

CITY OF FRANKLIN  
COMMON COUNCIL MEETING\*  
FRANKLIN CITY HALL – COMMON COUNCIL CHAMBERS  
9229 WEST LOOMIS ROAD, FRANKLIN, WISCONSIN  
AGENDA\*\*  
TUESDAY, APRIL 17, 2018 AT 6:30 P.M.

- A. Call to Order and Roll Call.
- B. Citizen Comment Period.
- C. Approval of Minutes:
  - 1. Regular Common Council Meeting of April 2, 2018.
  - 2. Special Common Council Meeting of April 10, 2018.
- D. Hearings.
- E. Organizational Business - Mayoral Appointments:
  - 1. Jeff Rasmussen, 9318 South 29<sup>th</sup> Street, Ald. Dist. 4 Architectural Board (3 year term expiring 4/30/2021).
  - 2. Donald Nierode, 9203 South 44<sup>th</sup> Street, Ald. Dist. 4 Alternate Member-Architectural Board (3 year term expiring 4/30/2021).
  - 3. Weed Commissioner Appointment – Gene Ninnemann.
- F. Letters and Petitions.  
Resignation of Clarke Johnson-Parks Commission.
- G. Reports and Recommendations:
  - 1. A Resolution Authorizing the Issuance and Sale of \$23,465,000 Taxable General Obligation Promissory Notes and the Issuance and Sale of \$23,465,000 Taxable Note Anticipation Notes, Series 2018A in Anticipation Thereof.
  - 2. Financial Report on Tax Incremental Financing District 3 and 4 for Calendar 2017.
  - 3. An Ordinance to Codify Through Current in its Entirety and Amend Section 15-3.0442 of The Unified Development Ordinance Planned Development District No. 37 (The Rock Sports Complex/Ballpark Commons) to Revise the District in the Following Manner: to Revise Certain District Standards Including But Not Limited to Building Height Limits, Building Setback Limits, and Landscape Surface Ratio Limits; to Revise Certain District Design Standards Including But Not Limited to Landscaping, Building Character and Design, and the Waiver of Standards; and to Include Additional More Detailed Site Information Pertaining to Buildings and Structures; (Mike Zimmerman and Greg Marso, Zim-Mar Properties LLC, Applicants) (at Approximately 7900 West Crystal Ridge Drive, and Along West Rawson Avenue, West Loomis Road, and West Old Loomis Road).
  - 4. Franklin Senior Citizens Travel Program Update for 2017 Year End.

5. Request to Accept and Place on File the Healthiest Franklin 2018-2020 Community Health Improvement Plan and the Healthiest Franklin 2018-2020 Internal Three-Year Strategic Plan.
6. A Resolution Conditionally Approving a 3 Lot Certified Survey Map to Further Subdivide Lot 3 of Certified Survey Map No. 8907, Recorded on April 24, 2017 as Document No. 10667627, Located in the Northeast 1/4 of Section 30, Town 5 North, Range 21 East, in the City of Franklin, Milwaukee County, Wisconsin (Mills Hotel Wyoming, LLC, Applicant) (11911 West Ryan Road).
7. Request from Neumann Development (for Park Circle, LLC) for Two Model Home Permits for The Glen at Park Circle Duplex Single-Family Condominium Development.
8. Request for Direction on Bid Alternatives for the Drainage Improvements in the Rawson Homes Neighborhood and Water Main Relay Project, and for New Water Service on South 35<sup>th</sup> Street, Including a Water Service Survey of Properties on South 35<sup>th</sup> Street from West Rawson Avenue to West Madison Boulevard.
9. Professional Services Agreement Between the City of Franklin and Stantec Consulting Services, Inc. for Quarry Monitoring Services for 2018.
10. A Resolution to Authorize the Execution of a Professional Services Contract with R.A. Smith, Inc. for the Design of the S. 51st Street and West Drexel Avenue Roundabout in the Amount of \$89,933.78.
11. An Ordinance to Modify the Municipal Code Section 245-5.D.(4) to Add No Parking on North Side of West Central Avenue from South 27<sup>th</sup> Street to South 29<sup>th</sup> Street, South 31<sup>st</sup> Street, or South 33<sup>rd</sup> Street.
12. A Resolution Imposing Conditions and Restrictions for the Approval of a Special Use for a 74 Lot Subdivision with 69 Single-Family Residential Lots, 5 Outlots and a Private Neighborhood Park Use Upon Property Located at Approximately South 51st Street and West Puetz Road (Veridian Homes, LLC, Applicant).
13. A Resolution Conditionally Approving a Preliminary Plat for Aspen Woods Subdivision (at Approximately South 51st Street and West Puetz Road) (Veridian Homes, LLC, Applicant).
14. A Resolution Awarding Contract to the Low Bidder, Payne & Dolan, Inc. in the Amount of \$840,415.64 for the 2018 Local Street Improvement Program.
15. Request to Authorize the City to Participate in State Contract for Purchase of Salt.
16. Resolution to Sign Second Amendment to Lease Agreement with American Tower, L.P. at 5572 West Airways Avenue.

H. Licenses and Permits.

Miscellaneous Licenses from License Committee Meeting of April 17, 2018.

I. Bills.

Request for Approval of Vouchers and Payroll.

## Common Council Meeting Agenda

April 17, 2018

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### J. Adjournment.

\*Notice is given that a majority of the Plan Commission, Quarry Monitoring Committee, Community Development Authority and Economic Development Commission may attend this meeting to gather information about an agenda item over which the Plan Commission, Quarry Monitoring Committee, Community Development Authority and Economic Development Commission has decision-making responsibility. This may constitute a meeting of the Plan Commission, Quarry Monitoring Committee, Community Development Authority and Economic Development Commission, per State ex rel. Badke v. Greendale Village Board, even though the Plan Commission, Quarry Monitoring Committee, Community Development Authority and Economic Development Commission will not take formal action at this meeting.

\*\*Supporting documentation and details of these agenda items are available at City Hall during normal business hours.

[Note: Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information, contact the City Clerk's office at (414) 425-7500.]

### REMINDERS:

April 19	Plan Commission Meeting	7:00 p.m.
May 1	Common Council Meeting	6:30 p.m.
May 3	Plan Commission Meeting	7:00 p.m.
May 15	Common Council Meeting	6:30 p.m.
May 17	Plan Commission Meeting	7:00 p.m.
May 28	Memorial Day Observed	City Hall Closed

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CITY OF FRANKLIN  
COMMON COUNCIL MEETING  
APRIL 2, 2018  
MINUTES

- |   |  |
|---|--|
| ROLL CALL   | A. The regular meeting of the Common Council was held on April 2, 2018 and called to order at 6:30 p.m. by Mayor Steve Olson in the Franklin City Hall Council Chambers, 9229 W. Loomis Road, Franklin, Wisconsin. On roll call, the following were in attendance: Alderman Mark Dandrea, Alderman Dan Mayer, Alderwoman Kristen Wilhelm, Alderman Steve F. Taylor, Alderman Mike Barber and Alderman John R. Nelson. Also present were City Engineer Glen Morrow, Dir. of Administration Mark Lubberda, City Attorney Jesse A. Wesolowski and City Clerk Sandra Wesolowski. |
| CITIZEN COMMENT   | B.1. Citizen comment period was opened at 6:33 p.m. and closed at 6:58 p.m.  |
| MINUTES<br>MARCH 20, 2018   | C. Alderman Barber moved to approve the minutes of the regular Common Council Meeting of March 20, 2018 as presented at this meeting. Seconded by Alderman Dandrea. All voted Aye; motion carried.   |
| POLICE DEPT.<br>DONATION  | G.1. Alderwoman Wilhelm moved to approve the donation from St. Martin of Tours Parish in the amount of \$250 to the Police D.A.R.E. Donation Account. Seconded by Alderman Mayer. All voted Aye; motion carried  |
| NEW LOGO FOR CITY   | G.2 Alderman Mayer moved to table a proposed new logo for the City and direct staff to return to the Common Council with additional options. Seconded by Alderman Nelson. All voted Aye; motion carried.   |
| RES. 2018-7359<br>ISSUANCE OF BOND TO<br>TI INVESTORS OF<br>FRANKLIN APTS. LLC    | G.3. Alderman Taylor moved to adopt Resolution No. 2018-7359, A RESOLUTION AUTHORIZING THE ISSUANCE OF \$2,000,000 TAXABLE TAX INCREMENT PROJECT MUNICIPAL SPECIAL, LIMITED REVENUE OBLIGATION BOND TO TI INVESTORS OF FRANKLIN APARTMENTS LLC. Seconded by Alderman Mayer. All voted Aye; motion carried.   |
| RES. 2018-7360<br>ISSUANCE OF BOND TO<br>BPC MASTER<br>DEVELOPER MANAGER,<br>INC. | G.4. Alderman Taylor moved to adopt Resolution No. 2018-7360, A RESOLUTION AUTHORIZING THE ISSUANCE OF \$3,500,000 TAXABLE TAX INCREMENT PROJECT MUNICIPAL, SPECIAL, LIMITED REVENUE OBLIGATION BOND TO BPC MASTER DEVELOPER MANAGER, INC. DATED APRIL 2, 2018. Seconded by Alderman Dandrea. All voted Aye; motion carried.   |
| PAYMENT TO QUARLES<br>& BRADY, LLP FOR<br>BALLPARK COMMONS                        | G.5. Alderman Taylor moved to authorize payment of the invoice from, and release of the check to Quarles & Brady, LLP, in the amount of \$25,176.58, for their services as special counsel in the negotiations of  |

- DEV. AGREEMENT a development agreement for Ballpark Commons. Seconded by Alderman Mayer. All voted Aye; motion carried.
- NO-MATCH GRANT FROM WAL-MART COMMUNITY G.6. Alderwoman Wilhelm moved to authorize acceptance of a grant in the amount of \$1,000 from Walmart Community Grants (Franklin Store #1551) for the purchase of Tools, Equipment and Training for the Franklin Fire Department Dive Team. Seconded by Alderman Mayer. All voted Aye; motion carried.
- ORD. 2018-2320 AMEND MUNICIPAL CODE TO UPDATE HEALTH DEPT. LICENSE CATEGORIES AND FEES G.7. Alderman Barber moved to adopt Ordinance No. 2018-2320, AN ORDINANCE TO AMEND §169-1. OF THE MUNICIPAL CODE, "LICENSES REQUIRED" TO UPDATE THE HEALTH DEPARTMENT LICENSE CATEGORIES AND FEES AS REFERRED TO BY § 138-28 OF THE MUNICIPAL CODE, "FEES". Seconded by Alderman Mayer. All voted Aye; motion carried.
- COMMUNICABLE DISEASE PREVENTION GRANT G.8. Alderman Barber moved to accept the communicable disease prevention grant funds from the WI Department of Health Services, Division of Public Health. Seconded by Alderman Mayer. All voted Aye; motion carried.
- RIGHT-OF-WAY VACATION BETWEEN PROPERTIES AT 11608 W. RYAN RD. AND 11533 W. RYAN RD. G.9. Alderman Nelson moved to refer the right-of-way vacation which extends south of West Ryan Road to West Loomis Road between properties located at 11607 West Ryan Road and 11533 West Ryan Road bearing Tax Key Nos. 891-9989-004 and 892-9997-000, respectively, to the April 19, 2018 meeting of the Plan Commission for a recommendation. Seconded by Alderman Dandrea. All voted Aye; motion carried.
- RES. 2018-7361 CONSERVATION EASEMENT AND SPECIAL USE AT 9733 S. 76TH ST (PARK CIRCLE, LLC, APPLICANT) G.10. Alderman Nelson moved to adopt Resolution No. 2018-7361, A RESOLUTION AUTHORIZING CERTAIN OFFICIALS TO ACCEPT A CONSERVATION EASEMENT FOR AND AS PART OF THE REVIEW AND APPROVAL OF A CONDOMINIUM PLAT, CERTIFIED SURVEY MAP AND SPECIAL USE FOR A CONDOMINIUMS DEVELOPMENT USE UPON PROPERTY LOCATED AT APPROXIMATELY 9733 SOUTH 76TH STREET (PARK CIRCLE, LLC, APPLICANT), subject to review and approval by the Department of City Development and technical corrections by the City Attorney. Seconded by Alderman Mayer. All voted Aye; motion carried.
- ORD. 2018-2321 AMEND UDO FOR SPECIAL USE PERMIT (CITY OF FRANKLIN, G.11. Alderman Dandrea moved to adopt Ordinance No. 2018-2321, AN ORDINANCE TO AMEND THE UNIFIED DEVELOPMENT ORDINANCE TEXT TO COMPLY WITH 2017 WISCONSIN ACT 67 REQUIREMENTS, AND WIS. STAT. §62.23, PERTAINING IN

APPLICANT)

PART TO THE STANDARDS FOR THE ISSUANCE OF A SPECIAL USE PERMIT, THE REGULATION OF SUBSTANDARD LOTS AND THE STANDARDS FOR GRANTING CERTAIN ZONING VARIANCES (CITY OF FRANKLIN, APPLICATION). Seconded by Alderman Barber. All voted Aye; motion carried.

CONTRACT FOR RYAN CREEK INTERCEPTOR ODOR REDUCTION STUDY AND DESIGN

G.12. Alderman Taylor moved to sign professional services contract with Ruekert Mielke for evaluation phase of Ryan Creek Interceptor odor reduction study and design in the amount of \$10,700. Seconded by Alderman Dandrea. On roll call, Alderman Dandrea, Alderman Taylor, and Alderman Barber voted Aye; Alderman Mayer and Alderman Nelson voted No; Alderwoman Wilhelm Abstained. Motion carried.

LIMITED-TERM, PART-TIME EMPLOYEE IN BLDG. INSP. DEPT.

G.13. Alderman Mayer moved to authorize hiring Frederick M. Baumgart as a limited-term part-time employee in the Building Inspection Department with staff to return to the Common Council June 5, 2018. Seconded by Alderman Barber. On roll call, Alderman Nelson, Alderman Barber, Alderwoman Wilhelm, Alderman Mayer, and Alderman Dandrea voted Aye; Alderman Taylor voted No. Motion carried.

RES. 2018-7362  
CHANGE ORDER 2 TO  
DOME CORP. FOR SALT  
STORAGE BARN

G.14. Alderman Taylor moved to adopt Resolution No. 2018-7362, A RESOLUTION FOR A CHANGE ORDER NO. 2 TO DOME CORPORATION FOR A SAVINGS OF \$4,275 FOR CONSTRUCTION OF SALT STORAGE BARN. Seconded by Alderman Dandrea. All voted Aye; motion carried.

PARKING ON S. 35TH ST.  
BETWEEN W. PUETZ RD.  
AND W. CREST CT.

G.15. Alderman Taylor moved to refer the parking on S. 35<sup>th</sup> Street between W. Puetz Road and W. Crest Court to the Board of Public Works. Seconded by Alderwoman Wilhelm. All voted Aye; motion carried.

CONTINGENCY  
APPROPRIATIONS FOR  
LIMITED-TERM, PART-  
TIME STAFF OR  
CONTRACTUAL  
SERVICES FOR  
PLANNING DEPT.

G.16. Alderman Taylor moved to authorize up to \$20,000 in General Fund Contingency appropriations for the purpose of limited-term, part-time staff or contractual services to support Planning Department services, as determined under the authority and with approval by the Mayor and with such authorization expiring at the end of September, 2018, unless otherwise determined by the Common Council. Seconded by Alderman Barber. All voted Aye; motion carried.

CONTRACT WITH RA  
SMITH FOR WETLAND  
DETERMINATION FOR  
ERNIE LAKE PARK

G.17. Alderman Mayer moved to sign professional service contract with RA Smith in the amount of \$4,300 to perform a wetland determination for Ernie Lake Park. Seconded by Alderman Dandrea. All voted Aye; motion carried.

RES. 2018-7363  
PURCHASE BRIDGE AND  
BOARDWALK FOR  
ERNIE LAKE PARK

G.18. Alderman Mayer moved to adopt Resolution No. 2018-7363, A RESOLUTION FOR THE PURCHASE OF A BRIDGE AND BOARDWALK FROM CUSTOM MANUFACTURING, INC. IN THE AMOUNT OF \$21,300 FOR ERNIE LAKE PARK. Seconded by Alderman Barber. All voted Aye; motion carried.

PLEASANT VIEW PARK  
PAVILION PROJECT (4901  
W. EVERGREEN ST.)

G.19. Alderwoman Wilhelm moved to direct staff to pursue the design of an enclosed 2,400 square foot pavilion versus 3,000 square foot pavilion for Pleasant View Neighborhood Park as previously sized and presented to the public within the last four City budgets, the Comprehensive Outdoor Recreation Plan, and the previous two Impact Needs Assessments, all which were adopted after noticed public hearings, and also to return with suggested items that can be accomplished within the Planned Facility Needs, with 7 restrooms and appropriate sink facilities. Seconded by Alderman Nelson. All voted Aye; motion carried.

LICENSING AGREEMENT  
FOR MUNICIPAL COURT  
SOFTWARE

G.20. Alderman Taylor moved to authorize the Director of Administration to execute a proposal and licensing agreement with Titan Public Safety Solutions, LLC for installation (\$3,750) and maintenance (\$1,375 annually) of the TiPSSSDC Interface software module for use within the Franklin Municipal Court and charged as provided for in the April 1, 2018 Council Action Sheet. Seconded by Alderman Barber. All voted Aye; motion carried.

ORD. 2018-2322  
ESTABLISH ST. MARTINS  
FIRST MONDAY OF THE  
MONTH MARKET FAIR

G.21. Alderman Nelson moved to adopt Ordinance No. 2018-2322, AN ORDINANCE TO AMEND THE MUNICIPAL CODE TO ESTABLISH THE ST. MARTINS FIRST MONDAY OF THE MONTH MARKET FAIR. Seconded by Alderman Mayer. All voted Aye; motion carried.

LICENSES AND PERMITS

H. Alderman Taylor moved to approve the following:  
Grant 2017-18 Operator license with warning letter from the City Clerk to Amanda Holterman, S110W14718 Union Church Dr., Muskego;  
Grant 2017-18 Operator licenses to Kristin Dombrowski, 5440 S. Tuckaway Ct., #6, Greenfield; Amy Pluskota, 3578 S. 14<sup>th</sup> St. Upper, Milwaukee;  
Grant 2017-18 and 2018-19 Operator licenses to Lindsey Eskau, 4503 W. Ohio Ave., Greenfield; Sean Lay, 2034 S. 58<sup>th</sup> St., West Allis;  
Grant 2018-19 Operator licenses to Alyssa Blackburn, 10586 W. Cortez Cir., #10, Franklin; John Braovac, 1335 S. 124<sup>th</sup> St., Brookfield; Kelly Hawley, 325 S. Kendrick Ave., Burlington; Kelly Kuglitsch, 4358 S. Louisiana Ave., Milwaukee; Josip Jaksic, 413 S. 67<sup>th</sup> St., Milwaukee; Shane Jaskie, 7811 W. Winston Way, Franklin; Amy Ottaviani, 28706 Beach Dr., Waterford;



Grant Change of Agent to Pick N Save #6360, Ricky Kloth, N9131 Eastwood Dr., East Troy.  
Seconded by Alderman Mayer. All voted Aye; motion carried.

VOUCHERS AND  
PAYROLL

- I. Alderman Dandrea moved to approve the following: City vouchers with an ending date of April 2, 2018 in the amount of \$2,448,603.67; Payroll dated March 30, 2018 in the amount of \$418,278.44 and payments of the various payroll deductions in the amount of \$405,171.20 plus City matching payments; and Estimated Payroll dated April 13, 2018 in the amount of \$382,000.00 and payments of the various payroll deductions in the amount of \$210,000.00, plus City matching payments; and Property tax refunds and payments with an ending date of April 2, 2018 in the amount of \$3,633,201.67. Seconded by Alderman Barber. On roll call, all voted Aye. Motion carried.

ADJOURNMENT

- J. Alderman Taylor moved to adjourn the meeting at 8:25 p.m. Seconded by Alderman Nelson. All voted Aye; motion carried.

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C.2.

CITY OF FRANKLIN  
SPECIAL COMMON COUNCIL MEETING  
APRIL 10, 2018  
MINUTES

ROLL CALL

- I. The special meeting of the Common Council was held on April 10, 2018 and called to order at 5:30 p.m. by Acting Mayor Mark Dandrea in the Franklin City Hall Council Chambers, 9229 W. Loomis Road, Franklin, Wisconsin. On roll call, the following were in attendance: Alderman Mark Dandrea, Alderman Dan Mayer, Alderwoman Kristen Wilhelm, Alderman Steve F. Taylor, Alderman Mike Barber, and Alderman John R. Nelson. Excused was Mayor Steve Olson. Also present were City Engineer Glen Morrow, City Attorney Jesse A. Wesolowski and City Clerk Sandra Wesolowski. The Franklin Board of Water Commissioners also met concurrently with the Common Council upon the subject matter listed on the agenda only.

CITIZEN COMMENT

- II. Citizen comment period was opened at 5:31 p.m. and closed at 5:32 p.m.

CLOSED SESSION  
PSC CASE NO. 4310-  
CW-109;  
APPLICATION OF  
THE CITY OF OAK  
CREEK, AS A WATER  
PUBLIC UTILITY

- III.A. Public Service Commission of Wisconsin Case No. 4310-CW-109; Application of the City of Oak Creek, as a Water Public Utility, for authority to construct pumping and water storage improvements and new disinfection facilities, in the City of Oak Creek, Milwaukee County, Wisconsin. Alderman Barber moved to enter closed session at 5:35 p.m. pursuant to Wis. Stat § 19.85(1)(g) to deliberate upon and to confer with legal counsel for the Common Council who is rendering advice concerning strategy to be adopted by the Common Council with regard to litigation upon the application of the City of Oak Creek, as a Water Public Utility, for authority to construct pumping and water storage improvements and new disinfection facilities, in the City of Oak Creek, Milwaukee County, Wisconsin, and to reenter open session at the same place thereafter to act on such matters discussed therein as it deems appropriate. Seconded by Alderman Nelson. On roll call, all voted Aye. Motion carried.

No action was taken upon reentering open session at 6:17 p.m.

CLOSED SESSION  
WHOLESALE PUBLIC  
WATER SUPPLY TO  
FRANKLIN 2024

- III.B. Wholesale Public Water Supply to Franklin 2024. Alderman Barber moved to enter closed session at 6:18 p.m. pursuant to Wis. Stat § 19.85(1)(e) to deliberate upon information, terms and provisions of the potential provision of public water supply to the City of Franklin as related to the City, the Franklin Municipal Water Utility and its customers in 2024 and beyond; and the potential negotiation of terms in relation thereto, including, but not limited to potential amendments to the Agreement for Oak Creek to provide water at wholesale to Franklin, potential agreement terms with alternate public water supply sources, including, but not limited to the City of Milwaukee and Milwaukee Water Works, and the investing of public funds and governmental actions in relation thereto, for competitive and bargaining reasons, and to reenter

open session at the same place thereafter to act on such matters discussed therein as it deems appropriate. Seconded by Alderman Nelson. On roll call, all voted Aye. Motion carried.

No action was taken upon reentering open session at 7:10 p.m.

ADJOURNMENT

- D. Alderman Taylor moved to adjourn the meeting at 7:11 p.m. Seconded by Alderman Nelson. All voted Aye; motion carried.

<b>APPROVAL</b>  <i>slw</i>	<b>REQUEST FOR COMMON COUNCIL ACTION</b>	<b>MEETING DATE</b>  <b>04-17-2018</b>
<b>ORGANIZATIONAL BUSINESS</b>	<b>Board and Commission Appointments</b>	<b>ITEM NUMBER</b> <i>E. 1. and 2.</i>

The following Mayoral appointment has been submitted for Council confirmation:

Jeff Rasmussen, 9318 South 29<sup>th</sup> Street, Ald. Dist. 4 Architectural Board (3 year term expiring 4/30/2021).

Donald Nierode, 9203 South 44<sup>th</sup> Street, Ald. Dist. 4 Alternate Member-Architectural Board (3 year term expiring 4/30/2021).

#### COUNCIL ACTION REQUESTED

Motion to confirm the following Mayoral appointments:

Jeff Rasmussen, 9318 South 29<sup>th</sup> Street, Ald. Dist. 4 Architectural Board (3 year term expiring 4/30/2021).

Donald Nierode, 9203 South 44<sup>th</sup> Street, Ald. Dist. 4 Alternate Member-Architectural Board (3 year term expiring 4/30/2021).

## Shirley Roberts

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**Subject:** FW: Volunteer Fact Sheet-Rasmussen

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**From:** [volunteerfactsheet@franklinwi.gov](mailto:volunteerfactsheet@franklinwi.gov) [mailto:[volunteerfactsheet@franklinwi.gov](mailto:volunteerfactsheet@franklinwi.gov)]

**Sent:** Wednesday, October 11, 2017 1:17 PM

**To:** Lisa Huening; Shirley Roberts; Sandi Wesolowski

**Subject:** Volunteer Fact Sheet

**Name:** Jeff Rasmussen  
**PhoneNumber:** 9204102416  
**EmailAddress:** [kathleen.rasmussen@yahoo.com](mailto:kathleen.rasmussen@yahoo.com)  
**YearsasResident:** 1  
**Alderman:** 4  
**ArchitecturalBoard:** 1  
**CivicCelebrations:** 0  
**CommunityDevelopmentAuthority:** 0  
**EconomicDevelopmentCommission:** 0  
**EnvironmentalCommission:** 0  
**FinanceCommittee:** 0  
**FairCommission:** 0  
**BoardofHealth:** 0  
**FirePoliceCommission:** 0  
**ParksCommission:** 0  
**LibraryBoard:** 0  
**PlanCommission:** 1  
**PersonnelCommittee:** 0  
**BoardofReview:** 0  
**BoardofPublicWorks:** 0  
**QuarryMonitoringCommittee:** 0  
**TechnologyCommission:** 0  
**TourismCommission:** 0  
**BoardofZoning:** 0  
**WasteFacilitiesMonitoringCommittee:** 0  
**BoardWaterCommissioners:** 0  
**CompanyNameJob1:** J.Rasmussen Plumbing Inc.  
**TelephoneJob1:** 9204102416  
**StartDateandPositionJob1:** 30 years  
**EndDateandPositionJob1:** Master plumber self employed,,,retired  
**CompanyNameJob2:**  
**TelephoneJob2:**

**StartDateandPositionJob2:**  
**EndDateandPositionJob2:**  
**CompanyNameJob3:**  
**TelephoneJob3:**  
**StartDateandPositionJob3:**  
**EndDateandPositionJob3:**  
**Signature:** Jeff Rasmussen  
**Date:** 10/11/17  
**Signature2:** Jeff Rasmussen  
**Date2:** 10/11/17  
**Address:** 9318south29thStreet. Franklin  
**PriorityListing:** Architecture first,,,,, plan second  
  
**WhyInterested:** My wife and I recently moved to Franklin.Prior to moving I was involved with our town (Town of Algoma) community government committees. I was on the planning and board of review committees. I believe all should be involved in their community, in some way.  
  
**CompanyAddressJob1:** 1914 Greenbriar Trail Oshkosh  
**DescriptionofDutiesJob1:** Owned and operated a plumbing business  
**AddressJob2:**  
**DescriptionofDutiesJob2:**  
**AddressJob3:**  
**DescriptionofDutiesJob3:**  
**AdditionalExperience:** Self employed in the construction industry  
**ClientIP:** 65.26.224.20  
**SessionID:** s5bizryf3yvvin4554cmrlov0  
[See Current Results](#)

## Shirley Roberts

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**From:** volunteerfactsheet@franklinwi.gov  
**Sent:** Wednesday, March 14, 2018 9:24 AM  
**To:** Lisa Huening; Shirley Roberts; Sandi Wesolowski  
**Subject:** Volunteer Fact Sheet

**Name:** Donald Nierode  
**PhoneNumber:** 421 7083  
**EmailAddress:** [ridgemall@yahoo.com](mailto:ridgemall@yahoo.com)  
**YearsasResident:** 22  
**Alderman:** 4th  
**ArchitecturalBoard:** 1  
**CivicCelebrations:** 0  
**CommunityDevelopmentAuthority:** 0  
**EconomicDevelopmentCommission:** 0  
**EnvironmentalCommission:** 0  
**FinanceCommittee:** 0  
**FairCommission:** 0  
**BoardofHealth:** 0  
**FirePoliceCommission:** 0  
**ParksCommission:** 0  
**LibraryBoard:** 0  
**PlanCommission:** 0  
**PersonnelCommittee:** 0  
**BoardofReview:** 0  
**BoardofPublicWorks:** 0  
**QuarryMonitoringCommittee:** 0  
**TechnologyCommission:** 0  
**TourismCommission:** 0  
**BoardofZoning:** 0  
**WasteFacilitiesMonitoringCommittee:** 0  
**BoardWaterCommissioners:** 0  
**CompanyNameJob1:** Simon Property Group  
**TelephoneJob1:** 421 5600  
**StartDateandPositionJob1:** Oct 1987  
**EndDateandPositionJob1:** June 2012  
**CompanyNameJob2:**  
**TelephoneJob2:**  
**StartDateandPositionJob2:**  
**EndDateandPositionJob2:**  
**CompanyNameJob3:**



EnvironmentalCommission:	0
FinanceCommittee:	0
FairCommission:	0
BoardofHealth:	0
FirePoliceCommission:	0
ParksCommission:	0
LibraryBoard:	0
PlanCommission:	0
PersonnelCommittee:	0
BoardofReview:	0
BoardofPublicWorks:	0
QuarryMonitoringCommittee:	0
TechnologyCommission:	0
TourismCommission:	0
BoardofZoning:	0
WasteFacilitiesMonitoringCommittee:	0
BoardWaterCommissioners:	0
CompanyNameJob1:	Simon Property Group
TelephoneJob1:	421 5600
StartDateandPositionJob1:	Oct 1987
EndDateandPositionJob1:	June 2012
CompanyNameJob2:	
TelephoneJob2:	
StartDateandPositionJob2:	
EndDateandPositionJob2:	
CompanyNameJob3:	
TelephoneJob3:	
StartDateandPositionJob3:	
EndDateandPositionJob3:	
Signature:	Donald Nierode
Date:	3/14/2018
Signature2:	Donald Nierode
Date2:	3/14/2018
Address:	9203 S 44th St
PriorityListing:	
WhyInterested:	Watch and help develop our city
CompanyAddressJob1:	5300 s 76th St
DescriptionofDutiesJob1:	Building Maintenance
AddressJob2:	
DescriptionofDutiesJob2:	
AddressJob3:	
DescriptionofDutiesJob3:	

**TelephoneJob3:**  
**StartDateandPositionJob3:**  
**EndDateandPositionJob3:**  
**Signature:** Donald Nierode  
**Date:** 3/14/2018  
**Signature2:** Donald Nierode  
**Date2:** 3/14/2018  
**Address:** 9203 S 44th St  
**PriorityListing:**  
**WhyInterested:** Watch and help develop our city  
**CompanyAddressJob1:** 5300 s 76th St  
**DescriptionofDutiesJob1:** Building Maintenance  
**AddressJob2:**  
**DescriptionofDutiesJob2:**  
**AddressJob3:**  
**DescriptionofDutiesJob3:**  
**AdditionalExperience:** Understanding of All Building Trades.  
**ClientIP:** 65.30.173.143  
**SessionID:** 2ggkns45n3iilo55erk14o45  
[See Current Results](#)

APPROVAL <i>slw</i>	REQUEST FOR COUNCIL ACTION	MEETING DATE 04-17-18
ORGANIZATIONAL BUSINESS	Appointment of Weed Commissioner	ITEM NUMBER <i>E.3.</i>

Appointment of Gene Ninnemann as Weed Commissioner at a weed cutting fee of \$90.00 per hour (increase from \$85.00 in 2017), or other action the Council deems appropriate for the calendar year 2018.

### COUNCIL ACTION REQUESTED

Appointment of Gene Ninnemann as Weed Commissioner at a weed cutting fee of \$90.00 per hour or other action the Council deems appropriate for the calendar year 2018.

OR

As directed

**NINNEMANN TRUCKS & EQUIPMENT LLC**  
287-27TH STREET  
CALEDONIA, WI 53108

City of Franklin  
9229 W Loomis Rd.  
Franklin, WI 53132  
City Clerk Office

February 19, 2018

Dear Sandra Wesolowski

I would once again like to take is time to extend my services with the City of Franklin by continuing to serve as the City's Weed Commissioner/ cutter for the upcoming season of 2018. As always I have enjoyed the privilege to help server the City and its residence and look forward to the opportunity again. The rates for the 2018 season will change from \$85.00 per hour to \$90.00

Sincerely,  
Gene Ninnemann

*Gene Ninnemann*

RECEIVED  
CITY OF FRANKLIN  
2018 MAR 26 PM 1:38



**Sandi Wesolowski**

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**From:** Steve Olson [steve-olson@wi.rr.com]  
**Sent:** Tuesday, April 10, 2018 10:02 AM  
**To:** Sandi Wesolowski  
**Subject:** Fwd: Parks Commission

Please put on the agenda

Steve Olson

Begin forwarded message:

**Resent-From:** <solson@franklinwi.gov>  
**From:** Clarke Johnson <cjsjohnson@tds.net>  
**Date:** April 10, 2018 at 7:51:50 AM PDT  
**To:** "solson@franklinwi.gov" <solson@franklinwi.gov>  
**Subject:** Parks Commission

## Clarke W. Johnson

---

7703 Margaret Lane • Franklin, WI 53132 • Cell # 262- 492-9732 • [cjsjohnson@tds.net](mailto:cjsjohnson@tds.net)

Dear Mayor Olsen,

Thank you so much for the opportunity to serve the City of Franklin as a member of the Parks Commission.

I am finding it hard to be effective as it seems the Commission's opinions are not considered in the City's overall decision-making process.

I wish you, City Council, the Parks Commission and all other City governing bodies the best.

Please accept this letter of resignation effective April 10<sup>th</sup>, 2018.

If I can be of any assistance to you in the future, please call

Thanks again,

Clarke.

Sent from Mail for Windows 10

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APPROVAL <i>slw</i>	REQUEST FOR COUNCIL ACTION	MEETING DATE Apr 17, 2018
REPORTS & RECOMMENDATIONS	Resolution Authorizing the Issuance and Sale of \$23,465,000 Taxable General Obligation Promissory Notes and the issuance and Sale of \$23,465,000 Taxable Note Anticipation Notes, Series, Series 2018A in anticipation thereof	ITEM NUMBER <i>G. I.</i>

### Analysis

The Common Council on Sept 19, 2017 provided for the sale of \$42.75 million Note Anticipation Notes.

The Anticipation Notes are being sold to finance the City's commitment to the Ballpark Commons Development. That Developer's Agreement was signed on Feb 18, 2018.

Our Financial Advisor for this transaction is Ehlers & Associates, LLC, represented by Dawn Gunderson. Ms Gunderson will be in attendance to describe the Sale Day Report for the bids received earlier on April 17, 2018.

Quarles and Brady prepared a sample Council resolution for review, and an updated resolution based on the results of the sales will be presented at the meeting for adoption. Those sample resolutions are attached.

Copies of the preliminary Official Statements are enclosed for your information.

### **COUNCIL ACTION REQUESTED**

Motion to adopt Resolution No. 2018 - \_\_\_\_\_ authorizing the issuance and sale of \$23,465,000 Taxable General Obligation Promissory Notes and the Issuance and Sale of \$23,465,000 Taxable Note Anticipation Notes, Series 2018A in Anticipation thereof.

STATE OF WISCONSIN: CITY OF FRANKLIN: MILWAUKEE COUNTY

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

RESOLUTION AUTHORIZING THE ISSUANCE OF  
\$23,465,000\* TAXABLE GENERAL OBLIGATION PROMISSORY NOTES  
AND THE ISSUANCE AND SALE OF  
\$23,465,000\* TAXABLE NOTE ANTICIPATION NOTES, SERIES 2018A  
IN ANTICIPATION THEREOF

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WHEREAS, on September 19, 2017, the Common Council of the City of Franklin, Milwaukee County, Wisconsin (the "City") adopted a resolution (the "Set Sale Resolution"), providing for the sale of note anticipation notes to be sold in one or more series of taxable and tax-exempt note anticipation notes for public purposes, including City capital improvement projects and acquisitions, water main extensions, and project costs of tax incremental districts within the City;

WHEREAS, the City has determined that it is presently in need of the sum of \$23,465,000\* for public purposes, including project costs of Tax Incremental District No. 5 (the "Project");

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

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

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

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

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

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the City to authorize the issuance and sale of note anticipation notes pursuant

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\* Preliminary, subject to change.



to Section 67.12(1)(b), Wisconsin Statutes, in anticipation of receiving the proceeds from the issuance and sale of the Securities, to provide interim financing to pay the cost of the Project;

WHEREAS, due to certain provisions contained in the Internal Revenue Code of 1986, as amended, it is necessary to issue such note anticipation notes on a taxable rather than tax-exempt basis;

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the City to sell note anticipation notes designated "Taxable Note Anticipation Notes, Series 2018A" (the "Notes") to Robert W. Baird & Co. Incorporated (the "Purchaser"), pursuant to the terms and conditions of its note purchase agreement attached hereto as Exhibit A and incorporated herein by this reference (the "Proposal").

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

Section 1. Issuance of Securities. The City hereby authorizes the issuance of and declares its intention and covenants to issue the Securities pursuant to the provisions of Chapter 67, Wisconsin Statutes, in an amount sufficient to repay any outstanding note anticipation notes issued for the purpose of paying the cost of the Project.

Section 2. Authorization and Award of the Notes. In anticipation of the sale of the Securities, for the purpose of paying the cost of the Project, there shall be borrowed pursuant to Section 67.12(1)(b), Wisconsin Statutes, the principal sum of TWENTY-THREE MILLION FOUR HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$23,465,000)\* from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal is hereby accepted and the Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. To evidence the obligation of the City, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the Purchaser for, on behalf of and in the name of the City, Notes aggregating the principal amount of TWENTY-THREE MILLION FOUR HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$23,465,000)\* for the sum set forth on the Proposal, plus accrued interest to the date of delivery.

Section 3. Terms of the Notes. The Notes shall be designated "Taxable Note Anticipation Notes, Series 2018A"; shall be issued in the aggregate principal amount of \$23,465,000\*; shall be dated May 1, 2018; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rates per annum and mature on March 1 of each year, in the years and principal amounts as set forth on the schedule attached hereto as Exhibit B and incorporated herein by this reference (the "Schedule") and incorporated herein by this reference. Interest shall be payable semi-annually on March 1 and September 1 of each year commencing on September 1, 2018. 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.

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\* Preliminary, subject to change.

Section 4. Redemption Provisions. The Notes maturing on March 1, 2019 are subject to redemption prior to maturity, at the option of the City, on December 1, 2018 or on any date thereafter. The Notes maturing on March 1, 2023 are subject to redemption prior to maturity, at the option of the City, on March 1, 2020 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

Section 5. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit C and incorporated herein by this reference.

Section 6. Security. The Notes shall in no event be a general obligation of the City and do not constitute an indebtedness of the City nor a charge against its general credit or taxing power. No lien is created upon the Project or any other property of the City as a result of the issuance of the Notes. The Notes shall be payable only from (a) any proceeds of the Notes set aside for payment of interest on the Notes as it becomes due and (b) proceeds to be derived from the issuance and sale of the Securities, which proceeds are hereby declared to constitute a special trust fund, hereby created and established, to be held by the City Treasurer and expended solely for the payment of the principal of and interest on the Notes until paid. The City hereby agrees that, in the event such monies are not sufficient to pay the principal of and interest on the Notes when due, if necessary, the City will pay such deficiency out of its annual general tax levy or other available funds of the City; provided, however, that such payment shall be subject to annual budgetary appropriations therefor and any applicable levy limits; and provided further, that neither this Resolution nor any such payment shall be construed as constituting an obligation of the City to make any such appropriation or any further payments.

Section 7. Segregated Debt Service Fund Account.

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

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for Taxable Note Anticipation Notes, Series 2018A" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. There shall be deposited into the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Notes; (ii) any proceeds of the Notes representing capitalized interest on the Notes or other funds appropriated by the City for payment of interest on the Notes, as needed to pay the interest on the Notes when due; (iii) proceeds of the Securities (or other obligations of the City issued to pay principal of or interest on the Notes); (iv) such other sums as may be necessary at any time to pay principal of and interest on the Notes when due and which are appropriated by the Common Council for that purpose; (v) surplus monies in

the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

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

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

Section 8. Covenants of the City. The City hereby covenants with the owners of the Notes as follows:

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

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

(C) It shall maintain a debt limit capacity such that its combined outstanding principal amount of general obligation bonds or notes or certificates of indebtedness and the \$23,465,000\* authorized for the issuance of the Securities to provide for the payment of the Notes shall at no time exceed its constitutional debt limit.

Section 9. Proceeds of the Notes; Segregated Borrowed Money Fund. The proceeds of the Notes (the "Note Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Notes into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the City and disbursed solely for the purpose or purposes for which borrowed or for the payment of the principal of and the interest on the Notes. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purpose or purposes for which the Notes have been issued have been accomplished, and, at any time, any monies as are

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\* Preliminary, subject to change.

not needed and which obviously thereafter cannot be needed for such purpose(s) shall be deposited in the Debt Service Fund Account.

Section 10. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Notes 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 Notes 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 Notes, 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 Notes is hereby ratified and approved in all respects.

Section 11. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes 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 Notes.

Section 12. Persons Treated as Owners; Transfer of Notes. The City shall cause books for the registration and for the transfer of the Notes to be kept by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

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

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

Section 13. Record Date. The 15th day of the calendar month next preceding each interest payment date shall be the record date for the Notes (the "Record Date"). Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the City at the close of business on the Record Date.

Section 14. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes 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 Issuance Expenses. The City authorizes the Purchaser to forward the amount of the proceeds of the Notes allocable to the payment of issuance expenses to KleinBank, Chaska, Minnesota at Closing for further distribution as directed by the City's financial advisor, Ehlers & Associates, Inc.

Section 16. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Notes and deems 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, 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 17. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Notes, 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 Notes 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 Notes).

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 Notes, 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 18. 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 Notes in the Record Book.

Section 19. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Notes, 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 Note 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 Notes 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 Note provided herein.

Section 20. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Introduced at a regular meeting of the Common Council of the City of Franklin this 17th day of April, 2018.

Passed and adopted at a regular meeting of the Common Council of the City of Franklin this 17th day of April, 2018.

APPROVED

\_\_\_\_\_  
Stephen R. Olson, Mayor

ATTEST:

\_\_\_\_\_  
Sandra L. Wesolowski, City Clerk

(SEAL)

AYES \_\_\_\_ NOES \_\_\_\_ ABSENT \_\_\_\_

EXHIBIT A

Note Purchase Proposal

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

(See Attached)

DRAFT

EXHIBIT B

Debt Service Schedule

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

(See Attached)

DRAFT



EXHIBIT C

(Form of Note)

REGISTERED UNITED STATES OF AMERICA DOLLARS  
STATE OF WISCONSIN  
MILWAUKEE COUNTY  
NO. R-\_\_\_\_ CITY OF FRANKLIN \$\_\_\_\_\_  
TAXABLE NOTE ANTICIPATION NOTE, SERIES 2018A

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:  
March 1, \_\_\_\_\_ May 1, 2018 \_\_\_\_\_ % \_\_\_\_\_

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ THOUSAND DOLLARS  
(\$ \_\_\_\_\_)

FOR VALUE RECEIVED, the City of Franklin, Milwaukee 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), 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 March 1 and September 1 of each year commencing on September 1, 2018 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note 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 Note 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 each interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

This Note is one of an issue of Notes aggregating the principal amount of \$23,465,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.12(1)(b), Wisconsin Statutes, in anticipation of the sale of general obligation promissory notes (the "Securities"), to provide interim financing for public purposes, including project costs of Tax Incremental District No. 5 (the "Project"), as authorized by a resolution adopted on April 17, 2018. Said resolution is recorded in the official minutes of the Common Council for said date.

This Note shall be payable only from (a) any proceeds of the Notes set aside for payment of interest on the Notes as it becomes due and (b) proceeds to be derived from the issuance and sale of the Securities, which proceeds have been declared to constitute a special trust fund to be held by the City Treasurer and expended solely for the payment of the principal of and interest on the Notes until paid.

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

The Notes maturing on March 1, 2019 are subject to redemption prior to maturity, at the option of the City, on December 1, 2018 or on any date thereafter. The Notes maturing on March 1, 2023 are subject to redemption prior to maturity, at the option of the City, on March 1, 2020 or on any date thereafter. Said Notes 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.

In the event the Notes are redeemed prior to maturity, as long as the Notes 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 Notes of a maturity are to be called for redemption, the Notes 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 Notes 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 Notes 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 Notes shall no longer be deemed to be outstanding.

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

This Note 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 Notes, and the City appoints another depository, upon surrender of the Note 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 Note 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 Notes (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 Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Note 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 Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of \$5,000 or any integral multiple thereof.

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

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

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

CITY OF FRANKLIN  
MILWAUKEE COUNTY, WISCONSIN

By: \_\_\_\_\_  
Stephen R. Olson  
Mayor

(SEAL)

By: \_\_\_\_\_  
Sandra L. Wesolowski  
City Clerk

Date of Authentication: \_\_\_\_\_, \_\_\_\_\_

CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes of the issue authorized by the within-mentioned resolution of the City of Franklin, Milwaukee County, Wisconsin.

BOND TRUST SERVICES  
CORPORATION,  
ROSEVILLE, MINNESOTA

By \_\_\_\_\_

Authorized Signatory

ASSIGNMENT

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

\_\_\_\_\_  
(Name and Address of Assignee)

\_\_\_\_\_  
(Social Security or other Identifying Number of Assignee)

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

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

Signature Guaranteed:

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

\_\_\_\_\_  
(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 Note in every particular, without alteration or enlargement or any change whatever.

\_\_\_\_\_  
(Authorized Officer)

## DEEMED FINAL CERTIFICATE FOR PRELIMINARY OFFICIAL STATEMENT

Ehlers and Associates, Inc. (Ehlers)  
Re: City of Franklin, Wisconsin

Ladies and Gentlemen:

I hereby certify:

1. I, the undersigned, am duly qualified in my position to execute this Deemed Final Certificate for Preliminary Official Statement as an Issuer which will use this Preliminary Official Statement with respect to our municipal securities offering.
2. As an issuer of securities, we understand that we are responsible for the content of our Preliminary Official Statement and Final Official Statement required under securities laws and are in good faith trying to satisfy these responsibilities.
3. We have reviewed the Preliminary Official Statement and believe that all information provided in the draft Preliminary Official Statement is accurate, not false, not misleading and that the Preliminary Official Statement does not omit to state any material fact.
4. We deem the Preliminary Official Statement dated APR 12, 2018 as final under SEC Rule 15c2-12, meaning that it includes all material information, except information regarding the offering price, interest rate, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, any other terms or provisions required to be specified in a competitive bid, ratings, other terms of the securities depending on such matters, and the identity of the underwriters.
5. We authorize Ehlers to disseminate copies of the Preliminary Official Statement to possible Underwriters for this municipal security.
6. We understand that the Common Council will rely on an accurate Preliminary Official Statement and required supplements, as necessary, to be deemed as our final Official Statement at the time of the sale of the municipal securities and that we, as the issuer, have an obligation to disclose to all participating parties of this transaction any material developments impacting the Issuer or the municipal securities from this date going forward through the delivery of these municipal securities to the successful Underwriter.

Executed as of this 12 day of APR, 2018

City of Franklin, Wisconsin

By: Paul Rotenberg (Signature)

PAUL ROTENBERG (Print name)

DIR OF FINANCE & TREASURY (Title)

## PRELIMINARY OFFICIAL STATEMENT DATED APRIL 12, 2018

*In the opinion of Quarles & Brady LLP, Bond Counsel, under existing law interest on the Notes is included in gross income for federal income tax purposes. See "TAXABILITY OF INTEREST" herein. The interest on the Notes is not exempt from present Wisconsin income or franchise taxes.*

### New Issue

**Rating Application Made: Moody's Investors Service, Inc.**

### CITY OF FRANKLIN, WISCONSIN (Milwaukee County)

### **\$23,465,000\* TAXABLE NOTE ANTICIPATION NOTES, SERIES 2018A**

**CONSIDERATION:** April 17, 2018, 6:30 P.M., C.T.

**PURPOSE/AUTHORITY/SECURITY:** The \$23,465,000\* Taxable Note Anticipation Notes, Series 2018A (the "Notes") of the City of Franklin, Wisconsin (the "City") are being issued pursuant to Section 67.12(1)(b), Wisconsin Statutes, for public purposes, including project costs of Tax Incremental District No. 5. The Notes are valid and binding special obligations of the City, issued in anticipation of the sale of general obligation promissory notes (the "Securities") of the City, which Securities, the City has covenanted in the Note Resolution, will be issued as soon as practicable as necessary to provide for payment of the Notes. The Notes do not constitute a general obligation of the City, and no lien is created upon any property of the City as a result of the issuance of the Notes. The Notes are payable only from (a) any proceeds of the Notes set aside for payment of interest on the Notes as it becomes due; and (b) proceeds to be derived from the issuance and sale of the Securities, which the City has, pursuant to and as authorized by Wisconsin Statutes, Section 67.12(1)(b), covenanted to issue in such amount and at such times as may be necessary to repay the then outstanding Notes. Delivery is subject to receipt of an approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin.

**DATE OF NOTES:** May 1, 2018

**DATE OF DELIVERY:** May 1, 2018

**SERIAL MATURITIES:** March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP Base 355185</u>
2019	\$10,000,000			
2023	\$13,465,000			

**OPTIONAL REDEMPTION:** Notes maturing on March 1, 2019 are subject to call for prior optional redemption on December 1, 2018 or any date thereafter, at par. Notes maturing on March 1, 2023 are subject to call for prior optional redemption on March 1, 2020 or any date thereafter, at par.

**INTEREST:** September 1, 2018 and semiannually thereafter.

**PAYING AGENT:** Bond Trust Services Corporation, Roseville, Minnesota.

**BOND COUNSEL &  
DISCLOSURE COUNSEL:** Quarles & Brady LLP.

**MUNICIPAL ADVISOR:** Ehlers and Associates, Inc.

**BOOK-ENTRY-ONLY:** See "Book-Entry-Only System" herein.

The Notes are offered, subject to prior sale, when, as and if accepted by the Underwriter named below and subject to an opinion as to the validity by Quarles & Brady LLP, of Milwaukee, Wisconsin, Bond Counsel, and certain other conditions. It is expected that delivery of the Notes will be made on or about May 1, 2018 against payment therefor. Subject to applicable securities laws and prevailing market conditions, the Underwriter intends, but is not obligated, to effect secondary market trading in the Notes. For information with respect to the Underwriter, see "Underwriting" herein.

**Baird**  
Milwaukee, Wisconsin

\*Preliminary, subject to change.



## REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the City to give any information or to make any representation other than those contained in this Preliminary Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. *This Preliminary Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of the Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.*

This Preliminary Official Statement is not to be construed as a contract with the Underwriter. Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers & Associates, Inc. prepared this Preliminary Official Statement and any addenda thereto relying on information of the City and other sources for which there is reasonable basis for believing the information is accurate and complete. Quarles and Brady LLP will serve as Disclosure Counsel to the City with respect to the Notes. Compensation of Ehlers & Associates, Inc., payable entirely by the City, is contingent upon the sale of the Notes.

The Underwriter has reviewed this Official Statement in accordance with, and as a part of, the Underwriter's responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

## COMPLIANCE WITH S.E.C. RULE 15c2-12

Certain municipal obligations (issued in an aggregate amount over \$1,000,000) are subject to Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Rule").

**Preliminary Official Statement:** This Preliminary Official Statement was prepared for the City for dissemination to potential investors. Its primary purpose is to disclose information regarding the Notes to prospective underwriters in the interest of receiving competitive proposals in accordance with the sale notice contained herein. Unless an addendum is posted prior to the sale, this Preliminary Official Statement shall be deemed nearly final for purposes of the Rule subject to completion, revision and amendment in a Final Official Statement as defined below.

**Final Official Statement:** Copies of the Final Official Statement will be delivered to the Underwriter within seven business days following the proposal acceptance.

**Continuing Disclosure:** Subject to certain exemptions, issues in an aggregate amount over \$1,000,000 may be required to comply with provisions of the Rule which require that underwriters obtain from the issuers of municipal securities (or other obligated party) an agreement for the benefit of the owners of the securities to provide continuing disclosure with respect to those securities. This Preliminary Official Statement describes the conditions under which the City is required to comply with the Rule.

## CLOSING CERTIFICATES

Upon delivery of the Notes, the underwriter (Syndicate Manager) will be furnished with the following items: (1) a certificate of the appropriate officials to the effect that at the time of the sale of the Notes and all times subsequent thereto up to and including the time of the delivery of the Notes, this Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (2) a receipt signed by the appropriate officer evidencing payment for the Notes; (3) a certificate evidencing the due execution of the Notes, including statements that (a) no litigation of any nature is pending, or to the knowledge of signers, threatened, restraining or enjoining the issuance and delivery of the Notes, (b) neither the corporate existence or boundaries of the City nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Notes have been repealed, revoked or rescinded.

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## COMMON COUNCIL

		<u>Term Expires</u>
Stephen R. Olson	Mayor	April 2020
Mark A. Dandrea	Common Council President	April 2019
Daniel Mayer	Aldersperson	April 2019
Kristen Willhelm	Aldersperson	April 2020
Steve F. Taylor	Aldersperson	April 2020
Mike Barber	Aldersperson	April 2019
John R. Nelson	Aldersperson	April 2020

## ADMINISTRATION

Mark W. Luberd, Director of Administration

Paul Rotzenberg, Director of Finance & Treasurer

Sandra L. Wesolowski, Director of Clerk Services/City Clerk

## PROFESSIONAL SERVICES

Jesse A. Wesolowski, City Attorney, Franklin, Wisconsin

Quarles & Brady LLP, Bond Counsel and Disclosure Counsel, Milwaukee, Wisconsin

Ehlers & Associates, Inc., Municipal Advisors, Waukesha, Wisconsin  
(Other offices located in Roseville, Minnesota, Chicago, Illinois and Denver, Colorado)

## INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the City of Franklin, Wisconsin (the "City") and the issuance of its \$23,465,000\* Taxable Note Anticipation Notes, Series 2018A (the "Notes"). Any descriptions or summaries of the Notes, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Notes to be included in the resolution authorizing the issuance and sale of the Notes (the "Authorizing Resolution") to be adopted by the Common Council on April 17, 2018.

Inquiries may be directed to Ehlers & Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Waukesha, Wisconsin, (262) 785-1520, the City's Municipal Advisor. A copy of this Preliminary Official Statement may be downloaded from Ehlers' web site at [www.ehlers-inc.com](http://www.ehlers-inc.com) by connecting to the Bond Sales link and following the directions at the top of the site.

## THE NOTES

### GENERAL

The Notes will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of May 1, 2018. The Notes will mature on March 1 in the years and amounts set forth on the cover of this Preliminary Official Statement. Interest will be payable on March 1 and September 1 of each year, commencing September 1, 2018, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB").

The Notes will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). (See "Book-Entry-Only System" herein.) As long as the Notes are held under the book-entry system, beneficial ownership interests in the Notes may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Notes shall be made through the facilities of DTC and its participants. If the book-entry system is terminated, principal of, premium, if any, and interest on the Notes shall be payable as provided in the Authorizing Resolution.

The City has selected Bond Trust Services Corporation, Roseville, Minnesota ("BTSC"), to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliated companies. The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

### OPTIONAL REDEMPTION

At the option of the City, the Notes maturing on March 1, 2019 shall be subject to optional redemption prior to maturity on December 1, 2018 or on any date thereafter, at a price of par plus accrued interest. At the option of the City, the Notes maturing on March 1, 2023 shall be subject to optional redemption prior to maturity on March 1, 2020 or on any date thereafter, at a price of par plus accrued interest.

Redemption may be in whole or in part of the Notes subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the City. If only part of the Notes having a common maturity date are called for redemption, then the City or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

## AUTHORITY; PURPOSE

The Notes are being issued pursuant to Section 67.12(1)(b), Wisconsin Statutes, for public purposes, including project costs of Tax Incremental District No. 5 ("TID 5"). Such projects relate to the Ball Park Commons development (the "TID 5 Project") which is being undertaken in TID 5 by BPC Master Developer, LLC (the "Developer"). As currently contemplated, the TID 5 Project is anticipated to be a mixed-used development consisting of a baseball stadium, sports village, restaurants, apartments, retail buildings, a hotel and offices. The City has agreed to reimburse the Developer for certain of its costs for public infrastructure elements and other private property improvements related to the TID 5 Project and will use proceeds of the Notes to do so. When available, the City may use revenues derived from TID 5 to pay debt service on the Notes or the Securities. The actual amount of such revenues is not known at this time and cannot be guaranteed. Further, no representations can be made as to whether the Developer can or will complete the TID 5 Project as currently contemplated, and no information is being provided herein with respect to the Developer. In particular, part of the TID 5 Project includes improvements on and around land that is a closed landfill, and therefore there may be additional costs or delays related to construction, including necessary permits or approvals, necessary for the TID 5 Project. Under State law, the City is required to levy an amount sufficient to meet the debt service on its outstanding general obligation debt, but such levy may be abated by the use of such offsetting revenues, if and to the extent available. The Notes are not general obligation debt, and consequently the City is not required to levy taxes in order to meet the debt service requirements relating thereto.

Pursuant to the development agreement with the Developer, the City expects to issue a \$3,500,000 obligation to the Developer in April 2018 (the "MRO"). Under the development agreement, such MRO is a special, limited revenue obligations of the City to be paid solely from tax increment revenues that are appropriated by the Common Council to the extent available after their use for any payment of principal and interest on the Notes and the Securities (as defined below), payment of certain fees and expenses of TID No. 5 and funding of a debt service reserve fund.

## ESTIMATED SOURCES AND USES\*

### Sources

Par Amount of Notes	\$23,465,000	
Estimated Interest Earnings	<u>28,152</u>	
<b>Total Sources</b>		<b>\$23,493,152</b>

### Uses

Project Costs	\$22,521,488	
Capitalized Interest	737,319	
Estimated Underwriter's Discount	117,325	
Finance Related Expenses	113,375	
Contingency/Rounding	<u>3,645</u>	
<b>Total Uses</b>		<b>\$23,493,152</b>

\*Preliminary, subject to change.

## **SECURITY**

The Notes are valid and binding special obligations of the City, issued in anticipation of the sale of general obligation promissory notes (the "Securities") of the City, which Securities, the City has covenanted in the Note Resolution, will be issued as soon as practicable as necessary to provide for payment of the Notes. The City will also covenant that it will maintain a debt limit capacity sufficient to permit the issuance of the Securities in an amount sufficient to pay the Notes.

The Notes do not constitute a general obligation of the City, and no lien is created upon any property of the City as a result of the issuance of the Notes. The Notes are payable only from (a) any proceeds of the Notes set aside for payment of interest on the Notes as it becomes due; and (b) proceeds to be derived from the issuance and sale of the Securities, which the City has, pursuant to and as authorized by Wisconsin Statutes, Section 67.12(1)(b), covenanted to issue in such amount and at such times as may be necessary to repay the then outstanding Notes.

## **RATING**

General obligation debt of the City is currently rated "Aa2" by Moody's Investors Service, Inc. ("Moody's").

The City has requested a rating on the Notes from Moody's. Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from Moody's furnishing the same. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if in the judgement of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Notes.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Notes, and the rating assigned by the rating agency should be evaluated independently. Except as may be required by the Disclosure Undertaking described under the heading "CONTINUING DISCLOSURE" neither the City nor the underwriter undertake responsibility to bring to the attention of the owner of the Notes any proposed changes in or withdrawal of such rating or to oppose any such revision or withdrawal.

## **CONTINUING DISCLOSURE**

In order to assist the underwriters in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities Exchange Act of 1934, as amended (the "Rule"), the City shall covenant to take certain actions pursuant to the Authorizing Resolution adopted by the Common Council by entering into a Continuing Disclosure Certificate (the "Disclosure Undertaking") for the benefit of holders, including beneficial holders. The Disclosure Undertaking requires the City to provide electronically or in the manner otherwise prescribed certain financial information annually and to provide notices of the occurrence of certain events enumerated in the Rule. The details and terms of the Disclosure Undertaking for the Notes are set forth in Appendix D to be executed and delivered by the City at the time of delivery of the Notes. Such Disclosure Undertaking will be in substantially the form attached hereto.

The City did not timely file notice of certain bond insurer rating changes during the previous five years. Except to the extent the preceding is deemed to be material, in the previous five years the City believes it has not failed to comply in all material respects with its prior undertakings under the Rule. The City has reviewed its continuing disclosure responsibilities to help ensure compliance in the future.

A failure by the City to comply with the Disclosure Undertaking will not constitute an event of default on the Notes. However, such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

The City will file its continuing disclosure information using the Electronic Municipal Market Access ("EMMA") system or any system that may be prescribed in the future. Investors will be able to access continuing disclosure information filed with the MSRB at [www.emma.msrb.org](http://www.emma.msrb.org). Ehlers is currently engaged as disclosure dissemination agent for the City.

## **LEGAL MATTERS**

An opinion as to the validity of the Notes will be furnished by Quarles & Brady LLP, Bond Counsel to the City, and will be available at the time of delivery of the Notes. The legal opinion will be issued on the basis of existing law and will state that the Notes are valid and binding special obligations of the City in accordance with their terms; provided that the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). (See "FORM OF LEGAL OPINION" found in Appendix B.)

Quarles & Brady LLP has also been retained by the City to serve as Disclosure Counsel to the City with respect to the Notes. Although, as Disclosure Counsel to the City, Quarles & Brady LLP has assisted the City with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Notes and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in this Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Notes for any investor.

## **TAX MATTERS**

Interest on the Notes is included in gross income for present Federal income tax purposes. Interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

## **ORIGINAL ISSUE DISCOUNT**

To the extent that the initial public offering price of certain of the Notes is less than the stated principal amount payable at maturity, such Notes will be considered to be issued with original issue discount unless the amount of original issue discount is "de minimis." The amount of original issue discount with respect to a Note will be "de minimis" if the amount of discount is less than one-fourth of 1% of the principal amount payable at maturity multiplied by the number of complete years from the issue date until the maturity date.

If the amount of discount with respect to a Note is considered "de minimis," then the amount of original issue discount with respect to the Note will be zero. In that case, owners of those Notes will not be required to include any amount of original issue discount in income until the principal amount is repaid, at which time the owner will recognize capital gain (assuming the Note is held as a capital asset) equal to the excess of the amount received at maturity over the issue price.

If the amount of discount with respect to a Note is more than "de minimis," then the Notes will contain original issue discount and owners of the Notes will be required to include original issue discount in income. The Internal Revenue Code of 1986, as amended (the "Code") contains a number of very complex provisions requiring holders of debt instruments with original issue discount to include such original issue discount in income as it accrues ratably over the life of the debt instrument. In the case of a Note with original issue discount, the owner may be required to include

the original issue discount in income before the owner receives the associated cash payment, regardless of the owner's regular method of accounting for tax purposes. Any such original issue discount that is included in income is treated in the same manner as interest. Any original issue discount that is included in income by an owner with respect to a Note will increase the holder's tax basis in the Note.

The Code contains certain provisions relating to the accrual of original issue discount (including de minimis original issue discount) in the case of subsequent purchasers of obligations such as the Notes. Owners who do not purchase Notes in the initial public offering should consult their own tax advisors with respect to the tax consequences of the acquisition and ownership of Notes.

Owners who purchase Notes in the initial public offering but at a price different than the initial offering price at which a substantial amount of that maturity of the Notes was sold to the public should consult their own tax advisors with respect to the tax consequences of the acquisition and ownership of the Notes.

Owners of Notes should consult their own tax advisors with respect to the state and local tax consequences of owning the Notes.

## **BOND PREMIUM**

To the extent that the initial offering price of certain of the Notes ("Premium Bonds") is more than the principal amount payable at maturity, the Premium Bonds will be considered to have "bond premium" equal to the difference between the issue price and the stated redemption price at maturity.

Any Premium Bond purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. Owners of Premium Bonds, the interest on which is subject to tax, may make an election to amortize the bond premium and to offset the taxable interest income with the amortizable bond premium for the year. Any amortizable bond premium that reduces the amount of interest income also reduces the owner's adjusted tax basis in the Note by a corresponding amount. The adjusted tax basis in a Premium Bond will be used to determine taxable gain or loss upon a disposition (for example, upon a sale, exchange, redemption, or payment at maturity) of such Premium Bond. If the election is made, it is effective for all Notes acquired during that year and all future years unless the taxpayer receives permission from the IRS to revoke the election. Owners of Premium Bonds should consult with their tax advisors regarding the calculation and treatment of bond premium for federal income tax purposes, as well as the manner of making the election.

Owners of the Premium Bonds who do not purchase such Premium Bonds in the initial offering at the issue price should consult with their tax advisors regarding the tax consequences of owning the Premium Bonds.

Owners of Premium Bonds should consult with their tax advisors regarding the state and local tax consequences of owning such Premium Bonds.

## **MUNICIPAL ADVISOR**

Ehlers has served as municipal advisor to the City in connection with the issuance of the Notes. The Municipal Advisor cannot participate in the underwriting of the Notes. The financial information included in this Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a Municipal Advisor.



## MUNICIPAL ADVISOR AFFILIATED COMPANIES

BTSC and Ehlers Investment Partners, LLC ("EIP") are affiliate companies of Ehlers. BTSC is chartered by the State of Minnesota and authorized in Minnesota, Wisconsin, and Illinois to transact the business of a limited purpose trust company. BTSC provides paying agent services to debt issuers. EIP is a Registered Investment Advisor with the Securities and Exchange Commission. EIP assists issuers with the investment of bond proceeds or investing other issuer funds. This includes escrow bidding agent services. Issuers, such as the City, have retained or may retain BTSC and/or EIP to provide these services. If hired, BTSC and/or EIP would be retained by the City under an agreement separate from Ehlers.

## INDEPENDENT AUDITORS

The basic financial statements of the City for the fiscal year ended December 31, 2016 have been audited by Baker Tilly Virchow Krause, LLP, Milwaukee, Wisconsin, independent auditors (the "Auditor"). The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Official Statement.

## RISK FACTORS

Following is a description of possible risks to holders of the Notes without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here.

**Permanent Financing:** Payment of principal of the Notes at maturity is dependent upon the City successfully marketing long-term general obligation promissory notes or other obligations of the City prior to the maturity of the Notes. Market conditions, future litigation or other factors could preclude the marketing of such securities.

**No Pledged Taxes:** The Notes are special obligations of the City, issued in anticipation of the sale of the Securities. See "SECURITY" herein. There will be no separate tax levied or pledged for payment of the Notes. Further, while the City expects to use tax increment revenues from TID 5 to pay debt service on the Notes and Securities, no such revenues are pledged to payment of the Notes or Securities and the amount and timing of such revenues cannot be guaranteed. While the City has covenanted to issue the Securities as soon as practicable as necessary to provide for the payment of the Notes, no assurance can be given that such Securities will be issued. In particular, the issuance of the Securities in the future depends on the City's ability to access the financial markets. In the event that the Securities are not issued, the City may not have other funds available to pay the Notes.

**State Actions:** Many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the state may affect the overall financial condition of the City, the taxable value of property within the City, and the ability of the City to issue the Securities.

**Future Changes in Law:** Various State and federal laws, regulations and constitutional provisions apply to the City and to the Notes. The City can give no assurance that there will not be a change in or interpretation of any such applicable laws, regulations and provisions which would have a material effect on the City.

**Ratings; Interest Rates:** In the future, the City's credit rating may be reduced or withdrawn, or interest rates for this type of obligation may rise generally, either possibility resulting in a reduction in the value of the Notes for resale prior to maturity.

**Continuing Disclosure:** A failure by the City to comply with the Disclosure Undertaking for continuing disclosure (see "CONTINUING DISCLOSURE") will not constitute an event of default on the Notes. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Notes in the secondary market. Such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

**Book-Entry-Only System:** The timely credit of payments for principal and interest on the Notes to the accounts of the Beneficial Owners of the Notes may be delayed due to the customary practices, standing instructions or for other unknown reasons by DTC participants or indirect participants. Since the notice of redemption or other notices to holders of these obligations will be delivered by the City to DTC only, there may be a delay or failure by DTC, DTC participants or indirect participants to notify the Beneficial Owners of the Notes.

**Depository Risk:** Wisconsin Statutes direct the local treasurer to immediately deposit upon receipt thereof, the funds of the municipality in a public depository designated by the governing body. A public depository means a federal or state credit union, federal or state savings and loan association, state bank, savings and trust company, mutual savings bank or national bank in Wisconsin or the local government pooled investment fund operated by the State Investment Board. It is not uncommon for a municipality to have deposits exceeding limits of federal and state insurance programs. Failure of a depository could result in loss of public funds or a delay in obtaining them. Such a loss or delay could interrupt a timely payment of municipal debt.

**Economy:** A combination of economic, climatic, political or civil disruptions or terrorist actions outside of the control of the City, including loss of major taxpayers or major employers, could affect the local economy and result in reduced tax collections and/or increased demands upon local government. Real or perceived threats to the financial stability of the City may have an adverse effect on the value of the Notes in the secondary market.

**Secondary Market for the Notes:** No assurance can be given that a secondary market will develop for the purchase and sale of the Notes or, if a secondary market exists, that such Notes can be sold for any particular price. The underwriters are not obligated to engage in secondary market trading or to repurchase any of the Notes at the request of the owners thereof. Prices of the Notes as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Notes. Such market value could be substantially different from the original purchase price.

**Bankruptcy:** The rights and remedies of the holders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws, or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The opinion of Bond Counsel to be delivered with respect to the Notes will be similarly qualified. See "MUNICIPAL BANKRUPTCY" herein.

## VALUATIONS

### WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

#### Equalized Value

Section 70.57, Wisconsin Statutes, requires the Department of Revenue to annually determine the equalized value (also referred to as full equalized value or aggregate full value) of all taxable property in each county and taxation district. The equalized value is an independent estimate of value used to equate individual local assessment policies so that property taxes are uniform throughout the various subdivisions in the State. Equalized value is calculated based on the history of comparable sales and information about value changes or taxing status provided by the local assessor. A comparison of the State-determined equalized value and the local assessed value, expressed as a percentage, is known as the assessment ratio or level of assessment. The Department of Revenue notifies each county and taxing jurisdiction of its equalized value on August 15; school districts are notified on October 1. The equalized value of each county is the sum of the valuations of all cities, villages, and towns within its boundaries. Taxing jurisdictions lying in more than one municipality, such as counties, school districts, or special taxing districts, use the equalized value of the underlying units in calculating and levying their respective levies. Equalized values are also used to apportion state aids and calculate municipal general obligation debt limits.

#### Assessed Value

The "assessed value" of taxable property in a municipality is determined by the local assessor, except for manufacturing properties which are valued by the State. Each city, village or town retains its own local assessor, who must be certified by the State Department of Revenue. Assessed value is used by these municipalities to determine tax levy mill rates and to apportion levies among individual property owners. Each taxing district must assess property at full value at least once in every five-year period. The State requires that the assessed values must be within 10% of State equalized values at least once every four years. The local assessor values property as of January 1 each year and submits those values to each municipality by the second Monday in June. The assessor also reports any value changes taking place since the previous year, to the Department of Revenue, by the second Monday in June.

## CURRENT PROPERTY VALUATIONS

2017 Equalized Value	\$3,888,926,200
2017 Equalized Value Reduced by Tax Increment Valuation	\$3,778,072,200
2017 Assessed Value	\$3,854,766,200

## 2017 EQUALIZED VALUE BY CLASSIFICATION

	2017 Equalized Value <sup>1</sup>	Percent of Total Equalized Value
Residential	\$ 2,870,690,200	73.817%
Commercial	773,583,100	19.892%
Manufacturing	146,995,000	3.780%
Agricultural	825,000	0.021%
Undeveloped	5,356,800	0.138%
Ag Forest	205,200	0.005%
Forest	486,000	0.013%
Other	17,786,800	0.457%
Personal Property <sup>2</sup>	72,998,100	1.877%
Total	<u>\$ 3,888,926,200</u>	<u>100.000%</u>

## TREND OF VALUATIONS

Year	Assessed Value	Equalized Value <sup>1</sup>	Percent Increase/Decrease in Equalized Value
2013	\$3,359,728,100	\$3,414,276,600	-3.12%
2014	3,364,592,800	3,589,694,100	5.14%
2015	3,396,543,100	3,649,185,900	1.66%
2016	3,704,478,925	3,729,003,100	2.19%
2017	3,854,766,200	3,888,926,200	4.29%

**Source:** Wisconsin Department of Revenue, Bureau of Equalization and Local Government Services Bureau.

<sup>1</sup> Includes tax increment valuation.

<sup>2</sup> Beginning January 1, 2018 certain personal property will be exempt from property tax, which represents approximately 32% of 2017 personal property values..

## LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2017 Equalized Value <sup>1</sup>	Percent of City's Total Equalized Value
Northwestern Mutual Life	Insurance services	\$ 117,360,716	3.02%
Wal-mart/Sam's Club <sup>2</sup>	Retailer	25,445,199	0.65%
Wheaton Franciscan Medical	Healthcare	25,348,142	0.65%
Transpack Corp. - ET Franklin	Commercial	24,576,733	0.63%
Whitnall Pointe Limited Partnership	Apartments	22,217,610	0.57%
Manchester Oaks Apartments LLC	Apartments	19,997,211	0.51%
Baptista's Bakery Inc.	Manufacturing	14,768,054	0.38%
Menards Inc. <sup>2</sup>	Retailer	13,525,688	0.35%
Franklin-Wyndham LLC	Land Held for developer	13,335,409	0.34%
All Glass Aquarium Co.	Commercial	12,669,127	0.33%
<b>Total</b>		<b>\$ 289,243,889</b>	<b>7.44%</b>

City's Total 2017 Equalized Value<sup>3</sup> \$3,888,926,200

Source: The City.

<sup>1</sup> Calculated by dividing the 2017 Assessed Values by the 2017 Aggregate Ratio of assessment for the City.

<sup>2</sup> Assessment being challenged by taxpayer.

<sup>3</sup> Includes tax increment valuation.

## DEBT

### DIRECT DEBT<sup>1</sup>

#### General Obligation Debt (see schedules following)

Total General Obligation Debt

\$26,399,970

#### Other Obligations\*

Name of Issue	Issue Date	Final Maturity	Amount Outstanding
The Notes <sup>2</sup>	05/01/18	03/01/23	\$ 23,465,000

\*Preliminary, subject to change.

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<sup>1</sup> Outstanding debt is as of the dated date of the Notes.

<sup>2</sup> The Notes are not general obligations of the City but are secured by a pledge of the proceeds from the issuance of long term general obligation debt. In the Authorizing Resolution, the City has covenanted to reserve general obligation debt capacity for the long term debt.

GO Sewerage System Promissory Notes Series 2012*	GO Promissory Notes Series 2014A	GO Water System Bonds Series 2014B	GO Refunding Bonds Series 2016A	GO Promissory Notes Series 2017B
1/25/2012 \$27,562,754	12/18/2014 \$5,320,000	12/18/2014 \$1,230,000	4/20/2018 \$5,770,000	12/21/2017 \$1,630,000
5/1	3/1	3/1	3/1	3/1

\* Debt supported by Intergovernmental Agreement with another entity that has agreed to pay all principal and interest on the issue

## DEBT LIMIT

The constitutional and statutory general obligation debt limit for Wisconsin municipalities, including towns, cities, villages, and counties (Article XI, Section 3 of the Wisconsin Constitution and Section 67.03, Wisconsin Statutes) is 5% of the current equalized value.

Equalized Value	\$ 3,888,926,200
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$ 194,446,310
Less: General Obligation Debt	<u>(26,399,970)</u>
Unused Debt Limit	<u>\$ 168,046,340<sup>1</sup></u>

## OVERLAPPING DEBT<sup>2</sup>

Taxing District	2017 Equalized Value <sup>3</sup>	% In City	Total G.O. Debt <sup>4</sup>	City's Proportionate Share
Milwaukee County	\$ 61,413,297,000	6.33%	\$640,375,180	\$ 40,535,749
Milwaukee Area Technical College District	76,548,230,996	5.08%	75,635,000	3,842,258
Franklin Public School District	2,920,128,579	100.00%	66,180,000	66,180,000
Oak Creek-Franklin Joint School District	4,054,645,300	18.16%	104,800,000	19,031,680
Whitnall School District	1,655,912,700	14.04%	397,831	55,855
Milwaukee Metro Sewer District	60,253,027,200	6.45%	869,923,198	<u>56,110,046</u>
City's Share of Total Overlapping Debt				<u>\$ 185,755,589</u>

<sup>1</sup> The City has adopted a policy which further limits its ability to issue general obligation debt. Under the City's current policy, the City shall not issue general obligation debt in such an amount which would cause their outstanding debt to be in excess of 40% of the statutory debt limit. However, the City may amend such policy at any time.

<sup>2</sup> Overlapping debt is as of the dated date of the Notes. Only those taxing jurisdictions with general obligation debt outstanding are included in this section.

<sup>3</sup> Includes tax increment valuation.

<sup>4</sup> Outstanding debt based on information obtained on EMMA and the Municipal Advisor's records.



## DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$3,888,926,200	Debt/ Per Capita 36,046 <sup>1</sup>
Total General Obligation Debt	\$ 26,399,970	0.68%	\$ 732.40
City's Share of Total Overlapping Debt	<u>185,755,589</u>	<u>4.78%</u>	<u>5,153.29</u>
Total	\$212,155,559	5.46%	\$ 5,885.69

## DEBT PAYMENT HISTORY

The City has no record of default in the payment of principal and interest on its debt.

## FUTURE FINANCING

The City expects to issue approximately \$10,000,000 general obligation debt in late 2018 to refund the 2019 maturity of the Notes.

The City expects to issue approximately \$3,500,000 general obligation debt in late 2018 to finance development in the City's Tax Increment District No. 3. The City's capital financing plan contemplates issuing approximately \$10,000,000 in 2018 for additional capital improvements in the City's Tax Increment District No. 4, but the actual amount and timing of such financing is not currently known. The City is considering an additional approximately \$10,000,000 of general obligation debt for capital improvements in a new tax increment district, if created, but the amount and timing of such financing is not known and depends on whether the new tax increment district is created.

The City may be in the early stages of exploring other, future development projects, but has no definitive plans at this time for additional financing in the next 12 months.

In addition, the City expects to issue a \$3,500,000 obligation to the Developer in April 2018 (see "THE NOTES - Purpose; Authority" herein).

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<sup>1</sup> Estimated 2017 population.

## TAX LEVIES AND COLLECTIONS

### TAX LEVIES AND COLLECTIONS

Tax Year	Levy for City Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2013/14	\$20,509,000	100%	\$6.19
2014/15	20,509,000	100%	5.90
2015/16	20,509,000	100%	5.82
2016/17	20,509,000	100%	5.65
2017/18	21,027,849	In process	5.57

Property tax statements are distributed to taxpayers by the town, village, and city clerks in December of the levy year. Current state law requires counties to pay 100% of the real property taxes levied to cities, villages, towns, school districts and other taxing entities on or about August 20 of the collection year.

Personal property taxes, special assessments, special charges and special taxes must be paid to the town, city or village treasurer in full by January 31, unless the municipality, by ordinance, permits special assessments to be paid in installments. Real property taxes must be paid in full by January 31 or in two equal installments by January 31 and July 31. Alternatively, municipalities may adopt a payment plan which permits real property taxes to be paid in three or more equal installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30 and the remainder is paid by July 31. Amounts paid on or before January 31 are paid to the town, city or village treasurer. Amounts paid after January 31, are paid to the county treasurer unless the municipality has authorized payment in three or more installments in which case payment is made to the town, city or village treasurer. On or before January 15 and February 20 the town, city or village treasurer settles with other taxing jurisdictions for all collections through December and January, respectively. In municipalities which have authorized the payment of real property taxes in three or more installments, the town, city or village treasurer settles with the other taxing jurisdictions on January 15, February 20 and on the fifteenth day of each month following the month in which an installment payment is required. On or before August 20, the county treasurer must settle in full with the underlying taxing districts for all real property taxes and special taxes. Any county board may authorize its county treasurer to also settle in full with the underlying taxing districts for all special assessments and special charges. The county may then recover any tax delinquencies by enforcing the lien on the property and retain any penalties or interest on the delinquencies for which it has settled. Uncollected personal property taxes owed by an entity that has ceased operations or filed a petition for bankruptcy, or are due on personal property that has been removed from the next assessment roll are collected from each taxing entity in the year following the levy year.

## PROPERTY TAX RATES

Full value rates for property taxes expressed in dollars per \$1,000 of equalized value (excluding tax increment valuation) that have been collected in recent years have been as follows:

Year Levied/ Year Collected	Schools <sup>1</sup>	County	Local	Other <sup>2</sup>	Total
2013/14	\$14.27	\$5.13	\$6.19	\$1.88	\$27.47
2014/15	12.97	5.10	5.90	1.89	25.86
2015/16	13.06	5.13	5.82	1.92	25.93
2016/17	12.66	5.10	5.65	1.93	25.34
2017/18	12.26	5.05	5.57	1.73	24.61

**Source:** Property Tax Rates were extracted from Statement of Taxes prepared by the Wisconsin Department of Revenue, Division of State and Local Finance.

## LEVY LIMITS

Section 66.0602 of the Wisconsin Statutes, imposes a limit on property tax levies by cities, villages, towns and counties. No city, village, town or county is permitted to increase its tax levy by a percentage that exceeds its valuation factor (which is defined as a percentage equal to the greater of either the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current or zero percent). The base amount in any year to which the levy limit applies is the actual levy for the immediately preceding year. In 2018, and in each year thereafter, the base amount is the actual levy for the immediately preceding year plus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes (an amount equal to the property taxes formerly levied on certain items of personal property), and the levy limit is the base amount multiplied by the valuation factor, minus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes. This levy limitation is an overall limit, applying to levies for operations as well as for other purposes.

A political subdivision that did not levy its full allowable levy in the prior year can carry forward the difference between the allowable levy and the actual levy, up to a maximum of 1.5% of the prior year's actual levy. The use of the carry forward levy adjustment needs to be approved by a majority vote of the political subdivision's governing body (except in the case of towns) if the amount of carry forward levy adjustment is less than or equal to 0.5% and by a super majority vote of the political subdivision's governing body (three-quarters vote if the governing body is comprised of five or more members, two-thirds vote if the governing body is comprised of fewer than five members) (except in the case of towns) if the amount of the carry forward levy adjustment is greater than 0.5% up to the maximum increase of 1.5%. For towns, the use of the carry forward levy adjustment needs to be approved by a majority vote of the annual town meeting or special town meeting after the town board has adopted a resolution in favor of the adjustment by a majority vote if the amount of carry forward levy adjustment is less than or equal to 0.5%

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<sup>1</sup> The Schools tax rate reflects the composite rate of all local school districts and technical college district.

<sup>2</sup> Includes the state reforestation tax which is apportioned to each county on the basis of its full value. Counties, in turn, apportion the tax to the tax districts within their borders on the basis of full value. It also includes taxes levied for special purpose districts such as metropolitan sewerage districts, sanitary districts, and public inland lake protection districts. Tax increment values are not included. State property taxes were eliminated in the State's 2017 - 2019 budget act.

or by two-thirds vote or more if the amount of carry forward levy adjustment is greater than 0.5% up to the maximum of 1.5%.

Beginning with levies imposed in 2015, if a political subdivision does not make an adjustment in its levy as described in the above paragraph in the current year, the political subdivision may increase its levy by the aggregate amount of the differences between the political subdivision's valuation factor in the previous year and the actual percent increase in a political subdivision's levy attributable to the political subdivision's valuation factor in the previous year, for the five years before the current year, less any amount of such aggregate amount already claimed as an adjustment in any of the previous five years. The calculation of the aggregate amount available for such adjustment may not include any year before 2014, and the maximum adjustment allowed may not exceed 5%. The use of the adjustment described in this paragraph requires approval by a two-thirds vote of the political subdivision's governing body, and the adjustment may only be used if the political subdivision's level of outstanding general obligation debt in the current year is less than or equal to the political subdivision's level of outstanding general obligation debt in the previous year.

Special provisions are made with respect to property taxes levied to pay general obligation debt service. Those are described below. In addition, the statute provides for certain other exclusions from and adjustments to the tax levy limit. Among the items excluded from the limit are amounts levied for any revenue shortfall for debt service on a revenue bond issued under Section 66.0621. Among the adjustments permitted is an adjustment applicable when a tax increment district terminates, which allows an amount equal to the prior year's allowable levy multiplied by 50% of the political subdivision's percentage growth due to the district's termination.

With respect to general obligation debt service, the following provisions are made:

- (a) If a political subdivision's levy for the payment of general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding obligations of the political subdivision and interest on outstanding obligations of the political subdivision, on debt originally issued before July 1, 2005, is less in the current year than in the previous year, the political subdivision is required to reduce its levy limit in the current year by the amount of the difference between the previous year's levy and the current year's levy.
- (b) For obligations authorized before July 1, 2005, if the amount of debt service in the preceding year is less than the amount of debt service needed in the current year, the levy limit is increased by the difference between the two amounts. This adjustment is based on scheduled debt service rather than the amount actually levied for debt service (after taking into account offsetting revenues such as sales tax revenues, special assessments, utility revenues, tax increment revenues or surplus funds). Therefore, the levy limit could negatively impact political subdivisions that experience a reduction in offsetting revenues.
- (c) The levy limits do not apply to property taxes levied to pay debt service on general obligation debt authorized on or after July 1, 2005.

The levy limits apply to payments on the Notes.

## THE ISSUER

### CITY GOVERNMENT

The City was incorporated in 1956 and is governed by a Mayor and a six-member Common Council. The Mayor does not vote except in the case of a tie. All Council Members are elected to three-year terms. The appointed City Clerk is responsible for administrative details and financial records.

### EMPLOYEES; PENSIONS

The City employs a staff of 199 full-time and 43 part-time employees. All eligible public safety employees in the City are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

City employees are generally required to contribute half of the actuarially determined contributions, and the City generally may not pay the employees' required contribution. The total retirement plan contributions (including both the City's and the employees' contributions) for the fiscal year ended December 31, 2014 were \$1,457,708. During the fiscal year ended December 31, 2015 ("Fiscal Year 2015") and the fiscal year ended December 31, 2016 ("Fiscal Year 2016"), the City's portion of contributions to WRS (not including any employee contributions) totaled \$815,219 and \$803,686, respectively.

The City implemented Governmental Accounting Standards Board Statement No. 68 ("GASB 68") for Fiscal Year 2015.

GASB 68 requires calculation of a net pension liability for the pension plan. The net pension liability is calculated as the difference between the pension plan's total pension liability and the pension plan's fiduciary net position. The pension plan's total pension liability is the present value of the amounts needed to pay pension benefits earned by each participant in the pension plan based on the service provided as of the date of the actuarial valuation. In other words, it is a measure of the present value of benefits owed as of a particular date based on what has been earned only up to that date, without taking into account any benefits earned after that date. The pension plan's fiduciary net position is the market value of plan assets formally set aside in a trust and restricted to paying pension plan benefits. If the pension plan's total pension liability exceeds the pension plan's fiduciary net position, then a net pension liability results. If the pension plan's fiduciary net position exceeds the pension plan's total pension liability, then a net pension asset results.

As of December 31, 2015, the total pension liability of the WRS was calculated as \$90.1 billion and the fiduciary net position of the WRS was calculated as \$88.5 billion, resulting in a net pension liability of \$1.6 billion.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2016, the City reported a liability of \$1,344,496 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2015 based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. The City's proportion was 0.08273922% of the aggregate WRS net pension liability as of December 31, 2015.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of net pension liability of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see Note 4.A in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

### **Recognized and Certified Bargaining Units**

All eligible City personnel are covered by the Municipal Employment Relations Act ("MERA") of the Wisconsin Statutes. Pursuant to that law, employees have rights to organize and collectively bargain with municipal employers. MERA was amended by 2011 Wisconsin Act 10 (the "Act") and by 2011 Wisconsin Act 32, which altered the collective bargaining rights of public employees in Wisconsin.

As a result of the 2011 amendments to MERA, the City is prohibited from bargaining collectively with municipal employees, other than public safety and transit employees, with respect to any factor or condition of employment except total base wages. Even then, the City is limited to increasing total base wages beyond any increase in the consumer price index since 180 days before the expiration of the previous collective bargaining agreement (unless City were to seek approval for a higher increase through a referendum). Ultimately, the City can unilaterally implement the wages for a collective bargaining unit.

Under the changes to MERA, impasse resolution procedures were removed from the law for municipal employees of the type employed by the City, including binding interest arbitration. Strikes by any municipal employee or labor organization are expressly prohibited. As a practical matter, it is anticipated that strikes will be rare. Furthermore, if strikes do occur, they may be enjoined by the courts. Additionally, because the only legal subject of bargaining is the base wage rates, all bargaining over items such as just cause, benefits, and terms of conditions of employment are prohibited and cannot be included in a collective bargaining agreement. Impasse resolution for public safety employees and transit employees is subject to final and binding arbitration procedures, which do not include a right to strike. Interest arbitration is available for transit employees if certain conditions are met.

The following bargaining units represent employees of the City:

<b>Bargaining Unit</b>	<b>Expiration Date of Current Contract</b>
Police	December 31, 2018
Fire	December 31, 2018

### **Supplemental Pension Benefits**

The City provides other pension benefits to public works employees who have satisfied specified eligibility standards through a single-employer defined benefit plan. The amount of such benefits are based on years of service and average compensation. Membership of the plan consisted of 22 retirees receiving benefits, 6 terminated vested retirees and 31 active plan members as of January 1, 2017, the date of the latest actuarial valuation.

Pension benefit calculations are required to be updated every two years and prepared in accordance with Governmental Accounting Standards Board Statement No. 68 ("GASB 68"). An actuarial study for the plan was most recently completed by The Principal Financial Group in July 2017 with an actuarial valuation date of January 1, 2017 (the "Pension Actuarial Report").

Under GASB 68, an actuarially determined contribution ("ADC") is calculated as a target or recommended contribution to the plan for the reporting period, determined in conformity with actuarial standards based on the most recent measurement available. As shown in the City's audited financial statements for Fiscal Year 2016, the City's ADC for Fiscal Year 2016 was \$339,927. For Fiscal Year 2016, contributions to the plan totaled \$339,927, which was 100% of the ADC. The City's current funding practice is to fully fund ADC.

As shown in the Pension Actuarial Report, as of January 1, 2017, the actuarial accrued liability was \$9,133,297 and the actuarial value of assets was \$8,837,479, resulting in an unfunded actuarial accrued liability ("UAAL") of \$295,818.

For more information, see Note 4.A. in "Appendix A - Financial Statements" attached hereto. The Pension Actuarial Report is available from the City upon request.

The City also provides a defined contribution pension plan benefit to eligible non-protective employees (other than public works employees). Eligibility begins after six months of employment with the City. Employees are required to make contributions of 5% of wages. For Fiscal Year 2016, the City contributed \$84,137 and employees contributed \$84,137 to the plan. For more information, see Note 4.B. in "Appendix A - Financial Statements."

## **OTHER POST EMPLOYMENT BENEFITS**

The City provides "other post-employment benefits" ("OPEB") (i.e., post-employment benefits, other than pension benefits, owed to its employees and former employees) to former employees and their dependents through a single employer defined benefit plan. Membership of the plan consisted of 24 retirees receiving benefits and 178 active plan members as of December 15, 2015. Eligible retirees may continue to participate in the City's group health plan. The City contributes a fixed portion of the premiums determined at retirement based on the employment category of retiree, and the retiree is responsible for paying the balance of the premiums.

OPEB calculations are required to be updated every two years. Prior to June 15, 2017, OPEB calculations were required to be prepared in accordance with Statement No. 45 of the Governmental Accounting Standards Board ("GASB 45") regarding retiree health and life insurance benefits, and related standards. For fiscal years beginning after June 15, 2017, OPEB calculations will be required to be prepared in accordance with Statement No. 75 of the Governmental Accounting Standards Board ("GASB 75"). An actuarial study for the plan prepared in accordance with GASB 45 was most recently completed by Actuarial & Health Care Solutions, LLC in December 2015, with an actuarial valuation date of January 1, 2016. The City had such study updated by Actuarial & Health Care Solutions, LLC in October, 2017 to prepare the information required to be reported under GASB 75 (the "OPEB Report").

Under GASB 75, a net OPEB liability is calculated as the difference between the plan's total OPEB liability and the plan's fiduciary net position, which terms have similar meanings as under GASB 68 for pension plans.

Under GASB 45, the City was required to expense the estimated yearly cost of providing post-retirement benefits and such annual accrual expense is referred to as the "annual required contribution." As shown in the City's audited financial statements for Fiscal Year 2016, the annual required contribution for Fiscal Year 2016 was \$342,872. For Fiscal Year 2016, contributions to the plan totaled \$191,814, which was 55.9% of the annual required contribution. However, for Fiscal Year 2015, the City's annual required contribution was \$324,393, and contributions to the plan totaled \$475,451 which was 146.6% of the annual required contribution. Such excess contributions were made in Fiscal Year 2015 with the intention of offsetting the required contribution in Fiscal Year 2016. The City's current funding practice is to make annual contributions on an actuarially determined basis.

As shown in the OPEB Report, as of January 1, 2018 the total OPEB liability of the plan was \$7,607,515 and the plan fiduciary net position was \$5,297,421, resulting in a net OPEB liability of \$2,310,094.

For more information, see Note 4.C. in "Appendix A - Financial Statements."

## **LITIGATION**

There is no litigation threatened or pending questioning the organization or boundaries of the City or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver the Notes or otherwise questioning the validity of the Notes. At any given time, the City may be involved in potential lawsuits; however, at this time, the City does not expect any pending litigation to result in final judgements which would materially affect the City's ability to pay principal and interest on the Notes.

## **MUNICIPAL BANKRUPTCY**

Municipalities are prohibited from filing for bankruptcy under Chapter 11 (reorganization) or Chapter 7 (liquidation) of the U.S. Bankruptcy Code (11 U.S.C. §§ 101-1532) (the "Bankruptcy Code"). Instead, the Bankruptcy Code permits municipalities to file a petition under Chapter 9 of the Bankruptcy Code, but only if certain requirements are met. These requirements include that the municipality must be "specifically authorized" under State law to file for relief under Chapter 9. For these purposes, "State law" may include, without limitation, statutes of general applicability enacted by the State legislature, special legislation applicable to a particular municipality, and/or executive orders issued by an appropriate officer of the State's executive branch.

As of the date hereof, Wisconsin law contains no express authority for municipalities to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code.

Nevertheless, there can be no assurance (a) that State law will not change in the future, while the Notes are outstanding, in a way that would allow the City to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code; or (b) even absent such a change in State law, that an executive order or other executive action could not effectively authorize the City to file for relief under Chapter 9. If, in the future, the City were to file a bankruptcy case under Chapter 9, the relevant bankruptcy court would need to consider whether the City could properly do so, which would involve questions regarding State law authority as well as other questions such as whether the City is a municipality for bankruptcy purposes. If the relevant bankruptcy court concluded that the City could properly file a bankruptcy case, and that determination was not reversed, vacated, or otherwise substantially altered on appeal, then the rights of holders of the Notes could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Notes, and there could ultimately be no assurance that holders of the Notes would be paid in full or in part on the Notes. Further, under such circumstances, there could be no assurance that the Notes would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Notes could be viewed as having no priority (a) over claims of other creditors of the City; (b) to any particular assets of the City, or (c) to revenues otherwise designated for payment to holders of the Notes.

Moreover, if the City were determined not to be a "municipality" for the purposes of the Bankruptcy Code, no representations can be made regarding whether it would still be eligible for voluntary or involuntary relief under Chapters of the Bankruptcy Code other than Chapter 9 or under similar federal or state law or equitable proceeding regarding insolvency or providing for protection from creditors. In any such case, there can be no assurance that the consequences described above for the holders of the Notes would not occur.



**FUNDS ON HAND** (as of February 28, 2018)

<b>Fund</b>	<b>Total Cash and Investments</b>
General	\$ 15,447,328
Special Revenue	3,796,335
Debt Service	1,850,088
Capital Projects	18,882,069
Enterprise Funds	4,078,596
Internal Services Funds	2,115,192
Fiduciary Funds	7,488,872
<b>Total Funds on Hand</b>	<b><u>\$ 53,658,480</u></b>

## ENTERPRISE FUNDS

Revenues available for debt service on the City's enterprise funds have been as follows as of December 31 each year:

	2015 Audited <sup>1</sup>	2016 Audited <sup>2</sup>	2017 Unaudited
<b>Water</b>			
Total Operating Revenues	\$ 5,609,928	\$ 6,054,573	\$ 6,049,730
Less: Operating Expenses	(5,755,151)	(5,514,241)	(5,393,413)
Operating Income	\$ (145,223)	\$ 540,332	\$ 656,317
Plus: Depreciation and Amortization	1,557,514	1,344,829	1,324,695
Interest Income (Loss)	3,368	2,589	9,926
Revenues Available for Debt Service	\$ 1,415,659	\$ 1,887,750	\$ 1,990,938
Less: PILOT Payment	(1,041,040)	(1,047,053)	(1,029,649)
Net Revenues	<u>\$ 374,619</u>	<u>\$ 840,697</u>	<u>\$ 961,289</u>
<b>Sanitary Sewer</b>			
Total Operating Revenues	\$ 3,340,382	\$ 3,328,550	\$ 3,315,879
Less: Operating Expenses	(3,588,716)	(5,197,869)	(5,225,336)
Operating Income	\$ (248,334)	\$ (1,869,319)	\$ (1,909,457)
Plus: Depreciation	692,909	2,123,035	2,119,900
Interest Income	20,789	134	11,722
Revenues Available for Debt Service	<u>\$ 465,364</u>	<u>\$ 253,850</u>	<u>\$ 222,165</u>

<sup>1</sup> The City adopted GASB 68 related to pension benefits, which resulted in prior period adjustments in both Water & Sewer Funds. See Note 4.F in the 2015 CAFR for more details.

<sup>2</sup> As it relates to the Sanitary Sewer Fund, the City changed its accounting policy with respect to a major asset, which required a restatement of opening fund balance. See Note 4.F in the 2016 CAFR for more details.

## SUMMARY GENERAL FUND INFORMATION

Following are summaries of the revenues and expenditures and fund balances for the City's General Fund. These summaries are not purported to be the complete audited financial statements of the City, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the City. Copies of the complete audited financial statements are available upon request. See Appendix A for the City's 2016 audited financial statements.

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31				
	2014 Audited	2015 Audited	2016 Audited	2017 Unaudited <sup>1</sup>	2018 Adopted Budget <sup>2</sup>
<b>Revenues</b>					
Taxes	\$ 16,926,045	\$ 17,015,261	\$ 17,161,004	\$ 17,093,625	\$ 17,643,149
Intergovernmental revenue	2,536,187	2,775,349	2,318,825	2,264,961	2,432,926
Licenses and permits	808,302	669,367	665,169	773,877	1,040,990
Penalties and forfeitures	421,976	484,957	498,653	485,407	500,000
Public charges for services	1,367,737	1,544,611	1,452,601	1,603,247	1,805,350
Intergovernmental charges for services	136,372	192,188	194,806	158,841	196,500
Investment earnings	290,132	238,562	161,281	189,312	205,000
Miscellaneous revenues	143,014	155,576	182,016	145,271	120,350
<b>Total Revenues</b>	<b>\$ 22,629,765</b>	<b>\$ 23,075,871</b>	<b>\$ 22,634,355</b>	<b>\$ 22,714,541</b>	<b>\$ 23,944,265</b>
<b>Expenditures</b>					
Current:					
General government	\$ 2,786,740	\$ 2,720,473	\$ 2,910,893	\$ 2,940,898	\$ 2,776,627
Public safety	15,367,022	15,983,174	15,787,827	16,660,351	17,296,241
Public works	3,560,384	3,046,338	3,745,146	3,852,472	3,437,593
Health and human services	633,964	633,387	646,870	675,875	710,345
Culture, recreation and education	163,000	177,798	179,933	187,959	173,914
Conservation and development	355,354	568,364	523,268	520,314	595,345
Contingency	0	0	0	0	1,405,000
Restricted Contingency	0	0	0	0	(1,280,000) <sup>3</sup>
<b>Total Expenditures</b>	<b>\$ 22,866,464</b>	<b>\$ 23,129,534</b>	<b>\$ 23,793,937</b>	<b>\$ 24,837,869</b>	<b>\$ 25,115,065</b>
<b>Excess of revenues over (under) expenditures</b>	<b>\$ (236,699)</b>	<b>\$ (53,663)</b>	<b>\$ (1,159,582)</b>	<b>\$ (2,123,328)</b>	<b>\$ (1,170,800)</b>
<b>Other Financing Sources (Uses)</b>					
Operating transfers in	1,112,244	1,044,460	1,050,382	1,059,793	1,050,000
Operating transfers out	(24,000)	(574,000)	(1,250,025) <sup>4</sup>	(57,138)	(24,000)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 1,088,244</b>	<b>\$ 470,460</b>	<b>\$ (199,643)</b>	<b>\$ 1,002,655</b>	<b>\$ 1,026,000</b>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>\$ 851,545</b>	<b>\$ 416,797</b>	<b>\$ (1,359,225)</b>	<b>\$ (1,120,673)</b>	<b>\$ (144,800)</b>
General Fund Balance January 1	7,781,567	8,633,112	9,049,909	7,690,684	6,570,011
General Fund Balance December 31	<b>\$ 8,633,112</b>	<b>\$ 9,049,909</b>	<b>\$ 7,690,684</b>	<b>\$ 6,570,011</b>	<b>\$ 6,425,211</b>
<b>DETAILS OF DECEMBER 31 FUND BALANCE</b>					
Nonspendable	2,277,071	2,239,802	2,294,958	246,600	250,000
Restricted	0	0	0	0	0
Committed	0	0	0	0	0
Assigned	207,270	147,121	61,626	150,600	75,000
Unassigned	6,148,771	6,662,986	5,334,100	6,172,811	6,100,211
<b>Total</b>	<b>\$ 8,633,112</b>	<b>\$ 9,049,909</b>	<b>\$ 7,690,684</b>	<b>\$ 6,570,011</b>	<b>\$ 6,425,211</b>

<sup>1</sup> 2017 Deficit includes a one time \$605,700 extraordinary pension contribution.

<sup>2</sup> The 2018 budget was approved on November 21, 2017.

<sup>3</sup> The 2018 Budget includes as a budgeted expenditure a \$1,280,000 restricted contingency that is not expected to be spent. Any use of such expenditure would require a 2/3 vote of the Common Council and such expenditure is not expected to be made.

<sup>4</sup> Deficit includes a one-time \$1.2 million transfer to the Capital Improvement Fund for capital expenditures.

## GENERAL INFORMATION

### LOCATION

The City, with a 2010 U.S. Census population of 35,451, and a current estimated population of 36,046, comprises an area of 34.5 square miles and is located in the southwest corner of Milwaukee County.

### LARGER EMPLOYERS<sup>1</sup>

Larger employers in the City include the following:

Firm	Type of Business/Product	Estimated No. of Employees
Northwestern Mutual	Insurance/investment services	3,107
Wheaton Franciscan Healthcare	Medical and surgical hospital	853
Krones, Inc.	High speed labeling/filler machines	577
Baptista's Bakery	Commercial bakery	559
Franklin Public Schools	K-12 education	554
Milwaukee County Corrections South	Government	525
Wal-Mart	Retailer	332
Carlisle Interconnect Technologies	Wire harnesses	303
Strauss Veal & Lamb Int'l Inc.	Animal processing	270
Senior Flexonics - GA Precision	Off-road engine components mfg.	255

**Source:** *ReferenceUSA, written and telephone survey (November 2017), Franklin 2016 CAFR.*

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<sup>1</sup> This does not purport to be a comprehensive list and is based on available data obtained through a survey of individual employers, as well as the sources identified above. Some employers do not respond to inquiries for employment data.

## BUILDING PERMITS

	2014	2015	2016	2017	2018 <sup>1</sup>
<u>New Single Family Homes</u>					
No. of building permits	33	26	23	18	5
Valuation	\$10,688,902	\$10,199,139	\$9,721,721	\$8,991,610	\$2,345,650
<u>New Multiple Family Buildings</u>					
No. of building permits	9	3	1	0	0
Valuation	\$4,092,000	\$1,110,000	\$5,550,000	\$0	\$0
<u>New Commercial/Industrial</u>					
No. of building permits	13	3	5	13	0
Valuation	\$2,236,192	\$1,961,261	\$154,300	\$28,861,659	\$0
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	2,905	300	267	251	44
Valuation	\$41,246,443	\$30,654,542	\$27,316,600	\$49,403,073	\$4,446,094

Source: The City.

<sup>1</sup> As of February 28, 2018.

## U.S. CENSUS DATA

### Population Trend: City

2000 U.S. Census	29,494
2010 U.S. Census	35,451
2017 Estimated Population	36,046
Percent of Change 2000 - 2010	20.20%

### Income and Age Statistics

	City	Milwaukee County	State of Wisconsin	United States
2016 per capita income	\$36,659	\$25,881	\$29,253	\$29,829
2016 median household income	\$73,590	\$45,263	\$54,610	\$55,322
2016 median family income	\$95,302	\$57,738	\$69,925	\$67,871
2016 median gross rent	\$982	\$821	\$789	\$949
2016 median value owner occupied units	\$224,800	\$150,000	\$167,000	\$184,700
2016 median age	41.8 yrs.	34.3 yrs.	39.1 yrs.	37.7 yrs.

	State of Wisconsin	United States
City % of 2016 per capita income	125.32%	122.90%
City % of 2016 median family income	136.29%	140.42%

### Housing Statistics

	<u>City</u>		
	2000	2016	Percent of Change
All Housing Units	10,936	14,080	28.75%

**Source:** 2000 and 2010 Census of Population and Housing, and 2016 American Community Survey (Based on a five-year estimate), U.S. Census Bureau ([www.factfinder2.census.gov](http://www.factfinder2.census.gov)).

## EMPLOYMENT/UNEMPLOYMENT DATA

Rates are not compiled for individual communities with populations under 25,000.

Year	<u>Average Employment</u>		<u>Average Unemployment</u>		
	City	Milwaukee County	City	Milwaukee County	State of Wisconsin
2014	17,481	446,154	4.9%	6.9%	5.4%
2015	17,578	449,935	4.4%	5.8%	4.6%
2016	17,755	454,475	3.9%	5.1%	4.1%
2017	18,003	458,982	3.3%	4.0%	3.3%
2018, January	17,923	456,947	2.8%	3.4%	3.1%

**Source:** Wisconsin Department of Workforce Development.

## APPENDIX A

### FINANCIAL STATEMENTS

Potential purchasers should read the included financial statements in their entirety for more complete information concerning the City's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The City has not requested the Auditor to perform any additional examination, assessments or evaluation with respect to such financial statements since the date thereof, nor has the City requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the City since the date of the financial statements, in connection with the issuance of the Notes, the City represents that there have been no material adverse change in the financial position or results of operations of the City, nor has the City incurred any material liabilities, which would make such financial statements misleading.

While reviewing the financial statements, readers should be aware that the 2017 budget reflects a \$900,000 extraordinary pension payment of which \$605,700 will be paid out of the General Fund and \$294,300 will be paid out of Utility Funds. Additionally, in January, 2017, the City collected \$2,300,000 in an intergovernmental account receivable held by the Sewer Fund. The Sewer Fund used the proceeds to repay an inter-fund advance with the General Fund. Collection of the inter-fund advance will remove a corresponding amount of Nonspendable General Fund Balance at December, 2017. Copies of the complete audited financial statements for the past three years and the current budget are available upon request from Ehlers.

## APPENDIX B

### FORM OF LEGAL OPINION

*(See following pages.)*

DO NOT WRITE IN THESE SPACES



Quarles & Brady LLP  
411 East Wisconsin Avenue  
Milwaukee, WI 53202

May 1, 2018

Re: City of Franklin, Wisconsin ("Issuer")  
\$23,465,000 Taxable Note Anticipation Notes, Series 2018A,  
dated May 1, 2018 ("Notes")

We have acted as bond counsel to the Issuer in connection with the issuance of the Notes. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Pursuant to a resolution adopted on April 17, 2018, the Issuer authorized the issuance of and covenanted to issue general obligation promissory notes of the Issuer (the "Securities") and authorized the issuance of the Notes to provide interim financing for public purposes, including project costs of Tax Incremental District No. 5 (the "Project"). The Notes are issued in anticipation of the sale of the Securities.

The Notes are numbered from R-1 and upward; bear interest at the rates set forth below; and mature on March 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>
2019	\$10,000,000	_____ %
2023	13,465,000	_____

Interest is payable semi-annually on March 1 and September 1 of each year commencing on September 1, 2018.

The Notes maturing on March 1, 2019 are subject to redemption prior to maturity, at the option of the Issuer, on December 1, 2018 or on any date thereafter. The Notes maturing on March 1, 2023 are subject to redemption prior to maturity, at the option of the Issuer, on March 1, 2020 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the Issuer, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

We further certify that we have examined a sample of the Notes and find the same to be in proper form.

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\* Preliminary, subject to change.

Based upon and subject to the foregoing, it is our opinion under existing law that:

1. The Notes have been lawfully authorized and issued pursuant to the laws of the State of Wisconsin now in force and are valid and binding special obligations of the Issuer in accordance with their terms.
2. The Notes are payable only from any proceeds of the Notes set aside for payment of interest on the Notes as it becomes due and proceeds to be derived from the issuance and sale of the Securities, which have been declared by the Issuer to constitute a special trust fund to be expended solely for the payment of principal of and interest on the Notes until paid.
3. The Notes do not constitute a general obligation of the Issuer, and no lien is created upon the Project or any other property of the Issuer as a result of the issuance of the Notes.
4. The interest on the Notes is included for federal income tax purposes in the gross income of the owners of the Notes.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Notes. Further, we express no opinion regarding tax consequences arising with respect to the Notes other than as expressly set forth herein.

The rights of the owners of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and may be subject to the exercise of judicial discretion in accordance with general principles of equity, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

QUARLES & BRADY LLP

## BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]
6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

## APPENDIX D

### FORM OF CONTINUING DISCLOSURE CERTIFICATE

*(See following pages.)*



## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Franklin, Milwaukee County, Wisconsin (the "Issuer") in connection with the issuance of \$23,465,000\* Taxable Note Anticipation Notes, Series 2018A, dated May 1, 2018 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on April 17, 2018 (the "Resolution") and delivered to Robert W. Baird & Co. Incorporated (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

Section 1(a). Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Securities in order to assist the Participating Underwriters within the meaning of the Rule (defined herein) in complying with SEC Rule 15c2-12(b)(5). References in this Disclosure Certificate to holders of the Securities shall include the beneficial owners of the Securities. This Disclosure Certificate constitutes the written Undertaking required by the Rule.

Section 1(b). Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access ("EMMA") System at [www.emma.msrb.org](http://www.emma.msrb.org) in the format prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by the identifying information prescribed by the MSRB.

Section 2. Definitions. In addition to the defined terms set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any annual report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Audited Financial Statements" means the Issuer's annual financial statements, which are currently prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and which the Issuer intends to continue to prepare in substantially the same form.

"Final Official Statement" means the Final Official Statement dated April 18, 2018 delivered in connection with the Securities, which is available from the MSRB.

"Fiscal Year" means the fiscal year of the Issuer.

"Governing Body" means the Common Council of the Issuer or such other body as may hereafter be the chief legislative body of the Issuer.

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\* Preliminary, subject to change.

"Issuer" means the City of Franklin, Milwaukee County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the City Clerk of the Issuer who can be contacted at 9229 West Loomis Road, Franklin, Wisconsin, 53132, phone (414) 425-7500, fax (414) 427-7627.

"Listed Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Participating Underwriter" means any of the original underwriter(s) of the Securities (including the Purchaser) required to comply with the Rule in connection with the offering of the Securities.

"Rule" means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and official interpretations thereof.

"SEC" means the Securities and Exchange Commission.

### Section 3. Provision of Annual Report and Audited Financial Statements.

(a) The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ended December 31, 2017, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

(b) If the Issuer is unable or fails to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of that fact to the MSRB in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 4. Content of Annual Report. The Issuer's Annual Report shall contain or incorporate by reference the Audited Financial Statements and updates of the following sections of the Final Official Statement to the extent such financial information and operating data are not included in the Audited Financial Statements:

1. DEBT - DIRECT DEBT
2. DEBT - DEBT LIMIT
3. VALUATIONS - CURRENT PROPERTY VALUATIONS
4. TAX LEVIES AND COLLECTIONS - TAX LEVIES AND COLLECTIONS

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet website or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Listed Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Securities:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Securities, or other material events affecting the tax status of the Securities;
7. Modification to rights of holders of the Securities, if material;
8. Securities calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Securities, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Issuer;



13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For the purposes of the event identified in subsection (a)12. above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(b) When a Listed Event occurs, the Issuer shall, in a timely manner not in excess of ten business days after the occurrence of the Listed Event, file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Listed Events described in subsections (a) (8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Securities pursuant to the Resolution.

(c) Unless otherwise required by law, the Issuer shall submit the information in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under the Resolution and this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all the Securities.

Section 7. Issuer Contact Agent. Information may be obtained from the Issuer Contact. Additionally, the Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under the Resolution and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 8. Amendment Waiver. Notwithstanding any other provision of the Resolution or this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the following conditions are met:

(a)(i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or the type of business conducted; or

(ii) This Disclosure Certificate, as amended or waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of beneficial owners of the Securities, as determined and certified to the Issuer by an underwriter, financial advisor, bond counsel or trustee.

In the event this Disclosure Certificate is amended for any reason other than to cure any ambiguities, inconsistencies, or typographical errors that may be contained herein, the Issuer agrees the next Annual Report it submits after such amendment shall include an explanation of the reasons for the amendment and the impact of the change, if any, on the type of financial statements or operating data being provided.

If the amendment concerns the accounting principles to be followed in preparing financial statements, then the Issuer agrees that it will give an event notice and that the next Annual Report it submits after such amendment will include a comparison between financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. (a) Except as described in the Final Official Statement, in the previous five years, the Issuer has not failed to comply in all material respects with any previous undertakings under the Rule to provide annual reports or notices of events.

(b) In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of the Securities may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under the Resolution and this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Securities and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and holders from time to time of the Securities, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 1st day of May, 2018.

(SEAL)

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Stephen R. Olson  
Mayor

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Sandra L. Wesolowski  
City Clerk

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