

VIII

R. C. No. 44 - 23 - 24. By FINANCE AND PERSONNEL COMMITTEE. July 17, 2023.

Your Committee to whom was referred Res. No. 24-23-24 by Alderpersons Mitchell and Filicky-Peneski authorizing the transfer of funds, the establishment of an escrow account with respect to and the defeasance of certain of the General Obligation Promissory Notes, dated July 2, 2018; 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

III
Res. No. 24 - 23 - 24. By Alderpersons Mitchell and Filicky-Peneski.
July 3, 2023.

RESOLUTION AUTHORIZING THE TRANSFER OF FUNDS, THE ESTABLISHMENT OF AN ESCROW ACCOUNT WITH RESPECT TO AND THE DEFEASANCE OF CERTAIN OF THE GENERAL OBLIGATION PROMISSORY NOTES, DATED JULY 2, 2018.

WHEREAS, the City of Sheboygan, Sheboygan County, Wisconsin (the "City") has outstanding its General Obligation Promissory Notes, dated July 2, 2018 (the "2018 Notes") which were issued for the purpose of paying the cost of various construction, improvement and acquisition projects set forth in the City's 2018 Capital Improvement Plan, including building repairs and renovations, street and sidewalk repair and improvements, park improvements and upgrades, and the acquisition of motor vehicles, fire engines, and other equipment, and Tax Incremental District No. 14 and Tax Incremental District No. 16 projects;

WHEREAS, the City has funds on hand (the "Funds") sufficient to defease the portion of the debt service on the 2018 Notes which financed Tax Incremental District No. 14 projects;

WHEREAS, the Common Council of the City deems it desirable and in the best interest of the City to transfer and apply such Funds to the defeasance and early redemption of that portion of the 2018 Notes; and

WHEREAS, since the 2018 Notes are not currently callable, it is necessary for the available Funds to be irrevocably deposited into an escrow account, invested in direct obligations of the United States of America, treated as a portion of the debt service fund for the 2018 Notes and applied to pay the principal of and interest on \$85,000 of the 2023 maturity, \$85,000 of the 2024 maturity, and \$90,000 of the 2025 maturity on their respective maturity dates, and \$90,000 of the 2026 maturity and \$90,000 of the 2027 maturity of the 2018 Notes on their December 1, 2025 early redemption date (collectively, the "Defeased Obligations").

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

1. Establishment of Escrow Account. The Common Council hereby authorizes and directs the officers of the City to enter into an Escrow Agreement with Zions Bancorporation, National Association, Chicago, Illinois, as Escrow Agent (the "Escrow Agent"), for the purpose of effecting the provisions of this Resolution.

2. Transfer and Deposit to Escrow Account. The Common Council hereby authorizes and approves the transfer and deposit of the Funds into the Escrow Account to be established with the Escrow Agent in an amount sufficient, together with earnings thereon, to provide for the payment of the Defeased

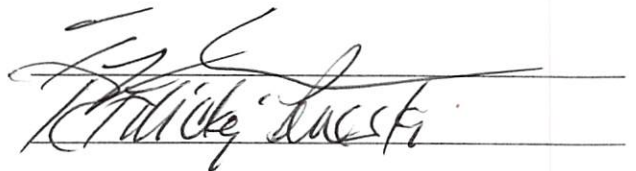
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Obligations concurrently with the execution of the Escrow Agreement, and the subsequent use, investment and disbursement thereof by the Escrow Agent in the manner provided by the Escrow Agreement.

3. Professional Services. The Common Council hereby ratifies and approves the retention of Ehlers & Associates, Inc. ("Ehlers") to provide financial advisory services in connection with this transaction; Quarles & Brady LLP ("Bond Counsel") to provide limited, special counsel legal services in connection with this transaction; and Robert Thomas CPA, LLC to provide mathematical verification and related services in connection with this transaction.

4. Redemption of the Defeased Obligations, Notice of Defeasance and Redemption. The Defeased Obligations maturing on December 1, 2026 and December 1, 2027 are hereby called for redemption on December 1, 2025. The Common Council hereby directs the Escrow Agent pursuant to the Escrow Agreement to provide a notice of the defeasance of the Defeased Obligations and a notice with respect to the redemption of the Defeased Obligations maturing on December 1, 2026 and December 1, 2027 at the times and in the manner set forth in the final Escrow Agreement.

5. Authorization of Officers and Agents. The Common Council hereby authorizes the appropriate officers and agents of the City to work with Ehlers and the Escrow Agent to review and approve the finalized Escrow Agreement including the escrow deposit and other details, to provide the notices of defeasance and redemption and to execute and deliver all documents required by Bond Counsel with respect to this transaction.



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 _____, 2023. _____, City Clerk

Approved _____, 2023. _____, Mayor