the "Bonds") in the aggregate principal amount of \$5,000,000*;

WHEREAS the City has duly received bids for 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");

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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 \$5,000,000*, 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, 2007. 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").

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(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.

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(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 Corporate Purpose Bonds, Series 2007A,' dated May 1, 2007" (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 purposes for which the Bonds are issued. 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. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Bonds and their ownership, management and use will not cause the Bonds to be "private activity bonds" within the meaning of Section 141 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 a private activity bond within the meaning of the Code 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.

(b) 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 10. Designation as Qualified Tax-Exempt Obligations. The Bonds are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

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 ("DTC"), 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. 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 13. 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 14. 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 15. 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 _____

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

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 CORPORATE PURPOSE BOND, SERIES 2007A

<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, 2007	\$	

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, 2007, 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 April 1, 2008. 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.

At the option of the City, the Bonds maturing on April 1, 2018 and thereafter are subject to redemption prior to maturity on April 1, 2017 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption. Notice of such redemption 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 \$5,000,000, each of which is of like original issue date and tenor except as to numbers, interest rates, redemption privilege and maturities, issued for the following public purposes: \$1,300,000 to finance sanitary sewer improvements; \$1,200,000 to finance water system improvements; and \$2,500,000 to finance street improvement projects, pursuant to initial resolutions duly adopted by the Common Council and in full conformity with the Constitution and laws of the State of Wisconsin thereunto enabling.

This Bond has been designated by the City as a "qualified tax-exempt obligation" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended.

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 irrevocable 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:
