

Sub. 1 to 2014 RES-127

RESOLUTION AWARDING THE SALE OF GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2014A

WHEREAS, on May 15, 2014, the County Board of Supervisors of Dane County, Wisconsin (the "County") adopted a resolution by a 3/4 vote entitled: "An Initial Resolution Authorizing General Obligation Bonds and Promissory Notes" (the "Initial Resolution") authorizing the issuance of not to exceed \$84,495,000 General Obligation Bonds and Promissory Notes for public purposes, consisting of paying the cost of various items included in the County's Capital Budget, including but not limited to: general government, human services, public safety, culture, education and recreation; conservation; and public works projects, as listed with estimated amounts in the Initial Resolution;

WHEREAS, the County Board of Supervisors now deems it to be necessary, desirable and in the best interest of the County that the County issue general obligation promissory notes in the aggregate principal amount of \$35,075,000 (the "Notes") for the purpose of paying the cost of the projects described in the Initial Resolution with a term of 10 years or less other than the Airport Parking Ramp Project;

WHEREAS, in the Initial Resolution, the County directed Ehlers & Associates, Inc. ("Ehlers") to take the steps necessary to sell the Notes;

WHEREAS, Ehlers, in consultation with the officials of the County, prepared a Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Notes and indicating that the Notes would be offered for public sale on June 12, 2014;

WHEREAS, the County Clerk (in consultation with Ehlers) caused a form of notice of the sale to be published and/or announced and caused the Notice of Sale to be distributed to potential bidders offering the Notes for public sale on June 12, 2014;

WHEREAS, the County has duly received bids for the Notes as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation"); and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Notice of Sale and is deemed to be the most advantageous to the County. Ehlers has recommended that the County accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED by the County Board of Supervisors of the County that:

Section 1A. Ratification of the Notice of Sale and Offering Materials. The County Board of Supervisors of the County hereby ratifies and approves the details of the Notes set forth

in Exhibit A attached hereto as and for the details of the Notes. The Notice of Sale and any other offering materials prepared and circulated by Ehlers are hereby ratified and approved in all respects. All actions taken by officers of the County and Ehlers in connection with the preparation and distribution of the Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 1B. Award of the Notes. The Proposal of the Purchaser offering to purchase the Notes for the sum set forth on the Proposal, plus accrued interest to the date of delivery, resulting in a true interest cost as set forth on the Proposal is hereby accepted. The Chairperson and County Clerk or other appropriate officers of the County are authorized and directed to execute an acceptance of the Proposal on behalf of the County. The good faith deposit of the Purchaser shall be retained by the County Treasurer until the closing of the note issue, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned. The Notes bear interest at the rates set forth on the Proposal.

Section 2. Terms of the Notes. The Notes shall be designated "General Obligation Promissory Notes, Series 2014A"; shall be issued in the aggregate principal amount of \$35,075,000; shall be dated their date of issuance; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rates per annum and mature on June 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit D-1 and incorporated herein by this reference. Interest is payable semi-annually on June 1 and December 1 of each year commencing on December 1, 2014. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The schedule of principal and interest payments due on the Notes is set forth on the Debt Service Schedule attached hereto as Exhibit D-2 and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Notes maturing on June 1, 2022 and thereafter shall be subject to redemption prior to maturity, at the option of the County, on June 1, 2021 or on any date thereafter. Said Notes shall be redeemable as a whole or in part, and if in part, from maturities selected by the County and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

Section 4. 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 E and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same becomes due, the full faith, credit and resources of the County are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the County a direct annual irrepealable tax in the years 2014 through 2023 for the payments due in the years 2014 through 2024 in the amounts set forth on the Schedule. The amount of tax levied in the year 2014 shall be the total amount of debt service due on the Notes in the years 2014 and 2015; provided that the amount of such tax carried onto

the tax rolls shall be abated by any amounts appropriated pursuant to subsection (D) below which are applied to payment of interest on the Notes in the year 2014.

(B) Tax Collection. So long as any part of the principal of or interest on the Notes remains unpaid, the County shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Notes, said tax shall be, from year to year, carried onto the tax roll of the County and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the County for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Notes when due, the requisite amounts shall be paid from other funds of the County then available, which sums shall be replaced upon the collection of the taxes herein levied.

(D) Appropriation. The County hereby appropriates from proceeds of the Notes or other funds of the County on hand a sum sufficient to be irrevocably deposited in the segregated Debt Service Fund Account created below and used to pay the interest on the Notes coming due on December 1, 2014 as set forth on the Schedule.

#### Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the County, 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 County 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 \$35,075,000 General Obligation Promissory Notes, Series 2014A, dated July 2, 2014" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. The County Treasurer shall deposit in the Debt Service Fund Account (i) all accrued interest received by the County at the time of delivery of and payment for the Notes; (ii) any premium which may be received by the County above the par value of the Notes and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Notes when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Notes when due; (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 (i) the funds to provide for each payment of principal of and interest on the Notes prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Notes may be used to reduce the next succeeding tax levy, or may, at the option of the County, be invested by purchasing the Notes as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or 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. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(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 County, unless the County Board of Supervisors directs otherwise.

Section 7. 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 County and disbursed solely for the purposes for which borrowed or for the payment of the principal of and the interest on the Notes. In no event shall monies in the Borrowed Money Fund be used to fund operating expenses of the general fund of the County or of any special revenue fund of the County that is supported by property taxes. 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 purposes for which the Notes have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purposes shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the County, charged with the responsibility for issuing the Notes, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Notes to the Purchaser which will permit the conclusion that the Notes are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The County represents and covenants that the projects financed by the Notes and the ownership, management and use of the projects will not cause the Notes to be "private activity bonds" within the meaning of Section 141 of the Code. The County further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Notes including, if applicable, the rebate requirements of Section 148(f) of the Code. The County further covenants that it will not take any action, omit to take any action or permit the taking or

omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Notes) if taking, permitting or omitting to take such action would cause any of the Notes to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Notes to be included in the gross income of the recipients thereof for federal income tax purposes. The County Clerk or other officer of the County charged with the responsibility of issuing the Notes shall provide an appropriate certificate of the County certifying that the County can and covenanting that it will comply with the provisions of the Code and Regulations.

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

Section 10. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the County by the manual or facsimile signatures of the Chairperson and County 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 County 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 County 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 County hereby authorizes the officers and agents of the County 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 the County Clerk or County Treasurer (the "Fiscal Agent").

Section 12. Persons Treated as Owners; Transfer of Notes. The County 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 Chairperson and County 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 County shall cooperate in any such transfer, and the Chairperson and County Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 13. Record Date. The fifteenth day of each 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 County 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 County agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations previously executed on behalf of the County and on file in the County Clerk's office.

Section 15. Payment of Issuance Expenses. The County 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 Ehlers.

Section 16. Official Statement. The County Board of Supervisors 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 County in connection with the preparation of such Preliminary Official Statement and any addenda to it are hereby ratified and approved. In connection with the Closing, the appropriate County official shall certify the Preliminary Official Statement and any addenda. The County Clerk shall cause copies of the Preliminary Official Statement and any addenda to be distributed to the Purchaser.

Section 17. Undertaking to Provide Continuing Disclosure. The County 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 County 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 Chairperson and County Clerk, or other officer of the County 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 County's Undertaking.

Section 18. Record Book. The County 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 County are authorized to take all actions necessary to obtain such municipal bond insurance. The Chairperson and County Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Chairperson and County 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 County Board of Supervisors 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.

EXHIBIT A

Notice of Sale

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

(See Attached)



## NOTICE OF SALE

### **\$35,435,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2014A DANE COUNTY, WISCONSIN**

Bids for the purchase of \$35,435,000\* General Obligation Promissory Notes, Series 2014A (the "Notes") of Dane County, Wisconsin (the "County") will be received at the offices of Ehlers & Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Financial Advisors to the County, until 09:30 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 09:30 A.M. Central Time, on June 12, 2014, at which time they will be opened, read and tabulated. The bids will be presented to the Board of Supervisors for consideration for award by resolution at a meeting to be held at 7:00 P.M., Central Time, on the same date. The bid offering to purchase the Notes upon the terms specified herein and most favorable to the County will be accepted unless all bids are rejected.

#### **PURPOSE**

The Notes are being issued pursuant to Wisconsin Statutes, Section 67.12(12) for the public purpose of financing capital projects within the County. The Notes are general obligations of the County, and all the taxable property in the County is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount.

#### **DATES AND MATURITIES**

The Notes will be dated July 2, 2014, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on June 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2015	\$4,255,000	2019	\$4,195,000	2023	\$2,920,000
2016	4,280,000	2020	2,715,000	2024	3,010,000
2017	4,320,000	2021	2,770,000		
2018	4,130,000	2022	2,840,000		

#### **ADJUSTMENT OPTION**

\* The County reserves the right to increase or decrease the amount of any individual maturity of the Notes in increments of \$5,000 on the day of sale. If individual maturities are increased or decreased, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

#### **TERM BOND OPTION**

Bids for the Notes may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

## INTEREST PAYMENT DATES AND RATES

Interest will be payable on June 1 and December 1 of each year, commencing December 1, 2014, 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 MSRB. **The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2017 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.)** All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

## BOOK-ENTRY-ONLY FORMAT

Unless otherwise specified by the purchaser, the Notes will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Notes, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Notes. So long as Cede & Co. is the registered owner of the Notes, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Notes.

## OPTIONAL REDEMPTION

At the option of the County, Notes maturing on or after June 1, 2022 shall be subject to redemption prior to maturity on June 1, 2021 and 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 County. If only part of the Notes having a common maturity date are called for redemption, then the County 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 fewer 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.

## DELIVERY

On or about July 2, 2014, the Notes will be delivered without cost to the winning bidder at DTC. On the day of closing, the County will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Notes is then pending or, to the best knowledge of officers of the County, threatened. Payment for the Notes must be received by the County at its designated depository on the date of closing in immediately available funds.

## LEGAL OPINION

An opinion as to the validity of the Notes and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, bond counsel to the County, and will accompany the Notes. The legal opinion

will be issued on the basis of existing law and will state that the Notes are valid and binding general obligations of the County; 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).

### SUBMISSION OF BIDS

Bids must not be for less than \$35,685,000, nor more than \$36,143,700, plus accrued interest on the principal sum of \$35,435,000 from date of original issue of the Notes to date of delivery. A signed bid form must be submitted to Ehlers prior to the time established above for the opening of bids as follows:

- 1) In a sealed envelope as described herein; or
- 2) A facsimile submission to Ehlers, Facsimile Number (651) 697-8555; or
- 3) Electronically via **PARITY** in accordance with this Notice of Sale until 09:30 A.M. Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact Ehlers or i-Deal LLC at 1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018, Telephone (212) 849-5021.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the County nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit (the "Deposit") in the amount of \$708,700, complying with the provisions below, must be submitted with each bid. The Deposit must be in the form of a certified or cashier's check, or a financial surety bond or a wire transfer of funds to **KleinBank, 1550 Audubon Road, Chaska, Minnesota, ABA No. 091915654 for credit: Ehlers & Associates Good Faith Account No. 3208138**. The Deposit will be retained by the County as liquidated damages if the bid is accepted and the bidder fails to comply therewith. The Deposit will be deducted from the purchase price at the closing for the Notes.

The Deposit, payable to the County, shall be retained in the offices of Ehlers with the same effect as if delivered to the County. Alternatively, bidders may wire the Deposit to **KleinBank, 1550 Audubon Road, Chaska, Minnesota, ABA No. 091915654 for credit: Ehlers & Associates Good Faith Account No. 3208138**. The County and any bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the losing bidder; 3) If the bid is accepted, the Deposit shall be deducted from the purchase price at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

If a financial surety bond is used, it must be from an insurance company licensed to issue such a bond in the State of Wisconsin, and preapproved by the County. Such bond must be submitted to Ehlers prior to the opening of the bids. Such bond must identify each bidder whose Deposit is guaranteed by such financial surety bond. If the Notes are awarded to a bidder using a financial surety bond, then that bidder is required to submit its Deposit to Ehlers in the form of a certified or cashier's check or wire transfer as instructed by Ehlers not later than 3:00 P.M., Central Time, on the next business day following the award. If such Deposit is not received by that time, the financial surety bond

may be drawn by the County to satisfy the Deposit requirement. The amount securing the successful bid will be retained as liquidated damages if the bid is accepted and the bidder fails to comply therewith. No bid can be withdrawn after the time set for receiving bids unless the meeting of the County scheduled for award of the Notes is adjourned, recessed, or continued to another date without award of the Notes having been made.

### **AWARD**

The Notes will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The County's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Notes will be awarded by lot. The County reserves the right to reject any and all bids and to waive any informality in any bid.

### **BOND INSURANCE**

If the Notes are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the County requested and received a rating on the Notes from a rating agency, the County will pay that rating fee. Any rating agency fees not requested by the County are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Notes are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Notes.

### **CUSIP NUMBERS**

The County will assume no obligation for the assignment or printing of CUSIP numbers on the Notes or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

### **NON-QUALIFIED TAX-EXEMPT OBLIGATIONS**

The County will not designate the Notes as qualified tax-exempt obligations for purposes of Section 265(b)(3).

### **CONTINUING DISCLOSURE**

In order to assist bidders in complying with SEC Rule 15c2-12, as amended, the County will covenant to undertake (pursuant to a Resolution to be adopted by the Board of Supervisors), to provide annual reports and timely notice of certain events for the benefit of holders of the Notes. The details and terms of the undertaking are set forth in a Continuing Disclosure Certificate to be executed and delivered by the County, a form of which is included in the Preliminary Official Statement. As a condition of closing, the County will deliver a Continuing Disclosure Certificate at closing (in addition to the legal opinion and non-litigation certificate) setting forth the details and terms of the County's undertaking.

### **INFORMATION FROM WINNING BIDDER**

The winning bidder will be required to provide, in a timely manner, certain information relating to the initial offering prices of the Notes necessary to compute the yield on the Notes pursuant to the provisions of the Internal Revenue Code of 1986, as amended.

## **PRELIMINARY OFFICIAL STATEMENT**

Bidders may obtain a copy of the Preliminary Official Statement relating to the Notes prior to the bid opening by request from Ehlers at [www.ehlers-inc.com](http://www.ehlers-inc.com) by connecting to the link to the Bond Sales. The Syndicate Manager will be provided with an electronic copy and up to 10 printed copies upon request of the Final Official Statement within seven business days of the bid acceptance. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

Information for bidders and bid forms may be obtained from Ehlers at 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Telephone (651) 697-8500.

By Order of the Board of Supervisors

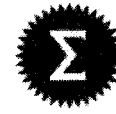
Charles Hicklin, County Controller  
Dane County, Wisconsin

EXHIBIT B

Bid Tabulation

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

(See Attached)



**BID TABULATION**

**\$35,435,000\* General Obligation Promissory Notes, Series 2014A**

**Dane County, Wisconsin**

**SALE: June 12, 2014**

**AWARD: HUTCHINSON, SHOCKEY, ERLEY & CO.**

**Rating: Moody's Investor's Service "Aa1"**  
Fitch IBCA "AA+"

**BBI: 4.37%**

<b>NAME OF BIDDER</b>	<b>MATURITY (June 1)</b>	<b>RATE</b>	<b>REOFFERING YIELD</b>	<b>PRICE</b>	<b>NET INTEREST COST</b>	<b>TRUE INTEREST RATE</b>
HUTCHINSON, SHOCKEY, ERLEY & CO. Chicago, Illinois	2015	1.000%	0.300%	\$36,112,184.25	\$3,493,177.07	1.9582%
	2016	2.000%	0.430%			
	2017	2.000%	0.760%			
	2018	1.500%	1.150%			
	2019	2.000%	1.480%			
	2020	2.000%	1.780%			
	2021	2.125%	2.125%			
	2022	4.000%	2.230%			
	2023	2.500%	2.500%			
	2024	2.625%	2.625%			
FTN FINANCIAL CAPITAL MARKETS Memphis, Tennessee	2015	1.000%		\$36,018,165.90	\$3,554,175.35	1.9979%
	2016	2.000%				
	2017	2.000%				
	2018	2.000%				
	2019	2.000%				
	2020	2.000%				
	2021	3.000%				
	2022	2.250%				
	2023	2.500%				
	2024	3.000%				

\* Subsequent to bid opening the issue size was decreased to \$35,075,000.

Adjusted Price - \$35,741,028.96

Adjusted Net Interest Cost - \$3,450,473.47

Adjusted TIC - 1.9597%



NAME OF BIDDER	MATURITY (June 1)	RATE	REOFFERING YIELD	PRICE	NET INTEREST COST	TRUE INTEREST RATE
BAIRD				\$36,056,865.10	\$3,757,313.37	2.1089%
Milwaukee, Wisconsin	2015	2.000%				
	2016	2.000%				
	2017	2.000%				
	2018	2.000%				
	2019	2.000%				
	2020	2.000%				
	2021	2.500%				
	2022	3.000%				
	2023	3.000%				
	2024	3.000%				
WELLS FARGO SECURITIES				\$35,939,628.30	\$3,778,792.81	2.1262%
New York, New York	2015	2.000%				
	2016	2.000%				
	2017	2.000%				
	2018	2.000%				
	2019	2.000%				
	2020	2.000%				
	2021	2.000%				
	2022	3.000%				
	2023	3.000%				
	2024	3.000%				





EXHIBIT C

Winning Bid

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

(See Attached)

# BID FORM

The Board of Supervisors  
Dane County, Wisconsin

June 12, 2014

RE: \$35,435,000\* General Obligation Promissory Notes, Series 2014A  
DATED: July 2, 2014

For all or none of the above Notes, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Preliminary Official Statement, we will pay you \$ 36,112,184.25 (not less than \$35,685,000, nor more than \$36,143,700) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

<u>1.00</u>	% due	2015	<u>2.00</u>	% due	2019	<u>2.50</u>	% due	2023
<u>2.00</u>	% due	2016	<u>2.00</u>	% due	2020	<u>2.625</u>	% due	2024
<u>2.00</u>	% due	2017	<u>2.125</u>	% due	2021			
<u>1.50</u>	% due	2018	<u>4.00</u>	% due	2022			

\* The County reserves the right to increase or decrease the amount of any individual maturity of the Notes in increments of \$5,000 on the day of sale. If individual maturities are increased or decreased, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2017 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.) All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

We enclose our good faith deposit in the amount of \$708,700, to be held by you pending delivery and payment. Alternatively, we have provided a financial surety bond or have wired our good faith deposit to the KleinBank, 1550 Audubon Road, Chaska, Minnesota, ABA No. 091915654 for credit: Ehlers & Associates Good Faith Account No. 3208138. If our bid is not accepted, said deposit shall be promptly returned to us. If the good faith deposit is wired to such escrow account, we agree to the conditions and duties of Ehlers & Associates, Inc., as escrow holder of the good faith deposit, pursuant to the Preliminary Official Statement dated May 30, 2014. This bid is for prompt acceptance and is conditional upon deposit of said Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about July 2, 2014.

This bid is subject to the County's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Preliminary Official Statement for this Issue.

We have received and reviewed the Preliminary Official Statement and have submitted our requests for additional information or corrections to the Final Official Statement. As Syndicate Manager, we agree to provide the County with the reoffering price of the Notes within 24 hours of the bid acceptance.

Account Manager: Hutchinson, Shockey, Erley & Co.

By: 

Account Members: NONE

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from July 2, 2014 of the above bid is \$3,493,177.07 and the true interest cost (TIC) is 1.9582 %.

The foregoing offer is hereby accepted by and on behalf of the Board of Supervisors of Dane County, Wisconsin, on June 12, 2014.

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

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

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Subsequent to bid opening the issue size was decreased to \$35,075,000.

Adjusted Price - \$35,741,028.96

Adjusted Net Interest Cost - \$3,450,473.47

Adjusted TIC - 1.9597%

EXHIBIT D-1

Pricing Summary

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

(See Attached)

# Dane County

## \$35,075,000 General Obligation Promissory Notes, Series 2014A

### Issue Summary

Dated: July 2, 2014 Winning Bidder: Hutchinson, Shockey, Erley & Co.

### Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
06/01/2015	Serial Coupon	1.000%	0.300%	4,425,000.00	100.638%	4,453,231.50
06/01/2016	Serial Coupon	2.000%	0.430%	4,145,000.00	102.989%	4,268,894.05
06/01/2017	Serial Coupon	2.000%	0.760%	4,225,000.00	103.566%	4,375,663.50
06/01/2018	Serial Coupon	1.500%	1.150%	4,065,000.00	101.335%	4,119,267.75
06/01/2019	Serial Coupon	2.000%	1.480%	4,135,000.00	102.455%	4,236,514.25
06/01/2020	Serial Coupon	2.000%	1.780%	2,670,000.00	101.229%	2,702,814.30
06/01/2021	Serial Coupon	2.125%	2.125%	2,725,000.00	100.000%	2,725,000.00
06/01/2022	Serial Coupon	4.000%	2.230%	2,810,000.00	111.281%	3,126,996.10
06/01/2023	Serial Coupon	2.500%	2.500%	2,900,000.00	100.000%	2,900,000.00
06/01/2024	Serial Coupon	2.625%	2.625%	2,975,000.00	100.000%	2,975,000.00
<b>Total</b>	-	-	-	<b>\$35,075,000.00</b>	-	<b>\$35,883,381.45</b>

### Bid Information

Par Amount of Bonds	\$35,075,000.00
Reoffering Premium or (Discount)	808,381.45
Gross Production	\$35,883,381.45
Total Underwriter's Discount (0.406%)	\$(142,352.49)
Bid (101.899%)	35,741,028.96
Total Purchase Price	\$35,741,028.96
Bond Year Dollars	\$172,729.65
Average Life	4.925 Years
Average Coupon	2.3832055%
Net Interest Cost (NIC)	1.9976151%
True Interest Cost (TIC)	1.9597394%

EXHIBIT D-2

Debt Service Schedule and Irrepealable Tax Levies

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

(See Attached)

# Dane County

## \$35,075,000 General Obligation Promissory Notes, Series 2014A

### Issue Summary

Dated: July 2, 2014 Winning Bidder: Hutchinson, Shockey, Erley & Co.

### Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
07/02/2014	-	-	-	-	-
12/01/2014	-	-	301,983.68	301,983.68	301,983.68
06/01/2015	4,425,000.00	1.000%	364,812.50	4,789,812.50	-
12/01/2015	-	-	342,687.50	342,687.50	5,132,500.00
06/01/2016	4,145,000.00	2.000%	342,687.50	4,487,687.50	-
12/01/2016	-	-	301,237.50	301,237.50	4,788,925.00
06/01/2017	4,225,000.00	2.000%	301,237.50	4,526,237.50	-
12/01/2017	-	-	258,987.50	258,987.50	4,785,225.00
06/01/2018	4,065,000.00	1.500%	258,987.50	4,323,987.50	-
12/01/2018	-	-	228,500.00	228,500.00	4,552,487.50
06/01/2019	4,135,000.00	2.000%	228,500.00	4,363,500.00	-
12/01/2019	-	-	187,150.00	187,150.00	4,550,650.00
06/01/2020	2,670,000.00	2.000%	187,150.00	2,857,150.00	-
12/01/2020	-	-	160,450.00	160,450.00	3,017,600.00
06/01/2021	2,725,000.00	2.125%	160,450.00	2,885,450.00	-
12/01/2021	-	-	131,496.88	131,496.88	3,016,946.88
06/01/2022	2,810,000.00	4.000%	131,496.88	2,941,496.88	-
12/01/2022	-	-	75,296.88	75,296.88	3,016,793.76
06/01/2023	2,900,000.00	2.500%	75,296.88	2,975,296.88	-
12/01/2023	-	-	39,046.88	39,046.88	3,014,343.76
06/01/2024	2,975,000.00	2.625%	39,046.88	3,014,046.88	-
12/01/2024	-	-	-	-	3,014,046.88
<b>Total</b>	<b>\$35,075,000.00</b>	<b>-</b>	<b>\$4,116,502.46</b>	<b>\$39,191,502.46</b>	<b>-</b>

### Yield Statistics

Bond Year Dollars	\$172,729.65
Average Life	4.925 Years
Average Coupon	2.3832054%
Net Interest Cost (NIC)	1.9976150%
True Interest Cost (TIC)	1.9597393%
Bond Yield for Arbitrage Purposes	1.8416343%
All Inclusive Cost (AIC)	1.6093895%

### IRS Form 8038

Net Interest Cost	1.8706272%
Weighted Average Maturity	4.928 Years

EXHIBIT E

(Form of Note)

REGISTERED UNITED STATES OF AMERICA DOLLARS  
STATE OF WISCONSIN  
NO. R-\_\_\_\_ DANE COUNTY \$\_\_\_\_\_  
GENERAL OBLIGATION PROMISSORY NOTE, SERIES 2014A

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:  
June 1, \_\_\_\_\_ July 2, 2014 \_\_\_\_\_% \_\_\_\_\_

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

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

FOR VALUE RECEIVED, Dane County, Wisconsin (the "County"), 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 is payable semi-annually on June 1 and December 1 of each year commencing on December 1, 2014 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 the County Clerk or County Treasurer (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Note together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the County are hereby irrevocably pledged.

This Note is one of an issue of Notes aggregating the principal amount of \$35,075,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the County pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, for public purposes including paying the cost of various items included in the County's Capital Budget including but not limited to: general government; human services; public safety; culture, education and recreation; conservation; and public works projects, all as

authorized by resolutions of the County Board of Supervisors duly adopted by said governing body at meetings held on May 15, 2014 and June 12, 2014. Said resolutions are recorded in the official minutes of the County Board of Supervisors for said dates.

The Notes maturing on June 1, 2022 and thereafter are subject to redemption prior to maturity, at the option of the County, on June 1, 2021 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the County 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; that the aggregate indebtedness of the County, including this Note and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrevocable tax has been levied sufficient to pay this Note, together with the interest thereon, when and as payable.

This Note is transferable only upon the books of the County 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 County 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 County 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 County 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.

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, Dane 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 Chairperson and County Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

DANE COUNTY, WISCONSIN

By: \_\_\_\_\_  
Sharon Corrigan  
Chairperson

By: \_\_\_\_\_  
Scott A. McDonell  
County Clerk

(SEAL)

COPY

ASSIGNMENT

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

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

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

the within 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:

COPY

\_\_\_\_\_  
(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)