

## Agenda

There will be a Finance Committee Meeting on  
**Tuesday, August 16, 2016 at 6:30 PM**  
at the Cudahy Municipal Building, 5050 S. Lake Drive, Cudahy, WI.

August 12, 2016

### **AGENDA**

Call to order and roll call  
Statement of Public Notice

### New Business

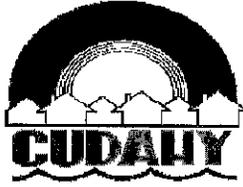
1. Presentation by Ehlers and Associates regarding 2016 Series D & E refunding efforts.
2. Discussion and necessary action regarding Resolution No. 7062 entitled "Resolution Awarding the Sale of \$3,810,000 Taxable General Obligation Refunding Bonds, Series 2016D"
3. Discussion and necessary action regarding Resolution No. 7063 entitled "Resolution Authorizing the Issuance and Sale of \$2,885,000 Storm Water Utility Revenue refunding bonds, Series 2016E".
4. Discussion and necessary action regarding Resolution No. 7059 entitled "A Resolution Declaring Official Intent to Reimburse Expenditures from Proceeds of Borrowing".
5. Discussion and necessary action regarding approval of the 2017 City of Cudahy budget time table.
6. Report and discussion regarding special assessments.
7. Adjourn

Your presence is requested  
/s/Justin Morales, Chairman

cc: Mayor, Alderpersons, Finance Director,  
Comptroller, Clerk/Treasurer,  
Department Heads, Press & Posting

### **PUBLIC NOTICE**

Upon reasonable notice, a good faith effort will be made to accommodate the needs of individuals to participate in public meetings who have a qualifying disability under the Americans with Disabilities Act. Requests should be made as far in advance as possible, preferably a minimum of 48 hours. For additional information, or to request this service, contact the Cudahy City Clerk at 769-2204 (FAX 769-2257). The meeting room is wheelchair accessible from the West entrance on S. Lake Drive.



**John Hohenfeldt**

**Mayor, City of Cudahy**

Memo to:                   Honorable Members of the Common Council  
RE:                         Public Presentation by Ehlers and Associates regarding 2016 Series D & E  
                                  refunding efforts.

Honorable Members of the Common Council:

This evening, representatives of Ehlers are here to provide a presentation on the following refunding efforts:

\$3,810,000 Taxable General Obligation Refunding Bonds, Series 2016D  
\$2,885, 000 Storm Water Utility Revenue Refunding Bonds, Series 2016E.

On the evening of July 12, 2016, the Common Council approved the Initial Resolutions 7051 and 7052 regarding these matters. We will now be provided a report on the bond sales and potential action for the Common Council's consideration later on this agenda.

Sincerely,

John R. Hohenfeldt  
Mayor

08/16/2016

"Generations of Pride"

Office of the Mayor . City Hall, 5050 South Lake Drive, P.O. Box 100510, Cudahy, WI 53110  
(414)769-2222 Fax (414) 769-2257 [jhohenfeldt@ci.cudahy.wi.us](mailto:jhohenfeldt@ci.cudahy.wi.us)

CITY OF CUDAHY, MILWAUKEE COUNTY, WISCONSIN

RESOLUTION NO. 7062

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RESOLUTION AWARDING THE SALE  
OF [\$3,810,000] TAXABLE GENERAL OBLIGATION  
REFUNDING BONDS, SERIES 2016D

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WHEREAS, the City of Cudahy, Milwaukee County, Wisconsin (the "City") is in need of funds aggregating [\$3,810,000] for the following public purposes:

- (a) Refunding the City's \$3,950,000 Taxable General Obligation Bonds, Series 2009B (the "Series 2009B Bonds");
  - (b) Advance refunding certain maturities of the City's \$1,555,000 Taxable General Obligation Bonds, Series 2010 (the "Series 2010 Bonds"); and
  - (c) Payment of related professional and financing fees;
- (collectively, the "Public Purpose"); and

WHEREAS, the Series 2010 Bonds maturing February 1, 2019 through February 1, 2030 are not subject to optional redemption prior to February 1, 2018, but may be defeased in advance of maturity by irrevocably depositing into a defeasance escrow fund held by an escrow agent, funds in the amount sufficient to pay (i) the redemption price of the Series 2010 Bonds maturing on February 1, 2019 through February 1, 2030 (the "Series 2010 Defeased Bonds") on the earliest call date and (ii) all interest on the Series 2010 Defeased Bonds until they are redeemed; and

WHEREAS, the Common Council of the City (the "Governing Body") has determined that current refunding the Series 2009B Bonds and advance refunding a portion of the Series 2010 Bonds is necessary and desirable; and

WHEREAS, for the purpose of refunding the Series 2009B Bonds and the Series 2010 Bonds, the City has determined that it is necessary and desirable to authorize and sell its [\$3,810,000] City of Cudahy, Milwaukee County, Wisconsin Taxable General Obligation Refunding Bonds, Series 2016D (the "Bonds"); and

WHEREAS, the City Administration (in consultation with the City's financial advisor, Ehlers & Associates, Inc.) caused a Notice of Sale to be distributed offering the Bonds for public sale on August 16, 2016; and

WHEREAS, pursuant to Chapter 67 of the Wisconsin Statutes, as amended, the City is authorized to issue general obligation refunding bonds of the City for the Public Purpose; and

WHEREAS, it has been determined that the bid proposal submitted by \_\_\_\_\_ (the "Purchaser") fully complies with the bid requirements set forth in the Notice of Sale and is deemed to be the most advantageous to the City. A copy of said bid is attached hereto as Exhibit A and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY THAT:

Section 1. Award of the Bonds. The bid proposal of the Purchaser is hereby accepted, said proposal offering to purchase the Bonds, for the sum of \$ \_\_\_\_\_ ([\$3,810,000].00 par amount of Bonds, plus reoffering premium of \$ \_\_\_\_\_, less underwriter's discount of \_\_\_\_\_). The Bonds mature and bear interest as follows:

MATURITY SCHEDULE

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
October 1, 2017		
October 1, 2018		
October 1, 2019		
October 1, 2020		
October 1, 2021		
October 1, 2022		
October 1, 2023		
October 1, 2024		
October 1, 2025		
October 1, 2026		
October 1, 2027		
October 1, 2028		
October 1, 2029		
October 1, 2030		

[MANDATORY REDEMPTION

The term Bonds are subject to partial mandatory redemption through the operation of a sinking fund on the dates and in the amounts specified below at a price equal to 100% of the principal amount of the Bonds being redeemed, plus accrued interest to the redemption date:

<u>Term Bond 1</u>	
<u>Mandatory Sinking Fund</u>	<u>Mandatory Sinking Fund</u>
<u>Payment Date</u>	<u>Payment Amount</u>
October 1, 20____	\$ _____
October 1, 20____ (maturity)	\$ _____

<u>Term Bond 2</u>	
<u>Mandatory Sinking Fund</u>	<u>Mandatory Sinking Fund</u>
<u>Payment Date</u>	<u>Payment Amount</u>

October 1, 20\_\_\_\_ \$ \_\_\_\_\_  
October 1, 20\_\_\_\_ (maturity) \$ \_\_\_\_\_]

The Mayor and City Clerk are authorized and directed to do any and all acts necessary to conclude delivery of the Bonds to the Purchaser, as soon after adoption of this Resolution as is convenient.

Section 2. Designation of Purchaser as Agent; Approval of Official Statement. The City hereby designates the Purchaser as its agent for purposes of distributing the Final Official Statement relating to the Bonds to any participating underwriter in compliance with Rule 15c2-12 of the Securities and Exchange Commission.

The preparation of the Preliminary Official Statement and the Final Official Statement are hereby approved. The Preliminary Official Statement is "deemed final" as of its date, except for omissions or subsequent modifications permitted under Rule 15c2-12 of the Securities and Exchange Commission.

Section 3. Terms of the Bonds. The Bonds shall be designated "Taxable General Obligation Refunding Bonds, Series 2016D;" shall be dated September 1, 2016; shall be in the denomination of \$5,000 or any integral multiple thereof; and shall mature serially on October 1 in the years and principal amounts as set forth above. Interest is payable on April 1 and October 1 of each year, commencing on April 1, 2017.

Section 4. Optional Redemption. At the option of the City, the Bonds maturing on October 1, 2024 and thereafter shall be subject to redemption prior to maturity on October 1, 2023 and on any date thereafter. Said Bonds shall be redeemable as a whole or in part, from maturities selected by the City and within each maturity by lot, at par plus accrued interest to the date of redemption.

Section 5. Form of the Bonds. The Bonds 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 6. Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Bonds as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years and amounts as follows:

(a) Levy for the year 2016 in the amount of \$ \_\_\_\_\_, being the sum of:

\$ \_\_\_\_\_ for interest due on April 1, 2017;  
\$ \_\_\_\_\_ for principal due on October 1, 2017; and  
\$ \_\_\_\_\_ for interest due on October 1, 2017.

(b) Levy for the year 2017 in the amount of \$ \_\_\_\_\_, being the sum of:

\$ \_\_\_\_\_ for interest due on April 1, 2018;  
\$ \_\_\_\_\_ for principal due on October 1, 2018; and  
\$ \_\_\_\_\_ for interest due on October 1, 2018.

(c) Levy for the year 2018 in the amount of \$ \_\_\_\_\_, being the sum of:

\$ \_\_\_\_\_ for interest due on April 1, 2019;  
\$ \_\_\_\_\_ for principal due on October 1, 2019; and  
\$ \_\_\_\_\_ for interest due on October 1, 2019.

(d) Levy for the year 2019 in the amount of \$ \_\_\_\_\_, being the sum of:

\$ \_\_\_\_\_ for interest due on April 1, 2020;  
\$ \_\_\_\_\_ for principal due on October 1, 2020; and  
\$ \_\_\_\_\_ for interest due on October 1, 2020.

(e) Levy for the year 2020 in the amount of \$ \_\_\_\_\_, being the sum of:

\$ \_\_\_\_\_ for interest due on April 1, 2021;  
\$ \_\_\_\_\_ for principal due on October 1, 2021; and  
\$ \_\_\_\_\_ for interest due on October 1, 2021.

(f) Levy for the year 2021 in the amount of \$ \_\_\_\_\_, being the sum of:

\$ \_\_\_\_\_ for interest due on April 1, 2022;  
\$ \_\_\_\_\_ for principal due on October 1, 2022; and  
\$ \_\_\_\_\_ for interest due on October 1, 2022.

(g) Levy for the year 2022 in the amount of \$ \_\_\_\_\_, being the sum of:

\$ \_\_\_\_\_ for interest due on April 1, 2023;  
\$ \_\_\_\_\_ for principal due on October 1, 2023; and  
\$ \_\_\_\_\_ for interest due on October 1, 2023.

(h) Levy for the year 2023 in the amount of \$ \_\_\_\_\_, being the sum of:

\$ \_\_\_\_\_ for interest due on April 1, 2024;  
\$ \_\_\_\_\_ for principal due on October 1, 2024; and  
\$ \_\_\_\_\_ for interest due on October 1, 2024.

(i) Levy for the year 2024 in the amount of \$ \_\_\_\_\_, being the sum of:

\$ \_\_\_\_\_ for interest due on April 1, 2025;  
\$ \_\_\_\_\_ for principal due on October 1, 2025; and  
\$ \_\_\_\_\_ for interest due on October 1, 2025.

(j) Levy for the year 2025 in the amount of \$ \_\_\_\_\_, being the sum of:

\$ \_\_\_\_\_ for interest due on April 1, 2026;  
\$ \_\_\_\_\_ for principal due on October 1, 2026; and  
\$ \_\_\_\_\_ for interest due on October 1, 2026.

(k) Levy for the year 2026 in the amount of \$ \_\_\_\_\_, being the sum of:

\$ \_\_\_\_\_ for interest due on April 1, 2027;  
\$ \_\_\_\_\_ for principal due on October 1, 2027; and  
\$ \_\_\_\_\_ for interest due on October 1, 2027.

(l) Levy for the year 2027 in the amount of \$ \_\_\_\_\_, being the sum of:

\$ \_\_\_\_\_ for interest due on April 1, 2028;  
\$ \_\_\_\_\_ for principal due on October 1, 2028; and  
\$ \_\_\_\_\_ for interest due on October 1, 2028.

(m) Levy for the year 2028 in the amount of \$ \_\_\_\_\_, being the sum of:

\$ \_\_\_\_\_ for interest due on April 1, 2029;  
\$ \_\_\_\_\_ for principal due on October 1, 2029; and  
\$ \_\_\_\_\_ for interest due on October 1, 2029.

(n) Levy for the year 2029 in the amount of \$ \_\_\_\_\_, being the sum of:

\$ \_\_\_\_\_ for interest due on April 1, 2030;  
\$ \_\_\_\_\_ for principal due on October 1, 2030; and  
\$ \_\_\_\_\_ for interest due on October 1, 2030.

The aforesaid direct annual irrevocable tax hereby levied shall be collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City levied in said years are collected. So long as any part of the principal of or interest on the Bonds remains unpaid, the tax herein above levied shall be and continues irrevocable except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus in the Debt Service Fund Account created herein.

Section 7. Debt Service Fund Account. There is hereby established in the City treasury a fund account separate and distinct from every other City fund or account designated "Debt Service Fund Account for [\$3,810,000] City of Cudahy Taxable General Obligation Refunding Bonds, Series 2016D dated September 1, 2016." There shall be deposited in said fund account any premium plus accrued interest paid on the Bonds at the time of delivery to the Purchaser, all money raised by taxation pursuant to Section 6 hereof and all other sums as may be necessary to pay interest on the Bonds when the same shall become due and to retire the Bonds at their respective maturity dates. Said fund account shall be used for the sole purpose of paying the principal of and interest on the Bonds and shall be maintained for such purpose until such indebtedness is fully paid or otherwise extinguished.

Section 8. Borrowed Money Fund. The proceeds of the Bonds (the "Bond Proceeds") (other than any premium and accrued interest paid at the time of delivery which must be paid into the Debt Service Fund Account created above) shall be deposited into an account separate and distinct from all other funds and disbursed solely for the purposes for which borrowed or for the payment of the principal of and interest on the Bonds.

Section 9. Persons Treated as Owners; Transfer of Bonds. [ \_\_\_\_\_ ] (the "Fiscal Agent") 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 by surrender of the Bond 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 Fiscal Agent shall 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 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 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 15th day of each calendar month next preceding each interest payment date shall be the record date 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 maintained by the Fiscal Agent at the close of business on the corresponding record date.

Section 10. 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 has heretofore agreed to the applicable provisions set forth in the DTC Blanket Issuer Letter of Representation previously filed with DTC on behalf of the City. The Bonds will be registered in the name of DTC or its nominee and maintained in a Book-Entry System. If the City's relationship with DTC is terminated, the City may appoint another securities depository to maintain the Book-Entry System.

Section 11. Defeasance. When all Bonds have been discharged, all pledges, covenants and other rights granted to the owners thereof by this Resolution shall cease. The City may discharge all Bonds due on any date by depositing into a special account on or before that date a sum sufficient to pay the same in full; or if any Bonds should not be paid when due, it may nevertheless be discharged by depositing into a special account a sum sufficient to pay it in full with interest accrued from the due date to the date of such deposit. The City, at its option, may also discharge all Bonds called for redemption on any date when they are prepayable according to their terms, by depositing into a special account on or before that date a sum sufficient to pay them in full, with the required redemption premium, if any, provided that notice of redemption has been duly given as required by this Resolution. The City, at its option, may also discharge all Bonds of said issue at any time by irrevocably depositing in escrow with a suitable bank or trust company a sum of cash and/or bonds or securities issued or guaranteed as to principal and interest of the U.S. Government, or of a commission, board or other instrumentality of the U.S. Government, maturing on the dates and bearing interest at the rates required to provide funds sufficient to pay when due the interest to accrue on each of said Bonds to its maturity or, at the City's option, if said Bond is prepayable to any prior date upon which it may be called for redemption, and to pay and redeem the principal amount of each such Bond at maturity, or at the City's option, if said Bond is prepayable, at its earliest redemption date, with the premium required for such redemption, if any, provided that notice of the redemption of all prepayable Bonds on such date has been duly given or provided for.

Section 12. Execution of the Bonds. The Bonds shall be issued in typewritten form, one Bond for each maturity, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk (except that one of the foregoing signatures shall be manual), sealed with its official or corporate seal, if any, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery. In the event that either of the officers whose signatures appear on the Bonds shall cease to be such officers before the delivery of the Bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until such delivery. The aforesaid officers are hereby authorized to do all acts and execute and deliver all documents as may be necessary and convenient to effectuate the closing.

Section 13. Payment of the Bonds[; Fiscal Agent]. The principal of and interest on the Bonds shall be paid by [\_\_\_\_\_], which is hereby appointed as the City's registrar, paying agent and Fiscal Agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes. The Fiscal Agency Agreement to be entered into between the City and the Fiscal Agent is hereby approved].

Section 14. 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 enforcement 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 Agreement for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 15. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the City 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.

Section 16. Bond Insurance. If the purchaser of the Bonds obtains municipal bond insurance with respect to the Bonds, 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 rights of the bond insurer in the event of default and payment of the Bonds by the bond insurer and notices to be given and information to be provided 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 17. Section 893.77 Notice. Notice of sale of the Bonds, in the form attached hereto as Exhibit C, shall be published in the official newspaper of the City as a class 1 notice under Chapter 985 of the Wisconsin Statutes.

Section 18. Notice of Redemption of Series 2009B Bonds. The City hereby calls the Series 2009B Bonds for redemption on October 1, 2016. Ehlers & Associates, Inc., as financial advisor for the City, without any further authorization or direction from the City, shall provide notice of the redemption of the Series 2009B Bonds at such time as to permit such notice to be sent to each information service and depository and shall also cause notice of the redemption of the Series 2009B Bonds in substantially the form attached hereto as Exhibit D to be mailed by first class mail, postage prepaid, to the each owner of the Series 2009B Bonds at said owner's last address, if any, appearing upon the bond register not less than thirty (30) and not more than sixty (60) days before October 1, 2016.

Section 19. Escrow Agent; Defeasance Escrow Agreement for Series 2010 Defeased Bonds. The sale proceeds of the Bonds (exclusive of any accrued interest and any premium received) shall, forthwith upon receipt, be used solely for the purposes for which borrowed. Sale proceeds of the Bonds in an amount sufficient to pay (i) the redemption price of the Series 2010 Defeased Bonds on the earliest call date and (ii) all interest on the Series 2010 Defeased Bonds until they are redeemed, forthwith upon receipt, shall be placed in the defeasance escrow fund and kept by Associated Trust Company, National Association (the "Escrow Agent") pursuant to a Defeasance Escrow Agreement relating to the Series 2010 Defeased Bonds (the "Escrow Agreement"), which form of Escrow Agreement is set forth on Exhibit E attached hereto, to be used solely for the purposes which borrowed.

The Mayor and City Clerk are hereby authorized and directed to execute 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), for the purpose of effecting the provisions of this Resolution.

Section 20. Redemption of the Series 2010 Defeased Bonds. The City hereby calls the Series 2010 Defeased Bonds for redemption on February 1, 2018. The City hereby directs the Escrow Agent to cause a notice of redemption to be prepared and delivered promptly to DTC for the Series 2010 Defeased Bonds to be redeemed on February 1, 2018. The City hereby directs the Escrow Agent to cause notice of redemption, in substantially the form attached to the Escrow Agreement, to be provided at the time and in the manner provided therein.

Adopted this 16th day of August, 2016.

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John Hohenfeldt, Mayor

ATTEST:

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Dennis Broderick, City Clerk

CERTIFICATION

I, Dennis Broderick, being first duly sworn, do hereby certify that I am the duly appointed, qualified and acting City Clerk of the City of Cudahy, in the County of Milwaukee, State of Wisconsin (the "City"), and as such I have in my possession, or have access to, the complete corporate records of said City; that I have carefully compared the transcript hereto attached with the aforesaid corporate records; that said transcript hereto attached is a true, correct and complete copy of all the corporate records in relation to the adoption of a Resolution entitled:

RESOLUTION NO. \_\_\_\_\_

RESOLUTION AWARDED THE SALE OF [\$3,810,000]  
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016D

I do hereby further depose and certify as follows:

1. Said resolution was considered for adoption by the Common Council at a \_\_\_\_\_ *(insert regular or special)* meeting held at 5050 South Lake Drive, Cudahy, Wisconsin at \_\_\_\_\_ p.m. on August 16, 2016. Said meeting of the City was held in open session in compliance with Subchapter V of Chapter 19 of the Wisconsin Statutes.

2. Said resolution was on the agenda for said meeting and public notice thereof was given not less than 24 hours prior to the commencement of said meeting in compliance with Section 19.84 of the Wisconsin Statutes, including, without limitation, by posting on the bulletin board in the City Hall, by notice to those news media who have filed a written request for notice of meetings and by notice to the official newspaper of the Common Council.

3. Said meeting was called to order by \_\_\_\_\_, who chaired the meeting. Upon roll I noted and recorded that the following alderpersons were present:

_____	_____
_____	_____
_____	_____
_____	_____

and that the following alderpersons were absent:

_____	_____
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I noted and recorded that a quorum was present. Various matters and business were taken up during the course of the meeting without intervention of any closed session. One of the matters taken up was said resolution which was introduced and its adoption was moved by \_\_\_\_\_, and seconded by \_\_\_\_\_. Following discussion and after all alderpersons who desired to do so had expressed their views for or against said resolution, the question was called and upon roll being called and the continued presence of a quorum being noted, the recorded vote was as follows:

AYE:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NAY:

\_\_\_\_\_

ABSTAINED:

\_\_\_\_\_

Whereupon the chairperson of the meeting declared said resolution adopted, and I so recorded it.

IN WITNESS WHEREOF, I have signed my name and affixed the seal of the City hereto on this 16th day of August, 2016.

**CITY OF CUDAHY, MILWAUKEE COUNTY,  
WISCONSIN**

[SEAL]

By: \_\_\_\_\_  
Dennis Broderick, City Clerk

EXHIBIT A  
BID FORM  
[SEE ATTACHED]

EXHIBIT B

FORM OF BOND

REGISTERED  
No. \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF WISCONSIN  
MILWAUKEE COUNTY  
CITY OF CUDAHY

REGISTERED  
\$ \_\_\_\_\_

TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016D

<u>Maturity Date</u>	<u>Dated Date</u>	<u>Interest Rate</u>	<u>CUSIP</u>
March 1, _____	September 1, 2016	_____%	

REGISTERED OWNER: CEDE & CO.

KNOW ALL MEN BY THESE PRESENTS that the City of Cudahy, Milwaukee County, Wisconsin (the "City") hereby acknowledges itself to owe and for value received promises to pay to the registered owner shown above, or registered assigns, solely from the fund hereinafter specified, the principal sum of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_) on the maturity date identified above, together with interest thereon from the Dated Date or the most recent payment date to which interest has been paid, at the rate of \_\_\_\_\_% per annum, calculated on the basis of a 360 day year made up of twelve 30 day months, such interest being payable semiannually on each April 1 and October 1, commencing on April 1, 2017, and thereafter at maturity.

Both principal and interest hereon are hereby made payable to the registered owner in lawful money of the United States of America. Prepayment of any principal hereunder shall be noted on the margin of this Bond. On the maturity date, principal of this Bond shall be payable only upon presentation and surrender of this Bond at the principal office of [\_\_\_\_\_], as registrar for the Bonds and as the paying agent (the "Paying Agent). Interest hereon shall be paid by wire transfer to the Depository in whose name this Bond is registered on the Bond Register maintained by the Paying Agent at the close of business on the fifteenth day of the calendar month next preceding such interest payment date.

At the option of the City, the Bonds maturing on October 1, 2024 and thereafter shall be subject to redemption prior to maturity on October 1, 2023 and on any date thereafter. Said Bonds shall be redeemable as a whole or in part, from maturities selected by the City and within each maturity by lot, at par plus accrued interest to the date of redemption.

[Bonds maturing in the years 20\_\_\_\_\_ and 20\_\_\_\_\_ are also subject to partial mandatory redemption by lot as provided in the Resolution authorizing the Bonds at the redemption price of par plus accrued interest to the date of redemption and without premium].

Notice of the call for any redemption of Bonds prior to maturity shall be given by mailing a copy of the redemption notice by First Class Mail, not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the Owner of each Bond to be redeemed at the address shown on the Bond Register; provided, however, that failure to give any such notice as aforesaid, or any

defect therein with respect to any particular Bond shall not affect the validity of any proceedings for the redemption of any other Bond.

Each redemption notice shall (i) identify the particular Bond, publication date, redemption date, redemption agent name and address, date of issue, interest rate, maturity date, and other descriptive information, if any that accurately identifies the particular Bonds called for redemption, (ii) identify the provisions pursuant to which the Bonds are being redeemed, (iii) identify the place of payment, (iv) state the applicable redemption price, including the premium, if any, and (v) state that interest on the Bonds or portions thereof thus called for redemption will cease to accrue from and after the Redemption Date specified therein.

As long as the Bonds are in book entry form, the Bonds are payable as to principal by wire transfer to the Depository or its nominee upon their presentation and surrender to the Paying Agent. Payment of each installment of interest shall be made by wire transfer to the Depository or its nominee shown in the registration books on the Record Date on the payment date in lawful money of the United States of America by the Paying Agent. The Paying Agent shall not be obliged to make any transfer of the Bonds (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the Record Date, or (iii) with respect to any particular Bonds, after such Bond has been called for redemption. With respect to (iii) above, in the event that less than all of the principal amount of a specific interest rate is redeemed, the City shall execute and the Paying Agent shall issue a new Bond in the principal amount outstanding after redemption on the redemption date.

This Bond is transferable only upon the books of the City kept for that purpose at the office of the Paying Agent, by the registered owner in person or its duly authorized attorney, upon surrender of this Bond, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Paying Agent, duly executed by the registered owner or its duly authorized attorney. Thereupon a replacement Bonds 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. This Bond is issuable solely as a negotiable, fully registered bond, without coupons.

This Bond is issued for the public purpose of paying the following costs:

- (a) Refunding the City's \$3,950,000 Taxable General Obligation Bonds, Series 2009B;
- (b) Advance refunding certain maturities of the City's \$1,555,000 Taxable General Obligation Bonds, Series 2010; and
- (c) Payment of related professional and financing fees;

and is authorized pursuant to Chapter 67 of the Wisconsin Statutes and a resolution adopted by the Common Council on August 16, 2016, entitled, "Resolution Awarding the Sale of [\$3,810,000] Taxable General Obligation Refunding Bonds, Series 2016D."

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen, and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as required by law; and that

sufficient of the income and revenue to be received by said City from the levy of a non repealable, direct annual tax has been pledged to and will be set aside into a special fund for the payment of the principal of and interest on this Bond.

IN WITNESS WHEREOF, the City of Cudahy, Milwaukee County, Wisconsin, has caused this Bond to be signed by the signatures of its Mayor and its City Clerk, and its corporate seal (or a true facsimile thereof) to be impressed (or imprinted) hereon, all as of the date of original issue specified above.

**CITY OF CUDAHY,  
MILWAUKEE COUNTY, WISCONSIN**

[SEAL]

By: \_\_\_\_\_  
John Hohenfeldt, Mayor

By: \_\_\_\_\_  
Dennis Broderick, City Clerk

(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 print or typewrite name and address,  
other identifying number of Assignee)

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

\_\_\_\_\_

(Please print or typewrite name of Attorney)

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 C

NOTICE TO THE ELECTORS

On August 16, 2016, a resolution was offered, read, approved and adopted whereby the City of Cudahy, Milwaukee County, Wisconsin authorized the issuance and sale of its Taxable General Obligation Refunding Bonds, Series 2016D in an amount not to exceed [\$3,810,000] (the "Bonds"). The closing of this bond sale was held on September 1, 2016. A copy of all proceedings had to date with respect to the authorization and sale of said Bonds is on file and may be examined in the office of the City Clerk, 5050 South Lake Drive, Cudahy, Wisconsin.

This notice is given pursuant to Section 893.77, Wisconsin Statutes, which provides that an action or proceeding to contest the validity of such financing, for other than constitutional reasons, must be commenced within 30 days after the date of publication of this notice.

Dennis Broderick, City Clerk  
CITY OF CUDAHY, MILWAUKEE COUNTY, WISCONSIN

EXHIBIT D

NOTICE OF REDEMPTION

\$3,950,000

City of Cudahy, Milwaukee County, Wisconsin  
Taxable General Obligation Bonds, Series 2009B

NOTICE IS HEREBY GIVEN that the City of Cudahy, Milwaukee County, Wisconsin (the "City") has designated for redemption and will redeem and pay on October 1, 2016 (the "Redemption Date"), the following Taxable General Obligation Bonds, Series 2009B (the "Series 2009B Bonds"):

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP</u>
October 1, 2017	\$350,000	4.150%	229759 SG1
October 1, 2018	450,000	4.650%	229759 SH9
October 1, 2019	500,000	4.800%	229759 SJ5
October 1, 2020	550,000	5.050%	229759 SK2
October 1, 2021	600,000	5.200%	229759 SL0

The Bonds specified above will be redeemed on the Redemption Date at a redemption price of 100% of the principal amount thereof plus accrued interest, if any, thereon, upon presentation and surrender of such Series 2009B Bonds at the office of the City Clerk, 5050 South Lake Drive, Cudahy, Wisconsin. On and after the Redemption Date, interest will cease to accrue on the Series 2009B Bonds specified herein.

Dated: \_\_\_\_\_, 20\_\_\_\_.

CITY OF CUDAHY,  
MILWAUKEE COUNTY, WISCONSIN

By: \_\_\_\_\_

The CUSIP Number(s) as stated herein are included solely for the convenience of the holders. The City shall not be responsible for the use of the CUSIP Number(s), nor is any representation made as to their correctness on the Bonds or as indicated in this Notice.

EXHIBIT E

FORM OF DEFEASANCE ESCROW AGREEMENT

\$1,555,000

City of Cudahy, Milwaukee County, Wisconsin  
Taxable General Obligation Bonds, Series 2010

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DEFEASANCE ESCROW AGREEMENT

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THIS ESCROW AGREEMENT (the "Agreement"), dated September 1, 2016, is by and between the City of Cudahy, Milwaukee County, Wisconsin (the "City"), and Associated Trust Company, National Association, as escrow agent (the "Escrow Agent").

WITNESSETH

WHEREAS, the City desires to advance refund certain maturities of its outstanding Taxable General Obligation Bonds, Series 2010, dated February 18, 2010 (the "Series 2010 Bonds"); and

WHEREAS, the Series 2010 Bonds maturing February 1, 2019 through February 1, 2030 are not subject to optional redemption prior to February 1, 2018, but may be defeased in advance of maturity by irrevocably depositing into a defeasance escrow fund held by an escrow agent, funds in the amount sufficient to pay (i) the redemption price of the Series 2010 Bonds maturing on February 1, 2019 through February 1, 2030 (the "Series 2010 Defeased Bonds") on the earliest call date and (ii) all interest on the Series 2010 Defeased Bonds until they are redeemed; and

WHEREAS, the City has determined to refund the Series 2010 Defeased Bonds from the proceeds of the City's [\$3,810,000] Taxable General Obligation Refunding Bonds, Series 2016D; and

WHEREAS, the City has determined to provide for payment of the Escrow Requirement (as hereinafter defined) by depositing with the Escrow Agent pursuant to the provisions hereof, from any available funds of the City, an Escrow Fund (as hereinafter defined) which will be used to purchase Government Obligations in such aggregate face amounts bearing interest at such rates and maturities or callable at the option of the owners thereof on such dates as shall be sufficient, together with investment earnings thereon, to pay the Escrow Requirement as it shall become due; and

WHEREAS, the City is the paying agent with respect to the Series 2010 Defeased Bonds; and

WHEREAS, the City has determined that the amount on deposit from time to time in the Escrow Fund together with the earnings to accrue thereon, will be sufficient to pay the Escrow Requirement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

Section 1. Definitions. In addition to terms defined herein, the following terms shall have the meanings set forth below:

“Agreement” means this Escrow Agreement.

“City” means the City of Cudahy, Milwaukee County, Wisconsin.

“Debt Service” means, on any date, the principal of and interest on the Refunded Obligations coming due as shown on Exhibit A attached hereto.

“Depository” means The Depository Trust Company.

“Escrow Agent” means Associated Trust Company, National Association.

“Escrow Fund” means the account established and held by the Escrow Agent pursuant to this Agreement, in which cash and investments will be held for payment of the Refunded Obligations.

“Escrow Obligations” means cash and the Permitted Escrow Investments as set forth on Exhibit B attached hereto.

“Escrow Requirement” means, as of any date of calculation, an amount which will be sufficient to pay, as the installments become due, the Debt Service.

“Government Obligations” means direct obligations of or obligations the principal of and interest on which are guaranteed by the United States Government and are noncallable.

“MSRB” means the Municipal Securities Rulemaking Board.

“Permitted Escrow Investments” means Government Obligations that are noncallable and nonprepayable that pay semi-annual interest or that are zero coupon securities. Such securities shall be limited to United States Treasury bills, notes, bonds, and strips.

“Refunded Obligations” means certain maturities of the City’s outstanding Taxable General Obligation Bonds, Series 2010 dated February 18, 2010, which are being advance refunded, as to which the current Debt Service is set forth on Exhibit A attached hereto.

“Resolution” means the resolution of the City dated August 16, 2016, which Resolution is the authorizing resolution for the City’s [\$3,810,000] Taxable General Obligation Refunding Bonds, Series 2016D, which authorizes the advance refunding of the Refunded Obligations.

“Series 2010 Bonds” means the City’s \$1,555,000 Taxable General Obligation Bonds, Series 2010, dated February 18, 2010.

“Series 2010 Defeased Bonds” means the Series 2010 Bonds maturing February 1, 2019 through February 1, 2030.

“Series 2016D Bonds” means the City’s [\$3,810,000] Taxable General Obligation Refunding Bonds, Series 2016D, dated September 1, 2016.

“Verification Agent” means Barthe & Wahrman, PA.

Section 2. Deposit of Funds.

(a) Pursuant to the provisions of the Resolution, the City shall cause to be deposited with the Escrow Agent the sum of \$ \_\_\_\_\_ ([3,810,000].00 par amount of the Series 2016D Bonds, less underwriter’s discount of \$ \_\_\_\_\_, plus reoffering premium of \$ \_\_\_\_\_, plus \$ \_\_\_\_\_ prior debt service funds to be transferred from the City (the “Escrow Deposit”). The Escrow Agent, without further authorization, shall use the Escrow Deposit as follows:

1. \$ \_\_\_\_\_ (\$ \_\_\_\_\_ from Bond Proceeds and \$ \_\_\_\_\_ from prior debt service funds) shall be used to purchase the Escrow Obligations described on the attached Exhibit B which, when applied pursuant to Section 4 below, will at least provide for the Escrow Requirement as of the date of such delivery; and

2. \$ \_\_\_\_\_ (\$ \_\_\_\_\_ from Bond Proceeds and \$ \_\_\_\_\_ from prior debt service funds) shall be used to establish a beginning cash balance in the Escrow Fund to remain uninvested; and

3. \$ \_\_\_\_\_ shall be used to pay the issuance expenses set forth on the attached Exhibit E, which the Escrow Agent is hereby authorized to pay; and

4. \$ \_\_\_\_\_ shall be disbursed to the City upon receipt, for deposit into the debt service fund for the Refunded Obligations.

(b) The City represents and warrants that the Escrow Obligations, if held, invested and disposed of by the Escrow Agent in accordance with the provisions of this Agreement, will be sufficient to make the payments set forth on Exhibit A. If at any time the Escrow Obligations shall be insufficient to pay the current Debt Service as set forth on Exhibit A, then the Escrow Agent shall promptly notify the City of such deficiency, and the City shall promptly deposit cash or Escrow Obligations with the Escrow Agent sufficient to meet the Escrow Requirement. The Refunded Obligations shall remain the obligation of the City, limited as provided therein, until redeemed as provided herein. Upon final disbursement for the payment of the Refunded Obligations, the Escrow Agent shall transfer any balance (whether cash or securities) remaining in the Escrow Fund to the City and thereupon this Agreement shall terminate.

Section 3. Acceptance of Escrow. The Escrow Agent acknowledges receipt of the Escrow Deposit hereunder and accepts the responsibilities imposed on it, as Escrow Agent, by this Agreement. The Escrow Deposit shall be applied by the Escrow Agent as set forth in Section 2 above.

Section 4. Use and Investment of Funds. The Escrow Agent agrees:

(a) to hold the Escrow Obligations, together with all investments and interest thereon and profits therefrom, at all times in an irrevocable escrow during the term of this Agreement as a separate trust account wholly segregated from all other funds held by the Escrow Agent in any capacity, and to make disbursements from the Escrow Fund only in accordance with the provisions of this Agreement;

(b) to deposit in the Escrow Fund, as received, the receipts of maturing principal of and interest on the Escrow Obligations in the Escrow Fund;

(c) to pay Debt Service on Refunded Obligations, as set forth in Section 5 hereof;

(d) to reinvest at the written direction of the City to the extent practicable in Government Obligations, upon receipt thereof, any maturing principal and interest of such Escrow Obligations; any earnings from the investment of Escrow Obligations in excess of the amounts necessary to pay Debt Service on the Refunded Obligations shall remain in the Escrow Fund; and

(e) in the event the Escrow Agent 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 or 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 Escrow Agent hereunder shall not be deemed to be a banking deposit of the City, and 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.

Section 5. Payment of Refunded Obligations.

(a) The Escrow Agent shall pay, in immediately available funds, to the Depository for the Refunded Obligations, from the cash on hand in the Escrow Fund, a sum sufficient to pay the Debt Service for the Refunded Obligations coming due, as shown on Exhibit A.

(b) The owners of the Refunded Obligations shall have an express first lien on the cash and Escrow Obligations in the Escrow Fund until such funds and Escrow Obligations are used and applied as provided in this Agreement.

(c) If any of the Refunded Obligations called for redemption shall not be paid upon surrender thereof for redemption, then such unpaid Refunded Obligations shall, to the extent lawful, bear interest from the scheduled redemption date to the date of payment at the rate borne by such Refunded Obligations.

(d) The City agrees that it will promptly and without delay remit to the Escrow Agent, within two days after receipt of the Escrow Agent's written request, such additional sum or sums of money as may be necessary to assure the timely payment of principal of and interest on the Refunded Obligations.

Section 6. Redemption; Notice of Redemption.

(a) The City, in accordance with the Resolution, hereby irrevocably designates the Refunded Obligations for redemption on the earliest call date (the "Redemption Date"). The designation for redemption shall be, and is hereby declared to be, irrevocable upon the execution and delivery of this Agreement.

(b) The Escrow Agent, without any further authorization or direction, at least 30 days but not more than 60 days prior to February 1, 2018, shall provide a notice of the redemption of any of said Refunded Obligations at such time as to permit such notice to be sent to the Depository on behalf of the City and to be filed electronically with the MSRB through the Electronic Municipal Market Access (EMMA) system website at [www.emma.msrb.org](http://www.emma.msrb.org).

(c) The notice of redemption shall be substantially in the form attached hereto as Exhibit C.

(d) Notice of redemption having been given as aforesaid, the Refunded Obligations so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price specified plus accrued interest thereon to the Redemption Date and on and after such date (unless the City shall default in the payment of the redemption price and accrued interest) such Refunded Obligations shall cease to bear interest. Upon surrender of any such certificated Refunded Obligations for redemption in accordance with such notice, such Refunded Obligations shall be paid at the redemption price thereof plus accrued interest to the Redemption Date.

(e) The Escrow Agent, without any further authorization or direction, shall provide a notice of advance refunding of any of said Refunded Obligations to the Depository and by filing electronically with the MSRB through the Electronic Municipal Market Access (EMMA) system website at [www.emma.msrb.org](http://www.emma.msrb.org) as soon as practicable after September 1, 2016.

(f) The Escrow Agent shall also cause the notice of advance refunding of any of said Refunded Obligations to be submitted electronically by the Escrow Agent via email to DTC on behalf of the City as soon as practicable after September 1, 2016.

(g) The notice of advance refunding shall be substantially in the form attached hereto as Exhibit D.

Section 7. Responsibilities of Escrow Agent. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the Escrow Deposit any other funds deposited therein, the purchase of the Escrow Obligations, the retention of the Escrow Obligations or the proceeds thereof or any payment, transfer or other application of money or securities by the Escrow Agent in any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be liable to the City for its negligent or willful acts, omissions or errors which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the City, and in reliance upon the opinion of such counsel shall have full

and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the City.

Section 8. Resignation of Escrow Agent. The Escrow Agent may resign and thereby become discharged from the duties and obligations hereby created, by giving not less than 45 days' written notice to the City and by publishing notice thereof, specifying the date when such resignation shall take effect, by mailing a notice to the foregoing effect to the owners of the Refunded Obligations. Such resignation shall take effect upon the date specified in such written notice to the City unless a successor shall have been appointed prior to said date, in which event such resignation shall take effect immediately on the appointment of such successor and assumption by such successor in writing all of the duties and obligations of its predecessor. If no successor Escrow Agent has been appointed by the date upon which the resignation of the Escrow Agent shall take effect, the Escrow Agent shall retain the duties and obligations until the appointment of a successor.

Section 9. Removal of Escrow Agent. The Escrow Agent may be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provisions of this Agreement with respect to the duties and obligations of the Escrow Agent, by any court of competent jurisdiction upon the application of the City.

Section 10. Successor Escrow Agent.

(a) If at any time hereafter the Escrow Agent shall resign, be removed, be dissolved or otherwise become incapable of acting, or shall be taken over by any governmental official, agency, department or board, the position of Escrow Agent shall thereupon become vacant. If the position of Escrow Agent shall become vacant for any of the foregoing reasons or for any other reason, the City shall appoint an Escrow Agent to fill such vacancy. The City shall mail notice of such appointment in accordance with the provisions of Section 8 hereof.

(b) If no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this section, the owner of any Refunded Obligations then outstanding, or any retiring Escrow Agent may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Escrow Agent.

(c) During the period of any vacancy, the City shall act as Escrow Agent.

Section 11. Compensation. No fees or other charges may be paid from the Escrow Fund prior to retirement of all of the Refunded Obligations, and the City agrees that it will pay all fees and charges, including litigation costs and other extraordinary expenses, as such payments become due prior to such retirement.

Section 12. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the Refunded Obligations have been paid and discharged in accordance with

the proceedings authorizing the Refunded Obligations, and all amounts held by the Escrow Agent hereunder have been applied in accordance herewith.

Section 13. Reports. The Escrow Agent shall, not later than December 15 of each year, commencing December 15, 2016, mail a report to the City of the receipts, income, investments, redemptions and payments of and from the Escrow Fund as of November 30 of the same year.

Section 14. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the City or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreements herein contained shall be null and void and shall be severed from the remaining covenants and agreements and shall in no way affect the validity of the remaining provisions of this Agreement.

Section 15. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as duplicate originals and shall constitute and be but one and the same instrument.

Section 16. Governing Law. This Agreement shall be governed by the laws of the State of Wisconsin without regard to conflict of law provisions.

Section 17. Amendments.

(a) This Agreement may be amended by the City and the Escrow Agent to add to the terms of this Agreement to correct errors, clarify ambiguities or insert inadvertently omitted material. This Agreement may be amended or supplemented, the Escrow Obligations or any portion thereof sold or redeemed and moneys derived therefrom invested, reinvested or disbursed (any such amendment, supplement, redemption, direction to sell or redeem or invest, reinvest or disbursed to be referred to herein as a "Subsequent Action"), including without limitation Subsequent Action which affects some but not all of the Refunded Obligations, upon submission to the Escrow Agent of each of the following:

(i) written authorization of the City for the Subsequent Action;

(ii) an opinion of the Verification Agent or a firm of nationally recognized independent certified public accountants that the amounts (which shall consist of Escrow Obligations available or to be available for payment of the Refunded Obligations) will remain sufficient to pay when due all Debt Service on the Refunded Obligations as set forth on Exhibit A after the taking of the Subsequent Action; and

(iii) an opinion of nationally recognized bond counsel to the effect that the Subsequent Action does not materially adversely affect the legal rights of the owners of the Refunded Obligations.

(b) Except as provided in subsection (a) above, all of the rights, powers, duties and obligations of the City and the Escrow Agent shall be irrevocable and shall not be subject to amendment by either the City or the Escrow Agent, respectively, and shall be binding on any successor to the City or the Escrow Agent during the term of this Agreement.

Section 18. Indemnification. The Escrow Agent undertakes to perform only such duties as are specifically set forth herein and may conclusively rely and shall be protected in acting or restraining from acting on any written notice, instrument or signature reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties duly authorized to do so. The Escrow Agent shall have no responsibility for the contents of any writing contemplated herein and may rely without any liability upon the contents thereof. It is acknowledged by the City that the Escrow Agent is bound only by the terms of this Agreement and that the Escrow Agent shall not be required to use its discretion with respect to any matter that arises under this Agreement.

The Escrow Agent shall not be liable for any action taken or omitted to be taken by it in good faith and believed by it to be authorized hereby or within the rights and powers conferred upon it hereunder, nor for action taken or omitted to be taken by it in good faith and in accordance with advice of counsel (which counsel may be of the Escrow Agent's own choosing but shall not be counsel to the City), and shall not be liable for any mistakes of fact or error of judgment or for any acts or omissions of any kind unless caused by its own willful misconduct or negligence.

The City agrees to indemnify the Escrow Agent and hold it harmless against any and all liabilities incurred by it hereunder except for liability incurred by the Escrow Agent resulting from its own willful misconduct or negligence.

[SIGNATURE PAGE TO FOLLOW]

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

**CITY OF CUDAHY,  
MILWAUKEE COUNTY, WISCONSIN**

[SEAL]

By: \_\_\_\_\_  
John Hohenfeldt, Mayor

By: \_\_\_\_\_  
Dennis Broderick, City Clerk

**ASSOCIATED TRUST COMPANY, NATIONAL  
ASSOCIATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT A TO DEFEASANCE ESCROW AGREEMENT

DEBT SERVICE ON REFUNDED OBLIGATIONS  
TO BE PAID FROM ESCROW FUND FOR SERIES 2010 BONDS

EXHIBIT B TO DEFEASANCE ESCROW AGREEMENT

ESCROW OBLIGATIONS

**EXHIBIT C TO DEFEASANCE ESCROW AGREEMENT**

**NOTICE OF REDEMPTION**

**\$1,555,000**

**City of Cudahy, Milwaukee County, Wisconsin,  
Taxable General Obligation Bonds, Series 2010**

NOTICE IS HEREBY GIVEN that the City of Cudahy, Milwaukee County, Wisconsin (the "City"), has designated for redemption and will redeem and pay on February 1, 2018 (the "Redemption Date") the following maturities of Taxable General Obligation Bonds, Series 2010 dated February 18, 2010 (the "Series 2010 Bonds"):

<u>Serial Bonds</u>			
<u>Maturity Date</u>	<u>CUSIP</u>	<u>Amount</u>	<u>Interest Rate</u>
February 1, 2019	229759 SV8	\$70,000	4.350%
February 1, 2020	229759 SW6	\$75,000	4.600%

**5.150% Term Bond Due February 1, 2024**  
**CUSIP No. 229759 TA3**

<u>Mandatory Sinking Fund Payment Date</u>	<u>Refunded Amount</u>
February 1, 2021	\$80,000
February 1, 2022	\$85,000
February 1, 2023	\$90,000
February 1, 2024 (maturity)	\$95,000

**5.600% Term Bond Due February 1, 2027**  
**CUSIP No. 229759 TD7**

<u>Mandatory Sinking Fund Payment Date</u>	<u>Refunded Amount</u>
February 1, 2025	\$100,000
February 1, 2026	\$105,000
February 1, 2027 (maturity)	\$110,000

**5.950% Term Bond Due February 1, 2030**  
**CUSIP No. 229759 TG0**

<u>Mandatory Sinking Fund Payment Date</u>	<u>Refunded Amount</u>
February 1, 2028	\$115,000
February 1, 2029	\$120,000
February 1, 2030 (maturity)	\$130,000

Associated Trust Company, National Association (the "Escrow Agent"), shall deposit federal or other immediately available funds sufficient for such redemption at the office of The Depository Trust Company on or before February 1, 2018. On and after the Redemption Date, interest will cease to accrue on the Series 2010 Bonds specified herein.

Dated: \_\_\_\_\_, 20\_\_.

CITY OF CUDAHY, MILWAUKEE COUNTY,  
WISCONSIN

By: Associated Trust Company, National  
Association, as Escrow Agent

The CUSIP Numbers as stated herein are included solely for the convenience of the owners. Neither the City of Cudahy, Milwaukee County, Wisconsin, nor the Escrow Agent shall be responsible for the use of the CUSIP Numbers, nor is any representation made as to their correctness on the Series 2010 Bonds or as indicated in this Notice.

EXHIBIT D TO DEFEASANCE ESCROW AGREEMENT

NOTICE OF ADVANCE REFUNDING

\$1,555,000

City of Cudahy, Milwaukee County, Wisconsin  
Taxable General Obligation Bonds, Series 2010

NOTICE IS HEREBY GIVEN that the Bonds of the above-referenced issue maturing on February 1, 2019 through February 1, 2030 (the "Refunded Bonds") have been advance refunded by the City of Cudahy, Milwaukee County, Wisconsin pursuant to a Defeasance Escrow Agreement dated September 1, 2016 between the City and Associated Trust Company, National Association (the "Escrow Agent"). The Escrow Agent has been instructed to call the Bonds maturing February 1, 2019 through February 1, 2030 on February 1, 2018 (the "Redemption Date") for redemption on that date. United States government securities and cash have been placed in escrow with the Escrow Agent in an amount which, together with investment interest on it, is sufficient to pay the interest on the Refunded Bonds through the Redemption Date and to redeem the Refunded Bonds on the Redemption Date at a price of par plus accrued interest to the Redemption Date. Interest on the Refunded Bonds will cease to accrue on the Redemption Date. Payment of the redemption price of the Refunded Bonds will be made at the principal office of the Escrow Agent upon presentation and surrender of the Refunded Bonds.

Dated: \_\_\_\_\_

CITY OF CUDAHY, MILWAUKEE COUNTY,  
WISCONSIN

By: Associated Trust Company, National  
Association, as Escrow Agent

EXHIBIT E TO DEFEASANCE ESCROW AGREEMENT

COSTS OF ISSUANCE

Funds wired to Escrow Agent for payment of the following issuance expenses:

Escrow Agent Associated Trust Company, N.A.	\$
Escrow Verification Barthe & Wahrman, PA	\$
Bond Counsel Husch Blackwell LLP	\$
Financial Advisor Ehlers & Associates, Inc.	\$
Bidding Agent Ehlers Investment Partners, LLC	\$
Rating Agency Standard & Poor's	\$
Rating Agency Moody's Investor Services	\$
TOTAL	\$

**Sharon Kindt**

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**From:** Bruce Schuknecht  
**Sent:** Wednesday, August 10, 2016 3:54 PM  
**To:** Sharon Kindt  
**Subject:** RE: Budget Binders

8, 2inch binders and 1, 3inch binder for me. 101.5111.503.004 All in black.

Thank you

**Bruce W Schuknecht**

**Finance Director**

**414 769 - 2227**

**414 769 - 2257 Fax #**

**[schuknechtb@ci.cudahy.wi.us](mailto:schuknechtb@ci.cudahy.wi.us)**

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**From:** Sharon Kindt  
**Sent:** Wednesday, August 10, 2016 3:27 PM  
**To:** Bruce Schuknecht  
**Subject:** Budget Binders  
**Importance:** High

Good Afternoon Bruce,

The Mayor suggested I talk to you about ordering binders for the upcoming budget preparation.

- 1) How many should I order?
- 2) What thickness do you want (ie. 1" wide, 2" wide)?
- 3) What account number of the Mayor's should I use on the invoice for payment?

Many Thanks –  
*Sharon*

Sharon Kindt  
City of Cudahy  
Clerk's Office  
5050 S Lake Dr  
Cudahy, WI 53110  
414-755-6902

CITY OF CUDAHY, MILWAUKEE COUNTY, WISCONSIN

RESOLUTION NO. 7063

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RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF  
[\$2,885,000] STORM WATER UTILITY  
REVENUE REFUNDING BONDS, SERIES 2016E

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WHEREAS, the City of Cudahy, Milwaukee County, Wisconsin (the "City"), has established a storm water utility system, a public utility, pursuant to Ordinance No. 1998 adopted by the Common Council on September 18, 2001 (the storm water utility system and all properties of every nature in connection with such system now or hereafter owned by the City, including all improvements and extensions thereto, all real and personal property of every nature comprising part of and used or useful in connection therewith, and all appurtenances, contracts, leases, franchises and other intangibles, are hereinafter referred to as the "System"); and

WHEREAS, the City has outstanding its (i) \$4,150,000 City of Cudahy, Milwaukee County, Wisconsin Storm Water Utility Revenue Bonds, Series 2008 (the "Series 2008 Bonds") dated April 2, 2008 and (ii) \$1,890,000 City of Cudahy, Milwaukee County, Wisconsin Storm Water System Revenue Bonds, Series 2014D (the "Series 2014D Bonds") dated May 6, 2014 (collectively, the "Outstanding Bonds") authorized by resolutions of the City dated March 12, 2008 and April 15, 2014 (collectively, the "Prior Resolutions"), which Outstanding Bonds are payable from the income and revenues of the System and which constitute a lien on the System; and

WHEREAS, under the provisions of Chapter 66 of the Wisconsin Statutes, any city in the State of Wisconsin may, by action of its governing body, provide funds to finance improvements and extensions to a public utility from the proceeds of bonds, which bonds are to be payable only from the gross income and revenues derived from the operation of such utility, are to be secured by a pledge of the revenues of the utility and may be secured by a mortgage lien on the utility; and

WHEREAS, it is now necessary and desirable that the City issue and sell revenue bonds payable solely from the revenues to be derived from the operation of the System pursuant to the provisions of Section 66.0621, Wis. Stats, for the purpose of financing the following:

- (a) Advance refunding certain maturities of the Series 2008 Bonds; and
- (b) Professional and financing fees; and

WHEREAS, the Series 2008 Bonds maturing May 1, 2019 through May 1, 2028 are not subject to optional redemption prior to May 1, 2018, but may be defeased in advance of maturity by irrevocably depositing into a defeasance escrow fund held by an escrow agent, funds in the amount sufficient to pay (i) the redemption price of the Series 2008 Bonds maturing on May 1, 2019 through May 1, 2028 (the "Series 2008 Defeased Bonds") on the earliest call date and (ii) all interest on the Series 2008 Defeased Bonds until they are redeemed; and

WHEREAS, the Common Council of the City (the "Governing Body") has determined that advance refunding a portion of the Series 2008 Bonds in advance of their maturity dates is necessary and desirable and is in the best interests of the City; and

WHEREAS, for the purpose of providing funds to advance refund certain maturities of the Series 2008 Bonds, the City has determined that it is necessary and desirable to authorize and sell its [\$2,885,000] Storm Water Utility Revenue Refunding Bonds, Series 2016E (the "Bonds") payable solely from the revenues to be derived from the operation of the System, which Bonds are authorized and issued pursuant to the provisions of Section 66.0621 of the Wisconsin Statutes; and

WHEREAS, the Prior Resolutions permit the issuance of additional bonds on a parity with the Bonds and the Outstanding Bonds upon certain terms and conditions, and those terms and conditions have been met; and

WHEREAS, other than the Outstanding Bonds, no other bonds or notes payable from the revenues of the System will be outstanding.

NOW, THEREFORE, the Governing Body does resolve that:

Section 1. Authorization of Bonds. For the purpose of refunding the Series 2008 Bonds as described in the preamble to this Resolution and to pay related issuance costs, the City shall borrow on the credit of the income and revenue of the System, the sum of [\$2,885,000]. Negotiable, fully-registered bonds of the City, in the denomination of \$5,000, or any whole multiple thereof, shall be issued in evidence thereof. The Bonds shall be designated "Storm Water Utility Revenue Refunding Bonds, Series 2016E", shall be numbered from R-1 upward and shall be dated September 1, 2016. The Bonds shall mature on May 1 of each the years and in the amounts set forth below. The Bonds shall bear interest at the rates per annum set forth below, payable on May 1 and November 1 of each year, commencing May 1, 2017. Interest shall be computed on 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.

#### MATURITY SCHEDULE

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
May 1, 2017		
May 1, 2018		
May 1, 2019		
May 1, 2020		
May 1, 2021		
May 1, 2022		
May 1, 2023		
May 1, 2024		
May 1, 2025		
May 1, 2026		
May 1, 2027		
May 1, 2028		

MANDATORY REDEMPTION

The term Bonds are subject to partial mandatory redemption through the operation of a sinking fund on the dates and in the amounts specified below at a price equal to 100% of the principal amount of the Bonds being redeemed, plus accrued interest to the redemption date:

<u>Term Bond 1</u>	
<u>Mandatory Sinking Fund</u> <u>Payment Date</u>	<u>Mandatory Sinking Fund</u> <u>Payment Amount</u>
May 1, 20__	\$ _____
May 1, 20__	\$ _____
May 1, 20__ (maturity)	\$ _____

<u>Term Bond 2</u>	
<u>Mandatory Sinking Fund</u> <u>Payment Date</u>	<u>Mandatory Sinking Fund</u> <u>Payment Amount</u>
May 1, 20__	\$ _____
May 1, 20__ (maturity)	\$ _____

<u>Term Bond 3</u>	
<u>Mandatory Sinking Fund</u> <u>Payment Date</u>	<u>Mandatory Sinking Fund</u> <u>Payment Amount</u>
May 1, 20__	\$ _____
May 1, 20__ (maturity)	\$ _____

OPTIONAL REDEMPTION

Bonds maturing on May 1, 2024 and thereafter shall be subject to redemption prior to maturity at the option of the City in whole or in part on May 1, 2023 and any day 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.

The schedule of maturities and mandatory redemptions, if any, is found to be such that the amount of annual debt service payments is reasonable in accordance with prudent municipal utility practices.

The Bonds shall be signed by the manual or facsimile signatures of the Mayor and City Clerk of the City (provided that, unless the City has contracted with a fiscal agent to authenticate the Bonds, at least one of such signatures shall be manual), and sealed with the corporate seal of the City, or a facsimile thereof.

The Bonds, together with interest thereon, shall be payable only out of the Special Redemption Fund hereinafter provided, and shall be a valid claim of the owner thereof only against the Special Redemption Fund and the revenues pledged to such Fund, and sufficient revenues are pledged to the Special Redemption Fund, and shall be used for no other purpose than to pay the principal and interest on the Bonds, the Outstanding Bonds, and Parity Bonds, as the same fall due.

Section 2. Form of Bonds. The Bonds shall be in substantially the form set forth on Exhibit A attached hereto.

Section 3. Definitions. In addition to the words defined elsewhere in this Resolution, the following words shall have the following meanings unless the context or use indicates another or different meaning or intent.

“Annual Debt Service Requirement” means the total amount of principal and interest due on the Bonds, Outstanding Bonds, and Parity Bonds in any Bond Year (whether the principal is due by maturity or mandatory redemption).

“Bonds” mean the City’s [\$2,885,000] Storm Water Utility Revenue Refunding Bonds, Series 2016E, dated September 1, 2016.

“Bond Year” means the one-year period ending on a principal payment or mandatory redemption date for the Bonds.

“Code” means the Internal Revenue Code of 1986, as amended.

“DTC” means The Depository Trust Company, New York, New York, or any successor securities depository for the City with respect to the Bonds.

“Fiscal Agent” means \_\_\_\_\_.

“Fiscal Year” means the fiscal year adopted by the City for the System, which is currently the calendar year.

“Net Revenues” means the Revenues minus all Operation and Maintenance Expenses of the System.

“Operation and Maintenance Expenses” means the reasonable and necessary costs of operating, maintaining, administering and repairing the System, including salaries, wages, costs of materials and supplies, insurance, audits, but excluding depreciation, debt service, tax equivalents and capital expenditures.

“Outstanding Bonds” means the Series 2008 Bonds, the Series 2014D Bonds and any outstanding bonds issued on a parity with the Bonds.

“Parity Bonds” means additional bonds issued on a parity as to pledge and lien with the Bonds in accordance with the provisions of Section 10 of this Resolution.

“Reserve Requirement” means the least of (a) 10% of the proceeds of the Bonds; (b) the maximum amount of the principal and interest due on the Bonds, the Outstanding Bonds and any

outstanding Parity Bonds in any Bond Year and (c) 125% of the average annual debt service on the Bonds, the Outstanding Bonds and any outstanding Parity Bonds.

“Revenues” means all income and revenue derived from operation of the System, including the revenues received from the City for services rendered to it, and all moneys received from any other source, including income derived from investments.

“SLGS” means U.S. Treasury Securities – State and Local Government Series.

Section 4. Income and Revenue Funds. In accordance with the Prior Resolutions, the Revenues shall be set aside into the Storm Water System Revenue Fund which shall be divided into the following separate and special funds, which funds were created by the Prior Resolutions and are hereby continued, to be used and applied as described below:

First, Revenues in amounts sufficient to provide for the reasonable and proper operation and maintenance of the System shall be set aside into the “Storm Water System Operation and Maintenance Fund” (the “Operation and Maintenance Fund”).

Next, Revenues in amounts sufficient to pay the principal of and interest on the Bonds, Outstanding Bonds, and Parity Bonds and to meet debt service reserve requirements shall be set aside into the “Storm Water System Revenue Bond and Interest Special Redemption Fund” (the “Special Redemption Fund”) to be applied to the payment of the principal of and interest on the Bonds, the Outstanding Bonds, and Parity Bonds and to meet reserve requirements. The monies standing in the Special Redemption Fund are irrevocably pledged to the payment of principal of the interest on the Bonds, Outstanding Bonds, and Parity Bonds.

The Operation and Maintenance Fund shall be deposited as received in public depositories to be selected by the Common Council in the manner required by Chapter 34 of the Wisconsin Statutes and may be invested in legal investments subject to the provisions of Section 66.0603 of the Wisconsin Statutes.

Money in the Operation and Maintenance Fund shall be used to pay Operation and Maintenance Expenses as the same come due; money not immediately required for Operation and Maintenance Expenses shall be used first to remedy any deficiency in the Special Redemption Fund and next to accumulate a reserve in the Operation and Maintenance Fund equal to estimated Operation and Maintenance Expenses for one month. Any money then available and remaining in the Operation and Maintenance Fund may be transferred to the Surplus Fund, which fund is created by the Prior Resolutions and is hereby continued.

In the event the moneys in the Revenue Fund are insufficient to provide for the current requirements of the Operation and Maintenance Fund or the Special Redemption Fund, any moneys or securities in the Revenue Fund or other funds established pursuant to this Resolution, except the proceeds of sale of the Bonds and moneys in the Reserve Account, shall be credited or transferred, first, to the Operation and Maintenance Fund, and second to the Special Redemption Fund, to the

extent of any deficit therein. It is the express intent and determination of the Common Council that the amounts of Revenues to be set aside and paid into the Special Redemption Fund (including the Reserve Account) shall in any event be sufficient to pay principal of and interest on the Bonds, Outstanding Bonds, and Parity Bonds and to meet reserve requirements, and the City Treasurer shall, from year to year, deposit at least sufficient Revenues in the Special Redemption Fund to pay promptly all principal and interest falling due on the Bonds, Outstanding Bonds, and Parity Bonds and to meet reserve requirements.

The Revenues so set aside for payment of the principal of and interest on the Bonds, Outstanding Bonds, and Parity Bonds and to meet reserve requirements shall be set apart and shall be paid into the Special Redemption Fund not later than the 10th day of the month following each quarter. The amount deposited each quarter shall be not less than one-half of the interest next coming due, plus one-fourth of the principal next maturing or subject to mandatory redemption on the next redemption date.

The minimum amounts to be so deposited for debt service on the Bonds, in addition to all amounts required to be deposited to pay principal of and interest on the Bonds, Outstanding Bonds, and Parity Bonds are set forth on Exhibit B hereto.

The Special Redemption Fund shall be used for no purpose other than the payment of interest on and principal of the Bonds, Outstanding Bonds, and Parity Bonds promptly as the same become due and payable or to pay redemption premiums. All money in the Special Redemption Fund shall be deposited in a special account and invested in legal investments subject to Section 66.0603 of the Wisconsin Statutes, and the monthly payments required to be made to the Special Redemption Fund shall be made directly to such account.

The Reserve Account established by the Prior Resolutions and continued by this Resolution shall be continued to additionally secure the payment of principal of and interest on the Bonds, Outstanding Bonds, and Parity Bonds. The City hereby covenants and agrees that upon the issuance of the Bonds, such amount as is necessary to make the amount on deposit in the Reserve Account equal to the Reserve Requirement shall be deposited in the Reserve Account. The City covenants and agrees that if at any time the Reserve Account is drawn upon and the amount in the Reserve Account shall be less than the Reserve Requirement, an amount equal to one-twelfth of the Reserve Requirement will be paid monthly into the Reserve Account from those funds in the Special Redemption Fund, the Operation and Maintenance Fund and the Surplus Fund which are in excess of the minimum amounts required by the preceding paragraphs to be paid therein until the Reserve Requirement will again have accumulated in the Reserve Account. No such payments need to be made into the Reserve Account at such times as the monies in the Reserve Account are equal to the highest Annual Debt Service Requirement on the outstanding Bonds, Outstanding Bonds, and Parity Bonds. If for any reason there shall be insufficient funds on hand in the Special Redemption Fund to meet principal or interest becoming due on the Bonds, Outstanding Bonds, or the Parity Bonds, then all sums then held in the Reserve Account shall be used to pay the portion of interest or principal on such Bonds, Outstanding Bonds, or Parity Bonds becoming due as to which there would otherwise be default, and thereupon the payments required by this paragraph shall again be made into the Reserve Account until an amount equal to the Reserve Requirement is on deposit in the Reserve Account.

Funds in the Special Redemption Fund in excess of the minimum amounts required to be paid therein plus reserve requirements may be transferred to the Surplus Fund.

Money in the Surplus Fund shall first be used when necessary to meet requirements of the Operation and Maintenance Fund including the one month reserve, the Special Redemption Fund including the Reserve Account. Any money then remaining in the Surplus Fund at the end of any Fiscal Year may be used only for System purposes, as permitted herein, and in the order specified in the Surplus Fund may be transferred to any of the funds or accounts created by this section.

Section 5. Service to City. The reasonable cost and value of any service rendered to the City by the System, including reasonable health protection charges, shall be charged against the City and shall be paid by it in monthly installments as the service accrues, out of the current revenues of the City collected or in the process of collection, exclusive of the revenues derived from the System, to wit: out of the tax levy of the City made by it to raise money to meet cost and value shall be equal to the lesser of the maximum Annual Debt Service Requirement or such part thereof as may be necessary from year to year to pay the balance of an amount which, together with other Revenues of the System, will produce in each Bond Year Net Revenues equivalent to not less than 1.25 times the Annual Debt Service Requirement. Such compensation for such service rendered to the City shall, in the manner provided hereinabove, be paid into the separate and special funds described in Section 5 of this Resolution. However, such payment out of the tax levy shall be subject to (a) yearly appropriations therefor and (b) applicable levy limitations, if any; and neither this Resolution nor such payment shall be construed as constituting an obligation of the City to make any such appropriation over and above the reasonable cost and value of services rendered to the City and its inhabitants or to make any subsequent payment over and above such reasonable cost and value.

Section 6. Operation of System; City Covenants. It is covenanted and agreed by the City with the owner or owners of the Bonds, and each of them, that:

It will faithfully and punctually perform all duties with reference to the System required by the constitution and Statutes of the State of Wisconsin, including the making and collecting of reasonable and sufficient rates lawfully established for services rendered by the System, and will segregate the Revenues of the System and apply them to the respective funds described hereinabove;

It will not sell, lease, or in any manner dispose of the System, including any part thereof of any additions or extensions that may be made part thereto, except that the City shall have the right to sell, lease or otherwise dispose of any property of the System found by the Common Council to be neither necessary nor useful in the operation of the System, provided the proceeds received from such sale, lease or disposal shall be paid into the Special Redemption Fund or applied to the acquisition or construction of capital facilities for use in the normal operation of the System, and such payment shall not reduce the amounts otherwise required to be paid into the Special Redemption Fund;

It will pay or cause to be paid all lawful taxes, assessments, governmental charges, and claims for labor, materials or supplies which if unpaid could become a lien upon the System or its Revenues or could impair the security of the Bonds;

It will cause the improvements for the System to be made as expeditiously as possible;

It will maintain in reasonably good condition and operate the System, and will establish, charge and collect such lawfully established rates and charges for the service rendered by the System, so that in each Bond Year Net Revenues shall not be less than 125% of the Annual Debt Service Requirement and so that the Revenues of the System herein agreed to be set aside to provide for the payment of the Bonds, Outstanding Bonds, and Parity Bonds and the interest thereon as the same becomes due and payable will be sufficient for that purpose; and

It will prepare a budget not less than sixty days prior to the end of each Fiscal Year and, in the event such budget indicates that the Net Revenues for each Bond Year will not exceed the Annual Debt Service Requirement for each corresponding Bond Year by the proportion stated hereunder, will take any and all steps permitted by law to increase rates so that the aforementioned proportion of Net Revenues to the Annual Debt Service Requirement shall be accomplished as promptly as possible.

Section 7. Books and Accounts; Inspection. The City will keep proper books and accounts relative to the System separate from all other records of the City and will cause such books and accounts to be audited annually by a recognized independent firm of certified public accountants including a balance sheet and a profit and loss statement of the System as certified by such accountants. Each such audit, in addition to whatever matters may be thought proper by the accountants to be included therein shall include the following: (1) a statement in detail of the income and expenditures of the System for the Fiscal Year; (2) a balance sheet as of the end of such Fiscal Year; (3) the accountant's comment regarding the manner in which the City has carried out the requirements of this Resolution and the accountants' recommendations for any changes or improvements in the operation of the System; (4) the number of connections to the System at the end of the Fiscal Year, for each user classification (i.e., residential, commercial, public and industrial); and (5) a list of the insurance policies in force at the end of the Fiscal Year setting out as to each policy the amount of the policy, the risks covered, the name of the insurer, and the expiration date of the policy.

The owners of any of the Bonds shall have at all reasonable times the right to inspect the System and the records, accounts and data of the City relating thereto.

Section 8. Insurance. So long as any of the Bonds are outstanding, the City will carry for the benefit of the owners of the Bonds: (a) adequate fire, lightning, vandalism, riot, strike, explosion, civil commotion, malicious damage, tornado and windstorm insurances on all portions of the System which are subject to loss through such casualties; (b) adequate insurance against loss of use and occupancy resulting from such casualties; (c) adequate public liability insurance and (d) insurance of the kinds and in the amounts normally carried by private companies engaged in the operation of similar systems. All money received for loss of use and occupancy shall be considered Revenue of the System payable into the separate funds named in Section 5 of this Resolution. All money received for losses under any of such casualty policies, except those specified in (b) above, shall be used in repairing the damage or in replacing the property destroyed provided that if the Common Council shall find it is inadvisable to repair such damage or replace such property and that the operation of the System has not been impaired thereby such money, including proceeds from insurance under (b) above, shall be deposited in the Special Redemption Fund, but in that event such payments shall not reduce the amounts otherwise required to be paid into the Special Redemption Fund.

Section 9. Additional Bonds. No bonds or obligations payable out of the Revenues of the System may be issued in such manner as to enjoy priority over the Bonds. Additional obligations may be issued if their lien and pledge is junior and subordinate to that of the Bonds. Additional obligations may be issued if their lien and pledge is junior and subordinate to that of the Bonds. So long as any of the Bonds or Outstanding Bonds remain outstanding and have not been discharged, Parity Bonds may only be issued if the conditions of the Prior Resolutions have been met. If the Bonds and Outstanding Bond are no longer outstanding or have been discharged, parity bonds may be issued only if the following conditions are met:

(a) The Net Revenues of the System for the Fiscal Year immediately preceding the issuance of such additional bonds must have been equal to at least 1.25 times the highest combined annual interest and principal requirements on all bonds outstanding payable from the Revenues of the System and on the bonds then to be issued. Should an increase in permanent rates and charges, including those made to the City, be properly ordered and made effective during the Fiscal Year immediately prior to the issuance of such additional bonds or during that part of the Fiscal Year of issuance prior to such issuance, then Revenues for purposes of such computation shall include such additional revenues as an independent certified public accountant, consulting professional engineer may certify would have accrued during the prior Fiscal Year had the new rates been in effect during that entire immediately prior Fiscal Year.

(b) The payments required to be made into the funds enumerated in Section 5 of this Resolution (including the Reserve Account, but not the Surplus Fund) must have been made in full and the Reserve Account must be fully funded to the Reserve Requirement on the date such Parity Bonds are issued.

(c) The additional bonds must have principal maturing on May 1 of each year and interest falling due on May 1 and November 1 of each year.

(d) The proceeds of the additional bonds must be used only for the purpose of providing extensions or improvements to the System, or to refund obligations issued for such purpose.

Section 10. Sale of Bonds. The sale of the Bonds to \_\_\_\_\_ (the "Purchaser"), for the purchase price of \$ \_\_\_\_\_ (\$ \_\_\_\_\_ .00 par amount of the Bonds, less \$ \_\_\_\_\_ underwriter's discount, plus reoffering premium of \$ \_\_\_\_\_), is ratified and confirmed, and the officers of the City are authorized and directed to do any and all acts necessary to conclude delivery of the Bonds to said purchaser, upon receipt of the purchase price, as soon after adoption of this Resolution as is convenient.

Section 11. Application of Bond Proceeds. All accrued interest received from the sale of the Bonds shall be deposited into the Special Redemption Fund. Such amount as is necessary to make the amount on deposit in the Reserve Account equal to the Reserve Requirement shall be deposited in the Reserve Account. The balance of the proceeds, less the expenses incurred in authorizing, issuing and delivery of the Bonds shall be deposited into a special fund designated as the "Storm Water System Improvement Fund" (the "Improvement Fund"). The Improvement Fund shall be adequately secured and shall be used solely for the purpose of meeting costs of adding to, extending and improving the System, as more fully described in the preamble hereof. Any balance remaining

in the Improvement Fund after paying said costs shall be transferred to the Special Redemption Fund for use in payment of principal of and interest on the Bonds.

Section 12. Amendment to Resolution. After the issuance of any of the Bonds, no change or alteration of any kind in the provisions of this Resolution may be made until all of the Bonds have been paid in full as to both principal and interest, or discharged as herein provided, except:

(a) The City may, from time to time, amend this Resolution without the consent of any of the owners of the Bonds, but only to cure any ambiguity, administrative conflict, formal defect, or omission or procedural inconsistency of this Resolution; and

(b) This Resolution may be amended, in any respect, with the written consent of the owners of not less than two-thirds of the principal amount of the Bonds then outstanding, exclusive of Bonds held by the City; provided, however, that no amendment shall permit any change in the pledge of Revenues derived from the System, or in the maturity of any Bond issued hereunder, or a reduction in the rate of interest on any Bond, or in the amount of the principal obligation thereof, or in the amount of the redemption premium payable in the case of redemption thereof, or change the terms upon which the Bonds may be redeemed or make any other modification in the terms of the payment of such principal or interest without the written consent of the owner of each such Bond to which the change is applicable.

Section 13. Defeasance. When all Bonds have been discharged, all pledges, covenants and other rights granted to the owners thereof by this Resolution shall cease. The City may discharge all Bonds due on any date by depositing into a special account on or before that date a sum sufficient to pay the same in full; or if any Bonds should not be paid when due, it may nevertheless be discharged by depositing into a special account a sum sufficient to pay it in full with interest accrued from the due date to the date of such deposit. The City, at its option, may also discharge all Bonds called for redemption on any date when they are prepayable according to their terms, by depositing into a special account on or before that date a sum sufficient to pay them in full, with the required redemption premium, if any, provided that notice of redemption has been duly given as required by this Resolution. The City, at its option, may also discharge all Bonds of said issue at any time by irrevocably depositing in escrow with a suitable bank or trust company a sum of cash and/or bonds or securities issued or guaranteed as to principal and interest of the U.S. Government, or of a commission, board or other instrumentality of the U.S. Government, maturing on the dates and bearing interest at the rates required to provide funds sufficient to pay when due the interest to accrue on each of said Bonds to its maturity or, at the City's option, if said Bond is prepayable to any prior date upon which it may be called for redemption, and to pay and redeem the principal amount of each such Bond at maturity, or at the City's option, if said Bond is prepayable, at its earliest redemption date, with the premium required for such redemption, if any, provided that notice of the redemption of all prepayable Bonds on such date has been duly given or provided for.

Section 14. Investments and Arbitrage. Monies accumulated in any of the funds and accounts referred to in Section 5 hereof which are not immediately needed for the respective purposes thereof, may be invested in legal investments subject to the provisions of Sec. 66.0603 of the Wisconsin Statutes until needed. All income derived from such investments shall be regarded as Revenues of the System and shall be credited to the fund or account from which the investment was made; provided, however, that at any time that the Reserve Requirement is on deposit in the Reserve Account, any income derived from investment of the Reserve Account shall be deposited into the

Special Redemption Fund and used to pay principal and interest on the Bonds. A separate banking account is not required for each of the funds and accounts established under this Resolution; however, the monies in each fund or account shall be accounted for separately by the City and used only for the respective purposes thereof. The proceeds of the Bonds shall be used solely for the purposes for which they are issued but may be temporarily invested until needed in legal investments. 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 Code or the Regulations of the Commissioner of Internal Revenue thereunder (the "Regulations").

An officer of the City, charged with the responsibility for issuing the Bonds, shall, on the basis of the facts, estimates and circumstances in existence on the date of closing, make such certifications as are necessary to permit the conclusion that the Bonds are not "arbitrage bonds" under Section 148 of the Code or the Regulations thereunder.

Section 15. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the City and the owner or owners of the Bonds, and after issuance of any of the Bonds no change or alteration of any kind in the provisions of this Resolution may be made, except as provided in Section 13, until all of the Bonds have been paid in full as to both principal and interest. The owner or owners of any of the Bonds shall have the right in addition to all other rights, by mandamus or other suit or action in any court of competent jurisdiction, to enforce such owner's or owners' rights against the City, the governing body thereof, and any and all officers and agents thereof including, but without limitation, the right to require the City, its governing body and any other authorized body, to fix and collect rates and charges fully adequate to carry out all of the provisions and agreements contained in this Resolution.

Section 16. Utilization of the Depository Trust Company Book-Entry-Only System. The City appoints the Depository Trust Company, New York, New York ("DTC"), to act as securities depository for the Bonds. In order to make the Bonds eligible for the services provided by DTC, the City approves and agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations which has been previously executed on behalf of the City. The Bonds will be registered in the name of DTC or its nominee and maintained in a Book-Entry System. If the City's relationship with DTC is terminated, the City may appoint another securities depository to maintain the Book-Entry System.

Section 17. Persons Treated as Owners; Transfer of Bonds. The Fiscal Agent 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 Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or such owner's 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 shall

record the name of each transferee in the registration book. No registration may be made to bearer. The Fiscal Agent 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 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 18. Compliance with Federal Tax Laws. 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, and that the City 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. An 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 19. Designation as Qualified Tax-Exempt Obligations. The City will designate the Bonds as “qualified tax-exempt obligations” pursuant to Section 265 of the Code.

Section 20. Payment of Issuance Expenses. The City authorizes the Escrow Agent to distribute the amount of bond proceeds allocable to the payment of issuance expenses on the closing date.

Section 21. Designation of Purchaser as Agent; Approval of Official Statement. The City hereby designates the Purchaser as its agent for purposes of distributing the Final Official Statement relating to the Bonds to any participating underwriter in compliance with Rule 15c2-12 of the Securities and Exchange Commission.

The preparation of the Preliminary Official Statement and the Final Official Statement are hereby approved. The Preliminary Official Statement is “deemed final” as of its date, except for omissions or subsequent modifications permitted under Rule 15c2-12 of the Securities and Exchange Commission.

Section 22. 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 enforcement 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 Agreement for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 23. Payment of the Bonds. [Fiscal Agent]. The principal of and interest on the Bonds shall be paid by \_\_\_\_\_, [which is hereby appointed as the City's registrar, paying agent and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes. The Fiscal Agency Agreement to be entered into between the City and \_\_\_\_\_ is hereby approved.]

Section 24. Bond Insurance. If the purchaser of the Bonds obtains municipal bond insurance with regard to the Bonds, 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 rights of the bond insurer in the event of default and payment of the Bonds by the bond insurer and notices to be given and information to be provided 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 25. Section 893.77 Notice. Notice of sale of the Bonds, in the form attached hereto as Exhibit C, shall be published in the official newspaper of the City as a class 1 notice under Chapter 985 of the Wisconsin Statutes.

Section 26. Escrow Agent; Defeasance Escrow Agreement for Series 2008 Defeased Bonds. The sale proceeds of the Bonds (exclusive of any accrued interest and any premium received) shall, forthwith upon receipt, be used solely for the purposes for which borrowed. Sale proceeds of the Bonds in an amount sufficient to pay (i) the redemption price of the Series 2008 Defeased Bonds on the earliest call date and (ii) all interest on the Series 2008 Defeased Bonds until they are redeemed, forthwith upon receipt, shall be placed in the defeasance escrow fund and kept by Zions Bank, a division of ZB, National Association (the "Escrow Agent") pursuant to a Defeasance Escrow Agreement relating to the Series 2008 Defeased Bonds (the "Escrow Agreement"), which form of Escrow Agreement is set forth on Exhibit D attached hereto, to be used solely for the purposes which borrowed. No investment shall be treated in 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, or the Regulations of the Commissioner of the Internal Revenue thereunder. The City, on the basis of the facts, estimates and circumstances in existence on the date of closing, make such certifications as are necessary to permit the conclusion that the Bonds are not "arbitrage bonds" under Section 148 of the Internal Revenue Code of 1986, as amended, or the Regulations of the Commissioner of Internal Revenue thereunder.

The Mayor and City Clerk are hereby authorized and directed to execute 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), for the purpose of effecting the provisions of this Resolution.

Section 27. Redemption of the Series 2008 Defeased Bonds. The City hereby calls the Series 2008 Defeased Bonds for redemption on May 1, 2018. The City hereby directs the Escrow Agent to cause a notice of redemption to be prepared and delivered promptly to The Depository Trust Company, New York, New York for the Series 2008 Defeased Bonds to be redeemed on May 1, 2018. The City hereby directs the Escrow Agent to cause notice of redemption, in substantially the form attached to the Escrow Agreement, to be provided at the time and in the manner provided therein.

Section 28. 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 the Bonds.

Section 29. Conflicting Ordinances of Resolutions. All ordinances, resolutions (other than the Prior Resolutions) or orders, or parts thereof heretofore enacted, adopted or entered, in conflict with the provisions of this Resolution, are hereby repealed and this Resolution shall be in effect from and after its passage. In case of any conflict between this Resolution and the Prior Resolutions, the Prior Resolutions shall control as long as any of the Outstanding Bonds remain.

Adopted this 16th day of August, 2016.

---

John Hohenfeldt, Mayor

ATTEST:

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Dennis Broderick, City Clerk

CERTIFICATION

I, Dennis Broderick, being first duly sworn, do hereby certify that I am the duly appointed, qualified and acting City Clerk of the City of Cudahy, in the County of Milwaukee, State of Wisconsin (the "City"), and as such I have in my possession, or have access to, the complete corporate records of said City; that I have carefully compared the transcript hereto attached with the aforesaid corporate records; that said transcript hereto attached is a true, correct and complete copy of all the corporate records in relation to the adoption of a Resolution entitled:

RESOLUTION NO. \_\_\_\_\_

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF [\$2,885,000]  
STORM WATER UTILITY REVENUE REFUNDING BONDS, SERIES 2016E

I do hereby further depose and certify as follows:

1. Said resolution was considered for adoption by the Common Council at a meeting held at 5050 South Lake Drive, Cudahy, Wisconsin at \_\_\_\_ p.m. on August 16, 2016. Said meeting of the City was held in open session in compliance with Subchapter V of Chapter 19 of the Wisconsin Statutes.

2. Said resolution was on the agenda for said meeting and public notice thereof was given not less than 24 hours prior to the commencement of said meeting in compliance with Section 19.84 of the Wisconsin Statutes, including, without limitation, by posting on the bulletin board in the City Hall, by notice to those news media who have filed a written request for notice of meetings and by notice to the official newspaper of the Common Council.

3. Said meeting was called to order by \_\_\_\_\_, who chaired the meeting. Upon roll I noted and recorded that the following alderpersons were present:

_____	_____
_____	_____
_____	_____
_____	_____

and that the following alderpersons were absent:

_____	_____
-------	-------

I noted and recorded that a quorum was present. Various matters and business were taken up during the course of the meeting without intervention of any closed session. One of the matters taken up was said resolution which was introduced and its adoption was moved by Alderperson \_\_\_\_\_, and seconded by Alderperson \_\_\_\_\_. Following discussion and after all alderpersons who desires to do so had expressed their views for or against said resolution, the question was called and upon roll being called and the continued presence of a quorum being noted, the recorded vote was as follows:

AYE:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NAY:

\_\_\_\_\_

ABSTAINED:

\_\_\_\_\_

Whereupon the chairperson of the meeting declared said resolution adopted, and I so recorded it.

IN WITNESS WHEREOF, I have signed my name and affixed the seal of the City hereto on this 16th day of August, 2016.

**CITY OF CUDAHY, MILWAUKEE COUNTY,  
WISCONSIN**

[SEAL]

By: \_\_\_\_\_  
Dennis Broderick, City Clerk

**EXHIBIT A**

(Form of Bond)

UNITED STATES OF AMERICA  
STATE OF WISCONSIN  
COUNTY OF MILWAUKEE  
CITY OF CUDAHY

STORM WATER SYSTEM REVENUE BOND, SERIES 2016E

<u>Number</u>	<u>Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>	<u>Amount</u>	<u>CUSIP</u>
R-	%	May 1, 20__	September 1, 2016	\$	

KNOW ALL MEN BY THESE PRESENTS that the City of Cudahy, Milwaukee County, Wisconsin (the "City"), hereby acknowledges itself to owe and for value received promises to pay to Cede & Co., or registered assigns, solely from the fund hereinafter specified, the principal sum of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_) on the maturity date specified above together with interest thereon from the Dated Date 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 May 1 and November 1 of each year, with the first interest on this issue being payable on May 1, 2017.

Bonds maturing on May 1, 2024 and thereafter shall be subject to redemption prior to maturity at the option of the City in whole or in part on May 1, 2023 and any day 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.

[Bonds maturing in the years 20\_\_\_\_, 20\_\_\_\_, 2\_\_\_\_, and 20\_\_\_\_ are also subject to partial mandatory redemption by lot as provided in the Resolution authorizing the Bonds at the redemption price of par plus accrued interest to the date of redemption and without premium.]

Notice of any call of the Bonds for redemption shall be given by mailing of a notice thereof by registered or certified mail 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 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 at the principal office of \_\_\_\_\_, as registrar and paying agent for the Bonds (the "Paying Agent"). Interest hereon shall be payable by check or draft dated as of the applicable interest payment date and mailed from the office of the Paying Agent 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 Paying Agent, by the registered owner in person or by such registered owner's duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Paying Agent duly executed by the registered owner or such registered owner's 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 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.

This Bond is one of an issue aggregating [\$2,885,000], issued for the purpose of advance refunding certain maturities of the \$4,150,000 City of Cudahy, Milwaukee County, Wisconsin Storm Water Utility Revenue Bonds, Series 2008, dated April 2, 2008 (the "Series 2008 Bonds") which were issued to finance certain utility project costs, relating construction, improvements, extensions and additions to the City's storm water system, a public utility, including professional and financing fees, pursuant to Article XI, Section 3, of the Wisconsin Constitution, Section 66.0621 of the Wisconsin Statutes, acts supplementary thereto and a resolution adopted by the Common Council on August 16, 2016, and entitled: "Resolution Authorizing the Issuance and Sale of [\$2,885,000] Storm Water Utility Revenue Refunding Bonds, Series 2016E" and is payable only from the income and revenues derived from the operation of the Storm Water System, which revenues have been set aside and pledged as a special fund for that purpose and identified as "Storm Water System Revenue Bond Special Redemption Fund," created by a prior resolution and continued by the Resolution referred to above. The Bonds are issued on a parity with the City's (i) Series 2008 Bonds and (ii) \$1,890,000 City of Cudahy, Milwaukee County, Wisconsin Storm Water System Revenue Bonds, Series 2014D, dated May 6, 2014. THIS BOND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR PROVISION.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen, and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as required by law; and that sufficient of the income and revenue to be received by said City from the operation of its Storm Water System has been pledged to and will be set aside into a special fund for the payment of the principal of and interest on this Bond.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the City of Cudahy, Milwaukee County, Wisconsin, has caused this Bond to be signed by its 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 CUDAHY,  
MILWAUKEE COUNTY, WISCONSIN**

By: \_\_\_\_\_  
John Hohenfeldt, Mayor

By: \_\_\_\_\_  
Dennis Broderick, City Clerk

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 B**

DEBT SERVICE SCHEDULE

**EXHIBIT C**

**NOTICE TO THE ELECTORS**

On August 16, 2016, a resolution was offered, read, approved and adopted whereby the City of Cudahy, Milwaukee County, Wisconsin authorized the issuance and sale of its Storm Water Utility Revenue Refunding Bonds, Series 2016E in an amount not to exceed [\$2,885,000] (the "Bonds"). The closing of this bond sale was held on September 1, 2016. A copy of all proceedings had to date with respect to the authorization and sale of said Bonds is on file and may be examined in the office of the City Clerk, Dennis Broderick, 5050 South Lake Street, Cudahy, Wisconsin.

This notice is given pursuant to Section 893.77, Wisconsin Statutes, which provides that an action or proceeding to contest the validity of such financing, for other than constitutional reasons, must be commenced within 30 days after the date of publication of this notice.

Dennis Broderick, City Clerk  
CITY OF CUDAHY, MILWAUKEE COUNTY, WISCONSIN

**EXHIBIT D**

**DEFEASANCE ESCROW AGREEMENT**

**\$4,150,000**

**City of Cudahy, Milwaukee County, Wisconsin  
Storm Water Utility Revenue Bonds, Series 2008**

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**DEFEASANCE ESCROW AGREEMENT**

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THIS ESCROW AGREEMENT (the "Agreement"), dated September 1, 2016, is by and between the City of Cudahy, Milwaukee County, Wisconsin (the "City"), and Zions Bank, a division of ZB, National Association, as escrow agent (the "Escrow Agent").

**WITNESSETH**

WHEREAS, the City desires to advance refund certain maturities of its outstanding Storm Water Utility Revenue Bonds, Series 2008, dated April 2, 2008 (the "Series 2008 Bonds"); and

WHEREAS, the Series 2008 Bonds maturing May 1, 2019 through May 1, 2028 are not subject to optional redemption prior to May 1, 2018, but may be defeased in advance of maturity by irrevocably depositing into a defeasance escrow fund held by an escrow agent, funds in the amount sufficient to pay (i) the redemption price of the Series 2008 Bonds maturing on May 1, 2019 through May 1, 2028 (the "Series 2008 Defeased Bonds") on the earliest call date and (ii) all interest on the Series 2008 Defeased Bonds until they are redeemed; and

WHEREAS, the City has determined to refund the Series 2008 Defeased Bonds from the proceeds of the City's [\$2,885,000] Storm Water Utility Revenue Refunding Bonds, Series 2016E; and

WHEREAS, the City has determined to provide for payment of the Escrow Requirement (as hereinafter defined) by depositing with the Escrow Agent pursuant to the provisions hereof, from any available funds of the City, an Escrow Fund (as hereinafter defined) which will be used to purchase U.S. Treasury Securities – State and Local Government ("SLGS") in such aggregate face amounts bearing interest at such rates and maturities or callable at the option of the owners thereof on such dates as shall be sufficient, together with investment earnings thereon, to pay the Escrow Requirement as it shall become due; and

WHEREAS, the City is the paying agent with respect to the Series 2008 Defeased Bonds; and

WHEREAS, the City has determined that the amount on deposit from time to time in the Escrow Fund together with the earnings to accrue thereon, will be sufficient to pay the Escrow Requirement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

Section 1. Definitions. In addition to terms defined herein, the following terms shall have the meanings set forth below:

“Agreement” means this Escrow Agreement.

“City” means the City of Cudahy, Milwaukee County, Wisconsin.

“Debt Service” means, on any date, the principal of and interest on the Refunded Obligations coming due as shown on Exhibit A attached hereto.

“Depository” means The Depository Trust Company.

“Escrow Agent” means Zions Bank, a division of ZB, National Association.

“Escrow Fund” means the account established and held by the Escrow Agent pursuant to this Agreement, in which cash and investments will be held for payment of the Refunded Obligations.

“Escrow Obligations” means cash and U.S. Treasury Securities - State and Local Government Series as set forth on Exhibit B attached hereto.

“Escrow Requirement” means, as of any date of calculation, an amount which will be sufficient to pay, as the installments become due, the Debt Service.

“Government Obligations” means direct obligations of or obligations the principal of and interest on which are guaranteed by the United States Government and are noncallable.

“MSRB” means the Municipal Securities Rulemaking Board.

“Refunded Obligations” means certain maturities of the City’s outstanding Storm Water Utility Revenue Bonds, Series 2008 dated April 2, 2008 which are being advance refunded, as to which the current Debt Service is set forth on Exhibit A attached hereto.

“Resolution” means the resolution of the City dated August 16, 2016, which Resolution is the authorizing resolution for the City’s [\$2,885,000] Storm Water Utility Revenue Refunding Bonds, Series 2016E, which authorizes the advance refunding of the Refunded Obligations.

“Series 2008 Bonds” means the City’s \$4,150,000 Storm Water Utility Revenue Bonds, Series 2008, dated April 2, 2008.

“Series 2008 Defeased Bonds” means the Series 2008 Bonds maturing May 1, 2019 through May 1, 2028.

“Verification Agent” means Barthe & Wahrman, PA.

Section 2. Deposit of Funds.

(a) Pursuant to the provisions of the Resolution, the City shall cause to be deposited with the Escrow Agent, into the Escrow Fund, cash in the amount of \$\_\_\_\_\_ and SLGS in the amount of \$\_\_\_\_\_ (the “Escrow Deposit”). The Escrow Agent without further authorization shall use the Escrow Deposit to purchase the Escrow Obligations (set forth on Exhibit B) which, when applied pursuant to Section 4 below, will at least provide for the Escrow Requirement as of the date of such delivery.

In addition, funds in the amount of \$\_\_\_\_\_ shall be deposited with the Escrow Agent and used to pay the issuance expenses as set forth on the attached Exhibit E, which the Escrow Agent is hereby authorized to pay as outlined in the Closing Memorandum without further direction or authorization.

(b) The City represents and warrants that the Escrow Obligations, if held, invested and disposed of by the Escrow Agent in accordance with the provisions of this Agreement, will be sufficient to make the payments set forth on Exhibit A. If at any time the Escrow Obligations shall be insufficient to pay the current Debt Service as set forth on Exhibit A, then the Escrow Agent shall promptly notify the City of such deficiency, and the City shall promptly deposit cash or Escrow Obligations with the Escrow Agent sufficient to meet the Escrow Requirement. The Refunded Obligations shall remain the obligation of the City, limited as provided therein, until redeemed as provided herein. Upon final disbursement for the payment of the Refunded Obligations, the Escrow Agent shall transfer any balance (whether cash or securities) remaining in the Escrow Fund to the City and thereupon this Agreement shall terminate.

Section 3. Acceptance of Escrow. The Escrow Agent acknowledges receipt of the Escrow Deposit hereunder and accepts the responsibilities imposed on it, as Escrow Agent, by this Agreement. The Escrow Deposit shall be applied by the Escrow Agent to the purchase of the Escrow Obligations.

Section 4. Use and Investment of Funds. The Escrow Agent agrees:

(a) to hold the Escrow Obligations, together with all investments and interest thereon and profits therefrom, at all times in an irrevocable escrow during the term of this Agreement as a separate trust account wholly segregated from all other funds held by the Escrow Agent in any capacity, and to make disbursements from the Escrow Fund only in accordance with the provisions of this Agreement;

(b) to deposit in the Escrow Fund, as received, the receipts of maturing principal of and interest on the Escrow Obligations in the Escrow Fund;

(c) to pay Debt Service on Refunded Obligations, as set forth in Section 5 hereof;

(d) to reinvest at the written direction of the City to the extent practicable in Government Obligations, upon receipt thereof, any maturing principal and interest of such Escrow Obligations; any earnings from the investment of Escrow Obligations in excess of the amounts necessary to pay Debt Service on the Refunded Obligations shall remain in the Escrow Fund; and

(e) in the event the Escrow Agent 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 or 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 Escrow Agent hereunder shall not be deemed to be a banking deposit of the City, and 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.

Section 5. Payment of Refunded Obligations.

(a) The Escrow Agent shall pay, in immediately available funds, to the Depository for the Refunded Obligations, from the cash on hand in the Escrow Fund, a sum sufficient to pay the Debt Service for the Refunded Obligations coming due, as shown on Exhibit A.

(b) The owners of the Refunded Obligations shall have an express first lien on the cash and Escrow Obligations in the Escrow Fund until such funds and Escrow Obligations are used and applied as provided in this Agreement.

(c) If any of the Refunded Obligations called for redemption shall not be paid upon surrender thereof for redemption, then such unpaid Refunded Obligations shall, to the extent lawful, bear interest from the scheduled redemption date to the date of payment at the rate borne by such Refunded Obligations.

(d) The City agrees that it will promptly and without delay remit to the Escrow Agent, within two days after receipt of the Escrow Agent's written request, such additional sum or sums of money as may be necessary to assure the timely payment of principal of and interest on the Refunded Obligations.

Section 6. Redemption; Notice of Redemption.

(a) The City, in accordance with the Resolution, hereby irrevocably designates the Refunded Obligations for redemption on the earliest call date (the "Redemption Date"). The designation for redemption shall be, and is hereby declared to be, irrevocable upon the execution and delivery of this Agreement.

(b) The Escrow Agent, without any further authorization or direction, at least 30 days but not more than 60 days prior to May 1, 2018, shall provide a notice of the redemption of any of said Refunded Obligations to be given to the Depository on behalf of the City and to be filed electronically with the MSRB through the Electronic Municipal Market Access (EMMA) system website at [www.emma.msrb.org](http://www.emma.msrb.org).

(c) The notice of redemption shall be substantially in the form attached hereto as Exhibit C.

(d) Notice of redemption having been given as aforesaid, the Refunded Obligations so to be redeemed shall, on the Redemption Date, become due and payable at the redemption price specified plus accrued interest thereon to the Redemption Date and on and after such date (unless the City shall default in the payment of the redemption price and accrued interest) such Refunded Obligations shall cease to bear interest. Upon surrender of any such certificated Refunded

Obligations for redemption in accordance with such notice, such Refunded Obligations shall be paid at the redemption price thereof plus accrued interest to the Redemption Date.

(e) The Escrow Agent, without any further authorization or direction, shall provide a notice of advance refunding of any of said Refunded Obligations to the Depository and by filing electronically with the MSRB through the Electronic Municipal Market Access (EMMA) system website at [www.emma.msrb.org](http://www.emma.msrb.org) as soon as practicable after September 1, 2016.

(f) The Escrow Agent shall also cause the notice of advance refunding of any of said Refunded Obligations to be submitted electronically by the Escrow Agent via email to DTC on behalf of the City as soon as practicable after September 1, 2016.

(g) The notice of advance refunding shall be substantially in the form attached hereto as Exhibit D.

Section 7. Responsibilities of Escrow Agent. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the Escrow Deposit any other funds deposited therein, the purchase of the Escrow Obligations, the retention of the Escrow Obligations or the proceeds thereof or any payment, transfer or other application of money or securities by the Escrow Agent in any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be liable to the City for its negligent or willful acts, omissions or errors which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the City, and in reliance upon the opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the City.

Section 8. Resignation of Escrow Agent. The Escrow Agent may resign and thereby become discharged from the duties and obligations hereby created, by giving not less than 45 days' written notice to the City and by publishing notice thereof, specifying the date when such resignation shall take effect, by mailing a notice to the foregoing effect to the owners of the Refunded Obligations. Such resignation shall take effect upon the date specified in such written notice to the City unless a successor shall have been appointed prior to said date, in which event such resignation shall take effect immediately on the appointment of such successor and assumption by such successor in writing all of the duties and obligations of its predecessor. If no successor Escrow Agent has been appointed by the date upon which the resignation of the Escrow Agent shall take effect, the Escrow Agent shall retain the duties and obligations until the appointment of a successor.

Section 9. Removal of Escrow Agent. The Escrow Agent may be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in

accordance with, any provisions of this Agreement with respect to the duties and obligations of the Escrow Agent, by any court of competent jurisdiction upon the application of the City.

Section 10. Successor Escrow Agent.

(a) If at any time hereafter the Escrow Agent shall resign, be removed, be dissolved or otherwise become incapable of acting, or shall be taken over by any governmental official, agency, department or board, the position of Escrow Agent shall thereupon become vacant. If the position of Escrow Agent shall become vacant for any of the foregoing reasons or for any other reason, the City shall appoint an Escrow Agent to fill such vacancy. The City shall mail notice of such appointment in accordance with the provisions of Section 8 hereof.

(b) If no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this section, the owner of any Refunded Obligations then outstanding, or any retiring Escrow Agent may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Escrow Agent.

(c) During the period of any vacancy, the City shall act as Escrow Agent.

Section 11. Compensation. No fees or other charges may be paid from the Escrow Fund prior to retirement of all of the Refunded Obligations, and the City agrees that it will pay all fees and charges, including litigation costs and other extraordinary expenses, as such payments become due prior to such retirement.

Section 12. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the Refunded Obligations have been paid and discharged in accordance with the proceedings authorizing the Refunded Obligations, and all amounts held by the Escrow Agent hereunder have been applied in accordance herewith.

Section 13. Reports. The Escrow Agent shall, not later than December 15 of each year, commencing December 15, 2016, mail a report to the City of the receipts, income, investments, redemptions and payments of and from the Escrow Fund as of December 1 of the same year.

Section 14. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the City or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreements herein contained shall be null and void and shall be severed from the remaining covenants and agreements and shall in no way affect the validity of the remaining provisions of this Agreement.

Section 15. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as duplicate originals and shall constitute and be but one and the same instrument.

Section 16. Governing Law. This Agreement shall be governed by the laws of the State of Wisconsin without regard to conflict of law provisions.

Section 17. Amendments.

(a) This Agreement may be amended by the City and the Escrow Agent to add to the terms of this Agreement to correct errors, clarify ambiguities or insert inadvertently omitted material. This Agreement may be amended or supplemented, the Escrow Obligations or any portion thereof sold or redeemed and moneys derived therefrom invested, reinvested or disbursed (any such amendment, supplement, redemption, direction to sell or redeem or invest, reinvest or disbursed to be referred to herein as a "Subsequent Action"), including without limitation Subsequent Action which affects some but not all of the Refunded Obligations, upon submission to the Escrow Agent of each of the following:

(i) written authorization of the City for the Subsequent Action;

(ii) an opinion of the Verification Agent or a firm of nationally recognized independent certified public accountants that the amounts (which shall consist of Escrow Obligations available or to be available for payment of the Refunded Obligations) will remain sufficient to pay when due all Debt Service on the Refunded Obligations as set forth on Exhibit A after the taking of the Subsequent Action; and

(iii) an opinion of nationally recognized bond counsel to the effect that the Subsequent Action will not adversely affect the federal income tax consequences of the receipt of interest paid on the Refunded Obligations and that the Subsequent Action does not materially adversely affect the legal rights of the owners of the Refunded Obligations.

(b) Except as provided in subsection (a) above, all of the rights, powers, duties and obligations of the City and the Escrow Agent shall be irrevocable and shall not be subject to amendment by either the City or the Escrow Agent, respectively, and shall be binding on any successor to the City or the Escrow Agent during the term of this Agreement.

Section 18. Indemnification. The Escrow Agent undertakes to perform only such duties as are specifically set forth herein and may conclusively rely and shall be protected in acting or restraining from acting on any written notice, instrument or signature reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties duly authorized to do so. The Escrow Agent shall have no responsibility for the contents of any writing contemplated herein and may rely without any liability upon the contents thereof. It is acknowledged by the City that the Escrow Agent is bound only by the terms of this Agreement and that the Escrow Agent shall not be required to use its discretion with respect to any matter that arises under this Agreement.

The Escrow Agent shall not be liable for any action taken or omitted to be taken by it in good faith and believed by it to be authorized hereby or within the rights and powers conferred upon it hereunder, nor for action taken or omitted to be taken by it in good faith and in accordance with advice of counsel (which counsel may be of the Escrow Agent's own choosing but shall not be counsel to the City), and shall not be liable for any mistakes of fact or error of judgment or for any acts or omissions of any kind unless caused by its own willful misconduct or negligence.

The City agrees to indemnify the Escrow Agent and hold it harmless against any and all liabilities incurred by it hereunder except for liability incurred by the Escrow Agent resulting from its own willful misconduct or negligence.

[SIGNATURE PAGE TO FOLLOW]

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

**CITY OF CUDAHY,  
MILWAUKEE COUNTY, WISCONSIN**

[SEAL]

By: \_\_\_\_\_  
John Hohenfeldt, Mayor

By: \_\_\_\_\_  
Dennis Broderick, City Clerk

**ZIONS BANK, a division of ZB, National  
Association**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT A TO DEFEASANCE ESCROW AGREEMENT

DEBT SERVICE ON REFUNDED OBLIGATIONS  
TO BE PAID FROM ESCROW FUND FOR SERIES 2008 BONDS

EXHIBIT B TO DEFEASANCE ESCROW AGREEMENT

ESCROW OBLIGATIONS

**EXHIBIT C TO DEFEASANCE ESCROW AGREEMENT**

**NOTICE OF REDEMPTION**

\$4,150,000  
City of Cudahy, Wisconsin,  
Storm Water Utility Revenue Bonds, Series 2008

NOTICE IS HEREBY GIVEN that the City of Cudahy, Milwaukee County, Wisconsin, has designated for redemption and will redeem and pay on May 1, 2018 (the "Redemption Date") the following maturities of Storm Water Utility Revenue Bonds, dated April 2, 2008 (the "Series 2008 Bonds"):

<u>CUSIP No.</u>	<u>Par Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
229772 AL2	\$195,000	May 1, 2019	4.000%
229772 AM0	200,000	May 1, 2020	4.000%
229772 AN8	210,000	May 1, 2021	4.000%
229772 AP3	220,000	May 1, 2022	4.150%
229772 AQ1	235,000	May 1, 2023	4.200%
229772 AR9	245,000	May 1, 2024	4.250%
229772 AS7	255,000	May 1, 2025	4.300%
229772 AT5	270,000	May 1, 2026	4.350%
229772 AU2	285,000	May 1, 2027	4.400%
229772 AV0	530,000	May 1, 2028	4.500%

Zions Bank, a division of ZB, National Association (the "Escrow Agent") shall deposit federal or other immediately available funds sufficient for such redemption at the office of The Depository Trust Company on or before May 1, 2018. On and after the Redemption Date, interest will cease to accrue on the Series 2008 Bonds specified herein.

Dated: \_\_\_\_\_, 20\_\_.

**CITY OF CUDAHY,  
MILWAUKEE COUNTY, WISCONSIN**

By: Zions Bank, a division of ZB, National  
Association, as Escrow Agent

The CUSIP Numbers as stated herein are included solely for the convenience of the owners. Neither the City of Cudahy, Milwaukee County, Wisconsin nor the Escrow Agent shall be responsible for the use of the CUSIP Numbers, nor is any representation made as to their correctness on the Series 2008 Bonds or as indicated in this Notice.

**EXHIBIT D TO DEFEASANCE ESCROW AGREEMENT**

**NOTICE OF ADVANCE REFUNDING**

\$4,150,000

City of Cudahy, Milwaukee County, Wisconsin,  
Storm Water Utility Revenue Bonds, Series 2008

NOTICE IS HEREBY GIVEN that the Bonds of the above-referenced issue maturing on May 1, 2019 and thereafter (the "Refunded Bonds") have been advance refunded by the City of Cudahy, Milwaukee County, Wisconsin pursuant to a Defeasance Escrow Agreement dated September 1, 2016 between the City and Zions Bank, a division of ZB, National Association (the "Escrow Agent"). The Escrow Agent has been instructed to call the Refunded Bonds maturing May 1, 2019 through May 1, 2028 on May 1, 2018 (the "Redemption Date") for redemption on that date. United States government securities and cash have been placed in escrow with the Escrow Agent in an amount which, together with investment interest on it, is sufficient to pay the interest on the Refunded Bonds through the Redemption Date and to redeem the Refunded Bonds on the Redemption Date at a price of par plus accrued interest to the Redemption Date. Interest on the Refunded Bonds will cease to accrue on the Redemption Date. Payment of the redemption price of the Refunded Bonds will be made at the principal office of the Escrow Agent upon presentation and surrender of the Refunded Bonds.

Dated: \_\_\_\_\_, 2016

CITY OF CUDAHY, MILWAUKEE COUNTY,  
WISCONSIN

By: Zions Bank, a division of ZB, National  
Association, as Escrow Agent

**EXHIBIT E TO DEFEASANCE ESCROW AGREEMENT**

**AUTHORIZED ISSUANCE EXPENSES**

Funds wired to Escrow Agent for payment of the following issuance expenses:

Escrow Agent Zions Bank, a division of ZB, National Association	\$
Escrow Verification Barthe & Wahrman, PA	\$
Bond Counsel Husch Blackwell LLP	\$
Financial Advisor Ehlers & Associates, Inc.	\$
Rating Agency Standard & Poor's	\$
Rating Agency Moody's Investor Services	\$
TOTAL	\$

**RESOLUTION NO. 7059**

**A RESOLUTION DECLARING OFFICIAL INTENT  
TO REIMBURSE EXPENDITURES FROM  
PROCEEDS OF BORROWING**

**WHEREAS**, the City of Cudahy, Milwaukee County, Wisconsin (the "Municipality") plans to undertake the requisition of engineering services for Site Development and Environmental Services for ETID #2 (the "Project"); and

**WHEREAS**, the Municipality expects to finance the Project on a long-term basis by issuing tax-exempt bonds (the "Bonds"); and

**WHEREAS**, because the Bonds will not be issued prior to September 1, 2016, the Municipality must provide interim financing to cover costs of the Project incurred prior to receipt of the proceeds of the Bonds; and

**WHEREAS**, it is necessary, desirable, and in the best interest of the Municipality to advance moneys from other funds on hand on an interim basis to pay the costs of the Project until the Bonds are issued.

**NOW, THEREFORE, BE IT RESOLVED** by the City Board of the City of Cudahy, Milwaukee County, Wisconsin, that:

**Expenditure of Funds.** The Municipality shall void "Resolution # 7053" stating that Storm Water shall make expenditures as needed to pay for costs of the Project until Bond proceeds become available. Instead, the Municipality shall make expenditures as needed from its ETD#1 not to exceed \$ 100,000 to pay the costs of the ETD#2 Project until Bond proceeds become available.

**Declaration of Official Intent.** The Municipality hereby officially declares its intent under Treasury Regulation Section 1.150-2 to reimburse said expenditures with proceeds of the Bonds, the principal amount of which is not expected to exceed \$ 100,000.

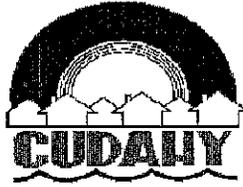
Introduced at a meeting of the Common Council of the City of Cudahy, held this 16th day of August, 2016.

Introduced by Alderperson \_\_\_\_\_ Passed and approved this 16th day of August, 2016.

\_\_\_\_\_  
**John Hohenfeldt, Mayor**

Attest:

\_\_\_\_\_  
**Dennis Broderick, City Clerk**



**John Hohenfeldt**

**Mayor, City of Cudahy**

Memo to Honorable Members of the Common Council

RE Agenda Item: Discussion and necessary action regarding approval of 2017 City of Cudahy budget time table

Honorable Members of the Common Council:

As provided by within the City of Cudahy municipal code, the Finance Committee and Common council must approve the City of Cudahy Budget Timetable, annually. Tonight, I present to you the 2017 Budget Timetable.

This time table was reviewed earlier by the City of Cudahy Finance Committee. I would request action in a **motion to approve the Budget Timetable as recommended by the Finance Committee.**

Respectfully submitted,

John Hohenfeldt

Mayor

08/16/2016

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Office of the Mayor . City Hall, 5050 South Lake Drive, P.O. Box 100510, Cudahy, WI 53110  
(414)769-2222 Fax (414) 769-2257 [jhohenfeldt@ci.cudahy.wi.us](mailto:jhohenfeldt@ci.cudahy.wi.us)

Honorable Members of the Finance Committee / Common Council

RE: Budget Timetable to the Finance Committee and Common Council

In preparation for the 2017 City of Cudahy Budget, on behalf of the Chairman of the Finance Committee, I respectfully submit the Budget Timetable for your consideration. By our Municipal Code, this time table shall be presented by the Finance Committee to the Common Council for their approval. This time table is consistent with past practice and allows the Finance Committee to approve the 2017 Budget by October 6, 2016 at the latest and then present to the Common Council for their approval. The proposed time frame for your consideration is as follows:

Tuesday August 16, 2016:	Finance Committee Approval of Budget Timeline.
Tuesday August 16, 2016:	Common Council Approval of Budget Timeline.
Thursday September 1, 2016:	Budget Timetable and instructions released to Department Managers.
Friday September 23, 2016 5 pm:	Budget reports by Department Managers due to the Office of the Mayor.
Week of September 26 2016:	Review of information by the Office of the Mayor and City Finance Director.
Tuesday October 4, 2016:	Presentation of Executive Budget to the Finance Committee.
Tuesday October 4, 2016:	Common Council review and approval of Executive Budget as recommended by the Finance Committee.

Tentative: Thursday October 6, 2016: Additional presentation of Executive Budget to Finance Committee (if needed).

Tentative: Thursday October 6, 2016: Common Council review and approval of Executive Budget as recommended by the Finance Committee (if needed).

Thursday October 20, 2016: Deadline for Publication of the Budget

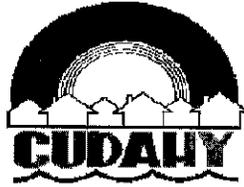
Thursday October 27, 2016: Publication of Budget. (modified as required by the City Clerk)

Tuesday November 15, 2016: Public Hearing for Budget

Tuesday November 15, 2016: Common Council Meeting to approved Budget as approved at the Public Hearing.

Respectfully submitted for your consideration:

John R. Hohenfeldt  
Mayor  
07/15/2016



**John Hohenfeldt**

**Mayor, City of Cudahy**

Memo to: Honorable Members of the Common Council / Finance Committee  
Regarding Agenda Item: Report to the Finance Committee regarding Special Assessments

Dear Honorable Members of the Finance Committee:

Several weeks ago at a regular meeting of the Common Council, the city policy of charging for special assessments was asked to be reviewed by the Finance Committee. It was implied that this charge for special assessments on certain construction projects was not necessary and that the Council should review and change existing long standing policies within our Ordinances and Municipal Code.

To look into the future and the impact of potential changes, you need to understand the impact on future policy, and understand projects of the past which have had special assessments. I have laid out within this communication, several pieces of information that I believe would be vital if the Common Council were to change such policies.

In my report, I am providing several pieces of information that I believe will assist you in your review of current policies and the financial impact of any future changes. This information is broken down into several different sections.

- Section #1: Changes in fund balance of City of Cudahy and School District of Cudahy.
- Section #2: Tax Increment #1 Infrastructure Spending.
- Section #3: Construction Project History with Special Assessments between 2003 to 2010.
- Section #4: Road Spending Report as Provided the Common Council Annually.
- Section #5: 2014 B General Obligation Bonding for construction projects.
- Section #6: 2016 Mill and Overlay Project within the City of Cudahy
- Section #7: Operating Budget and 5 year plan, 2014 snap shot.

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(414)769-2222 Fax (414) 769-2257 [jhohenfeldt@ci.cudahy.wi.us](mailto:jhohenfeldt@ci.cudahy.wi.us)

**Section #1: Changes in fund balance of City of Cudahy and School District of Cudahy.**

Through a Wisconsin Open Records request, I requested and received the attached report on the overall change in fund balance for the School District of Cudahy from 2006 to 2015. I also requested the same information from the City of Cudahy Finance Director. Both reports are attached.

While there is a misperception that the City of Cudahy is sitting on boat loads of money, a review of the General Fund Balance shows otherwise. The large yearly swings with both governmental bodies can easily be explained by either Common Council or School Board action. In the cities case, the large loses were explained by unfunded pension liability payments, errors in payment of court revenue payments, assessment mistakes, or in the School Districts case OPEB trust contribution payments in 2009, 2015 and partially in 2013, along with changes in open enrollments counts procedures and funding in 2013 which also contributed to the School Districts large deficits during those years.

In summary, during this period of time, the City of Cudahy's General Fund position decreased by \$551,626 while the School District of Cudahy's General Fund position increased by \$83,350 during the same period. It would appear that by examining General Fund Balance, neither governmental agency is sitting on a large sum of excess general funds.

**Section #2: Tax Increment #1 Infrastructure Spending.**

As the Common Council is aware, the Project Plan Amendment #5 of Tax Increment District Number One was adopted and approved in final form on March 15, 2016. With that final adoption, audited financial information was provided as a part of Project Plan which provides significant data on city spending on streets, street scape, water mains, street lights, storm and sanitary sewer.

Since 1994, Tax Increment District #1 has created \$170,390,100 in additional value within the city. To achieve this, infrastructure has been a part of the tool to the success of that additional value. As of the most recent report through 12/31/2015, \$ 22,244,319 in costs of infrastructure have occurred to achieve the growth in value.

Based on current state imposed levy limits in relation to debt service, other than utilizing a tax increment district, there is no feasible way shape or form that the city would have had the borrowing capacity with the financial constraints under the state imposed law to achieve this growth in value within the community.

**Section #3: Construction Project History with Special Assessments between 2003 to 2010.**

When returning to the Office of the Mayor in 2013, the question arose if the city had changed special assessments on previous construction projects. At that time, I went backward to examine the period of 2003 to 2010. The provided spread sheet shows the construction projects during that period, and the special assessments charged. If no special assessments would have been charged, the city would have needed to borrow the additional money or delay the projects to get the \$853,442 in funding to complete the projects.

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**Section #4: Road Spending Report as Provided the Common Council Annually.**

Each year since returning in 2013, I provide a report to the Common Council on road spending within the community. As you can see for the year of 2015, the budgeted amount in the General Fund (fund 101) was \$22,500 and the actual spending was \$37,450.04. The Director of Engineering / Public Works was allowed to spend over \$15,000 over budget in the 101 with the blessing of the Office of the Mayor. During 2015, the Common Council approved an additional \$120,000 in funding raising the Fund 411 (road fund) to the budgeted amount of \$310,000. While the actual spending in the fund 411 was less than budgeted (\$183,362 in 2015), this allowed the Director of Engineering / Public Works to combine a much larger resurfacing project which occurred in 2016 (awarded to Payne & Dolan in the amount of \$337,600 on the evening of May 3, 2016. This was a prudent financial means to get more roads fixed with the mill and overlay project 2016-05 during 2016.

**Section #5: 2014 B General Obligation Bonding for construction projects.**

On April 2, 2014, the Common Council approved the borrowing of \$2,380,000 General Obligation Street Improvement Bonds for various projects as listed in the attachments in section #5. While the projects totaled \$4,962,350, the city utilized \$1,301,646 on hand, borrowed \$2,337,579, and will be special assessing \$1,323,125 in charges. Without those special assessment charges, an additional \$1,323,125 would have needed to be borrowed or projects would have been had to be delayed due to the lack of funding.

**Section #6: 2016 Mill and Overlay Project within the City of Cudahy**

On the evening of May 3, 2016, the Common Council approved project 2016-05 in the amount of \$337,600 to Payne & Dolan for the milling and overlay of existing asphalt in various areas. The money for this project came from the Fund 411 road fund, with NO special assessment to the taxpayers on those streets. If a project like this were to occur in a similar community like West Allis, those residents would have paid the special assessment charges of interim asphalt resurfacing which is calculated at 20% of the cost. In this case, the citizens would have paid \$67,570 in special assessment charges where under our current policies, they paid nothing.

**Section #7: Operating Budget and 5 year plan, 2014 snap shot.**

As a part of our financial operations, the City of Cudahy operates on a five year financial plan. Part of that financial plan looks at Operating Budget Projections and CIP Detail. The section of the plan pertaining to special assessments related to the City of Cudahy Street Improvement Plan which is an ongoing effort of financial capabilities of the city, needs of the 58.5 lane miles of streets, conditions of those streets, and working with other governmental bodies on these plans including the Board of Public Works, Common Council, and Finance Committee.

In looking at the 2014 Capital Improvement Plan, one project currently under construction is the reconstruction of Kirkwood Avenue from Grange Avenue north to Morris Avenue with an estimated cost of construction at \$1,100,000. The special assessments of this project were projected at \$500,000 with the city picking up the cost of \$600,000 (which was borrowed during the 2014B General Obligation Bond Borrowing).

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On the evening of May 3, 2016, the Common council awarded project 2016-04 to Lalonde Construction in the amount of \$949,389.60 for this project and the construction of the extension of Barnard Avenue (from Sweet Applewood Lane west to Barland Avenue) [Barnard Extension paid for by funds escrowed in project plan amendment 2016 Tax Increment District #1 in the amount of \$350,000]. By coupling the bids together by the Director of Engineering / Public Works, the City was able to award both projects to Lalonde and save money on both projects, and reducing the amount of special assessment funds required on the project. If the Kirkwood Avenue project did not have the projected \$500,000 in special assessments, the city would have had to delay the project or borrow more money to make up the \$500,000 short fall.

Also during 2014, the reconstruction of Packard Avenue pavement occurred after the replacement of almost 100 year old water and sewer below the street. Had the Tax Increment District Project Fund not had a favorable fund balance, the City and CDA would not have had the \$2.2 million dollars needed to reconstruct the street and would have been required to borrow the money for this project. Instead, the utilization of Tax Increment District Funds was used for infrastructure on the project, saving the taxpayers money on not having to borrow the funds for the project.

As you can see with future projects slated for 2016, 2017, and beyond, the City as part of the planning process reviews the overall financial make up of funds available to support any future projects. If the Council were to change the percentage of special assessments or eliminate the special assessment policy, projects would need to be cancelled, reduced, or wait until the city had the ability to borrow funds for these projects.

If you also look within Section #7 on the 2017 Capital Improvement Plan, a total reconstruction of Grange Avenue from Packard Avenue to Lake Drive was recommended. However, since the sewer and water utility is NOT in a position to fund the millions of dollars of replacement work required under this road, it was determined by the Engineering Department that total reconstruction would be pushed off, and the road was added to a part of the 2016 mill / overlay project. In the future, if the Council changes the special assessment policy, it is estimated that another \$776,250 would be needed in today's dollars to totally reconstruct that road, not including water and sewer rebuilding and special assessments.

In closing, I appreciate the opportunity to inform and educate the Finance Committee, as well as our residents on why special assessment policies have been in place for years, what financial impact they have on any given project. Looking to the future, and the constant reduction of road funding provided through State Shared Revenue, I do not see any kind of increase in the near or distant future coming in the form of help from the State of Wisconsin. As of this memo, the State of Wisconsin is currently wrestling with a \$1 billion dollar transportation shortfall which has delayed several projects on state and interstate roads within Wisconsin. I cannot any time soon see the State of Wisconsin coming to our rescue and providing any additional funding for local roads.

Locally, if we did not have TIF revenue nor special assessments for the items listed as examples in this report, I would ask for the Council to work with me to find the approximately \$26.6 million dollars needed to fund these infrastructure improvements. While the Common Council is the ultimate policy maker for the citizens of this community, I urge extreme caution and a full financial review prior to the consideration in the change to current city policies.

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Respectfully reported to the Common Council,

A handwritten signature in black ink, appearing to read "John R. Hohenfeldt". The signature is fluid and cursive, with the first name being the most prominent.

John R. Hohenfeldt

Mayor

08/16/2016

"Generations of Pride"

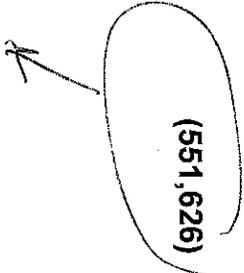
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### City of Cudahy

#### History 2005 - 2015 Income or Loss

2005	340,162	
2006	641,583	
2007	150,571	
2008	(1,739,398)	\$ 1.6 m for unfunded pension liability
2009	43,211	
2010	23,305	
2011	(436,863)	\$ 295,000 for 2008 - 2011 pmts to state & county courts
2012	135,880	\$ 170,000 court related revenue over budget
2013	19,548	
2014	(5,816)	Wrote off \$ 68,909 for assessor mistake & \$ 13,536 paid to Milwaukee Court for 3802 E Cudahy Ave
2015	276,191	

(551,626)



Due to  
unfunded  
pension  
LIABILITY

11 yrs  
3 yrs  
27%  
-13%

OF Losses OR  
Losses  
GAINS OR Surplus

# 1

School District of Cudahy  
 Open Records Request  
 Section  
 Changes in General Fund Balance (prior 10 years)  
 20-Jul-16

Year Ended June 30:

Description	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Fund Balance:											
Beg of Yr: July 1 PRIOR YEAR	6,137,483	7,052,777	7,322,668	8,902,065	7,946,902	8,143,095	7,987,303	7,918,438	6,482,016	7,171,592	6,220,833
Net Change in FB Current year	915,294	269,891	1,579,397	(955,163)	196,193	(155,792)	(68,865)	(1,436,422)	689,576	(950,759)	
End of Yr: June 30 Current year	7,052,777	7,322,668	8,902,065	7,946,902	8,143,095	7,987,303	7,918,438	6,482,016	7,171,592	6,220,833	6,220,833



2915 E. Ramsey Ave. Cudahy, WI 53110  
p: 414 / 294.7400 f: 414 / 769.2319  
www.cudahy.k12.wi.us

July 20, 2016

Mayor John Hohenfeldt  
City of Cudahy  
5050 S. Lake Drive  
Cudahy, WI 53110

Dear John,

Attached please find the information you requested on our fund balance for the last ten years. We are unable to provide the exact fund balance for this year until our year-end audit is complete. However, it looks like we will add several hundred thousand to the fund balance this year.

As you review the information you will note that there are several years where we had a significant reduction in fund balance. Several of those events were planned losses. Director Papala and I would be happy to sit down with you to review the specifics with you.

As you are aware the Governor has stated publicly that he wishes to force school districts to use up the fund balance. Yet we are mindful of our school board policy that requires us to maintain between 20% - 30% fund balance. We currently are at approximately 21%.

I am also enclosing two signed copies of the 2016-2017 Memorandum of Understanding for the Police Liaison Officers. Please execute signatures on your end and send us one back. We greatly appreciate the opportunity to work together to provide safe schools and better student/police relationships.

I look forward to working together with you, your city managers and your city leaders to provide more opportunities for cost-savings measures for the citizens of Cudahy.

Best Wishes,

James P. Heiden, PhD  
Superintendent

CC: Scott Mulqueen, Board President  
James Papala, Director of Business Services

Historic Increment Collections & Increment Projections

<b>Cudahy Tax Increment District #1</b>							
<b>Tax Increment Forecast -</b>							
		Creation Date		4/6/94			
		Max Life		4/6/21			
		Expenditure period ends		4/6/16			
		Last revenue collection		4/6/21			
<b>Base Value</b>		<b>73,249,200</b>		<b>Inflation Factor</b>		<b>0.00%</b>	
				<b>Tax Rate Adjustment Factor</b>		<b>0.00</b>	
				<b>After 3 Yrs.</b>		<b>0.00%</b>	
<b>Construction Year</b>	<b>Valuation Year</b>	<b>Revenue Year</b>	<b>Inflation Increment</b>	<b>Value Added</b>	<b>Valuation Increment</b>	<b>Tax Rate</b>	<b>Tax Increment</b>
1	1994	1995	1996	3,499,400	3,499,400	36.08	126,254
2	1995	1996	1997	11,452,300	14,951,700	31.66	473,366
3	1996	1997	1998	8,013,800	22,965,500	32.45	745,128
4	1997	1998	1999	11,087,400	34,052,900	32.09	1,092,688
5	1998	1999	2000	14,742,000	48,794,900	30.73	1,499,365
6	1999	2000	2001	22,312,200	71,107,100	30.77	2,186,698
7	2000	2001	2002	28,206,900	99,314,000	29.83	2,962,847
8	2001	2002	2003	23,158,400	122,472,400	29.31	3,589,857
9	2002	2003	2004	17,357,600	139,830,000	27.55	3,852,317
10	2003	2004	2005	20,766,900	160,596,900	27.81	4,466,200
11	2004	2005	2006	22,792,800	183,389,700	25.00	4,504,746
12	2005	2006	2007	35,645,700	219,035,400	23.64	6,178,444
13	2006	2007	2008	24,983,400	243,998,800	24.43	6,960,499
14	2007	2008	2009	19,992,000	263,090,800	25.00	6,678,582
15	2008	2009	2010	(9,951,200)	253,139,600	25.23	6,386,904
16	2009	2010	2011	(53,057,000)	200,082,600	26.92	5,386,814
17	2010	2011	2012	5,385,700	205,468,300	28.80	5,466,099
18	2011	2012	2013	(15,724,100)	189,744,200	27.49	5,216,248
19	2012	2013	2014	5,541,400	195,285,600	28.82	5,628,386
20	2013	2014	2015	(10,587,800)	184,697,800	27.27	5,036,132
21	2014	2015	2016	(14,397,700)	170,390,100	30.16	5,138,714
22	2015	2016	2017		170,390,100	27.27	4,646,538
23	2016	2017	2018		170,390,100	27.27	4,646,538
24	2017	2018	2019		170,390,100	27.27	4,646,538
25	2018	2019	2020		170,390,100	27.27	4,646,538
26	2019	2020	2021		170,390,100	27.27	4,646,538
27	2020	2021	2022		170,390,100	27.27	*
<b>Totals</b>				<b>170,390,100</b>			<b>104,790,397</b>

\* NOTE: The DOR Has determined that the current statutes provide that districts created prior to 5/15 or After 9/30 will get one less year of revenue than districts created between these dates. Since Cudahy TID 1 was created in April of 1994 the final revenue year is projected at 2021.

Estimated TIF Project Costs through 12/31/2015

City of Cudahy TID #1 Original Project Plan and Previous Plan Amendment Cost Summary		Date of Council Resolution Adoption					Actual Costs as of 12/31/2014	
Category of Cost per plan	Original	1st Amendment	2nd Amendment	3rd Amendment	4th Amendment	TOTAL		
Street, Streetscape, Sidewalk, Signage	8,118,700	725,000	752,880	2,150,000	-	11,746,580	16,236,018	
Water Mains	1,329,000	150,000	190,000	-	-	1,669,000	813,689	
Street Lights	517,000	-	300,000	-	-	817,000	727,602	
Storm Sewer	2,845,500	200,000	295,000	-	-	3,340,500	1,413,035	
Sanitary Sewer	1,798,000	250,000	375,000	-	-	2,423,000	2,970,625	
Development Incentives	600,000	525,000	18,000,000	400,000	3,920,380	23,445,380	11,735,702	
Relocation costs including utility relocations	300,000	-	500,000	-	-	1,800,000	153,252	
Environmental audits	150,000	-	-	-	-	150,000	-	
Environmental Remediation	2,000,000	2,210,000	600,000	-	-	4,810,000	334,218	
Master plan & Mapping	185,000	-	-	-	-	185,000	-	
Land Acquisition	800,000	-	3,200,000	2,000,000	-	6,000,000	2,791,005	
Rehabilitation and redevelopment	1,500,000	3,630,000	-	-	-	5,130,000	5,615,446	
Contingency	-	-	287,120	-	-	287,120	-	
Downtown Beautification	-	-	-	-	60,000	60,000	20,036,041	
Facade Improvements	-	-	-	-	560,000	560,000	464,674	
Marketing	-	-	-	-	40,000	40,000	47,433	
Housing (matching funds for grant)	-	-	-	-	300,000	300,000	-	
Business Park	-	-	-	-	-	-	4,931,520	
Parking	-	-	-	-	-	-	1,293,531	
Subtotal capital	20,143,200	7,690,000	24,500,000	4,550,000	5,880,380	62,763,580	69,563,791	
Finance Costs	301,500	167,813	111,625	86,288	136,985	804,211	1,249,215	
Capitalized Interest	162,500	-	663,500	-	-	826,000	-	
Administrative and organizational costs	95,000	-	-	-	-	95,000	3,426,921	
Total Costs	20,702,200	7,857,813	25,275,125	4,636,288	6,017,365	64,488,791	74,239,927	
Projected costs incurred in 2015							3,191,532	
ESTIMATED COSTS AS OF 12/31/2015							<u>77,431,459</u>	
Percentage over plan allowance								20%

Section #3

Doc: Special Assessment Information

7/27/2016

Previous Project	Year	Total Dollars Assessed	number of units assessed	avg. special assessment	length of term	interest rate	1st year rate	lowest assessment	highest assessment
Van Norman Avenue	2003	\$41,372.72	7	\$5,910.39	10 yrs	7.00	2.00	\$962.88	\$21,671.72
Nicholson Avenue	2003	\$95,042.10	21	\$4,525.81	10 yrs	7.00	1.00	\$633.45	\$11,599.19
Elaine Avenue	2005	\$69,821.78	17	\$4,107.16	10 yrs	7.00	4.00	\$2,967.74	\$8,569.05
Donald Avenue	2006	\$22,373.57	2	\$11,186.79	10 yrs	7.00	2.00	\$4,720.97	\$17,652.60
Carpenter Avenue	2006	\$67,571.78	14	\$4,826.56	10 yrs	7.00	2.00	\$2,066.30	\$8,431.36
Morris and Mallory	2010	\$557,240.55	93	\$5,991.83	10 yrs	4.30	4.30	\$527.46	\$18,032.58
		\$853,422.50							

Section 4

Year of 2016	
101.5431.503.075 concrete street supplies	
101.5432.503.075 asphalt street supplies	
101.5436.503.075 alley supplies	
fund 411 actual expenses year of 2016	
<b>2016 Actual Spending Total</b>	

Budgeted Amount	
	7000
	4000
	1500
	310000
	322500

Year of 2015	
101.5431.503.075 concrete street supplies	\$21,660.00
101.5432.503.075 asphalt street supplies	\$13,650.04
101.5436.503.075 alley supplies	\$2,140.00
fund 411 actual expenses year 2015	\$127,637.00
<b>2015 Actual Spending Total *</b>	<b>\$165,087.04</b>

Budgeted Amount	
	7000
	14000
	1500
	310000
	332500

\*\* \$183,362 in un expened funds are being accumulated along with 2016 budgeted amount for an approximately \$500,000 resurfacing project in 2016

\* 2015 does not include \$2.5 million dollars in TIF for Packard Avenue reconstruction project

Year of 2014	
101.5431.503.075 concrete street supplies	\$23,929.60
101.5432.503.075 asphalt street supplies	\$4,045.05
101.5436.503.075 alley supplies	\$0.00
fund 411 actual expenses year 2014	\$299,118.41
<b>2014 Actual Spending Total</b>	<b>\$327,093.06</b>

Budgeted Amount	
	6540
	6540
	800
	200000
	213880

^ Includes the additional \$120,000 approved by the council in the 2015 Budget

^ \*\*

Section 4

Year of 2013	
101.5431.503.075 concrete street supplies	\$11,225.00
101.5432.503.075 asphalt street supplies	\$18,148.00
101.5436.503.075 alley supplies	\$397.00
fund 411 actual expenses year 2013	\$478,465.00
<b>2013 Actual Spending Total %</b>	<b>\$508,235.00</b>

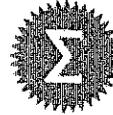
% See Note below

% Includes 2013 first district milling and repaving projects which was approximately \$250,000

Year of 2012	
101.5431.503.075 concrete street supplies	\$23,557.00
101.5432.503.075 asphalt street supplies	\$7,436.00
101.5436.503.075 alley supplies	\$3,705.00
fund 411 actual expenses year 2012	\$366,709.00
<b>2012 Actual Spending Total</b>	<b>\$401,407.00</b>

Year of 2011	
101.5431.503.075 concrete street supplies	\$37,915.00
101.5432.503.075 asphalt street supplies	\$52,703.00
101.5436.503.075 alley supplies	\$3,372.00
fund 411 actual expenses year 2011	\$233,200.00
<b>2011 Actual Spending Total</b>	<b>\$327,190.00</b>

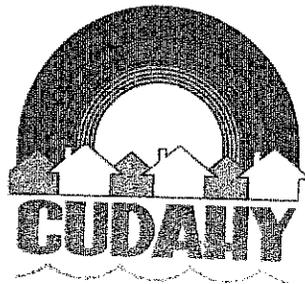
Fund 411 Road Fund 5431.503.075 (concrete street supplies street supplies), 5432.503.075 (asphalt street supplies), 5436.503.075 (alley supplies)
---



April 2, 2014

## Sale Day Report for

City of Cudahy, Wisconsin  
\$2,380,000 General Obligation Street Improvement  
Bonds, Series 2014B



Prepared by:

Michael Harrigan  
Senior Financial Advisor/Chairman

Philip Cosson  
Senior Financial Advisor/Director

and

Greg Johnson  
Financial Advisor/Vice President



Final 2014/15 Capital Improvements Debt Sizing Worksheet



**EHLERS**  
LEADERS IN PUBLIC FINANCE

Year	Projects	Building Improvements	Less Funds on Hand Per City	Equipment	Less Funds on Hand Per City	2014 G.O. Notes	Roads	Less Spec Assessments On Hand Per City	Less Capital Funds on Hand Per City	2014 G.O. Bonds
2014	<b>Road Improvements</b>									
2014	Cuddeby Ave Reconstruction - Swift to Lake						838,600	(100,000)	(738,600)	838,600
2014	Kirkwood Ave Reconstruction - Grange to Morris						1,100,000	(500,000)	(599,000)	1,100,000
2014	Barland Ave Concrete Repairs - Ramsey to Grange						600,000	(200,000)	(400,000)	600,000
2014	Defective Sidewalk Replacement - Area #4						300,000	(200,000)	(100,000)	300,000
2014	Engineering Future Roadway Projects						80,000	(523,125)	(443,125)	80,000
2015	Packard Ave Reconstruction - Cuddeby to Lunham						1,743,750			1,743,750
2015	Miscellaneous Asphalt Overlay						220,000			220,000
2015	Engineering Future Projects						80,000			80,000
	<b>Subtotal Roads</b>						4,962,350	(1,323,125)	(1,301,646)	4,962,350
2014	<b>Building Improvements</b>									
2014	City Hall Roof Replacement - Phase I	80,000	(80,000)							
2014	City Hall Fire Suppression System	30,000	(30,000)							
2014	DPW Garage Security Improvements	20,000								
2014	DPW Building Study - Sewer Utility	10,000	(10,000)							
2014	City I/T (cabeling)	28,000								
2014	Police Department renovations (work stations, carpeting, evidence room.)	115,000								
2014	City Hall Roof Replacement - Phase I	80,000								
	<b>Subtotal Building Improvements</b>	363,000	(120,000)							
2014	<b>Equipment</b>									
2014	Fire Department Ambulance Replacement			130,000	(130,000)					
2014	Utility Bucket Truck			100,000	(100,000)					
2014	5 yd Dump Truck			225,000						
2014	Road saw			15,000						
2014	Anti-Hcing Brine Making System			120,000						
2014	Backhoe			75,000						
2014	Roll Off for existing plow truck			85,000						
2014	Sewer Truck			75,000						
	<b>Subtotal Project Costs</b>			825,000	(230,000)					

**TOTAL PROJECT COSTS**

**Estimated Issuance Expenses**

- Bond Trust Services (paying Agent for Term Bonds)
- Financial Advisor
- Bond Counsel
- Underwriter's Discount
- Rating Fees
- Capitalized Interest
- Bid Premium Deposit to Debt Service Fund
- Resurfacing Premium Built Into Rates

**TOTAL TO BE FINANCED**

- Estimated Interest Earnings
- Rounding
- NET BOND OR NOTE SIZE**

NOTES:

Pre-Sale Estimate	Pre-Sale Estimate	2014 G.O. Notes	Roads	Less Spec Assessments On Hand Per City	Less Capital Funds on Hand Per City	2014 G.O. Bonds
0	0	838,000	4,962,350	(1,323,125)	(1,301,646)	2,337,579
10,000	19,800	10,000				19,800
8,500	8,500	8,500				8,500
8,850	30,563	5,667				30,563
10,000	10,000	6,167				10,000
6,682	35,659	8,233				35,659
0	0	(1,972)				(1,972)
0	0	862,440				862,440
0	0	1,000				1,000
0	0	22,860				22,860
0	0	855,000				855,000
0	0	838,000				838,000
0	0	2,337,579				2,337,579
0	0	2,445,000				2,445,000

On the evening of May 3, 2016, the Common Council approved the contracts for various construction projects in the City of Cudahy on various infrastructure improvements. The projects will begin construction during 2016.

Project 2016-05, awarded in the amount of \$337,600 to Payne & Dolan for milling and overlay of existing asphalt on the following listed areas: Kirkwood Avenue (from Layton Avenue south to Pulaski Avenue), Martin Avenue (from Packard Avenue east to Lake Drive), Edgerton Avenue (from Swift Avenue east to Lake Drive), Pulaski Avenue (from Lake Drive east to Sheridan Drive), Hammond Avenue (from Packard Avenue east to Swift Avenue, Grange Avenue (from Packard Avenue east to Lake Drive). The DPW will begin some catch basin repairs on these streets during the last week of May. The actual paving will begin in early June.

Project 2016-02, awarded in the amount of \$1,507,543 to Underground Pipeline for the Packard Avenue North Sewer & Water Project (from Cudahy Avenue north to Lunham Avenue). Construction on this project will begin around August 1, 2016. A letter was sent last week to property owners informing them of the projected start date.

Project 2016-04, awarded in the amount of \$949,389.60 to Lalonde Construction for Kirkwood Avenue (from Morris Avenue south to Grange Avenue), and Barnard Avenue extension (from Sweet Applewood Lane west to Nicholson Avenue). The contractor will start the inlet work on both streets next week. The staff has notified the affected owners including those that surround the project area. In addition the staff has just about worked out all access issues with businesses. The work requiring Kirkwood to be closed to traffic probably won't happen until the last week of May.

The Contractor for the City Sidewalk Replacement project has notified us that he will be starting in about 2 weeks. He will concentrate on items that would impact the parade route and any work necessitated by the overlay work.

**City of West Allis**  
**2016 STANDARD ASSESSMENT RATES- 5% Increase**

<u>Type of Improvement</u>	<u>Standard</u> (100%)	<u>Comm.</u> (125%)	<u>Mfg.</u> (150%)
<b>Street Paving:</b>			
New Construction.....	92.20	115.25	138.30
Reconstruction (60% of new rate).....	55.32	69.15	82.98
Major Asphalt Resurface/Rural Section Asphalt (50% of new rate).....	46.10	57.63	69.15
Minor Asphalt Resurface (40% of new street).....	36.88	46.10	55.32
Interim Asphalt Resurface (20% of new construct).....	18.44	23.05	27.66
Concrete Pavement Repair (12% of new construct)....	11.06	13.83	16.60
Service Drive New (2/3 of new construct).....	61.47	76.83	92.20
Service Drive - Resurface (2/3 of minor street resurf)....	24.59	30.73	36.88
<b>Alleys (Concrete)</b>			
..... 20' Wide.....	48.65	60.81	72.97
..... 18' Wide.....	45.90	57.37	68.84
..... 16' Wide.....	43.13	53.92	64.70
..... 15' Wide.....	41.76	52.20	62.64
..... 14' Wide.....	40.37	50.47	60.56
..... 12' Wide.....	37.66	47.08	56.50
..... 10' Wide.....	34.90	43.63	52.35
<b>Alleys (Reconstruct)</b>			
..... 20' Wide.....	34.05	42.56	51.08
..... 18' Wide.....	32.13	40.16	48.20
..... 17' Wide.....	31.16	38.96	46.75
..... 16' Wide.....	30.19	37.73	45.28
..... 15' Wide.....	29.25	36.57	43.88
..... 14' Wide.....	28.30	35.37	42.45
..... 12' Wide.....	26.33	32.92	39.50
..... 10' Wide.....	24.45	30.57	36.68
<b>Alleys (Resurfacing):</b>			
..... 20' Wide.....	17.03	21.29	25.55
..... 18' Wide.....	16.05	20.07	24.08
..... 16' Wide.....	15.09	18.86	22.63
..... 15' Wide.....	14.61	18.26	21.91
..... 14' Wide.....	14.13	17.67	21.20
..... 13' Wide.....	13.67	17.09	20.51
..... 12' Wide.....	13.20	16.50	19.80
..... 10' Wide.....	12.19	15.24	18.29
<b>Sidewalk:</b>			
5" Concrete (per lin. ft.).....	30.06	30.06	30.06
5" Concrete (per sq. ft.).....	6.03	6.03	6.03
7" Concrete (per lin.ft.).....	34.45	34.45	34.45
7" Concrete (per sq. ft.).....	6.90	6.90	6.90
5" Concrete (per lin. ft.)(sidewalk program only).....	30.06 x50%*	30.06 x62.5%*	30.06 x75%*
7" Concrete (per lin. ft.)(sidewalk program only).....	34.45 x50%*	34.45 x62.5%*	34.45 x75%*
9" Concrete (per lin. ft.)(sidewalk program only).....	43.07 x50%*	43.07 x62.5%*	43.07 x75%*
Mudjacking (per lin. ft.)(sidewalk program only).....	15.38 x50%*	15.38 x62.5%*	15.38 x75%*
Mudjacking (per sq. ft.)(sidewalk program only).....	3.08 x50%*	3.08 x62.5%*	3.08 x75%*
Carriage walk (per sq. ft.)(sidewalk program only).....	6.03 x50%*	6.03 x62.5%*	6.03 x75%*
Service Walk (per sq. ft.).....	6.03 x100%*	6.03 x100%*	6.03 x100%*
*Based on typical shortside of property			
<b>Driveway Approach:</b>			
7" Concrete (per sq. ft.).....	6.90	6.90	6.90
9" Concrete (per sq. ft.).....	8.61	8.61	8.61
Driveway approach grinding, each.....	50.00	50.00	50.00
<b>Misc. Asphalt; (per sq. ft.)</b>			
Includes Walks, Driveways, etc.....	3.69	3.69	3.69
<b>Steps:</b> (per lin. ft. of riser).....	54.08	54.08	54.08
<b>Modular Block or Timber Walls:</b> (per sq. ft.).....	23.14	23.14	23.14
<b>Brick/Stamped Concrete</b> (per sq. ft.).....	9.06	9.06	9.06
<b>Water main:</b> (per lin. ft.).....	53.92	67.40	80.88
<b>Sanitary Sewer Main:</b> (per lin. ft.).....	76.58	95.72	114.86
<b>Storm Sewer Laterals,</b> Each.....	618.00	1428.00	full cost
<b>Storm Sewer Lateral w/ extension,</b> Each.....	1114.00	full cost	full cost
<b>Sanitary Sewer Laterals,</b> Each.....	full cost	full cost	full cost
<b>Water Lateral,</b> Each.....	full cost	full cost	full cost





# Operating Budget Projections & CIP Detail

For

City of Cudahy, Wisconsin

June 30, 2014

Section #7



**EHLERS**  
LEADERS IN PUBLIC FINANCE

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Wisconsin

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Brookfield, WI 53005-6202



City of Cudahy  
 2014 Capital Improvement Plan  
 ROADWAY IMPROVEMENTS - Streets  
 Update 1-03-14

STREET/ADD District	FROM	TO	LENGTH	WIDTH	RATE	AGE Treatment	TYPE	SEW OR WAT CONST.	CONST COST	SPECIAL ASSMT.	AIDS	CITY COST	UTILITY COST	TIF COST
Cudahy	Lake Dr	Hartely	586	40	2		Recon	2014	\$ 383,950	\$ 50,000		\$ 313,950		
Cudahy	Halely	Swift	686	40	3		Recon		\$ 474,650	\$ 50,000		\$ 424,650		
Kirkwood	Grange	Morris	1320	30	2	50	Recon		\$ 1,100,000	\$ 500,000		\$ 600,000		
Baland Ave. Concrete Repairs	Rainsey	Grange							\$ 600,000			\$ 600,000		
Packard Avenue -Recon. Engineering Sidewalk Program	Holmes	Cudahy	2007	50	6	25	asph recon & streetscape	2012	\$ 2,200,000	\$ 80,000	\$ 200,000	\$ 80,000	\$ 100,000	\$ 2,200,000
									<b>TOTAL</b>	<b>\$ 3,758,600</b>	<b>\$ 700,000</b>	<b>\$ 2,200,000</b>	<b>\$ 200,000</b>	<b>\$ 2,200,000</b>

City of Cudahy  
 2015 Capital Improvement Plan  
 ROADWAY IMPROVEMENTS - Streets  
 Revised 1-03-14

STREET/ADD District	FROM	TO	LENGTH	WIDTH	RATE	AGE Treatment	TYPE	SEW OR WAT CONST.	CONST COST	SPECIAL ASSMT.	AIDS	CITY COST	UTILITY COST	TIF COST
Packard	Cudahy	Lunham	2325	50	4.5	30 recon		2015	\$ 1,743,750	\$ 523,125		\$ 1,220,625		
Miscellaneous Overlays									\$ 220,000			\$ 220,000		
Engineering Future Roadway projects									\$ 80,000			\$ 80,000		
									<b>TOTAL</b>	<b>\$ 1,983,750</b>	<b>\$ 523,125</b>	<b>\$ 1,460,625</b>	<b>\$ 220,000</b>	<b>\$ 1,680,625</b>

Section #7

City of Cudahy  
2016 Capital Improvement Plan  
ROADWAY IMPROVEMENTS - Streets  
Revised 1-03-14

STREET/AD District	FROM	TO	LENGTH	WIDTH	RATE	AGE Treatment	TYPE	SEW OR WAT CONST.	CONST COST	SPECIAL ASSMT.	AIDS	CITY COST	UTILITY COST	TIF COST
Armour	Lake Dr	Haley	586	40	40	2	Recon		\$ 293,700			\$ 293,700		
Armour	Haley	Swift	686	40	3	39	Recon		\$ 306,700	\$ 275,000		\$ 306,700		
Adams	Packard	Swift	1320	36	3	28	recon		\$ 550,000	\$ 260,000		\$ 550,000		
Malory	Packard	Swift	1320	36	3	28	recon		\$ 520,000	\$ 260,000		\$ 520,000		
Morris	Kirkwood	Packard	634	40	4	41 recon		\$ 350,000	\$ 175,000			\$ 350,000		
Engineering								\$ 50,000				\$ 50,000		
Miscellaneous Conc Patching								\$ 408,225				\$ 388,225	\$ 20,000	
Whitaker	Packard	KK	2300	36	4	53	Part Recon		\$ 460,000			\$ 460,000		
Sidewalk Program								\$ 500,000	\$ 400,000			\$ 500,000		

Total \$ 5,249,500 \$ 2,240,000 \$ 2,280,000 \$ 2,000,000

City of Cudahy  
2017 Capital Improvement Plan  
ROADWAY IMPROVEMENTS - Streets  
Revised 1-03-15

STREET/AD District	FROM	TO	LENGTH	WIDTH	RATE	AGE Treatment	TYPE	SEW OR WAT CONST.	CONST COST	SPECIAL ASSMT.	AIDS	CITY COST	UTILITY COST	TIF COST
Krogan	Lunham	Allerton	2640				Patch & overlay		\$ 980,000			\$ 980,000		
Grange	Lake	Packard	2700	36	3	29 recon		2017 \$ 1,293,750	776,250		\$ 1,293,750			
Miscellaneous Overlays								\$ 220,000				\$ 220,000		
Engineering								\$ 50,000				\$ 50,000		

Total \$ 2,449,750 \$ 776,250 \$ 2,369,000

