

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$4,675,000 TAXABLE GENERAL OBLIGATION PROMISSORY NOTES AND AUTHORIZING THE ISSUANCE AND ESTABLISHING PARAMETERS FOR THE SALE OF A NOT TO EXCEED \$4,675,000 TAXABLE NOTE ANTICIPATION NOTE, SERIES 2022B

WHEREAS, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City of Waukesha, Waukesha County, Wisconsin (the "City") to raise funds for public purposes, including paying project costs included in the Project Plans for the City's Tax Incremental Districts No. 11 and No. 26 (collectively, the "Project");

WHEREAS, the Common Council hereby finds and determines that the Project is within the City's power to undertake and therefore serves a "public purpose" as that term is defined in Section 67.04(1)(b), Wisconsin Statutes;

WHEREAS, cities are authorized by the provisions of Chapter 67, Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purposes;

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the City to authorize the issuance of and covenant to issue general obligation promissory notes (the "Securities") to provide permanent financing for the Project;

WHEREAS, the Securities have not yet been issued or sold;

WHEREAS, cities are authorized by the provisions of Section 67.12(1)(b), Wisconsin Statutes, to issue note anticipation notes in anticipation of receiving the proceeds from the issuance and sale of the Securities;

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the City to authorize the issuance and sale of a note anticipation note pursuant to Section 67.12(1)(b), Wisconsin Statutes (the "Note"), in anticipation of receiving the proceeds from the issuance and sale of the Securities, to provide interim financing to pay the cost of the Project;

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

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the City to direct Robert W. Baird & Co. Incorporated ("Baird") to act as placement agent and take the steps necessary for the City to sell the Note;

WHEREAS, the Note shall be offered for sale to a financial institution or institutions and a proposal for the purchase of the Note (the "Proposal") shall be submitted to the City by the prospective purchaser of the Note (the "Purchaser"); and

WHEREAS, in order to facilitate the sale of the Note to the Purchaser in a timely manner, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City to delegate to the Mayor and City Clerk (the "Authorized Officers") of the City the authority to accept the Proposal on behalf of the City so long as the Proposal meets the terms and conditions set forth in this Resolution by executing a certificate in substantially the form attached hereto as Exhibit A and incorporated herein by reference (the "Approving Certificate").

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

Section 1A. Authorization of Securities. The City hereby authorizes the issuance and declares its intention and covenants to issue the Securities pursuant to the provisions of Chapter 67, Wisconsin Statutes, in an amount sufficient to retire the Note. There is hereby levied on all the taxable property in the City a direct, annual, irrevocable tax sufficient to pay the interest on said Securities as it becomes due, and also to pay and discharge the principal thereof.

Section 1B. Authorization and Sale of the Note; Parameters For the purpose of paying costs of the Project, there shall be borrowed pursuant to Section 67.12(1)(b) Wisconsin Statutes, the principal sum of not to exceed FOUR MILLION SIX HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$4,675,000) from the Purchaser in accordance with upon the terms and subject to the conditions set forth in this Resolution. Subject to satisfaction of the condition set forth in Section 15 of this Resolution, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the Purchaser for, on behalf of and in the name of the City, the Note in the principal amount of not to exceed FOUR MILLION SIX HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$4,675,000). The purchase price to be paid to the City for the Note shall be not less than 100.00% of the principal amount of the Note, with an amount not to exceed 0.50% of the principal amount of the Note representing costs of issuance, including the placement agent fee.

Section 2. Terms of the Note. The Note shall be designated "Taxable Note Anticipation Note, Series 2022B"; shall be issued in the principal amount of up to \$4,675,000; shall be dated as of its date of issuance; shall be in the denomination of \$100,000 or any integral multiple of \$1,000 in excess thereof; shall be initially numbered R-1; and mature on the date which is six months from the date of issuance of the Note.

Interest on the Note shall be payable at maturity. The true interest cost on the Note shall not exceed 2.00% per annum. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

Section 3. Redemption Provisions. The Note shall not be subject to optional redemption or shall be callable as set forth on the Approving Certificate.

Section 4. Form of the Note. The Note shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit B and incorporated herein by this reference.

Section 5. Security. The Note shall in no event be a general obligation of the City and does not constitute an indebtedness of the City nor a charge against its general credit or taxing power. No lien is created upon the Project or any other property of the City as a result of the issuance of the Note. The Note shall be payable only from (a) any proceeds of the Note set aside for payment of interest on the Note as it becomes due and (b) proceeds to be derived from the issuance and sale of the Securities, which proceeds are hereby declared to constitute a special trust fund, hereby created and established, to be held by the City Clerk and expended solely for the payment of the principal of and interest on the Note until paid. The City hereby agrees that, in the event such monies are not sufficient to pay the principal of and interest on the Note when due, if necessary, the City will pay such deficiency out of its annual general tax levy or other available funds of the City; provided, however, that such payment shall be subject to annual budgetary appropriations therefor and any applicable levy limits; and provided further, that neither this Resolution nor any such payment shall be construed as constituting an obligation of the City to make any such appropriation or any further payments.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for Taxable Note Anticipation Note, Series 2022B" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Note is fully paid or otherwise extinguished. There shall be deposited into the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Note; (ii) any proceeds of the Note representing capitalized interest on the Note or other funds appropriated by the City for payment of interest on the Note, as needed to pay the interest on the Note when due; (iii) proceeds of the Securities (or other obligations of the City issued to pay principal of or interest on the Note); (iv) such other sums as may be necessary at any time to pay principal of and interest on the Note when due and which are appropriated by the Common Council for that purpose; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Note until all such principal and interest has been paid in full and the Note canceled; provided that such monies may be invested in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Said account shall be used for the sole purpose of paying the principal of and interest on the Note and shall be maintained for such purpose until the Note is fully paid or otherwise extinguished.

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

Section 7. Covenants of the City. The City hereby covenants with the owners of the Note as follows:

(A) It shall issue and sell the Securities as soon as practicable, as necessary to provide for payment of the Note;

(B) It shall segregate the proceeds derived from the sale of the Securities into the special trust fund herein created and established and shall permit such special trust fund to be used for no purpose other than the payment of principal of and interest on the Note until paid. After the payment of principal of and interest on the Note in full, said trust fund may be used for such other purposes as the Common Council may direct in accordance with law; and,

(C) It shall maintain a debt limit capacity such that its combined outstanding principal amount of general obligation bonds or notes or certificates of indebtedness and the \$4,675,000 authorized for the issuance of the Securities to provide for the payment of the Note shall at no time exceed its constitutional debt limit.

Section 8. Proceeds of the Note; Segregated Borrowed Money Fund. The proceeds of the Note (the "Note Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Note into the Debt Service Fund Account created above) shall be deposited into a special fund (the "Borrowed Money Fund") separate and distinct from all other funds of the City and disbursed solely for the purpose or purposes for which borrowed. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purpose or purposes for which the Note has been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purpose(s) shall be deposited in the Debt Service Fund Account.

Section 9. Execution of the Note; Closing; Professional Services. The Note shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Note may be imprinted on the Note in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Note, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Note shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Note and all such documents, certificates and acknowledgements as

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

Section 10. Payment of the Note; Fiscal Agent. The principal of and interest on the Note shall be paid by Associated Trust Company, National Association, Green Bay, Wisconsin, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The City hereby authorizes the Mayor and City Clerk or other appropriate officers of the City to enter into a Fiscal Agency Agreement between the City and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Note.

Section 11. Persons Treated as Owners; Transfer of Note. The City shall cause books for the registration and for the transfer of the Note to be kept by the Fiscal Agent. The person in whose name any Note 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 Note 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 Note to the extent of the sum or sums so paid.

Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer.

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

Section 12. Record Date. The fifteenth calendar day next preceding the interest and principal payment date shall be the record date for the Note (the "Record Date"). Payment of interest on the Note shall be made to the registered owners of the Note as they appear on the registration book of the City at the close of business on the Record Date.

Section 13. Condition on Issuance and Sale of the Note. The issuance of the Note and the sale of the Note to the Purchaser are subject to approval by the Authorized Officers of the principal amount, redemption provisions, interest rate and purchase price for the Note, which approval shall be evidenced by execution by the Authorized Officers of the Approving Certificate.

The Note shall not be issued, sold or delivered until this condition is satisfied. Upon satisfaction of this condition, the Authorized Officers are authorized to execute a Proposal with the Purchaser providing for the sale of the Note to the Purchaser.

Section 16. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Note in the Record Book.

Section 17. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted, approved and recorded March 1, 2022.

Shawn N. Reilly
Mayor

ATTEST:

Gina L. Kozlik
City Clerk

(SEAL)

EXHIBIT A

CERTIFICATE APPROVING THE DETAILS OF
TAXABLE NOTE ANTICIPATION NOTE, SERIES 2022B

The undersigned Mayor and City Clerk of the City of Waukesha, Waukesha County, Wisconsin (the "City"), hereby certify that:

1. Resolution. On March 1, 2022, the Common Council of the City adopted a resolution (the "Resolution") authorizing the issuance and establishing parameters for the sale of a not to exceed \$4,675,000 Taxable Note Anticipation Note, Series 2022B of the City (the "Note") and delegating to us the authority to approve the purchase proposal for the Note, and to determine the details for the Note within the parameters established by the Resolution.

2. Proposal; Terms of the Note. On the date hereof, _____ (the "Purchaser") offered to purchase the Note in accordance with the terms set forth in the Term Sheet attached hereto as Schedule I (the "Proposal"). The Proposal meets the parameters established by the Resolution and is hereby approved and accepted.

The Note shall be issued in the principal amount of \$ _____, which is not more than the \$4,675,000 approved by the Resolution, shall be dated and issued on _____, 2022, and shall mature on _____, 2022, which is not more than six months from the date of issuance of the Note and shall bear interest at the rate per annum set forth in the Pricing Summary attached hereto as Schedule II and incorporated herein by this reference.

The true interest cost on the Note is _____%, which is not in excess of 2.00%, as required by the Resolution.

3. Purchase Price of the Note. The Note shall be sold to the Purchaser in accordance with the terms of the Proposal at a price of \$ _____, plus accrued interest, if any, to the date of delivery of the Note which amount is not less than 100.00% of the principal amount of the Note as required by the Resolution.

The amount representing other costs of issuance with respect to the Note is \$ _____, which does not exceed 0.50% of the principal amount of the Note.

4. Redemption Provisions of the Note. [The Note shall not be subject to optional redemption.] [The Note is subject to redemption prior to maturity, at the option of the City, on _____ or on any date thereafter. The Note is redeemable as a whole or in part, at the principal amount thereof, plus accrued interest to the date of redemption. In the event that only a portion of the Note is redeemed, the remaining outstanding principal amount of the Note must be at least \$100,000, unless or until redeemed or paid in full.]

5. Approval. This Certificate constitutes our approval of the Proposal, and the principal amount, interest rate, purchase price and redemption provisions for the Note, in satisfaction of the parameters set forth in the Resolution.

IN WITNESS WHEREOF, we have executed this Certificate on _____, 2022 pursuant to the authority delegated to us in the Resolution.

Shawn N. Reilly
Mayor

Gina L. Kozlik
City Clerk

COPY

SCHEDULE I TO APPROVING CERTIFICATE

Proposal

To be provided by Robert W. Baird & Co., Incorporated and incorporated into the Certificate.

(See Attached)

COPY

SCHEDULE II TO APPROVING CERTIFICATE

Pricing Summary

To be provided by Robert W. Baird & Co., Incorporated and incorporated into the Certificate.

(See Attached)

COPY

EXHIBIT B

(Form of Note)

NUMBER _____ UNITED STATES OF AMERICA DOLLARS
STATE OF WISCONSIN
WAUKESHA COUNTY
NO. R- _____ CITY OF WAUKESHA \$ _____
TAXABLE NOTE ANTICIPATION NOTE, SERIES 2022B

MATURITY DATE: _____, 2022 ORIGINAL DATE OF ISSUE: _____, 2022 INTEREST RATE: _____ % CUSIP: _____

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____ DOLLARS (\$ _____)

FOR VALUE RECEIVED, the City of Waukesha, Waukesha County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the registered owner identified above (or to registered assigns), solely from the funds hereinafter specified on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable at maturity.

Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States by Associated Trust Company, National Association, Green Bay, Wisconsin (the "Fiscal Agent") or any successor thereto. This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent. Payment of interest shall be made to the registered owner hereof whose name shall appear on the registration books on the fifteenth calendar day preceding the interest payment date.

This Note is issued by the City pursuant to the provisions of Section 67.12(1)(b), Wisconsin Statutes, in anticipation of the sale of general obligation promissory notes (the "Securities"), to provide interim financing for public purposes, including paying project costs included in the Project Plans for the City's Tax Incremental Districts No. 11 and No. 26 (the "Project"), as authorized by a resolution adopted on March 1, 2022 as supplemented by a Certificate Approving the Details of Taxable Note Anticipation Note, Series 2022B (collectively, the "Resolution"). The Resolution is recorded in the official minutes of the Common Council for said date.

This Note shall be payable only from (a) any proceeds of the Note set aside for payment of interest on the Note as it becomes due and (b) proceeds to be derived from the issuance and sale of the Securities, which proceeds have been declared to constitute a special trust fund to be

held by the City Clerk or City Treasurer and expended solely for the payment of the principal of and interest on the Note until paid.

The City has authorized the issuance of the Securities and has covenanted to issue the Securities in an amount sufficient to repay the Note pursuant to said resolution. **THE NOTE IS NOT A GENERAL OBLIGATION OF THE CITY AND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR PROVISION NOR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWER. NO LIEN IS CREATED UPON THE PROJECT OR ANY OTHER PROPERTY OF THE CITY AS A RESULT OF THE ISSUANCE OF THE NOTE.**

[This Note is not subject to optional redemption.]

[The Note shall be subject to redemption prior to maturity, at the option of the City, on _____ or on any date thereafter. The Note is redeemable as a whole or in part, at the principal amount thereof, plus accrued interest to the date of redemption. In the event that only a portion of the Note is redeemed, the remaining outstanding principal amount of the Note must be at least \$100,000, unless or until redeemed or paid in full.]

Before the redemption of the Note, unless waived by the registered owner, the City shall give written notice of such redemption not less than thirty (30) days prior to the date fixed for redemption to the registered owner of each Note to be redeemed, in whole or in part, at the address shown on the registration books. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Note shall cease to bear interest on the specified redemption date, provided that federal or other immediately available funds sufficient for such redemption are on deposit with the registered owner at that time. Upon such deposit of funds for redemption the Note shall no longer be deemed to be outstanding.]

The Note is issuable solely as a negotiable, fully-registered Note, or Note, in the denomination of \$100,000 or any integral multiple of \$1,000 in excess thereof. This Note may be exchanged at the office of the Fiscal Agent for a like aggregate principal amount of Note of the same maturity in other authorized denominations.

This Note is transferable by a written assignment duly executed by the registered owner hereof or by such owner's duly authorized legal representative. Upon such transfer a new registered Note, in authorized denomination or denominations and in the same aggregate principal amount, shall be issued to the transferee in exchange hereof.

The City may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof, premium, if any, hereon and interest due hereon and for all other purposes, and the City shall not be affected by notice to the contrary.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time. The City has authorized and covenanted to issue and sell the Securities, the sale of which this Note anticipates, as soon as practicable and to set aside the proceeds of the Securities into a special trust fund for the payment of the principal of and interest on this Note.

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

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

CITY OF WAUKESHA
WAUKESHA COUNTY, WISCONSIN

By: _____
Shawn N. Reilly
Mayor

(SEAL)

By: _____
Gina L. Kozlik
City Clerk

ASSIGNMENT

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

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Note and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company
or Securities Firm)

(Registered Owner)

NOTICE: This signature must correspond with the name of the registered owner as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)