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R. C. No. 36 - 23 - 24. By FINANCE AND PERSONNEL COMMITTEE. July 3, 2023.

Your Committee to whom was referred Res. No. 21-23-24 appointing Bond Trust Services Corporation as fiscal agent in connection with certain outstanding obligations; recommends adopting the Resolution.

_____	_____
_____	_____
_____	_____

Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Dated \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, City Clerk

Approved \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, Mayor

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Res. No. 71 - 23 - 24. By Alderpersons Mitchell and Filicky-Peneski.  
June 19, 2023.

A RESOLUTION appointing Bond Trust Services Corporation as fiscal agent in connection with certain outstanding obligations.

WHEREAS, the City of Sheboygan, Wisconsin (the "City") has outstanding certain debt obligations described below (collectively, the "Obligations"):

1. \$3,400,000 General Obligation Promissory Notes, Series 2016A, dated April 20, 2016;
2. \$7,525,000 Taxable General Obligation Promissory Notes, Series 2016B, dated April 20, 2016;
3. \$5,000,000 General Obligation Promissory Notes, Series 2017A, dated May 15, 2017;
4. \$6,335,000 General Obligation Promissory Notes, 2018, dated July 2, 2018;
5. \$5,015,000 General Obligation Refunding Bonds, Series 2018, dated December 5, 2018;
6. \$3,800,000 Taxable General Obligation Refunding Bonds, Series 2018, dated December 5, 2018;
7. \$6,630,000 General Obligation Corporate Purpose Bonds, Series 2019A, dated July 29, 2019;
8. \$4,225,000 General Obligation Community Development Bonds, Series 2019B, dated July 29, 2019;
9. \$2,960,000 Taxable General Obligation Refunding Bonds, Series 2019C, dated July 29, 2019;
10. \$4,985,000 General Obligation Promissory Notes, Series 2020A, dated May 18, 2020;
11. \$4,635,000 General Obligation Refunding Bonds, Series 2020C, dated September 15, 2020;
12. \$11,510,000 Taxable General Obligation Refunding Bonds, Series 2020D, dated November 16, 2020;
13. \$5,125,000 General Obligation Promissory Notes, Series 2021A, dated April 1, 2021;
14. \$3,600,000 Taxable General Obligation Refunding Bonds, Series 2021B, dated April 1, 2021; and

WHEREAS, the Obligations were issued in book-entry-only form registered in the name of CEDE & CO. as nominee of The Depository Trust Company, New York, New York ("DTC"), and DTC acts as securities depository for the Obligations; and

WHEREAS, the Common Council deems it to be necessary, desirable, and in the best interest of the City to appoint a bank or trust company to serve as fiscal agent and to perform the duties of registrar and fiscal agent for such Obligations; and


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WHEREAS, the City is currently acting as fiscal agent for the Obligations and deems it to be necessary, desirable, and in the best interest of the City to appoint Bond Trust Services Corporation as successor paying agent for the Obligations.

NOW, THEREFORE, BE IT RESOLVED: Appointment of Fiscal Agent. That the principal of and interest on the Obligations 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 Wis. Stats. § 67.10(2) (the "Fiscal Agent"), to be effective immediately upon adoption and approval as of the date of this resolution.

BE IT FURTHER RESOLVED: Fiscal Agency Agreement. That the Fiscal Agency Agreement between the City and the Fiscal Agent shall be substantially in the form attached hereto and is hereby approved, and the City shall pay such fees and expenses of the Fiscal Agent set forth in the Fiscal Agency Agreement. The Finance Director is hereby authorized to execute the Fiscal Agency Agreement.

BE IT FURTHER RESOLVED: Notice of Appointment of Fiscal Agent. The officers of the City are authorized and directed to work with the City's financial advisor and dissemination agent, Ehlers & Associates, Inc., to provide notice of the appointment of the Fiscal Agent to DTC and to issue a material event notice regarding the appointment of the Fiscal Agent in accordance with the terms of the City's continuing disclosure obligations with respect to the Obligations under Rule 15c2-12 of the Securities and Exchange Commission.

A handwritten signature in dark ink, appearing to read "Robert H. Hickey, Jr.", is written over a horizontal line. The signature is fluid and cursive.

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Dated \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, City Clerk

Approved \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, Mayor





## AGREEMENT RELATING TO PAYING AGENCY, REGISTRAR, AND TRANSFER AGENCY

THIS AGREEMENT, entered into on June 2, 2023, by and between the City of Sheboygan, Wisconsin (the "Issuer") and **BOND TRUST SERVICES CORPORATION**, a wholly owned subsidiary of Ehlers & Associates, Inc. (the "Agent"), a corporation duly organized and existing as a limited purpose trust company under the laws of the State of Minnesota, Section 48A.03.

WHEREAS, the Issuer has by Resolution (the "Bond Resolution"), authorized the issuance of the below (the "Bonds/Notes");

- \$3,400,000 General Obligation Promissory Notes, Series 2016A
- \$7,525,000 Taxable General Obligation Promissory Notes, Series 2016B
- \$5,000,000 General Obligation Promissory Notes, Series 2017A
- \$6,335,000 General Obligation Promissory Notes, 2018
- \$5,015,000 General Obligation Refunding Bonds, Series 2018
- \$3,800,000 Taxable General Obligation Refunding Bonds, Series 2018
- \$6,630,000 General Obligation Corporate Purpose Bonds, Series 2019A
- \$4,225,000 General Obligation Community Development Bonds, Series 2019B
- \$2,960,000 Taxable General Obligation Refunding Bonds, Series 2019C
- \$4,985,000 General Obligation Promissory Notes, Series 2020A
- \$4,635,000 General Obligation Refunding Bonds, Series 2020C
- \$11,510,000 Taxable General Obligation Refunding Bonds, Series 2020D
- \$5,125,000 General Obligation Promissory Notes, Series 2021A
- \$3,600,000 Taxable General Obligation Refunding Bonds, Series 2021

WHEREAS, the Issuer has designated the Agent as the paying agent, registrar and transfer agent for the Bonds/Notes;

WHEREAS, the Agent has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve in such capacities for the Bonds/Notes;



NOW THEREFORE, the Issuer and the Agent, each in consideration of the representations, covenants and agreements of the other as set forth herein, mutually represent, covenant and agree as follows:

**Section 1. Agent's Duties.**

- 1.1 Registrar. The Agent shall keep at its principal corporate trust office in Roseville, Minnesota a Bond Register in which the Agent, in its capacity as registrar, shall provide for the registration of ownership of the Bonds/Notes and the registration of transfers and exchanges of the Bonds/Notes entitled to be registered, transferred or exchanged pursuant to the terms of the Bonds/Notes Resolution and the Bonds/Notes.
- 1.2 Transfer of Bonds/Notes. Upon surrender to the Agent for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Agent duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, together with a guarantee of the signature satisfactory to the Agent, the Agent shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds/Notes of a like aggregate principal amount and maturity, as requested by the transferor. The Agent may, however, close the books for registration of any transfer after the 15th day of the month preceding each interest payment date and until such interest payment date.
- 1.3 Exchange of Bonds/Notes. Whenever any Bonds/Notes are surrendered to the Agent for exchange, the Agent shall authenticate and deliver the Bonds/Notes which, under the Bond Resolution, the owner making the exchange is entitled to receive.
- 1.4 Cancellation. All Bonds/Notes or coupons surrendered upon any transfer or exchange and unissued inventory at maturity shall be marked paid and canceled by the Agent and destroyed pursuant to Minnesota statutes, Section 475.553, subd. 2, unless otherwise directed by the Issuer.
- 1.5 Improper or Unauthorized Transfer. When any Bond is presented to the Agent for transfer, the Agent may refuse to transfer the same until it is satisfied that the endorsement on such Bond or written instrument of transfer is valid and genuine and the requested transfer is legally authorized. The Agent shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.
- 1.6 Persons Deemed Owners. The Agent shall treat the person in whose name any Bond is at any time





registered in the Bond Register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

- 1.7. Taxes, Fees and Charges. For every transfer or exchange of Bonds/Notes the Agent may impose upon the owner thereof a charge sufficient to pay or reimburse the Agent for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange except in the case of the issuance of a Bond or Bonds/Notes for the unredeemed portion of a Bond surrendered for redemption.
- 1.8. Mutilated, Lost, Stolen or Destroyed Bonds/Notes. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Agent shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Agent in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing by the owner with the Agent of evidence satisfactory to it that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Agent of an appropriate bond of indemnity in form, substance and amount as may be required by law and as is satisfactory to the Agent, in which bond the Issuer and the Agent shall be named as obligees. All Bonds/Notes so surrendered to the Agent shall be canceled by it and evidence of such cancellation shall be given to the Issuer. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment, provided that the owner shall first provide the Agent with a bond of indemnity as set forth above.
- 1.9. Records, Statements, Payment of Interest and Principal. The Agent shall:
  - (a) keep true and accurate accounts of the outstanding principal balance of the Bonds/Notes;
  - (b) not less than thirty (30) days before the due date of any principal of or interest on the Bonds/Notes, send a statement to the Issuer of the amount which will be required to pay the principal of and interest on the Bonds/Notes on such date;
  - (c) pay such of the interest on the Bonds/Notes as is due on each stated interest payment date, with the funds received from the Issuer, by check or draft mailed, no later than the interest payment date, to the registered owners of the Bonds/Notes as of the close of business on the 15th day (whether or not a business day) of the preceding month, at their addresses as they appear on the Bond Register;
  - (d) pay such of the principal of the Bonds/Notes as is due on the stated payment dates, with the funds received from the Issuer, upon presentation of the Bonds/Notes for payment;



- (e) if Agent fails to make timely payment, the Agent will pay all charges from depositories for untimely payments;
- (f) forthwith upon presentation and payment of the Bonds/Notes cancel the same and retain and dispose of the same in the manner set forth in Section 1.4 hereof; and

The Agent shall not be required to pay interest on any funds of the Issuer for any period during which such funds are held by the Agent awaiting the interest payment date or the presentation of the Bonds/Notes for payment. Any funds remaining in the possession of the Agent for payment of the Bonds/Notes three (3) years after the date for the payment thereof has expired shall, subject to any applicable escheat law, be returned to the Issuer upon demand.

- 1.10. Reliance on Documents. The Agent may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates, opinions or other documents furnished to the Agent by or on behalf of the Issuer. The Agent shall not be liable for any error or judgment made in good faith by or on behalf of Agent in the performance of the duties of Agent herein.
- 1.11. Delivery of Records to Issuer; Retention. The Agent may, from time to time at its discretion, deliver to the Issuer, for safekeeping or disposition by the Issuer in accordance with law, such records accumulated in the performance of its duties as it may deem expedient, and the Issuer assumes all responsibility for any failure thereafter to produce any paper, record or document so returned, if and when required.

## **Section 2. Issuer's Duties.**

- 2.1 Provision of the Executed Bonds/Notes. The Issuer shall provide the Agent with such executed Bonds/Notes as are required to issue the Bonds/Notes in exchange for or upon transfer of outstanding Bonds/Notes.
- 2.2 Provision of Funds to pay Principal and Interest. The Issuer may pay the Agent for the interest and principal due by check, however, the check must be received by the Agent for deposit no later than *five business days* before the debt service payment date in order for the bondholder payments to be released on the payment date. Check payments received from the Issuer after the deadline will result in bondholder payments being released after a *three business day* clearance. If the Issuer pays by wire, the wire should be sent to the Agent *one business day* prior to the debt service payment date.
- 2.3 Payment of Fees and Charges of Agent. The Issuer shall pay to the Agent reasonable fees and charges for services performed hereunder in accordance with the Agent's fee schedule





attached hereto as Schedule A for the first two years of the Agreement and thereafter according to Agent's then current fee schedule in effect at the time of the service. The fees and charges of said Agent shall in no event become a charge against the funds remitted by the Issuer for payment of principal and interest on the Bonds/Notes.

- 2.4 Payment of Reimbursable Charges Incurred by Agent. The Issuer agrees to reimburse Agent, upon Agent's request, for all reasonable expenses, disbursements and advances incurred or made by the Agent in accordance with any of the provisions of the Agreement (including the reasonable compensation and the expenses and disbursements of its agents and counsel)
- 2.5 Failure to Provide Funds. If available funds needed for payment do not reach the Agent by any interest payment date, payment of items may be refused and the Issuer may be charged for reasonable expenses incurred and extra service performed in accordance with the Agent's fee schedule in effect at the time of the payment date. The Issuer shall pay all charges or penalties from depositories if they fail to make timely payments provided, however, that the Agent agrees to abide by the depository requirement for same day wire transfer of funds for debt service payment.
- 2.6 Indemnification. The Issuer shall indemnify and hold the Agent harmless from and against any loss, cost, charge, expense, judgment or liability that it may incur in the exercise of its powers and duties hereunder and which is not due to its negligence or default.

### **Section 3. Termination.**

This agreement will terminate upon the later of the date of final payment of the principal and interest on the Bonds/Notes to the holders thereof or the date on which any remaining funds held by the Agent are remitted to the Issuer. Either party may terminate this agreement by written notice mailed to the other party at least thirty (30) days prior to termination date, upon which event the Agent shall return all cash and Bonds/Notes in its possession to the Issuer or its order and shall deliver the Bond Register to the Issuer or its order and the Issuer shall pay any accrued and unpaid fees and service charges to the Agent. In the event that such termination is by the Issuer, Issuer shall pay a termination fee as set forth by the Agent at the time of termination. No termination fee will be charged to the Issuer if the termination is due to the failure by the Agent to provide the services outlined in this Agreement. No early termination hereunder shall be effective until a successor Paying Agent/Registrar has been appointed by the Issuer and notice of the appointment of the successor has been given to the holder of Bonds/Notes.





IN WITNESS WHEREOF, the Issuer and the Agent have caused this agreement to be executed in their respective names by their duly authorized representatives, in two counterparts, each of which shall be deemed an original.

City of Sheboygan, Wisconsin  
828 Center Ave  
Sheboygan, WI 53081

By:

\_\_\_\_\_  
Kaitlyn Krueger  
Finance Director

**BOND TRUST SERVICES CORPORATION**

3060 Centre Pointe Drive, Suite 110  
Roseville, MN 55113

By:

Nicole Aly  
Paying Agent Administrator

## REGISTRAR AND PAYING AGENT FEE SCHEDULE FOR BOOK-ENTRY ONLY TRANSACTION

### ~~I. Initial Fee: \$450.00~~

*Waive for  
the City*

~~The initial fee payable at closing covers:~~

- ~~1) Review of final bond documents;~~
- ~~2) Communication with Municipal Advisor and Bond Counsel;~~
- ~~3) Coordination of delivery of Bond(s) for closing; and~~
- ~~4) Set up of necessary accounts and records.~~

### II. Annual Administration Fee: \$475.00

The annual fee, payable in advance, covers:

- 1) Invoicing and collection of scheduled debt service payments;
- 2) Documentation and wiring of scheduled debt service payments;
- 3) Handling all correspondence and communications with The Depository Trust Company;
- 4) Maintenance of Issuer's account;
- 5) Destruction of Bond(s);
- 6) Processing of optional redemption notices; and
- 7) Audit verification letters.

### III. Additional Services:

- 1) Processing of Mandatory Sinking Fund Notices - \$100 per notice

Fees for services other than those listed above not contemplated at the time of issuance will be charged based on the type of service performed, expenses incurred, time involved, and responsibility assumed.

*The above fees may be subject to periodic review and/or adjustment.*