

RESOLUTION NO. 2024-18

RESOLUTION AUTHORIZING THE ISSUANCE AND
ESTABLISHING PARAMETERS FOR THE SALE OF NOT TO EXCEED
\$1,860,000 SEWERAGE SYSTEM REVENUE BONDS, SERIES 2024B
OF THE CITY OF EVANSVILLE, ROCK COUNTY, WISCONSIN,
AND PROVIDING FOR THE PAYMENT OF THE BONDS
AND OTHER DETAILS WITH RESPECT TO THE BONDS

WHEREAS, the City of Evansville, Rock County, Wisconsin (the "City") owns and operates its Sewerage System (the "System") which is operated for a public purpose as a public utility; and

WHEREAS, under the provisions of Section 66.0621, Wisconsin Statutes, any municipality in the State of Wisconsin may, by action of its governing body, provide funds for extending, adding to and improving a public utility from the proceeds of bonds, which bonds are payable only from the income and revenues of such utility and are secured by a pledge of the revenues of the utility; and

WHEREAS, pursuant to a resolution adopted on July 12, 2005 (the "2005 Resolution"), the City has heretofore issued its Sewerage System Revenue Bonds, Series 2005, dated July 27, 2005 (the "2005 Bonds"), which bonds are payable from the Revenues of the System; and

WHEREAS, pursuant to a resolution adopted on November 10, 2009 (the "2009 Resolution"), the City has heretofore issued its Sewerage System Revenue Bonds, Series 2009, dated November 25, 2009 (the "2009 Bonds"), which bonds are payable from the Revenues of the System on a parity with the 2005 Bonds; and

WHEREAS, pursuant to a resolution adopted on June 14, 2016 (the "2016 Resolution"), the City has heretofore issued its Sewerage System Revenue Bonds, dated July 29, 2016 (the "2016 Bonds"), which bonds are payable from the Revenues of the System on a parity with the 2005 Bonds and the 2009 Bonds; and

WHEREAS, pursuant to a resolution adopted on May 8, 2018 (the "2018 Resolution"), the City has heretofore issued its Sewerage System Revenue Bonds, dated May 30, 2018 (the "2018 Bonds"), which bonds are payable from the Revenues of the System on a parity with the 2005 Bonds, the 2009 Bonds and the 2016 Bonds; and

WHEREAS, pursuant to a resolution adopted on June 12, 2018 (the "2018B Resolution"), the City has heretofore issued its Sewerage System Revenue Bonds, Series 2018B, dated June 27, 2018 (the "2018B Bonds"), which bonds are payable from the Revenues of the System on a parity with the 2005 Bonds, the 2009 Bonds, the 2016 Bonds and the 2018 Bonds; and

WHEREAS, pursuant to a resolution adopted on July 13, 2021 (the "2021 Resolution"), the City has heretofore issued its Sewerage System Revenue Bonds, Series 2021B, dated September 2, 2021 (the "2021 Bonds"), which bonds are payable from the Revenues of the System on a parity with the 2005 Bonds, the 2009 Bonds, the 2016 Bonds, the 2018 Bonds and the 2018B Bonds; and

WHEREAS, pursuant to a resolution adopted on July 12, 2022 (the "2022 Resolution"), the City has heretofore issued its Sewerage System Revenue Bonds, Series 2022B, dated September 1, 2022 (the "2022 Bonds"), which bonds are payable from the Revenues of the System on a parity with the 2005 Bonds, the 2009 Bonds, the 2016 Bonds, the 2018 Bonds, the 2018B Bonds and the 2021 Bonds (collectively with the 2022 Bonds, the "Prior Bonds"); and

WHEREAS, the 2005 Resolution, the 2009 Resolution, the 2016 Resolution, the 2018 Resolution, the 2018B Resolution, the 2021 Resolution and the 2022 Resolution shall collectively be referred to as the "Prior Resolutions"; and

WHEREAS, the City has determined that certain additions, improvements and extensions to the System (collectively, the "Project") are necessary to adequately supply the needs of the City and the residents thereof; and

WHEREAS, it is necessary, desirable and in the best interests of the City to authorize and sell revenue bonds for such purpose payable solely from the Revenues of the System, which bonds are to be authorized and issued pursuant to the provisions of Section 66.0621, Wisconsin Statutes; and

WHEREAS, the Prior Resolutions permit the issuance of additional bonds payable from Revenues of the System on a parity with the Prior Bonds upon compliance with certain conditions; and

WHEREAS, to the best of the Common Council's knowledge, information and belief, the City complies with such conditions; and

WHEREAS, other than the Prior Bonds, the City has no bonds or obligations outstanding which are payable from the Revenues of the System; and

WHEREAS, it is the finding of the Common Council that it is in the best interest of the City to direct its financial advisor, Ehlers & Associates, Inc. ("Ehlers"), to take the steps necessary for the City to offer and sell Sewerage System Revenue Bonds, Series 2024B (the "Bonds") at public sale and to obtain bids for the purchase of the Bonds; and

WHEREAS, the City Clerk (in consultation with Ehlers) is hereby authorized and directed to cause the sale of the Bonds to be publicized at such times and in such manner as the City Clerk may determine and to cause copies of a complete Notice of Sale and other pertinent data to be forwarded to interested bidders as the City Clerk may determine; and

WHEREAS, in order to facilitate the sale of the Bonds in a timely manner, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City to delegate to any of the Mayor, the City Administrator and the City Treasurer/Utility Accountant (each an "Authorized Officer") the authority to accept on behalf of the City the bid for the Bonds that results in the lowest true interest cost for the Bonds (the "Proposal") and meets the terms and conditions provided for in this Resolution by executing a certificate in substantially the form attached hereto as Exhibit A and incorporated herein by reference (the "Approving Certificate").

NOW, THEREFORE, the Common Council of the City of Evansville, Rock County, Wisconsin, do resolve that:

Section 1. Authorization and Sale of the Bonds; Parameters. For the purpose of paying the costs of the Project, the City is authorized to borrow pursuant to Section 66.0621, Wisconsin Statutes, the principal sum of not to exceed ONE MILLION EIGHT HUNDRED SIXTY THOUSAND DOLLARS (\$1,860,000) upon the terms and subject to the conditions set forth in this Resolution. Subject to satisfaction of the condition set forth in Section 20 of this Resolution, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the financial institution that submitted the Proposal (the "Purchaser"), on behalf of and in the name of the City, the Bonds in a principal amount of not to exceed ONE MILLION EIGHT HUNDRED SIXTY THOUSAND DOLLARS (\$1,860,000). The purchase price to be paid to the City for the Bonds shall not be less than 98.6% of the principal amount of the Bonds.

Section 2. Terms of the Bonds. The Bonds shall be designated "Sewerage System Revenue Bonds, Series 2024B"; shall be issued in the aggregate principal amount of up to \$1,860,000; shall be dated as of their date of issuance; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall mature or be subject to mandatory redemption on the dates and in the principal amounts set forth below, provided that the principal amount of each maturity or mandatory redemption amount may be increased or decreased by up to \$45,000 per maturity or mandatory redemption amount and that the aggregate principal amount of the Bonds shall not exceed \$1,860,000. The schedule below assumes the Bonds are issued in the aggregate principal amount of \$1,840,000.

<u>Date</u>	<u>Amount</u>
05/01/2026	\$130,000
05/01/2027	175,000
05/01/2028	50,000
05/01/2029	65,000
05/01/2030	70,000
05/01/2031	70,000
05/01/2032	75,000
05/01/2033	80,000
05/01/2034	80,000
05/01/2035	85,000
05/01/2036	90,000
05/01/2037	90,000
05/01/2038	95,000
05/01/2039	100,000
05/01/2040	105,000
05/01/2041	110,000
05/01/2042	115,000
05/01/2043	125,000
05/01/2044	130,000

Interest shall be payable semi-annually on May 1 and November 1 of each year commencing on May 1, 2025. The true interest cost on the Bonds (computed taking the Purchaser's compensation into account) will not exceed 4.74%. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

The schedule of maturities or mandatory redemptions is found to be such that the amount of annual debt service payments is reasonable in accordance with prudent municipal utility practices and will be confirmed in the Approving Certificate.

The Bonds, together with interest thereon, shall not constitute an indebtedness of the City nor a charge against its general credit or taxing power. The Bonds, together with interest thereon, shall be payable only out of the Debt Service Fund hereinafter provided, and shall be a valid claim of the owner thereof only against the Debt Service Fund and the Revenues pledged to such Fund, on a parity with the pledge granted to the owners of the Prior Bonds. Sufficient Revenues are hereby pledged to the Debt Service Fund, and shall be used for no other purpose than to pay the principal of and interest on the Bonds, the Prior Bonds and any Parity Bonds as the same fall due.

The Bonds shall be subject to optional redemption as set forth in the Approving Certificate. If the Proposal specifies that certain of the Bonds are subject to mandatory redemption, the terms of such mandatory redemption shall be set forth on an attachment to the Approving Certificate. Upon the optional redemption of any of the Bonds subject to mandatory redemption, the principal amount of such Bonds so redeemed shall be credited against the mandatory redemption payments established for such Bonds in such manner as the City shall direct.

Section 3. 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 4. 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 in any Fiscal Year on the Prior Bonds, the Bonds and Parity Bonds.

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

"Code" means the Internal Revenue Code of 1986, as amended.

"Current Expenses" or "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 and audits, but excluding depreciation, debt service, tax equivalents and capital expenditures.

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

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

"Gross Earnings" or "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 and any funds appropriated by the Common Council for services provided to the City by the System.

"Net Revenues" means the Gross Earnings of the System after deductions of Current Expenses.

"Parity Bonds" means additional bonds or obligations issued on a parity as to pledge and lien with the Bonds in accordance with the provisions of Section 8 of this Resolution.

"Regulations" means the Regulations of the Commissioner of Internal Revenue under the Code.

"Reserve Requirement" means an amount, determined as of the date of issuance of the Bonds, equal to the least of (a) the amount required to be on deposit in the Reserve Fund prior to the issuance of the Bonds, plus the amount permitted to be deposited therein from proceeds of the Bonds pursuant to Section 148(d)(1) of the Code and Regulations; (b) the maximum annual debt service on the Bonds, the 2021 Bonds and the 2022 Bonds in any Bond Year; and (c) 125% of average annual debt service on the Bonds, the 2021 Bonds and the 2022 Bonds; provided, however, that on an ongoing basis it shall never exceed the remaining maximum annual principal and interest due on the Bonds, the 2021 Bonds and the 2022 Bonds in any Bond Year. If Parity Bonds which are to be secured by the Reserve Fund are issued, the Reserve Requirement shall mean an amount, determined as of the date of issuance of the Parity Bonds, equal to the least of (a) the amount required to be on deposit in the Reserve Fund prior to the issuance of such Parity Bonds, plus the amount permitted to be deposited therein from proceeds of the Parity Bonds pursuant to Section 148(d)(1) of the Code and Regulations; (b) the maximum annual debt service on outstanding obligations secured by the Reserve Fund and the Parity Bonds to be issued in any Bond Year; and (c) 125% of average annual debt service on the outstanding obligations secured by the Reserve Fund and the Parity Bonds to be issued; provided, however, that on an ongoing basis it shall never exceed the remaining maximum annual principal and interest due on the outstanding obligations secured by the Reserve Fund in any Bond Year.

"System" means the entire sewerage system of the City specifically including that portion of the Project owned by the City and including all property of every nature now or hereafter owned by the City for the collection, transmission, treatment and disposal of domestic and industrial sewerage and waste, including all improvements and extensions thereto made by the City while any of the Bonds and Parity Bonds remain outstanding, including all real and personal property of every nature comprising part of or used or useful in connection with such sewerage system and including all appurtenances, contracts, leases, franchises, and other intangibles.

Section 5A. Income and Revenue Funds. When the Bonds shall have been delivered in whole or in part, the Revenues shall be set aside into the following separate and special funds, which were created and established by the 2005 Resolution, continued by the Prior Resolutions and are hereby further continued and shall be used and applied as described below:

- (a) Revenue Fund, into which shall be deposited as received the Gross Earnings of the System, which money shall then be divided among the Operation and Maintenance Fund, the Debt Service Fund (including the Reserve Fund) and the Surplus Fund in the amounts and in the manner set forth in Section 5B hereof and used for the purposes described below.
- (b) Operation and Maintenance Fund, which shall be used for the payment of Current Expenses.
- (c) Debt Service Fund, which shall be used for the payment of the principal of, premium, if any, and interest on the Prior Bonds, the Bonds and any Parity Bonds as the same becomes due.
- (d) Reserve Fund created by the 2021 Resolution, which is hereby continued within the Debt Service Fund which shall be used for the payment of principal and interest on the Bonds, the 2021 Bonds, the 2022 Bonds and any Parity Bonds secured by the Reserve Fund at any time when there shall be insufficient money in the Debt Service Fund for said purpose. The Reserve Fund does not secure the principal of or interest on the 2005 Bonds, the 2009 Bonds, the 2016 Bonds, the 2018 Bonds and the 2018B Bonds. No moneys in the Reserve Fund shall be applied to the payment of principal and interest on the 2005 Bonds, the 2009 Bonds, the 2016 Bonds, the 2018 Bonds and the 2018B Bonds.
- (e) Surplus Fund, which shall first be used whenever necessary to pay principal of, premium, if any, or interest on the Prior Bonds, the Bonds and Parity Bonds when the Debt Service Fund shall be insufficient for such purpose, and thereafter shall be disbursed as follows: (i) at any time, to remedy any deficiency in any of the Funds provided in this Section 5A hereof; and (ii) money thereafter remaining in the Surplus Fund at the end of any Fiscal Year may be transferred to any of the funds or accounts created herein or to reimburse the general fund of the City for advances made by the City to the System.

Section 5B. Application of Revenues. After the delivery of the Bonds, the Gross Earnings of the System shall be deposited as collected in the Revenue Fund and shall be transferred monthly to the funds listed below in the following order of priority and in the manner set forth below:

- (a) to the Operation and Maintenance Fund, in an amount equal to the estimated Current Expenses for such month and for the following month (after giving effect to available amounts in said Fund from prior deposits);

- (b) to the Debt Service Fund, an amount equal to one-sixth (1/6) of the next installment of interest coming due on the Prior Bonds and the Bonds and any Parity Bonds then outstanding and an amount equal to one-twelfth (1/12) of the installment of principal of the Prior Bonds and the Bonds and any Parity Bonds coming due during such Bond Year (after giving effect to available amounts in said Fund from accrued interest, any premium or any other source);
- (c) to the Reserve Fund only at such times that the amount on deposit is not equal to the Reserve Requirement, an amount equal to one twelfth of the Reserve Requirement until the amount accumulated in the Reserve Fund (after giving effect to amounts deposited in the Reserve Fund from Bond Proceeds pursuant to Section 9 hereof, from any investment earnings or any other source) equals the Reserve Requirement; and
- (d) to the Surplus Fund, any amount remaining in the Revenue Fund after the monthly transfers required above have been completed.

Transfers from the Revenue Fund to the Operation and Maintenance Fund, the Debt Service Fund, the Reserve Fund and the Surplus Fund shall be made monthly not later than the tenth day of each month, and such transfer shall be applicable to monies on deposit in the Revenue Fund as of the last day of the month preceding. Any other transfers and deposits to any fund required or permitted by subsection (a) through (d) of this Section, except transfers or deposits which are required to be made immediately or annually, shall be made on or before the tenth day of the month. Any transfer or deposit required to be made at the end of any Fiscal Year shall be made within sixty (60) days after the close of such Fiscal Year. If the tenth day of any month shall fall on a day other than a business day, such transfer or deposit shall be made on the next succeeding business day.

It is the express intent and determination of the Common Council that the amounts transferred from the Revenue Fund and deposited in the Debt Service Fund shall be sufficient in any event to pay the interest on the Prior Bonds, the Bonds and any Parity Bonds as the same accrues and the principal thereof as the same matures.

The Debt Service Fund shall be kept apart from monies in the other funds and accounts of the City. The Debt Service Fund shall be used for no purpose other than the prompt payment of principal of and interest on the Prior Bonds, the Bonds and any Parity Bonds. The minimum amounts to be so deposited for debt service on the Bonds, in addition to all amounts to be deposited to pay debt service on the Prior Bonds, will be set forth on a schedule to be attached to the Approving Certificate. All money in the Debt Service Fund shall be deposited in a special account and invested in legal investments subject to Section 66.0603(1m), Wisconsin Statutes, and the monthly payments required to be made to the Debt Service Fund shall be made directly to such account.

It is the intent of the City that at all times the Reserve Fund constitutes a "reasonably required reserve fund" under Section 148 of the Code and any applicable Regulations.

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(1m), Wis. Stats.

No transfers need be made into the Reserve Fund at such times as the monies in the Reserve Fund are equal to the Reserve Requirement. If at any time the amount on deposit in the Reserve Fund exceeds the Reserve Requirement, the excess shall be transferred to the Debt Service Fund and used to pay principal and interest on the Bonds. If for any reason there shall be insufficient funds on hand in the Debt Service Fund to meet principal or interest becoming due on the 2021 Bonds, the 2022 Bonds, the Bonds or Parity Bonds secured by the Reserve Fund, then all sums then held in the Reserve Fund shall be used to pay the portion of interest or principal on such 2021 Bonds, 2022 Bonds, Bonds or Parity Bonds secured by the Reserve Fund becoming due as to which there would otherwise be default, and thereupon deposits into the Reserve Fund shall begin as described above until an amount equal to the Reserve Requirement is on deposit in the Reserve Fund.

Section 6. Service to the City. The reasonable cost and value of any service rendered to the City by the System by furnishing sewerage services for public purposes, 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, and out of the tax levy of the City made by it to raise money to meet its necessary current expenses. It is hereby found and determined that the reasonable cost and value of such service to the City in each year shall be in an amount which, together with Revenues of the System, will produce Net Revenues equivalent to not less than 1.10 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 is subject to (a) annual appropriations by the Common Council therefor, (b) approval of the Wisconsin Public Service Commission, or successors to its function, if necessary, and (c) applicable levy limits, 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 7. 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:

(a) The City 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 collect and segregate the Revenues of the System and apply them to the respective funds and accounts described hereinabove;

(b) The City will not sell, lease, or in any manner dispose of the System, including any part thereof or any additions, extensions, or improvements 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 Debt Service 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 Debt Service Fund;

(c) The City will cause the Project to be completed as expeditiously as reasonably possible;

(d) The City 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;

(e) The City 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 Fiscal Year Net Revenues shall not be less than 110% 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 Prior Bonds, the Bonds, and Parity Bonds and the interest thereon as the same becomes due and payable and to meet the Reserve Requirement will be sufficient for those purposes;

(f) The City 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 Fiscal Year will not exceed the Annual Debt Service Requirement for each corresponding Fiscal 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;

(g) 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 statement of the Net Revenues of the System for such Fiscal Year; (3) a balance sheet as of the end of such Fiscal Year; (4) the accountants' 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; (5) 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); (6) 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; and (7) the volume of water used as the basis for computing the service charge; and

(h) So long as any of the Bonds are outstanding the City will carry for the benefit of the owners of the Bonds insurance of the kinds and in the amounts normally carried by private companies or other public bodies 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 and accounts named in Section 5A of this Resolution. All money received for

losses under any casualty policies 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 shall be deposited in the Debt Service Fund, but in that event such payments shall not reduce the amounts otherwise required to be paid into the Debt Service Fund.

Section 8. Prior Bonds; Parity Bonds. The Bonds are issued on a parity with the Prior 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. Parity Bonds may be issued only if all of the following conditions are met:

a. Either:

(1) 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 1.10 times the average combined annual interest and principal requirements on all bonds outstanding payable from 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 Net Revenues for purposes of such computation shall include such additional Net Revenues as an independent certified public accountant, registered municipal advisor, consulting professional engineer or the Wisconsin Public Service Commission may calculate would have accrued during the prior Fiscal Year had the new rates been in effect during that entire immediately prior Fiscal Year; or

(2) An independent certified public accountant, registered municipal advisor or consulting professional engineer provides a calculation setting forth for each of the three Fiscal Years commencing with the Fiscal Year following that in which the projects financed by such additional bonds are to be completed, the projected Net Revenues and the maximum annual interest and principal requirements on all bonds outstanding payable from the Gross Revenues of the System and on the bonds then to be issued (the "Maximum Annual Debt Service Requirement"); and demonstrating that for each such Fiscal Year the projected Net Revenues will be in an amount not less than 110% of such Maximum Annual Debt Service Requirement.

b. The payments required to be made into the funds enumerated in Section 5A of this Resolution (including the Reserve Fund, but not the Surplus Fund) must have been made in full.

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. If the Parity Bonds are to be secured by the Reserve Fund, the amount on deposit in the Reserve Fund must be increased to an amount equal to the Reserve Requirement applicable upon the issuance of Parity Bonds as defined in Section 4 of this Resolution.

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

Section 9. Application of Bond Proceeds. All accrued interest received from the sale of the Bonds shall be deposited into the Debt Service Fund. An amount of proceeds of the Bonds necessary to make the amount on deposit in the Reserve Fund equal to the Reserve Requirement shall be deposited in the Reserve Fund. The balance of the proceeds, less the expenses incurred in authorizing, issuing and delivering the Bonds, shall be deposited in a special fund designated as "Sewerage System Improvement Fund." Said special fund shall be adequately secured and used solely for the purpose of meeting costs of extending, adding to and improving the System, as described in the preamble hereof. The balance remaining in said Improvement Fund after paying said costs shall be transferred to the Debt Service Fund for use in payment of principal of and interest on the Bonds.

Section 10. 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 11. Defeasance. When all Bonds have been discharged, all pledges, liens, 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. Upon such payment or deposit, in the amount and manner provided by this Section, all liability of the City with respect to the Bonds shall cease, terminate and be completely discharged, and the owners thereof shall be entitled only to payment out of the money so deposited.

Section 12. Investments and Arbitrage. Monies accumulated in any of the funds and accounts referred to in Sections 5 and 9 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(1m), Wisconsin Statutes, until needed. All income derived from such investments 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 Fund, any income derived from investment of the Reserve Fund shall be deposited into the Debt Service 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.

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.

Section 13. 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 10, 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 14. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Bonds eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the

Blanket Issuer Letter of Representations, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Clerk's office.

Section 15. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by Bond Trust Services Corporation, Roseville, Minnesota, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The City hereby authorizes the Mayor and City Clerk or other appropriate officers of the City to enter a Fiscal Agency Agreement between the City and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Bonds.

Section 16. Persons Treated as Owners; Transfer of Bonds. The City shall cause books for the registration and for the transfer of the Bonds to be kept by the Fiscal Agent. 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 his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount, series and maturity and the 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.

Section 17. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Bonds (the "Record Date"). 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 Record Date.

Section 18. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Bonds and the ownership, management and use of the projects financed by the Bonds will not cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Bonds including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or

would otherwise cause interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Bonds shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

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

The foregoing covenants shall remain in full force and effect, notwithstanding the defeasance of the Bonds, until the date on which all of the Bonds have been paid in full.

Section 19. Designation as Qualified Tax-Exempt Obligations. The Bonds are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 20. Condition on Issuance and Sale of the Bonds. The issuance of the Bonds and the sale of the Bonds are subject to approval by an Authorized Officer of the principal amount, definitive maturities, redemption provisions, interest rates and purchase price for the Bonds. Satisfaction of such condition shall be evidenced by execution by an Authorized Officer of the Approving Certificate.

The Bonds shall not be issued, sold or delivered until this condition has been satisfied. Upon satisfaction of this condition, an Authorized Officer is authorized to execute the Proposal providing for the sale of the Bonds to the Purchaser.

Section 21. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of the proceeds of the Bonds allocable to the payment of issuance expenses to a financial institution selected by Ehlers at Closing for further distribution as directed by Ehlers.

Section 22. Official Statement. The Common Council hereby directs an Authorized Officer to approve the Preliminary Official Statement with respect to the Bonds and deem the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or Final Official Statement are hereby ratified and approved. In connection with the closing of the Bonds, the appropriate City official shall certify the Preliminary Official Statement and any addenda or Final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or Final Official Statement to be distributed to the Purchaser.

Section 23. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") if required by 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 owners of the Bonds or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Bonds, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 24. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Bonds in the Record Book.

Section 25. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Bonds, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Bond proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Bonds by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Bond provided herein.

Section 26. Execution of the Bonds; Closing; Professional Services. The Bonds shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent, sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Bonds may be imprinted on the Bonds in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Bonds, at least one of the signatures appearing on each Bond shall be a manual signature. In the event that either of the officers whose signatures appear on the Bonds shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Bonds and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Bonds, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Bonds is hereby ratified and approved in all respects.

Section 27. Conflicting Ordinances or Resolutions. All prior ordinances, resolutions (other than the Prior Resolutions), rules, 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, then the Prior Resolutions shall control so long as any bonds authorized by such resolutions are outstanding.

Adopted, approved and recorded June 10, 2024.

Dianne Duggan
Mayor

ATTEST:

Leah Hurtley
City Clerk

(SEAL)

EXHIBIT A

APPROVING CERTIFICATE

The undersigned, on behalf of the City of Evansville, Rock County, Wisconsin (the "City"), hereby certifies that:

1. Resolution. On June 10, 2024, the Common Council of the City adopted a resolution (the "Resolution") authorizing the issuance and establishing parameters for the sale of not to exceed \$1,860,000 Sewerage System Revenue Bonds, Series 2024B of the City (the "Bonds") and delegating to me the authority to approve the Preliminary Official Statement, the purchase proposal for the Bonds, and to determine the details for the Bonds within the parameters established by the Resolution.

2. Preliminary Official Statement. The Preliminary Official Statement with respect to the Notes is hereby approved and deemed "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934.

3. Proposal; Terms of the Bonds. On the date hereof, the Bonds were offered for public sale and the bids set forth on the Bid Tabulation attached hereto as Schedule I and incorporated herein by this reference were received and the institution listed first on the Bid Tabulation (the "Purchaser") offered to purchase the Bonds in accordance with the terms set forth in the Proposal attached hereto as Schedule II and incorporated herein by this reference (the "Proposal"). Ehlers & Associates, Inc. recommends the City accept the Proposal. The Proposal meets the parameters and conditions established by the Resolution and is hereby approved and accepted.

The Bonds shall be issued in the aggregate principal amount of \$ _____, which is not more than the \$1,860,000 approved by the Resolution, and shall mature on May 1 of each of the years and in the amounts and shall bear interest at the rates per annum as set forth in the Pricing Summary attached hereto as Schedule III and incorporated herein by this reference. The amount of each annual principal or mandatory redemption payment due on the Bonds is not more than \$45,000 more or less per maturity or mandatory redemption amount than the schedule included in the Resolution as set forth below:

<u>Date</u>	<u>Amount</u>	<u>Actual Amount</u>
05/01/2026	\$130,000	\$ _____
05/01/2027	175,000	_____
05/01/2028	50,000	_____
05/01/2029	65,000	_____
05/01/2030	70,000	_____
05/01/2031	70,000	_____
05/01/2032	75,000	_____
05/01/2033	80,000	_____
05/01/2034	80,000	_____

<u>Date</u>	<u>Amount</u>	<u>Actual Amount</u>
05/01/2035	\$ 85,000	\$ _____
05/01/2036	90,000	_____
05/01/2037	90,000	_____
05/01/2038	95,000	_____
05/01/2039	100,000	_____
05/01/2040	105,000	_____
05/01/2041	110,000	_____
05/01/2042	115,000	_____
05/01/2043	125,000	_____
05/01/2044	130,000	_____

The true interest cost on the Bonds (computed taking the Purchaser's compensation into account) is _____%, which is not in excess of 4.74%, as required by the Resolution.

4. Purchase Price of the Bonds. The Bonds shall be sold to the Purchaser in accordance with the terms of the Proposal at a price of \$ _____, plus accrued interest, if any, to the date of delivery of the Bonds which is not less than 98.6% of the principal amount of the Bonds as required by the Resolution.

5. Redemption Provisions of the Bonds. The Bonds maturing on May 1, ____ and thereafter are subject to redemption prior to maturity, at the option of the City, on May 1, ____ or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption. [The Proposal specifies that [some of] the Bonds are subject to mandatory redemption. The terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference.]

6. Approval. This Certificate constitutes my approval of the Proposal, and the principal amount, definitive maturities, interest rates, purchase price and redemption provisions for the Bonds and the debt service schedule attached hereto as Schedule IV is found to be such that the amount of annual debt service payments is reasonable in accordance with prudent municipal utility practices, in satisfaction of the parameters set forth in the Resolution.

IN WITNESS WHEREOF, I have executed this Certificate on _____, 2024 pursuant to the authority delegated to me in the Resolution.

Dianne Duggan
Mayor

OR

Jason Sergeant
City Administrator

OR

Julie Roberts
City Treasurer/Utility Accountant

SCHEDULE I TO APPROVING CERTIFICATE

Bid Tabulation

To be provided by the Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

COPY

SCHEDULE II TO APPROVING CERTIFICATE

Proposal

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

COPY

SCHEDULE III TO APPROVING CERTIFICATE

Pricing Summary

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

COPY

SCHEDULE IV TO APPROVING CERTIFICATE

Debt Service Schedule

To be provided by Ehlers & Associates, Inc. And incorporated into the Certificate.

(See Attached)

COPY

[EXHIBIT MRP

Mandatory Redemption Provision

The Bonds due on May 1, ____, ____, ____ and ____ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from special redemption fund deposits which are required to be made in amounts sufficient to redeem on May 1 of each year the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on May 1, ____

<u>Redemption Date</u>	<u>Amount</u>
____	\$ ____
____	____ (maturity)

For the Term Bonds Maturing on May 1, ____

<u>Redemption Date</u>	<u>Amount</u>
____	\$ ____
____	____ (maturity)

For the Term Bonds Maturing on May 1, ____

<u>Redemption Date</u>	<u>Amount</u>
____	\$ ____
____	____ (maturity)

For the Term Bonds Maturing on May 1, ____

<u>Redemption Date</u>	<u>Amount</u>
____	\$ ____
____	____ (maturity)]

EXHIBIT B

(Form of Bond)

REGISTERED UNITED STATES OF AMERICA DOLLARS
STATE OF WISCONSIN
ROCK COUNTY
NO. R-____ CITY OF EVANSVILLE \$____
SEWERAGE SYSTEM REVENUE BOND, SERIES 2024B

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:
May 1, _____, 2024 _____%

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
(\$ _____)

FOR VALUE RECEIVED, the City of Evansville, Rock County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), solely from the fund hereinafter specified, on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on May 1 and November 1 of each year commencing on May 1, 2025 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Bond are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Bond is registered on the Bond Register maintained by Bond Trust Services Corporation, Roseville, Minnesota (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Bond is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

The Bonds maturing on May 1, ____ and thereafter are subject to redemption prior to maturity, at the option of the City, on May 1, ____ or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

[The Bonds maturing in the years _____ are subject to mandatory redemption by lot as provided in the Approving Certificate at the redemption price of par plus accrued interest to the date of redemption and without premium.]

In the event the Bonds are redeemed prior to maturity, as long as the Bonds are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Bonds of a maturity are to be called for redemption, the Bonds of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Bonds called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Bonds shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Bonds shall no longer be deemed to be outstanding.

This Bond is one of an issue aggregating \$[], issued for the purpose of financing additions, improvements and extensions to the City's Sewerage System pursuant to Article XI, Section 3, of the Wisconsin Constitution, Section 66.0621, Wisconsin Statutes, acts supplementary thereto and a Resolution adopted June 10, 2024, and entitled: "A Resolution Authorizing the Issuance and Establishing Parameters for the Sale of Not to Exceed \$1,860,000 Sewerage System Revenue Bonds, Series 2024B of the City of Evansville, Rock County, Wisconsin, and Providing for the Payment of the Bonds and Other Details with Respect to the Bonds", as supplemented by an Approving Certificate executed on _____, 2024 (collectively, the "Resolution") and is payable only from the income and revenues of the Sewerage System. Such revenues have been set aside and pledged as a special fund for that purpose and identified as "Debt Service Fund", created by a resolution adopted by the City on July 12, 2005 and continued by the Resolution. The Bonds are issued on a parity with the City's Sewerage System Revenue Bonds, Series 2005, dated July 27, 2005, the Sewerage System Revenue Bonds, Series 2009, dated November 25, 2009, the Sewerage System Revenue Bonds, dated July 29, 2016, the Sewerage System Revenue Bonds, dated May 30, 2018, the Sewerage System Revenue Bonds, Series 2018B, dated June 27, 2018, the Sewerage System Revenue Bonds, Series 2021B, dated September 2, 2021 and the Sewerage System Revenue Bonds, Series 2022B, dated September 1, 2022. This Bond does not constitute an indebtedness of the City within the meaning of any constitutional or statutory debt limitation or provision.

This Bond has been designated by the Common Council as a "qualified tax exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Bond is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Bonds, and the City appoints another depository, upon surrender of the Bond to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Bond in the same aggregate principal amount shall be issued to the new

depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal 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 date of any publication of notice of any proposed redemption of the Bonds, or (iii) with respect to any particular Bond, after such Bond has been called for redemption. The Fiscal Agent and City may treat and consider the Depository 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 redemption price hereof and interest due hereon and for all other purposes whatsoever. The Bonds are issuable solely as negotiable, fully-registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof.

It is hereby certified, recited and declared that all conditions, things and acts required by law 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 revenues to be received by said City from the operation of its Sewerage 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.

This Bond shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.

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

CITY OF EVANSVILLE,
ROCK COUNTY, WISCONSIN

By: _____
Dianne Duggan
Mayor

(SEAL)

By: _____
Leah Hurtley
City Clerk

COPY

Date of Authentication: _____, 2024

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue authorized by the within-mentioned Resolution of the City of Evansville, Rock County, Wisconsin.

BOND TRUST SERVICES CORPORATION,
ROSEVILLE, MINNESOTA

By _____
Authorized Signatory

COPY

ASSIGNMENT

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

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

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

Dated: _____

Signature Guaranteed:

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

(Depository or Nominee Name)

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

(Authorized Officer)