



# Village of Grantsburg

316 South Brad Street  
Grantsburg, WI 54840

**Monday, April 15, 2024 5:00 p.m.**  
**Special Village Board/Organizational Meeting**  
**Village Board Room, 316 S. Brad Street**

The Village Board of Trustees will discuss the following items and take action as needed:

1. **Call to Order; Roll Call; Pledge of Allegiance**
2. **Resolution 2024-02** Authorizing the Issuance, Sale, and Delivery of \$1,398,000 General Obligation Promissory Note, Series 2024A
3. **Resolution 2024-03** Authorizing the Issuance, Sale, and Delivery of \$1,401,000 General Obligation Promissory Note, Series 2024B
4. **Elect President Pro Tem** (preside over Village Board meetings in the absence of the Village President)
5. **Committee Appointments:** Administration, Public Safety, Public Works, Leisure & Recreation
6. **Representatives:** Library Board, Towns Association, Ambulance Committee, Fire Association, Fair Association, Plan Commission, Grantsburg Industrial Development Corp. Liaison, Board of Review
7. **Adjournment**

**Sheila Meyer, Clerk/Treasurer**

**\*\* Appearance times/agenda order may change at the discretion of the Village Board\*\***

Posted: April 12, 2024, Village of Grantsburg website [www.villageofgrantsburg.gov](http://www.villageofgrantsburg.gov), Village Office 316 S. Brad Street; Community Center 315 S. Robert Street; Grantsburg Public Library 415 S. Robert Street

316 South Brad Street, Grantsburg, WI 54840 715/463-2405 Fax: 715/463-5555  
Website: [www.villageofgrantsburg.gov](http://www.villageofgrantsburg.gov) Email: [office@villageofgrantsburg.gov](mailto:office@villageofgrantsburg.gov)

## RECOMMENDED PROCEDURES AND REQUIREMENTS FOR VILLAGE BORROWING ON A NOTE MATURING WITHIN 10 YEARS

(Attached forms should be used for "Village" borrowing)

Section 67.12(12) of the Wisconsin Statutes permits villages to borrow on a promissory note or notes, payable within a period not initially exceeding 10 years, for any public purpose (defined to mean the performance of any power or duty of the village), for any general and current municipal expense or to refinance any obligation of the village.

Such permitted borrowings are subject to the following terms and conditions which are covered by the attached WBA Forms 203A through 203I all of which must be suitably prepared, executed and delivered to the lender:

- (1) To evidence the indebtedness, the village issues to the lender its interest-bearing note payable over an agreed period not exceeding 10 years following the date of issuance of the note. A "balloon" installment is permitted, but it is recommended that some portion of the principal amount be paid each year. The village may refinance the note. See (7) below.
- (2) The note must be signed by the president and village clerk and be sealed with the corporate seal of the village, if one has been adopted.
- (3) The note is the general obligation of the village.
- (4) Before any such loan is made, the village board must adopt (by majority vote) and record a resolution:
  - (a) Specifying the purpose or purposes and the amount of the loan.
  - (b) Specifying the payments, maturity and rate of interest. (1)
  - (c) Levying a direct annual irrevocable tax sufficient to pay principal payments on the note, and interest as it becomes due and payable. The tax for each year after receipt of the borrowed money shall become and continue irrevocable and shall be carried into the tax rolls each year and shall be collected as other taxes are collected except that (i) if the note is paid prior to maturity, the still uncollected portions of the tax levied to provide repayment need not be carried into the tax roll; and (ii) the amount of tax carried into the tax roll may be reduced in any year by the amount of any surplus in the debt service account under Section 67.11 of the Wisconsin Statutes.
- (5) The note must include a statement specifying the provisions of the authorizing resolution, or a reference thereto, so that the resolution can be readily located.
- (6) The note may provide for prepayment on the terms and conditions prescribed therein.
- (7) The village may refinance the note with the same lender or a different lender. More than one refinancing is permitted, but no refunding note may have a term of more than 10 years or mature more than 20 years after the date of the original note. If refinancing is required, all documentation must be redone with all required municipal authority and a new note issued only upon return of the note being refinanced.
- (8) The debt limitation applicable to villages is 5% of the value of the taxable property located therein as equalized for state purposes. The Certificate of Full Equalized Value (WBA 203E) should be obtained and be presented as a part of the closing documents.
- (9) The village is required by Section 67.05(12) of the Wisconsin Statutes to keep a separate record book concerning obligations issued by the village. The village clerk should include in that book a full statement of the proceedings relating to the issuance of the note(s).
- (10) Since most borrowings which utilize these forms are expected to exceed one year in term, the Promissory Note provided (WBA 203D) is in fully-registered form. **NOTE:** The registration provisions contained in these forms impose on the village clerk the obligation to keep a record of the ownership of the note(s) and any subsequent transfers of the note(s). See Resolution (WBA 203B). These records must be kept in a separate record book maintained by the village clerk and also must be noted on the registration grid on the back of the note(s). See Promissory Note (WBA 203D).

### CHECKLIST — 67.12(12) NOTES

1. Certificate — WBA Form 203A
2. Resolution — WBA Form 203B
3. Treasurer's Certificate — WBA Form 203C
4. Promissory Note — WBA Form 203D
5. Certificate of Full Equalized Value — WBA Form 203E
6. Arbitrage Certificate — WBA Form 203F
7. Investment Representation — WBA Form 203G
8. Federal Tax Compliance Certificate — WBA Form 203H
9. Federal Information Returns - WBA Form 203I

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- (1) Due to the complexities involved in a variable rate loan to a Municipality, these forms contemplate only fixed rate financing. However, variable rate loans are permitted by Section 67.15 of the Wisconsin Statutes.

**CAUTION:** It is recommended that lenders seek legal assistance in lending to municipalities as such loans can become complex. It is also recommended that lenders consult legal counsel regarding statutory or tax changes which may have occurred since the time these forms were prepared.

203A (8/06)

CERTIFICATE

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STATE OF WISCONSIN

County of Burnett

} ss.

I, Sheila Meyer, do hereby certify to Community Bank of Cameron and any other owner or owners of the note(s) as follows:  
(NAME OF LENDER)

1. That I am the duly qualified and acting Clerk of the Village of Grantsburg, Burnett County, Wisconsin (hereinafter called the "Village") and that I was such at all of the times mentioned in this certificate.

2. That the following are all members-elect of the governing body of the Village, and were duly qualified and acting as such at all times mentioned in this certificate:

Terrance Kucera, Diane Barton, John McNally, Hank Java, Greg Peer, Maurice Henderson, Leo Janke

3. That the following named persons, whose authentic signatures are hereto subscribed, are the duly qualified and acting officers of the Village presently holding the offices set forth opposite their respective names below:

NAME	OFFICE	MANUAL SIGNATURE
<u>Terrance Kucera</u>	<u>President</u>	<u></u>
<u>Sheila Meyer</u>	<u>Village Clerk</u>	<u></u>
<u>Sheila Meyer</u>	<u>Village Treasurer</u>	<u></u>

4. That there is no controversy or litigation pending or threatened affecting the corporate existence of the Village, its boundaries, the right or title to office of any of its officers, or in any manner affecting the due authorization or validity of the borrowings by the Village.

5. That at a duly-convened meeting of the Village Board of the Village, which is the governing body, held in open session at Grantsburg, Wisconsin, at 5:00 o'clock, P.M., on the 15th day of April 2024, at which one million three hundred ninety-eight thousand of the members-elect were present in person, a resolution authorizing the Village to borrow the sum of one million three hundred ninety-eight thousand Dollars (\$ 1,398,000 ) from Community Bank of Cameron, Wisconsin pursuant to Section 67.12(12), Wisconsin Statutes, was duly adopted by the affirmative vote of  of the members present at the meeting; that said resolution has been duly recorded in the minutes and proceedings of said meeting and is in full force and effect on the date of this certificate; and that a true and correct copy of said resolution is attached hereto, marked Exhibit A and made a part hereof.

6. That there is attached hereto, marked Exhibit B and made a part hereof, a certificate of the Treasurer of the Village certifying that the aggregate indebtedness and obligations of all kinds of the Village outstanding on the date affixed to said certificate, including the note issue in support of which this certificate is executed, total \$ 5,286,225 (1); that I know said officer and saw him/her execute said certificate; and that the matters stated therein are true and complete.

8. That the value of all of the taxable property in the Village, as equalized for state purposes by the Wisconsin Department of Revenue, is \$ 102,094,500 (2).

IN WITNESS WHEREOF, I have executed this certificate in my official capacity to be effective this 30th day of April 2024 (3).

VILLAGE CLERK

Approved as correct:

PRESIDENT

VILLAGE TREASURER

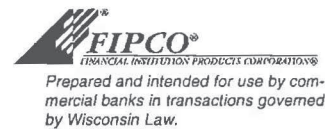
(1) This aggregate indebtedness must not exceed the restrictions described in paragraph (8) of instruction sheet.

(2) See Certificate of Full Equalized Value (WBA 203E)

(3) This certificate should be dated on the date payment for the note is actually received.



EXHIBIT A RESOLUTION 2024-02



(Adopted at an Open Meeting held 8th April, 2024)

WHEREAS, the Village of Grantsburg, Burnett County, Wisconsin ("Village"), is presently in need of funds aggregating one million three hundred ninety-eight thousand (\$ 1,398,000) for public purpose(s) of:(1)

Village's match of a federal Economic Development Administration ("EDA") Grant related to TID 6 infrastructure projects

; and

WHEREAS, the Village Board deems it necessary and in the best interests of the Village that, pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, the sum of one million three hundred ninety-eight thousand Dollars (\$ 1,398,000) be borrowed for such purpose(s) upon the terms and conditions hereinafter set forth:

NOW, THEREFORE, BE IT RESOLVED, that for the purpose(s) hereinabove set forth the Village, by its President, and Clerk, pursuant to Section 67.12(12), Wisconsin Statutes, borrow from Community Bank of Cameron

("Lender"), the sum of \$ 1,398,000, and, to evidence such indebtedness, said President and Clerk shall make, execute and deliver to the Lender for and on behalf of the Village the promissory note of the Village to be dated April 30, 2024, in said principal amount with interest at the rate of five and five hundredths percent ( 5.05 %) per annum and payable as follows:

[Check (a), (b), (c) or (d); only one shall apply.]

- (a) Single Payment. In one payment on, PLUS interest payable as set forth below.
(b) Installments of Principal and Interest.(2) In equal payments of \$ due on and on the same day(s) of each month thereafter every 7th day thereafter every 14th day thereafter, PLUS a final payment of the unpaid balance and accrued interest due on. All payments include principal and interest.
(c) Installments of Principal. In equal payments of principal of \$ due on and on the same day(s) of each month thereafter every 7th day thereafter every 14th day thereafter, PLUS a final payment of the unpaid principal due on, PLUS interest payable as set forth below.
(d) Other. See Attachment A

Interest is payable on April 1, 2025, and on the same day of each sixth month thereafter, every 7th day thereafter, every 14th day thereafter, and at maturity, or, if box (b) is checked, at the times so indicated. Interest is computed on the basis of a 360 day year a 365 day year. (2) of twelve 30-day months.

Said interest to be payable on the dates set forth above on the outstanding principal balance, with no prepayment privileges prepayment privileges on or after April 30, 2024

A copy of the promissory note shall be attached to this resolution.

(1) Here describe each purpose in detail. If the purpose is meeting general and current municipal expenses or refinancing obligation of the Village, so specify.
(2) Section 67.12(12), Wisconsin Statutes, does not place any restrictions on the basis of interest rate calculations.



BE IT FURTHER RESOLVED, that there be, and there hereby is, levied on all the taxable property of the Village, a direct annual irrevocable tax sufficient in amount to pay the principal and interest on said note as the same becomes due and payable, said tax to be in the following minimum amounts:(4)

Amount of Tax (principal and interest)	To Meet Note Payments Due On	Year of Levy (must be in year(s) prior to due date)
\$ 64,911.86	4/1/2025	For the year 2024
\$ 35,299.50	10/1/2025	For the year 2024
\$ 35,299.50	4/1/2026	For the year 2025
\$ 35,299.50	10/1/2026	For the year 2025
\$ 35,299.50	4/1/2027	For the year 2026
\$ 1,433,299.50	10/1/2027	For the year 2026
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____

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 note when due, the requisite amount shall be paid from other funds of the Village then available, which sums shall be replaced upon the collection of the taxes herein levied.

In the event that the Village exercises its prepayment privilege, if any, then no such direct annual tax shall be included on the tax rolls for the prepayments made and the amount of direct annual tax hereinabove levied shall be reduced accordingly for the year or years with respect to which said note was prepaid.

In each of said levy years, the direct annual tax so levied shall be carried into the tax rolls each year and shall be collected in the same manner and at the same time as other taxes of the Village for such years are collected; provided, that the amount of tax carried into the tax roll may be reduced in any year by the amount of any surplus in the debt service account for the note. So long as any part of the principal of, or interest on, said note remains unpaid, the proceeds of said tax shall be segregated in a special fund used solely for the payment of the principal of, and interest on, said note.

BE IT FURTHER RESOLVED, that there be and there hereby is established in the treasury of the Village, if one has not already been established, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Sinking funds established for obligations previously issued by the Village may be considered as separate and distinct accounts within the debt service fund. Within the debt service fund, there be and there hereby is established a separate and distinct account designated as the "Debt

Service Account for Promissory Note dated April 30, 2024," which account shall be used solely for the purpose of paying principal of and interest on said note. There shall be deposited in said account any accrued interest paid on said note at the time it is delivered to the Lender, all money raised by taxation or appropriated pursuant hereto, and such other sums as may be necessary to pay principal and interest on said note when the same shall become due.

BE IT FURTHER RESOLVED, that the proceeds of said note shall be used solely for the purposes for which it is issued, but may be temporarily invested until needed in legal investments, provided that no such investment shall be in such a manner as would cause said note to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or the Regulations of the Commissioner of Internal Revenue thereunder; and an officer of the Village, charged with the responsibility for issuing the note, shall certify by use of an arbitrage certificate, if required, that, on the basis of the facts, estimates and circumstances in existence on the date of the delivery of the note, it is not expected that the proceeds will be used in a manner that would cause said note to be an "arbitrage bond."

BE IT FURTHER RESOLVED, that the projects financed by the note and their ownership, management and use will not cause the note to be a "private activity bond" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended, and that the Village shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the note.

BE IT FURTHER RESOLVED, that the Village Clerk shall keep records for the registration and for the transfer of the note. The person in whose name the 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 the 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. The note may be transferred by the registered owner thereof by presentation of the note at the office of the Village Clerk, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his legal representative duly authorized in writing. Upon such presentation, the note shall be transferred by appropriate entry in the registration records and a similar notation, including date of registration, name of new registered owner and signature of the Village Clerk, shall be made on such note.

BE IT FURTHER RESOLVED, that the note is hereby designated as a "qualified tax-exempt obligation" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended, relating to the ability of financial institutions to deduct from income, for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.(5)

BE IT FURTHER RESOLVED, that the Village officials are hereby authorized and directed, so long as said note is outstanding, to deliver to the Lender any audit statement or other financial information the Lender may reasonably request and to discuss its affairs and finances with the Lender.

BE IT FURTHER RESOLVED, that said note shall be delivered to the Lender on or after the date of said note, upon receipt of the total principal amount of the loan evidenced thereby, plus accrued interest, if any, to date of delivery, provided that, if this is a refinancing, the refunding note shall be immediately exchanged for the note being refinanced.

(4) First tax levy should be for the current year unless tax roll has already been delivered for collection, and amount of levy should be sufficient to meet all principal and interest payments coming due prior to date for collection of next succeeding tax levy.

(5) Delete this paragraph if the Village will be issuing more than \$10,000,000 of tax-exempt obligations in the calendar year. In that case, banks will not be entitled to deduct, for federal income tax purposes, interest expense that is allocable to carrying or acquiring the note.

**EXHIBIT B — CERTIFICATE RESPECTING  
INDEBTEDNESS AND RECEIPT OF LOAN PROCEEDS**

STATE OF WISCONSIN

County of Burnett

} ss.

The undersigned Treasurer of the Village of Grantsburg, Burnett County, Wisconsin, hereby certifies that the total aggregate indebtedness and obligations of said Village, howsoever incurred, outstanding on the date hereof, including the Promissory Note dated April 30, 2024, in support of which this certificate is executed, is \$ 5,286,225,

determined as follows: (1)

See Attachment B

The undersigned further certifies that the lender of the borrowed funds evidenced by said note has paid the entire principal amount of said note, plus accrued interest (if any), in accordance with the terms of the resolution authorizing said note.

IN WITNESS WHEREOF, I have executed this certificate in my official capacity this 30th day of April, 2024. (2)

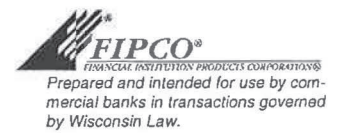
\_\_\_\_\_  
VILLAGE TREASURER

(1) Here set forth in detail each item of outstanding indebtedness of the Village, including this note issue.

(2) This certificate should be dated on the date payment for the note is actually received and should be received by the lender simultaneously with its disbursement of funds.



PROMISSORY NOTE



No. \_\_\_\_\_ Village of Grantsburg (NAME) \$ 1,398,000

Dated April 30, 2024

1. **Promise to Pay and Payment Schedule.** For value received, the Village of Grantsburg, Burnett County, Wisconsin ("Village"), promises to pay to Community Bank of Cameron, or registered assigns, ("Lender") the sum of one million three hundred ninety-eight thousand Dollars (\$ 1,398,000), payable with interest at the rate of five and five hundredths percent (5.05 %) per annum as follows:

[Check (a), (b), (c) or (d); only one shall apply.]

- (a)  **Single Payment.** In one payment on \_\_\_\_\_, PLUS interest payable as set forth below.
- (b)  **Installments of Principal and Interest.** In \_\_\_\_\_ equal payments of \$ \_\_\_\_\_ due on \_\_\_\_\_, and on  the same day(s) of each \_\_\_\_\_ month thereafter  every 7th day thereafter  every 14th day thereafter, PLUS a final payment of the unpaid balance and accrued interest due on \_\_\_\_\_. All payments include principal and interest.
- (c)  **Installments of Principal.** In \_\_\_\_\_ equal payments of principal of \$ \_\_\_\_\_ due on \_\_\_\_\_, and on  the same day(s) of each \_\_\_\_\_ month thereafter  every 7th day thereafter  every 14th day thereafter, PLUS a final payment of the unpaid principal due on \_\_\_\_\_, PLUS interest payable as set forth below.
- (d)  **Other.** See Attachment A

Principal and interest on this note shall be payable only to the Lender in lawful money of the United States of America at the office of the Lender. The final installment of principal on this note shall be payable only upon presentation and surrender of this note to the Village Treasurer.

2. **Interest Payment.** Interest is payable on April 1, 2025, and on  the same day of each sixth month thereafter,  every 7th day thereafter,  every 14th day thereafter, and at maturity, or, if box 1(b) is checked, at the times so indicated. Interest is computed on the basis of  a 360 day year  a 365 day year. of twelve 30-day months.

3. **Prepayment.** Full or partial prepayment of this note  is not permitted  is permitted without penalty on or after April 30, 2024. All prepayments shall be applied first upon the unpaid interest and then applied upon the unpaid principal in inverse order of maturity.

4. **Other Charges.** If any payment (other than the final payment) is not made on or before the \_\_\_\_\_ day after its due date, Lender may collect a delinquency charge of \_\_\_\_\_% of the unpaid amount. Unpaid principal and interest bear interest after maturity until paid (whether by acceleration or lapse of time) at the rate  which would otherwise be applicable plus \_\_\_\_\_ percentage points  of \_\_\_\_\_% per year, computed on the basis of  a 360 day year  a 365 day year. Village agrees to pay a charge of \$ \_\_\_\_\_ for each check presented for payment under this note which is returned unsatisfied.

5. **Security.** For the prompt payment of this note with interest and the levying and collection of taxes sufficient for that purpose, the full faith, credit and resources of the Village are hereby irrevocably pledged.

6. **Transferability.** This note is transferable only upon the records of the Village kept for that purpose at the office of the Village Clerk, by the Lender in person or its legal representative duly authorized in writing, upon presentation of a written instrument of transfer satisfactory to the Village Clerk and upon such transfer being similarly noted hereon. The Village may deem and treat the person 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 interest hereof and for all other purposes.

7. **Terms and Purposes; Authorization.** This note issued under the terms of and for purposes specified in Section 67.12(12), Wisconsin Statutes; and is authorized by a resolution of the Village Board duly adopted by the Board at its open meeting duly convened on April 8, 2024 which resolution is recorded in the official book of its minutes pertaining to said date.

8. **Internal Revenue Code.** This note has been designated by the Village as a "qualified tax-exempt obligation" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended. (1)

9. **Certifications and Recitations of Village.** It is hereby certified and recited that all conditions, things and acts required by law to exist, to be 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 Village, including this note, does not exceed any limitation imposed by law, and that the Village has levied a direct annual irrepealable tax sufficient to pay this note together with interest thereon when and as payable.

THIS NOTE CONTAINS ADDITIONAL PROVISIONS ON REVERSE SIDE

Village of Grantsburg  
Burnett, County, Wisconsin

(Impress official or corporate seal, if any)

By \_\_\_\_\_  
PRESIDENT

By \_\_\_\_\_  
VILLAGE CLERK

(1) Delete this paragraph if the Village will be issuing more than \$10,000,000 of tax-exempt obligations in the calendar year. In that case, lenders will not be entitled to deduct, for federal income tax purposes, interest expense that is allocable to carrying or acquiring the note.

NOTE: Official or corporate seal, if any, to be affixed.

(SEE REVERSE FOR REGISTRATION PROVISIONS)



**10. Default and Enforcement.** Upon the occurrence of any one or more of the following events of default: (a) Village fails to pay any amount when due under this note or under any other instrument evidencing any indebtedness of Village to Lender, (b) any representation or warranty made under this note or information provided by Village to Lender in connection with this note is or was false or fraudulent in any material respect, (c) a material adverse change occurs in Village's financial condition, (d) Village fails to timely observe or perform any of the covenants or duties in this note, (e) an event of default occurs under any agreement securing this note, or (f) Lender deems itself insecure, then the unpaid balance shall, at the option of Lender, without notice, mature and become immediately payable. The unpaid balance shall automatically mature and become immediately payable in the event Village becomes the subject of bankruptcy or other insolvency proceedings. Lender's receipt of any payment on this note after the occurrence of an event of default shall not constitute a waiver of the default of the Lender's rights and remedies upon such default.

**11. Venue.** To the extent not prohibited by law, Village consents that venue for any legal proceeding relating to collection of this note shall be, at Lender's option, the county in which Lender has its principal office in this state, the county in which Village is located or the county in which this note was executed by Village.

**12. Obligations and Agreements of Village.** Village agrees to pay all costs of collection before and after judgment, including reasonable attorneys' fees (including those incurred in successful defense or settlement of any counterclaim brought by Village or incident to any action or proceeding involving Village brought pursuant to the United States Bankruptcy Code) and waive presentment, protest, demand and notice of dishonor. Subject to Section 893.80, Wisconsin Statutes, Village agrees to indemnify and hold harmless Lender, its directors, officers and agents, from and under this note or the activities of Village. This indemnity shall survive payment of this note. Village acknowledges that Lender has not made any representation or warranties with respect to, and the Lender does not assume any responsibility to Village for, the collectability or enforceability of this note or the financial condition of Village. Village has independently determined the collectability and enforceability of this note. Village authorizes Lender to disclose financial and other information about Village to others.

**13. No Waiver; Rights and Remedies of Lender.** No failure on the part of Lender to exercise, and no delay in exercising, any right, power or remedy under this note shall operate as a waiver of such right, power or remedy; nor shall any single or partial exercise of any right under this note preclude any other or further exercise of the right or the exercise of any other right. The remedies provided in this note are cumulative and not exclusive of any remedies provided by law. Without affecting the liability of Village, Lender may, without notice, accept partial payments, release or impair any collateral security for the payment of this note or agree not to sue any party liable on it. Without affecting the liability of Village, Lender may from time to time, without notice, renew or extend the time for payment subject to the time limits prescribed in Section 67.12(12), Wisconsin Statutes.

**14. Interpretation.** This note is intended by Village and Lender as a final expression of this note and as a complete and exclusive statement of its terms, there being no conditions to the enforceability of this note. This note may not be supplemented or modified except in writing. This note benefits Lender, its successors and assigns, and binds Village and its successors and assigns. The validity, construction and enforcement of this note are governed by the internal laws of Wisconsin. Invalidity or unenforceability of any provision of this note shall not affect the validity or enforceability of any other provisions of this note.

**REGISTRATION PROVISIONS**

This note shall be registered in registration records kept by the Village Clerk of the Village of Grantsburg Wisconsin, such registration to be noted in the registration blank below and upon said registration records, and this note may thereafter be transferred only upon presentation of a written instrument of transfer satisfactory to the Village Clerk duly executed by the Lender or its attorney, such transfer to be made on such records and endorsed hereon.

**REGISTRATION**

Date of Registration	Name of Lender	Signature of Village Clerk
April 30, 2024	Community Bank of Cameron	



203F (8/06)

©Wisconsin Bankers Association 2006

Village of Grantsburg, Wisconsin ("the "Municipality") \$ 1,398,000 Promissory Note

Dated April 30, 2024 (the "Obligation")

The undersigned financial officer of the Municipality certifies that no notice of the Commissioner of Internal Revenue has been published to the effect that the Arbitrage Certificates of the Municipality may not be relied upon nor has the Municipality been advised that such a listing is contemplated, and further certifies and reasonably expects that:

1. In the case of a construction or acquisition financing:

- (a) The Municipality has or will enter into contracts within 6 months from the date hereof for the project (the "Project") to be financed by the Obligation, which contracts will cause it to be obligated to pay amounts equal to at least 5% of the total cost of the Project. Such contracts are not subject to contingencies within the Municipality's or a related party's control.
- (b) Work on the Project will proceed with due diligence to completion and the allocation of the proceeds of the Obligation to expenditures on the Project will proceed with due diligence.
- (c) 100% of the proceeds of the Obligation will be expended for Project costs within 3 years from the date hereof.
- (d) The Project will not be sold or otherwise disposed of in whole or in part, prior to the last maturity of the Obligation.
- (e) The Municipality has general taxing powers, all of the net proceeds of the Obligation are to be used for local government activities of the Municipality and the aggregate face amount of all tax-exempt obligations issued by the Municipality and all subordinate entities(2) of the Municipality in the current calendar year will not exceed \$5,000,000(3). Therefore, the rebate requirements of federal arbitrage law are not applicable to the Municipality and the Obligation.(4)
- (f) None of the proceeds of the Obligation are being invested in investments having a substantially guaranteed yield for a period of four years or more.

2. In the case of a refunding:

- (a) The obligations being refunded will be discharged within 30 days of the date hereof;
- (b) There are no remaining original or investment proceeds of the obligations being refunded, so that there are no "transferred proceeds" with respect to the Obligation.
- (c) All of the proceeds of the Obligation will be expended within six months of the date hereof.(4)
- (d) The Municipality expected on the date the obligations being refunded were issued that at least 85% of the spendable proceeds of the refunded obligations would be used to carry out the governmental purposes of those obligations within a three-year period beginning on such date, and not more than 50% of the proceeds of the refunded obligations were invested in investments having a substantially guaranteed yield for four years or more.

3. The principal amount of the Obligation, together with investment earnings thereon, will not exceed the amount necessary for the Project or refunding.

4. The only sinking fund with respect to the Obligation is the Debt Service Account created by the resolution authorizing the Obligation. The Municipality does not expect to create or establish any other sinking fund with respect to the Obligation.

5. The Obligation will be repaid through debt service payments made from the Debt Service Account. At least once a year, the amounts in the Debt Service Account will be depleted to an amount not in excess of the greater of the earnings on the Debt Service Account for the immediately preceding bond year or 1/12th of the debt service on the Obligation for the immediately preceding bond year. All amounts used to pay debt service during a year will be expended within thirteen months of receipt, and any amount received from investment of money in the Debt Service Account will be expended within one year from the date of the receipt.

To the best of my knowledge and belief, there are no other facts, estimates or circumstances that would materially change the foregoing expectations.

IN WITNESS WHEREOF, I have executed this certificate on April 30, 2024 \*

\_\_\_\_\_  
TREASURER

On the basis of the foregoing, in my opinion, the Obligation is not an arbitrage bond as defined in Section 148, Internal Revenue Code of 1986, as amended, and applicable income tax regulations, including Regulations Sections 1.148-1 through 1.148-11.

\_\_\_\_\_  
ATTORNEY FOR VILLAGE

(SEE REVERSE SIDE FOR INSTRUCTIONS ON THE USE OF THIS ARBITRAGE CERTIFICATE)

- (1) Only required if face amount exceeds \$1,000,000.
- (2) Subordinate entities include entities deriving their issuing authority from the Municipality or subject to substantial control by the Municipality (e.g. a municipal water or sewerage commission or housing authority).
- (3) Private activity bonds (such as "industrial development bonds") do not count toward the \$5,000,000 limitation.
- (4) If this certification cannot be made, lenders and municipalities should obtain legal assistance before proceeding with the loan, because failure to comply with the rebate requirement could result in loss of tax exemption for the Obligation.

\* This certificate should be dated on the date the proceeds of the Obligation are actually received.

**INSTRUCTION FOR ARBITRAGE CERTIFICATE (WBA 203F)**

The arbitrage regulations (Regs. Secs. 1.148-1 through 1.148-11), which are designed to prevent municipalities from borrowing money to make investments, are extremely complex. This form is intended to cover almost all cases, but it is not the only set of facts complying with the regulations. If the Municipality cannot make the certifications required, consult your attorney.

1. In the case of a construction or acquisition financing:
  - (a) The Project must be underway or at least ready to go in the near future. Accordingly, the Municipality must have substantial contracts (representing at least 5% of the Project costs) either in existence or to be finalized within 6 months of the date of the Arbitrage Certificate. Note that it is required only that contracts calling for such payments be entered into; it is not required that payments actually be made within 6 months. The contracts cannot be subject to contingencies within the Municipality's or a related party's control.
  - (b) Construction of the Project and the expenditure of the borrowed funds to pay Project costs should proceed without unnecessary delay.
  - (c) All of the borrowed money must be expended for the Project costs within 3 years of the date of the loan.
  - (d) The Municipality may not sell the Project prior to the maturity of the loan.
2. In the case of a refunding:
  - (a) The obligations being refunded must be discharged within a certain period defined by the regulations. The period available in all cases is 30 days. If the refunded obligations will not be retired by the end of 30 days, consult your attorney.
  - (b) Special consideration is required if any proceeds of the obligations being refunded, or monies earned from investment of them, remain unexpended. If such unexpended funds do exist, consult your attorney.
3. In all cases, the amount of the loan plus the amount to be earned investing the proceeds of the loan cannot be greater than the cost of the Project or the amount needed for the refunding, plus the necessary expenses of obtaining the loan (such as counsel fees, printing expenses, etc.).

"Project" as used herein is a broad term and would include all of the purposes for which notes are permitted to be issued. The determinations herein are the reasonable expectations of the Village at the time the note is issued.

**FACTS AND ESTIMATES IN SUPPORT OF ARBITRAGE CERTIFICATE (WBA 203F)**

\$ 1,398,000 Promissory Note Dated April 30, 2024

<b>1. Use of Funds</b>		
Total Project costs (1) are estimated to be at least .....	\$	<u>1,370,750.00.00</u>
Total issue expenses, if payable by Municipality, and not included in Project costs, are estimated to be .....	\$	<u>27,250.00</u>
<b>TOTAL</b>	\$	<u>1,398,000.00</u>
<b>2. Source of Funds</b>		
Note proceeds .....	\$	<u>1,398,000.00</u>
Investment earnings .....	\$	<u>                    </u>
Other sources (if any), itemize:		
_____	\$	<u>                    </u>
_____	\$	<u>                    </u>
_____	\$	<u>                    </u>
<b>TOTAL</b>	\$	<u>1,398,000.00</u>
<b>3. Construction Schedule</b>		<b>Date</b>
(a) hire architect/engineer .....	_____	_____
(b) bid Project .....	_____	_____
(c) commence construction .....	_____	_____
(d) complete construction .....	_____	_____
<b>4. Equipment (land) Purchase</b>		
(a) contract of purchase .....	_____	_____
(b) delivery of equipment (land) .....	_____	_____
(c) final payment on contract of purchase .....	_____	_____

(1) In case of a refunding, insert the amount needed to pay principal and interest on the obligation(s) being refunded.



**INVESTMENT REPRESENTATION\***  
(To be prepared and executed by a bank officer  
for retention in bank files)



The undersigned officer of Community Bank of Cameron, (1) Wisconsin hereby certifies with respect to the purchase of a \$ 1,398,000 Promissory Note dated April 30, 2024 issued by the Village of Grantsburg, Wisconsin, that it is purchasing said note for investment purposes and will not resell said note, except to another bank or banks which will also make this certification.

Dated: April 30, 2024 (2)

Community Bank of Cameron (1)

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

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

- (1) Name of bank.
- (2) Date that loan is closed.

\*Section 551.21 of the Wisconsin Statutes, and the regulations thereunder, require that municipal obligations be registered with the Wisconsin Department of Financial Institutions unless there is a basis for an exemption from such registration. In most transactions in which these WBA forms are employed, it is expected that an exemption will apply as the result of the sale of the note(s) to a bank which will resell the note(s), if at all, only to another bank or banks. To document the applicability of this exemption, the bank should sign the investment representation set forth above.

**NOTE:** If this representation cannot be made, other bases of exemption may be available. However, legal assistance should be obtained before proceeding with the loan in such a case.

203H (8/06)

FEDERAL TAX COMPLIANCE CERTIFICATE

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Village of Grantsburg, Wisconsin  
(The "Municipality")

\$ 1,398,000 Promissory Note

Dated April 30, 2024 (the "Obligations")

The Municipality represents and covenants as follows:

1. None of the proceeds of the Obligations will be used, either directly or indirectly, (a) to make or finance loans to persons other than state and local governments or (b) in any trade or business carried on by any person other than a governmental unit. No payment of the principal or interest on the Obligations will be made (directly or indirectly, to the Municipality or any other party) from trade or business use of the proceeds or will be otherwise secured by or derived from property used in a trade or business or payments in respect of such property. No part of the projects financed by the Obligations (the "Projects") is or will be owned by persons other than the Municipality. There are and will be no leases, management or incentive payment contracts, take-or-pay or other output contracts or similar arrangements between the Municipality and any nongovernmental person with respect to the Projects. (1)

2. The Municipality has designated the Obligations as "qualified tax-exempt obligations" for purposes of Section 265 of the Internal Revenue Code of 1986, relating to the ability of financial institutions to deduct, for federal income tax purposes, interest expense allocable to carrying or acquiring municipal obligations. The aggregate principal amount of tax-exempt governmental obligations issued by the Municipality and all subordinate entities in the current calendar year (including obligations issued on behalf of 501(c)(3) corporations) will not exceed \$10,000,000. (2) (3) (4)

3. The payment of principal or interest with respect to the Obligations will not be guaranteed, either directly or indirectly, in whole or in part, by the United States or any agency or instrumentality thereof. None of the proceeds of the Obligations will be (i) used in making loans the payment of principal or interest with respect to which are to be guaranteed, in whole or in part, by the United States or any agency or instrumentality thereof, or (ii) invested directly or indirectly in federally insured deposits or accounts, except for proceeds invested during permitted temporary periods or in the debt service fund for the Obligations or as otherwise permitted under Section 149(b)(3) of the Internal Revenue Code of 1986, as amended.

4. Any expenditures already paid by the Municipality for which the Municipality is to be reimbursed with proceeds of the Obligations (a) were paid no more than 60 days before the date on which the Municipality adopted the resolution authorizing the issuance of Obligations to finance the projects or stating its intention to reimburse itself from the proceeds of the Obligations for any expenditures relating to the Projects which it paid from other funds of the Municipality prior to receipt of the proceeds of the Obligations ("Original Expenditure"); or (b) are preliminary expenditures relating to the Projects (such as architectural, engineering, surveying, soil testing and similar costs but not including land acquisition, site preparation and similar costs incident to the commencement of construction) which are in an amount which is less than 20% of the issue price of the portion of the Obligations which relates to those Projects; or (c) are in an amount that does not exceed the lesser of \$100,000 or five percent of the face value of the issue. If (a) is true, a written allocation that evidences the Municipality's use of the proceeds to reimburse an Original Expenditure has been or will be made not later than 18 months (5) after the date of the Original Expenditure is paid, or the date the project is placed in service or abandoned, whichever is later. (6)

IN WITNESS WHEREOF, we have executed this certificate in our official capacities to be effective this 30th day of

April 2024. (7)

\_\_\_\_\_  
President

\_\_\_\_\_  
Village Clerk

\_\_\_\_\_  
Treasurer

(1) The purpose of this certification is to demonstrate that the Obligations are not "private activity bonds." If they are, they are subject to additional requirements and restrictions, if they can be issued on a tax-exempt basis at all. Lenders are advised to obtain legal assistance before proceeding with a loan in such a case. Common examples of arrangements which can result in private activity bond status are the sale or lease of property to private parties, reserved capacity arrangements or other special arrangements regarding sewage treatment facilities, leases or management contracts with respect to hospitals, airports or similar enterprises, or development agreements in tax increment projects.

(2) Subordinate entities include entities deriving their issuing authority from the Municipality or subject to substantial control by the Municipality. (e.g., a municipal water or sewerage commission or housing authority).

(3) Private activity bonds (such as "industrial development bonds") do not count toward the \$10,000,000 limitation; however, obligations issued on behalf of 501(c)(3) corporations (commonly hospitals or nursing homes) do count toward the \$10,000,000 limit.

(4) If this certification cannot be made, lenders will not be entitled to deduct, for federal income tax purposes, interest expense that is allocable to carrying or acquiring the Obligations.

(5) This time limitation is extended to 3 years if the aggregate face amount of all tax-exempt bonds or notes issued by the Municipality during the calendar year in which the Obligations are incurred is reasonably expected not to exceed \$5,000,000.

(6) The purpose of this certification is to demonstrate that the Municipality has complied with the federal reimbursement regulations under Section 1.150-2 of the Internal Revenue Code Regulations, as amended. These regulations limit the ability of a municipality to use the proceeds of a tax-exempt borrowing to reimburse itself for expenditures previously made on a project. Generally, these rules apply to construction or acquisition financing; special reimbursement rules apply for refundings. If the Municipality cannot make the certifications contained in this paragraph, consult your attorney.

(7) This certificate should be dated the date that payment for the Obligations is actually received.



INSTRUCTIONS FOR AND EXPLANATION OF  
FEDERAL INFORMATION RETURNS

The Internal Revenue Code of 1986, as amended, requires that an information report concerning each issue of municipal obligations be filed with the Secretary of the Treasury, as a condition to federal tax exemption. Please note that, although the term "bonds" is used on Forms 8038-G and 8038-GC, an information return is required for all lending transactions covered in the WBA Municipal Transactions Satellite Manual. Under the Internal Revenue Code of 1986, as amended, a "bond" is any obligation of a political subdivision. The form to be filed differs, depending on whether the issue price is under \$100,000 or is \$100,000 or more.

1. For issues of \$100,000 or more, IRS Form 8038-G must be filed.
2. For issues under \$100,000, IRS Form 8038-GC must be filed.

## Some points to note:

- (a) A separate Information Return should be filed for each issue.
- (b) The deadline for filing is the 15th day of the second calendar month after the close of the calendar quarter in which the issue is issued. For example, if borrowing is done in January, February or March, the Information Return must be filed no later than the following May 15.
- (c) Alternatively, for issues under \$100,000, a consolidated Form 8038-GC could be filed at the end of the calendar year. However, it is recommended that in all cases the appropriate form 8038-G or 8038-GC be filed promptly upon the closing of the loan.
- (d) The form should be executed by an officer of the Municipality.
- (e) The form should be mailed to the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255.

Although Forms 8038-G and 8038-GC are to be filed by the Municipality, the bank should see to it that the filing is made, since the filing is a condition to exemption from federal income taxation for interest paid on the notes issued by the Municipality.

**CAUTION:** Please note that the Federal Information Return Forms (8038-G and 8038-GC) are periodically revised and updated by the IRS. Please check the revision date of the form you plan to use and confirm with the IRS that it is current.



**Mailing Address:**  
PO Box 8971 #6-97  
Madison, WI 53708-8971  
FAX (608) 264-6887  
lgs@wisconsin.gov

August 15, 2023

SHEILA MEYER  
VILLAGE OF GRANTSBURG  
316 BRAD STREET SOUTH  
GRANTSBURG WI 54840

### Certificate of Equalized Value - Village of Grantsburg

Under state law (secs. 70.57 and 67.03, Wis. Stats.), the Wisconsin Department of Revenue's State and Local Finance Division is certifying the equalized value for all taxable property in your municipality as of January 1, 2023.

Equalized Value Information			
<b>Municipality</b>	VILLAGE OF GRANTSBURG	<b>Co-muni code</b>	07131
<b>County</b>	BURNETT		
<b>Equalized value</b>	\$102,094,500	<b>Taxation district</b>	0175
<b>Effective date</b>	August 15, 2023 - August 14, 2024		

Sincerely,

Sara M. Regenauer, Director  
Local Government Services Bureau  
Saram.Regenauer@wisconsin.gov  
(608)261-5360



# ATTACHMENT A

## Village of Grantsburg, WI

\$1,398,000 General Obligation Promissory Note, Series 2024A

Issue Summary

Community Bank of Cameron

### Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	CIF	Net New D/S	Fiscal Total
04/30/2024	-	-	-	-	-	-	-
04/01/2025	-	-	64,911.86	64,911.86	(64,911.86)	-	-
10/01/2025	-	-	35,299.50	35,299.50	(35,299.50)	-	-
04/01/2026	-	-	35,299.50	35,299.50	(35,299.50)	-	-
10/01/2026	-	-	35,299.50	35,299.50	(35,299.50)	-	-
04/01/2027	-	-	35,299.50	35,299.50	(35,299.50)	-	-
10/01/2027	1,398,000.00	5.050%	35,299.50	1,433,299.50	-	1,433,299.50	1,433,299.50
<b>Total</b>	<b>\$1,398,000.00</b>	<b>-</b>	<b>\$241,409.36</b>	<b>\$1,639,409.36</b>	<b>(206,109.86)</b>	<b>\$1,433,299.50</b>	<b>-</b>

### Significant Dates

Dated	4/30/2024
First available call date	

## Attachment B

For Discussion Only

**Village of Grantsburg, WI**

**Outstanding General Obligation Debt Issues, as of 4/30/2024**

Year	Issue Amount	Name	Amount Outstanding	2024 Payments Remaining	Creditor
2012	\$853,000	State Trust Fund Loan	175,000		Board of Commissioners of Public Lands
2014	\$90,000	General Obligation Promissory Note	14,145	14,145	Community Bank
2017	\$162,000	General Obligation Promissory Note	72,000	18,000	Bremer Bank
2019	\$247,250	General Obligation Promissory Note	148,955	24,526	Community Bank
2019	\$610,000	General Obligation Promissory Note	511,508	26,221	Bremer Bank
2023	\$316,675	State Trust Fund Loan	316,675		Board of Commissioners of Public Lands
2024	\$1,398,000	General Obligation Promissory Note	1,398,000		Community Bank of Cameron
2024	\$1,401,000	General Obligation Promissory Note	1,401,000		Community Bank of Cameron
<b>Subtotal</b>			<b>\$4,037,283</b>	<b>\$82,892</b>	

**Outstanding Sewer Revenue Debt Issues, as of 4/30/2024**

Year	Issue Amount	Name	Amount Outstanding	2024 Payments Remaining	Creditor
2008	\$480,000	Sewer and Storm Revenue Bonds	121,200	29,100	US Bank
2014	\$323,692	Sewerage System Mortgage Revenue Bonds	190,045	16,866	State of Wisconsin Clean Water Fund Loan
<b>Subtotal</b>			<b>\$311,245</b>	<b>\$45,966</b>	

**Outstanding Water Revenue Debt Issues, as of 4/30/2024**

Year	Issue Amount	Name	Amount Outstanding	2024 Payments Remaining	Creditor
2005	\$586,800	Water System Mortgage Revenue Bonds	75,800	37,000	US Bank
2012	\$209,674	Water System Mortgage Revenue Bonds	101,178	10,661	State of Wisconsin Safe Drinking Water Loan Program
2014	\$447,557	Water System Mortgage Revenue Bonds	259,636	22,271	State of Wisconsin Safe Drinking Water Loan Program
2018	\$138,072	Water System Mortgage Revenue Bonds	106,386	65,516	State of Wisconsin Safe Drinking Water Loan Program
2021	\$425,886	Water System Mortgage Revenue Bonds	394,697	20,314	State of Wisconsin Safe Drinking Water Loan Program
<b>Subtotal</b>			<b>\$937,697</b>	<b>\$155,762</b>	

**Total Debt Outstanding** **\$5,286,225**



## RECOMMENDED PROCEDURES AND REQUIREMENTS FOR VILLAGE BORROWING ON A NOTE MATURING WITHIN 10 YEARS

(Attached forms should be used for "Village" borrowing)

Section 67.12(12) of the Wisconsin Statutes permits villages to borrow on a promissory note or notes, payable within a period not initially exceeding 10 years, for any public purpose (defined to mean the performance of any power or duty of the village), for any general and current municipal expense or to refinance any obligation of the village.

Such permitted borrowings are subject to the following terms and conditions which are covered by the attached WBA Forms 203A through 203I all of which must be suitably prepared, executed and delivered to the lender:

- (1) To evidence the indebtedness, the village issues to the lender its interest-bearing note payable over an agreed period not exceeding 10 years following the date of issuance of the note. A "balloon" installment is permitted, but it is recommended that some portion of the principal amount be paid each year. The village may refinance the note. See (7) below.
- (2) The note must be signed by the president and village clerk and be sealed with the corporate seal of the village, if one has been adopted.
- (3) The note is the general obligation of the village.
- (4) Before any such loan is made, the village board must adopt (by majority vote) and record a resolution:
  - (a) Specifying the purpose or purposes and the amount of the loan.
  - (b) Specifying the payments, maturity and rate of interest. (1)
  - (c) Levying a direct annual irrevocable tax sufficient to pay principal payments on the note, and interest as it becomes due and payable. The tax for each year after receipt of the borrowed money shall become and continue irrevocable and shall be carried into the tax rolls each year and shall be collected as other taxes are collected except that (i) if the note is paid prior to maturity, the still uncollected portions of the tax levied to provide repayment need not be carried into the tax roll; and (ii) the amount of tax carried into the tax roll may be reduced in any year by the amount of any surplus in the debt service account under Section 67.11 of the Wisconsin Statutes.
- (5) The note must include a statement specifying the provisions of the authorizing resolution, or a reference thereto, so that the resolution can be readily located.
- (6) The note may provide for prepayment on the terms and conditions prescribed therein.
- (7) The village may refinance the note with the same lender or a different lender. More than one refinancing is permitted, but no refunding note may have a term of more than 10 years or mature more than 20 years after the date of the original note. If refinancing is required, all documentation must be redone with all required municipal authority and a new note issued only upon return of the note being refinanced.
- (8) The debt limitation applicable to villages is 5% of the value of the taxable property located therein as equalized for state purposes. The Certificate of Full Equalized Value (WBA 203E) should be obtained and be presented as a part of the closing documents.
- (9) The village is required by Section 67.05(12) of the Wisconsin Statutes to keep a separate record book concerning obligations issued by the village. The village clerk should include in that book a full statement of the proceedings relating to the issuance of the note(s).
- (10) Since most borrowings which utilize these forms are expected to exceed one year in term, the Promissory Note provided (WBA 203D) is in fully-registered form. **NOTE:** The registration provisions contained in these forms impose on the village clerk the obligation to keep a record of the ownership of the note(s) and any subsequent transfers of the note(s). See Resolution (WBA 203B). These records must be kept in a separate record book maintained by the village clerk and also must be noted on the registration grid on the back of the note(s). See Promissory Note (WBA 203D).

### CHECKLIST — 67.12(12) NOTES

1. Certificate — WBA Form 203A
2. Resolution — WBA Form 203B
3. Treasurer's Certificate — WBA Form 203C
4. Promissory Note — WBA Form 203D
5. Certificate of Full Equalized Value — WBA Form 203E
6. Arbitrage Certificate — WBA Form 203F
7. Investment Representation — WBA Form 203G
8. Federal Tax Compliance Certificate — WBA Form 203H
9. Federal Information Returns - WBA Form 203I

- 
- (1) Due to the complexities involved in a variable rate loan to a Municipality, these forms contemplate only fixed rate financing. However, variable rate loans are permitted by Section 67.15 of the Wisconsin Statutes.

**CAUTION:** It is recommended that lenders seek legal assistance in lending to municipalities as such loans can become complex. It is also recommended that lenders consult legal counsel regarding statutory or tax changes which may have occurred since the time these forms were prepared.

203A (8/06)

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CERTIFICATE

STATE OF WISCONSIN

County of Burnett

} ss.

I, Sheila Meyer, do hereby certify to Community Bank of Cameron and any other owner or owners of the note(s) as follows:  
(NAME OF LENDER)

1. That I am the duly qualified and acting Clerk of the Village of Grantsburg, Burnett County, Wisconsin (hereinafter called the "Village") and that I was such at all of the times mentioned in this certificate.

2. That the following are all members-elect of the governing body of the Village, and were duly qualified and acting as such at all times mentioned in this certificate:

Terrance Kucera, Diane Barton, John McNally, Hank Java, Greg Peer, Maurice Henderson, Leo Janke

3. That the following named persons, whose authentic signatures are hereto subscribed, are the duly qualified and acting officers of the Village presently holding the offices set forth opposite their respective names below:

NAME	OFFICE	MANUAL SIGNATURE
<u>Terrance Kucera</u>	<u>President</u>	<u></u>
<u>Sheila Meyer</u>	<u>Village Clerk</u>	<u></u>
<u>Sheila Meyer</u>	<u>Village Treasurer</u>	<u></u>

4. That there is no controversy or litigation pending or threatened affecting the corporate existence of the Village, its boundaries, the right or title to office of any of its officers, or in any manner affecting the due authorization or validity of the borrowings by the Village.

5. That at a duly-convened meeting of the Village Board of the Village, which is the governing body, held in open session at Grantsburg, Wisconsin, at 5:00 o'clock, P.M., on the 15th day of April, 2024 at which  of the members-elect were present in person, a resolution authorizing the Village to borrow the sum of one million four hundred one thousand Dollars (\$ 1,401,000) from Community Bank of Cameron, Wisconsin pursuant to Section 67.12(12), Wisconsin Statutes, was duly adopted by the affirmative vote of  of the members present at the meeting; that said resolution has been duly recorded in the minutes and proceedings of said meeting and is in full force and effect on the date of this certificate; and that a true and correct copy of said resolution is attached hereto, marked Exhibit A and made a part hereof.

6. That there is attached hereto, marked Exhibit B and made a part hereof, a certificate of the Treasurer of the Village certifying that the aggregate indebtedness and obligations of all kinds of the Village outstanding on the date affixed to said certificate, including the note issue in support of which this certificate is executed, total \$ 5,286,225 (1); that I know said officer and saw him/her execute said certificate; and that the matters stated therein are true and complete.

8. That the value of all of the taxable property in the Village, as equalized for state purposes by the Wisconsin Department of Revenue, is \$ 102,094,500 (2).

IN WITNESS WHEREOF, I have executed this certificate in my official capacity to be effective this 30th day of April 2024 (3).

VILLAGE CLERK

Approved as correct:

PRESIDENT

VILLAGE TREASURER

(1) This aggregate indebtedness must not exceed the restrictions described in paragraph (8) of instruction sheet.  
(2) See Certificate of Full Equalized Value (WBA 203E)  
(3) This certificate should be dated on the date payment for the note is actually received.



(Adopted at an Open Meeting held 8th April, 2024)

WHEREAS, the Village of Grantsburg, Burnett County, Wisconsin ("Village"), is presently in need of funds aggregating one million four hundred one thousand (\$ 1,401,000) for public purpose(s) of: (1)

Interim financing for Economic Development Administration ("EDA") grant-funded infrastructure projects

; and

WHEREAS, the Village Board deems it necessary and in the best interests of the Village that, pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, the sum of one million four hundred one thousand Dollars (\$ 1,401,000) be borrowed for such purpose(s) upon the terms and conditions hereinafter set forth:

NOW, THEREFORE, BE IT RESOLVED, that for the purpose(s) hereinabove set forth the Village, by its President, and Clerk, pursuant to Section 67.12(12), Wisconsin Statutes, borrow from Community Bank of Cameron

("Lender"), the sum of \$ 1,401,000, and, to evidence such indebtedness, said President and Clerk shall make, execute and deliver to the Lender for and on behalf of the Village the promissory note of the Village to be dated April 30, 2024, in said principal amount with interest at the rate of five and fifty-five hundredths percent ( 5.55 %) per annum and payable as follows:

[Check (a), (b), (c) or (d); only one shall apply.]

- (a)  **Single Payment.** In one payment on \_\_\_\_\_, PLUS interest payable as set forth below.
- (b)  **Installments of Principal and Interest.**(2) In \_\_\_\_\_ equal payments of \$ \_\_\_\_\_ due on \_\_\_\_\_ and on \_\_\_\_\_ the same day(s) of each \_\_\_\_\_ month thereafter  every 7th day thereafter  every 14th day thereafter, PLUS a final payment of the unpaid balance and accrued interest due on \_\_\_\_\_. All payments include principal and interest.
- (c)  **Installments of Principal.** In \_\_\_\_\_ equal payments of principal of \$ \_\_\_\_\_ due on \_\_\_\_\_ and on \_\_\_\_\_ the same day(s) of each \_\_\_\_\_ month thereafter  every 7th day thereafter  every 14th day thereafter, PLUS a final payment of the unpaid principal due on \_\_\_\_\_, PLUS interest payable as set forth below.
- (d)  **Other.** See Attachment A

Interest is payable on June 1, 2025, and on \_\_\_\_\_ the same day of each \_\_\_\_\_ month thereafter,  every 7th day thereafter,  every 14th day thereafter, and at maturity, or, if box (b) is checked, at the times so indicated. Interest is computed on the basis of  a 360 day year  a 365 day year. (2) of twelve 30-day months. Said interest to be payable on the dates set forth above on the outstanding principal balance, with  no prepayment privileges  prepayment privileges on or after April 30, 2024

A copy of the promissory note shall be attached to this resolution.

(1) Here describe each purpose in detail. If the purpose is meeting general and current municipal expenses or refinancing obligation of the Village, so specify.  
(2) Section 67.12(12), Wisconsin Statutes, does not place any restrictions on the basis of interest rate calculations.



BE IT FURTHER RESOLVED, that there be, and there hereby is, levied on all the taxable property of the Village, a direct annual irrevocable tax sufficient in amount to pay the principal and interest on said note as the same becomes due and payable, said tax to be in the following minimum amounts:(4)

Amount of Tax (principal and interest)	To Meet Note Payments Due On	Year of Levy (must be in year(s) prior to due date)
\$ 1,485,451.11	6/1/2025	For the year 2024
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____
\$ _____	_____	For the year _____

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 note when due, the requisite amount shall be paid from other funds of the Village then available, which sums shall be replaced upon the collection of the taxes herein levied.

In the event that the Village exercises its prepayment privilege, if any, then no such direct annual tax shall be included on the tax rolls for the prepayments made and the amount of direct annual tax hereinabove levied shall be reduced accordingly for the year or years with respect to which said note was prepaid.

In each of said levy years, the direct annual tax so levied shall be carried into the tax rolls each year and shall be collected in the same manner and at the same time as other taxes of the Village for such years are collected; provided, that the amount of tax carried into the tax roll may be reduced in any year by the amount of any surplus in the debt service account for the note. So long as any part of the principal of, or interest on, said note remains unpaid, the proceeds of said tax shall be segregated in a special fund used solely for the payment of the principal of, and interest on, said note.

BE IT FURTHER RESOLVED, that there be and there hereby is established in the treasury of the Village, if one has not already been established, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Sinking funds established for obligations previously issued by the Village may be considered as separate and distinct accounts within the debt service fund. Within the debt service fund, there be and there hereby is established a separate and distinct account designated as the "Debt

Service Account for Promissory Note dated April 30, 2024," which account shall be used solely for the purpose of paying principal of and interest on said note. There shall be deposited in said account any accrued interest paid on said note at the time it is delivered to the Lender, all money raised by taxation or appropriated pursuant hereto, and such other sums as may be necessary to pay principal and interest on said note when the same shall become due.

BE IT FURTHER RESOLVED, that the proceeds of said note shall be used solely for the purposes for which it is issued, but may be temporarily invested until needed in legal investments, provided that no such investment shall be in such a manner as would cause said note to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or the Regulations of the Commissioner of Internal Revenue thereunder; and an officer of the Village, charged with the responsibility for issuing the note, shall certify by use of an arbitrage certificate, if required, that, on the basis of the facts, estimates and circumstances in existence on the date of the delivery of the note, it is not expected that the proceeds will be used in a manner that would cause said note to be an "arbitrage bond."

BE IT FURTHER RESOLVED, that the projects financed by the note and their ownership, management and use will not cause the note to be a "private activity bond" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended, and that the Village shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the note.

BE IT FURTHER RESOLVED, that the Village Clerk shall keep records for the registration and for the transfer of the note. The person in whose name the 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 the 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. The note may be transferred by the registered owner thereof by presentation of the note at the office of the Village Clerk, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his legal representative duly authorized in writing. Upon such presentation, the note shall be transferred by appropriate entry in the registration records and a similar notation, including date of registration, name of new registered owner and signature of the Village Clerk, shall be made on such note.

BE IT FURTHER RESOLVED, that the note is hereby designated as a "qualified tax-exempt obligation" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended, relating to the ability of financial institutions to deduct from income, for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.(5)

BE IT FURTHER RESOLVED, that the Village officials are hereby authorized and directed, so long as said note is outstanding, to deliver to the Lender any audit statement or other financial information the Lender may reasonably request and to discuss its affairs and finances with the Lender.

BE IT FURTHER RESOLVED, that said note shall be delivered to the Lender on or after the date of said note, upon receipt of the total principal amount of the loan evidenced thereby, plus accrued interest, if any, to date of delivery, provided that, if this is a refinancing, the refunding note shall be immediately exchanged for the note being refinanced.

(4) First tax levy should be for the current year unless tax roll has already been delivered for collection, and amount of levy should be sufficient to meet all principal and interest payments coming due prior to date for collection of next succeeding tax levy.  
 (5) Delete this paragraph if the Village will be issuing more than \$10,000,000 of tax-exempt obligations in the calendar year. In that case, banks will not be entitled to deduct, for federal income tax purposes, interest expense that is allocable to carrying or acquiring the note.



EXHIBIT B — CERTIFICATE RESPECTING INDEBTEDNESS AND RECEIPT OF LOAN PROCEEDS



STATE OF WISCONSIN

County of Burnett

} ss.

The undersigned Treasurer of the Village of Grantsburg, Burnett County, Wisconsin, hereby certifies that the total aggregate indebtedness and obligations of said Village, howsoever incurred, outstanding on the date hereof, including the Promissory Note dated April 30, 2024, in support of which this certificate is executed, is \$ 5,286,225 determined as follows: (1)

See Attachment B

The undersigned further certifies that the lender of the borrowed funds evidenced by said note has paid the entire principal amount of said note, plus accrued interest (if any), in accordance with the terms of the resolution authorizing said note.

IN WITNESS WHEREOF, I have executed this certificate in my official capacity this 30th day of April, 2024. (2)

VILLAGE TREASURER

(1) Here set forth in detail each item of outstanding indebtedness of the Village, including this note issue.

(2) This certificate should be dated on the date payment for the note is actually received and should be received by the lender simultaneously with its disbursement of funds.

PROMISSORY NOTE



No. \_\_\_\_\_ Village of Grantsburg (NAME) \$ 1,401,000

Dated April 30, 2024

1. **Promise to Pay and Payment Schedule.** For value received, the Village of Grantsburg, Burnett County, Wisconsin ("Village"), promises to pay to Community Bank of Cameron, or registered assigns, ("Lender") the sum of one million four hundred one thousand Dollars (\$ 1,401,000), payable with interest at the rate of five and fifty-five hundredths percent (5.55%) per annum as follows:

[Check (a), (b), (c) or (d); only one shall apply.]

- (a)  **Single Payment.** In one payment on \_\_\_\_\_, PLUS interest payable as set forth below.
- (b)  **Installments of Principal and Interest.** In \_\_\_\_\_ equal payments of \$ \_\_\_\_\_ due on \_\_\_\_\_, and on  the same day(s) of each \_\_\_\_\_ month thereafter  every 7th day thereafter  every 14th day thereafter, PLUS a final payment of the unpaid balance and accrued interest due on \_\_\_\_\_. All payments include principal and interest.
- (c)  **Installments of Principal.** In \_\_\_\_\_ equal payments of principal of \$ \_\_\_\_\_ due on \_\_\_\_\_, and on  the same day(s) of each \_\_\_\_\_ month thereafter  every 7th day thereafter  every 14th day thereafter, PLUS a final payment of the unpaid principal due on \_\_\_\_\_, PLUS interest payable as set forth below.
- (d)  **Other.** See Attachment A

Principal and interest on this note shall be payable only to the Lender in lawful money of the United States of America at the office of the Lender. The final installment of principal on this note shall be payable only upon presentation and surrender of this note to the Village Treasurer.

2. **Interest Payment.** Interest is payable on June 1, 2025, and on  the same day of each \_\_\_\_\_ month thereafter,  every 7th day thereafter,  every 14th day thereafter, and at maturity, or, if box 1(b) is checked, at the times so indicated. Interest is computed on the basis of  a 360 day year  a 365 day year. **of twelve 30-day months.**

3. **Prepayment.** Full or partial prepayment of this note  is not permitted  is permitted without penalty on or after April 30, 2024. All prepayments shall be applied first upon the unpaid interest and then applied upon the unpaid principal in inverse order of maturity.

4. **Other Charges.** If any payment (other than the final payment) is not made on or before the \_\_\_\_\_ day after its due date, Lender may collect a delinquency charge of \_\_\_\_\_% of the unpaid amount. Unpaid principal and interest bear interest after maturity until paid (whether by acceleration or lapse of time) at the rate  which would otherwise be applicable plus \_\_\_\_\_ percentage points  of \_\_\_\_\_% per year, computed on the basis of  a 360 day year  a 365 day year. Village agrees to pay a charge of \$ \_\_\_\_\_ for each check presented for payment under this note which is returned unsatisfied.

5. **Security.** For the prompt payment of this note with interest and the levying and collection of taxes sufficient for that purpose, the full faith, credit and resources of the Village are hereby irrevocably pledged.

6. **Transferability.** This note is transferable only upon the records of the Village kept for that purpose at the office of the Village Clerk, by the Lender in person or its legal representative duly authorized in writing, upon presentation of a written instrument of transfer satisfactory to the Village Clerk and upon such transfer being similarly noted hereon. The Village may deem and treat the person 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 interest hereof and for all other purposes.

7. **Terms and Purposes; Authorization.** This note issued under the terms of and for purposes specified in Section 67.12(12), Wisconsin Statutes; and is authorized by a resolution of the Village Board duly adopted by the Board at its open meeting duly convened on April 8, 2024 which resolution is recorded in the official book of its minutes pertaining to said date.

8. **Internal Revenue Code.** This note has been designated by the Village as a "qualified tax-exempt obligation" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended. (1)

9. **Certifications and Recitations of Village.** It is hereby certified and recited that all conditions, things and acts required by law to exist, to be 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 Village, including this note, does not exceed any limitation imposed by law, and that the Village has levied a direct annual irrepealable tax sufficient to pay this note together with interest thereon when and as payable.

THIS NOTE CONTAINS ADDITIONAL PROVISIONS ON REVERSE SIDE

Village of Grantsburg

(Impress official or corporate seal, if any)

Burnett, County, Wisconsin

By \_\_\_\_\_ PRESIDENT

By \_\_\_\_\_ VILLAGE CLERK

(1) Delete this paragraph if the Village will be issuing more than \$10,000,000 of tax-exempt obligations in the calendar year. In that case, lenders will not be entitled to deduct, for federal income tax purposes, interest expense that is allocable to carrying or acquiring the note.

NOTE: Official or corporate seal, if any, to be affixed.

(SEE REVERSE FOR REGISTRATION PROVISIONS)



**10. Default and Enforcement.** Upon the occurrence of any one or more of the following events of default: (a) Village fails to pay any amount when due under this note or under any other instrument evidencing any indebtedness of Village to Lender, (b) any representation or warranty made under this note or information provided by Village to Lender in connection with this note is or was false or fraudulent in any material respect, (c) a material adverse change occurs in Village's financial condition, (d) Village fails to timely observe or perform any of the covenants or duties in this note, (e) an event of default occurs under any agreement securing this note, or (f) Lender deems itself insecure, then the unpaid balance shall, at the option of Lender, without notice, mature and become immediately payable. The unpaid balance shall automatically mature and become immediately payable in the event Village becomes the subject of bankruptcy or other insolvency proceedings. Lender's receipt of any payment on this note after the occurrence of an event of default shall not constitute a waiver of the default of the Lender's rights and remedies upon such default.

**11. Venue.** To the extent not prohibited by law, Village consents that venue for any legal proceeding relating to collection of this note shall be, at Lender's option, the county in which Lender has its principal office in this state, the county in which Village is located or the county in which this note was executed by Village.

**12. Obligations and Agreements of Village.** Village agrees to pay all costs of collection before and after judgment, including reasonable attorneys' fees (including those incurred in successful defense or settlement of any counterclaim brought by Village or incident to any action or proceeding involving Village brought pursuant to the United States Bankruptcy Code) and waive presentment, protest, demand and notice of dishonor. Subject to Section 893.80, Wisconsin Statutes, Village agrees to indemnify and hold harmless Lender, its directors, officers and agents, from and under this note or the activities of Village. This indemnity shall survive payment of this note. Village acknowledges that Lender has not made any representation or warranties with respect to, and the Lender does not assume any responsibility to Village for, the collectability or enforceability of this note or the financial condition of Village. Village has independently determined the collectability and enforceability of this note. Village authorizes Lender to disclose financial and other information about Village to others.

**13. No Waiver; Rights and Remedies of Lender.** No failure on the part of Lender to exercise, and no delay in exercising, any right, power or remedy under this note shall operate as a waiver of such right, power or remedy; nor shall any single or partial exercise of any right under this note preclude any other or further exercise of the right or the exercise of any other right. The remedies provided in this note are cumulative and not exclusive of any remedies provided by law. Without affecting the liability of Village, Lender may, without notice, accept partial payments, release or impair any collateral security for the payment of this note or agree not to sue any party liable on it. Without affecting the liability of Village, Lender may from time to time, without notice, renew or extend the time for payment subject to the time limits prescribed in Section 67.12(12), Wisconsin Statutes.

**14. Interpretation.** This note is intended by Village and Lender as a final expression of this note and as a complete and exclusive statement of its terms, there being no conditions to the enforceability of this note. This note may not be supplemented or modified except in writing. This note benefits Lender, its successors and assigns, and binds Village and its successors and assigns. The validity, construction and enforcement of this note are governed by the internal laws of Wisconsin. Invalidity or unenforceability of any provision of this note shall not affect the validity or enforceability of any other provisions of this note.

**REGISTRATION PROVISIONS**

This note shall be registered in registration records kept by the Village Clerk of the Village of Grantsburg Wisconsin, such registration to be noted in the registration blank below and upon said registration records, and this note may thereafter be transferred only upon presentation of a written instrument of transfer satisfactory to the Village Clerk duly executed by the Lender or its attorney, such transfer to be made on such records and endorsed hereon.

**REGISTRATION**

Date of Registration	Name of Lender	Signature of Village Clerk
April 30, 2024	Community Bank of Cameron	



203F (8/06)

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Village of Grantsburg, Wisconsin ("the "Municipality") \$ 1,401,000 Promissory Note

Dated April 30, 2024 (the "Obligation")

The undersigned financial officer of the Municipality certifies that no notice of the Commissioner of Internal Revenue has been published to the effect that the Arbitrage Certificates of the Municipality may not be relied upon nor has the Municipality been advised that such a listing is contemplated, and further certifies and reasonably expects that:

1. In the case of a construction or acquisition financing:

- (a) The Municipality has or will enter into contracts within 6 months from the date hereof for the project (the "Project") to be financed by the Obligation, which contracts will cause it to be obligated to pay amounts equal to at least 5% of the total cost of the Project. Such contracts are not subject to contingencies within the Municipality's or a related party's control.
- (b) Work on the Project will proceed with due diligence to completion and the allocation of the proceeds of the Obligation to expenditures on the Project will proceed with due diligence.
- (c) 100% of the proceeds of the Obligation will be expended for Project costs within 3 years from the date hereof.
- (d) The Project will not be sold or otherwise disposed of in whole or in part, prior to the last maturity of the Obligation.
- (e) The Municipality has general taxing powers, all of the net proceeds of the Obligation are to be used for local government activities of the Municipality and the aggregate face amount of all tax-exempt obligations issued by the Municipality and all subordinate entities<sup>(2)</sup> of the Municipality in the current calendar year will not exceed \$5,000,000<sup>(3)</sup>. Therefore, the rebate requirements of federal arbitrage law are not applicable to the Municipality and the Obligation.<sup>(4)</sup>
- (f) None of the proceeds of the Obligation are being invested in investments having a substantially guaranteed yield for a period of four years or more.

2. In the case of a refunding:

- (a) The obligations being refunded will be discharged within 30 days of the date hereof;
- (b) There are no remaining original or investment proceeds of the obligations being refunded, so that there are no "transferred proceeds" with respect to the Obligation.
- (c) All of the proceeds of the Obligation will be expended within six months of the date hereof.<sup>(4)</sup>
- (d) The Municipality expected on the date the obligations being refunded were issued that at least 85% of the spendable proceeds of the refunded obligations would be used to carry out the governmental purposes of those obligations within a three-year period beginning on such date, and not more than 50% of the proceeds of the refunded obligations were invested in investments having a substantially guaranteed yield for four years or more.

3. The principal amount of the Obligation, together with investment earnings thereon, will not exceed the amount necessary for the Project or refunding.

4. The only sinking fund with respect to the Obligation is the Debt Service Account created by the resolution authorizing the Obligation. The Municipality does not expect to create or establish any other sinking fund with respect to the Obligation.

5. The Obligation will be repaid through debt service payments made from the Debt Service Account. At least once a year, the amounts in the Debt Service Account will be depleted to an amount not in excess of the greater of the earnings on the Debt Service Account for the immediately preceding bond year or 1/12th of the debt service on the Obligation for the immediately preceding bond year. All amounts used to pay debt service during a year will be expended within thirteen months of receipt, and any amount received from investment of money in the Debt Service Account will be expended within one year from the date of the receipt.

To the best of my knowledge and belief, there are no other facts, estimates or circumstances that would materially change the foregoing expectations.

IN WITNESS WHEREOF, I have executed this certificate on April 30, 2024 \*

\_\_\_\_\_  
TREASURER

On the basis of the foregoing, in my opinion, the Obligation is not an arbitrage bond as defined in Section 148, Internal Revenue Code of 1986, as amended, and applicable income tax regulations, including Regulations Sections 1.148-1 through 1.148-11.

\_\_\_\_\_  
ATTORNEY FOR VILLAGE

(SEE REVERSE SIDE FOR INSTRUCTIONS ON THE USE OF THIS ARBITRAGE CERTIFICATE)

- (1) Only required if face amount exceeds \$1,000,000.
- (2) Subordinate entities include entities deriving their issuing authority from the Municipality or subject to substantial control by the Municipality (e.g. a municipal water or sewerage commission or housing authority).
- (3) Private activity bonds (such as "industrial development bonds") do not count toward the \$5,000,000 limitation.
- (4) If this certification cannot be made, lenders and municipalities should obtain legal assistance before proceeding with the loan, because failure to comply with the rebate requirement could result in loss of tax exemption for the Obligation.

\* This certificate should be dated on the date the proceeds of the Obligation are actually received.





**INVESTMENT REPRESENTATION\***  
(To be prepared and executed by a bank officer  
for retention in bank files)



The undersigned officer of Community Bank of Cameron, (1) Wisconsin hereby certifies with respect to the purchase of a \$ 1,401,000 Promissory Note dated April 30, 2024 issued by the Village of Grantsburg, Wisconsin, that it is purchasing said note for investment purposes and will not resell said note, except to another bank or banks which will also make this certification.

Dated: April 30, 2024 (2)

Community Bank of Cameron (1)

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

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

- (1) Name of bank.
- (2) Date that loan is closed.

\*Section 551.21 of the Wisconsin Statutes, and the regulations thereunder, require that municipal obligations be registered with the Wisconsin Department of Financial Institutions unless there is a basis for an exemption from such registration. In most transactions in which these WBA forms are employed, it is expected that an exemption will apply as the result of the sale of the note(s) to a bank which will resell the note(s), if at all, only to another bank or banks. To document the applicability of this exemption, the bank should sign the investment representation set forth above.

**NOTE:** If this representation cannot be made, other bases of exemption may be available. However, legal assistance should be obtained before proceeding with the loan in such a case.



203H (8/06)

FEDERAL TAX COMPLIANCE CERTIFICATE

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Village of Grantsburg, Wisconsin  
(The "Municipality")

\$ 1,401,000 Promissory Note

Dated April 30, 2024 (the "Obligations")

The Municipality represents and covenants as follows:

1. None of the proceeds of the Obligations will be used, either directly or indirectly, (a) to make or finance loans to persons other than state and local governments or (b) in any trade or business carried on by any person other than a governmental unit. No payment of the principal or interest on the Obligations will be made (directly or indirectly, to the Municipality or any other party) from trade or business use of the proceeds or will be otherwise secured by or derived from property used in a trade or business or payments in respect of such property. No part of the projects financed by the Obligations (the "Projects") is or will be owned by persons other than the Municipality. There are and will be no leases, management or incentive payment contracts, take-or-pay or other output contracts or similar arrangements between the Municipality and any nongovernmental person with respect to the Projects. (1)

2. The Municipality has designated the Obligations as "qualified tax-exempt obligations" for purposes of Section 265 of the Internal Revenue Code of 1986, relating to the ability of financial institutions to deduct, for federal income tax purposes, interest expense allocable to carrying or acquiring municipal obligations. The aggregate principal amount of tax-exempt governmental obligations issued by the Municipality and all subordinate entities in the current calendar year (including obligations issued on behalf of 501(c)(3) corporations) will not exceed \$10,000,000. (2) (3) (4)

3. The payment of principal or interest with respect to the Obligations will not be guaranteed, either directly or indirectly, in whole or in part, by the United States or any agency or instrumentality thereof. None of the proceeds of the Obligations will be (i) used in making loans the payment of principal or interest with respect to which are to be guaranteed, in whole or in part, by the United States or any agency or instrumentality thereof, or (ii) invested directly or indirectly in federally insured deposits or accounts, except for proceeds invested during permitted temporary periods or in the debt service fund for the Obligations or as otherwise permitted under Section 149(b)(3) of the Internal Revenue Code of 1986, as amended.

4. Any expenditures already paid by the Municipality for which the Municipality is to be reimbursed with proceeds of the Obligations (a) were paid no more than 60 days before the date on which the Municipality adopted the resolution authorizing the issuance of Obligations to finance the projects or stating its intention to reimburse itself from the proceeds of the Obligations for any expenditures relating to the Projects which it paid from other funds of the Municipality prior to receipt of the proceeds of the Obligations ("Original Expenditure"); or (b) are preliminary expenditures relating to the Projects (such as architectural, engineering, surveying, soil testing and similar costs but not including land acquisition, site preparation and similar costs incident to the commencement of construction) which are in an amount which is less than 20% of the issue price of the portion of the Obligations which relates to those Projects; or (c) are in an amount that does not exceed the lesser of \$100,000 or five percent of the face value of the issue. If (a) is true, a written allocation that evidences the Municipality's use of the proceeds to reimburse an Original Expenditure has been or will be made not later than 18 months (5) after the date of the Original Expenditure is paid, or the date the project is placed in service or abandoned, whichever is later. (6)

IN WITNESS WHEREOF, we have executed this certificate in our official capacities to be effective this 30th day of

April 2024. (7)

\_\_\_\_\_  
President

\_\_\_\_\_  
Village Clerk

\_\_\_\_\_  
Treasurer

(1) The purpose of this certification is to demonstrate that the Obligations are not "private activity bonds." If they are, they are subject to additional requirements and restrictions, if they can be issued on a tax-exempt basis at all. Lenders are advised to obtain legal assistance before proceeding with a loan in such a case. Common examples of arrangements which can result in private activity bond status are the sale or lease of property to private parties, reserved capacity arrangements or other special arrangements regarding sewage treatment facilities, leases or management contracts with respect to hospitals, airports or similar enterprises, or development agreements in tax increment projects.

(2) Subordinate entities include entities deriving their issuing authority from the Municipality or subject to substantial control by the Municipality. (e.g., a municipal water or sewerage commission or housing authority).

(3) Private activity bonds (such as "industrial development bonds") do not count toward the \$10,000,000 limitation; however, obligations issued on behalf of 501(c)(3) corporations (commonly hospitals or nursing homes) do count toward the \$10,000,000 limit.

(4) If this certification cannot be made, lenders will not be entitled to deduct, for federal income tax purposes, interest expense that is allocable to carrying or acquiring the Obligations.

(5) This time limitation is extended to 3 years if the aggregate face amount of all tax-exempt bonds or notes issued by the Municipality during the calendar year in which the Obligations are incurred is reasonably expected not to exceed \$5,000,000.

(6) The purpose of this certification is to demonstrate that the Municipality has complied with the federal reimbursement regulations under Section 1.150-2 of the Internal Revenue Code Regulations, as amended. These regulations limit the ability of a municipality to use the proceeds of a tax-exempt borrowing to reimburse itself for expenditures previously made on a project. Generally, these rules apply to construction or acquisition financing; special reimbursement rules apply for refundings. If the Municipality cannot make the certifications contained in this paragraph, consult your attorney.

(7) This certificate should be dated the date that payment for the Obligations is actually received.

INSTRUCTIONS FOR AND EXPLANATION OF  
FEDERAL INFORMATION RETURNS

The Internal Revenue Code of 1986, as amended, requires that an information report concerning each issue of municipal obligations be filed with the Secretary of the Treasury, as a condition to federal tax exemption. Please note that, although the term "bonds" is used on Forms 8038-G and 8038-GC, an information return is required for all lending transactions covered in the WBA Municipal Transactions Satellite Manual. Under the Internal Revenue Code of 1986, as amended, a "bond" is any obligation of a political subdivision. The form to be filed differs, depending on whether the issue price is under \$100,000 or is \$100,000 or more.

1. For issues of \$100,000 or more, IRS Form 8038-G must be filed.
2. For issues under \$100,000, IRS Form 8038-GC must be filed.

## Some points to note:

- (a) A separate Information Return should be filed for each issue.
- (b) The deadline for filing is the 15th day of the second calendar month after the close of the calendar quarter in which the issue is issued. For example, if borrowing is done in January, February or March, the Information Return must be filed no later than the following May 15.
- (c) Alternatively, for issues under \$100,000, a consolidated Form 8038-GC could be filed at the end of the calendar year. However, it is recommended that in all cases the appropriate form 8038-G or 8038-GC be filed promptly upon the closing of the loan.
- (d) The form should be executed by an officer of the Municipality.
- (e) The form should be mailed to the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255.

Although Forms 8038-G and 8038-GC are to be filed by the Municipality, the bank should see to it that the filing is made, since the filing is a condition to exemption from federal income taxation for interest paid on the notes issued by the Municipality.

**CAUTION:** Please note that the Federal Information Return Forms (8038-G and 8038-GC) are periodically revised and updated by the IRS. Please check the revision date of the form you plan to use and confirm with the IRS that it is current.





# State of Wisconsin • DEPARTMENT OF REVENUE

DIVISION OF STATE AND LOCAL FINANCE • BUREAU OF LOCAL GOVERNMENT SERVICES • 2135 RIMROCK RD MADISON, WI 53713

**Mailing Address:**  
PO Box 8971 #6-97  
Madison, WI 53708-8971  
FAX (608) 264-6887  
lgs@wisconsin.gov

August 15, 2023

SHEILA MEYER  
VILLAGE OF GRANTSBURG  
316 BRAD STREET SOUTH  
GRANTSBURG WI 54840

## Certificate of Equalized Value - Village of Grantsburg

Under state law (secs. 70.57 and 67.03, Wis. Stats.), the Wisconsin Department of Revenue's State and Local Finance Division is certifying the equalized value for all taxable property in your municipality as of January 1, 2023.

Equalized Value Information			
<b>Municipality</b>	VILLAGE OF GRANTSBURG	<b>Co-muni code</b>	07131
<b>County</b>	BURNETT		
<b>Equalized value</b>	\$102,094,500	<b>Taxation district</b>	0175
<b>Effective date</b>	August 15, 2023 - August 14, 2024		

Sincerely,

Sara M. Regenauer, Director  
Local Government Services Bureau  
Saram.Regenauer@wisconsin.gov  
(608)261-5360

# ATTACHMENT A

## Village of Grantsburg, WI

\$1,401,000 General Obligation Promissory Note, Series 2024B

Community Bank of Cameron

### Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
04/30/2024	-	-	-	-	-
06/01/2025	1,401,000.00	5.550%	84,451.11	1,485,451.11	1,485,451.11
<b>Total</b>	<b>\$1,401,000.00</b>	-	<b>\$84,451.11</b>	<b>\$1,485,451.11</b>	-

### Yield Statistics

Bond Year Dollars	\$1,521.64
Average Life	1.086 Years
Average Coupon	5.5499998%
Net Interest Cost (NIC)	5.5499998%
True Interest Cost (TIC)	5.4624214%
Bond Yield for Arbitrage Purposes	5.4624214%
All Inclusive Cost (AIC)	5.4624214%

### IRS Form 8038

Net Interest Cost	5.5499998%
Weighted Average Maturity	1.086 Years



## Village of Grantsburg, WI

## Outstanding General Obligation Debt Issues, as of 4/30/2024

Year	Issue		Amount Outstanding	2024 Payments Remaining		Creditor
	Amount	Name				
2012	\$853,000	State Trust Fund Loan	175,000			Board of Commissioners of Public Lands
2014	\$90,000	General Obligation Promissory Note	14,145	14,145		Community Bank
2017	\$162,000	General Obligation Promissory Note	72,000	18,000		Bremer Bank
2019	\$247,250	General Obligation Promissory Note	148,955	24,526		Community Bank
2019	\$610,000	General Obligation Promissory Note	511,508	26,221		Bremer Bank
2023	\$316,675	State Trust Fund Loan	316,675			Board of Commissioners of Public Lands
2024	\$1,398,000	General Obligation Promissory Note	1,398,000			Community Bank of Cameron
2024	\$1,401,000	General Obligation Promissory Note	1,401,000			Community Bank of Cameron
<b>Subtotal</b>			<b>\$4,037,283</b>	<b>\$82,892</b>		

## Outstanding Sewer Revenue Debt Issues, as of 4/30/2024

Year	Issue		Amount Outstanding	2024 Payments Remaining		Creditor
	Amount	Name				
2008	\$480,000	Sewer and Storm Revenue Bonds	121,200	29,100		US Bank
2014	\$323,692	Sewerage System Mortgage Revenue Bonds	190,045	16,866		State of Wisconsin Clean Water Fund Loan
<b>Subtotal</b>			<b>\$311,245</b>	<b>\$45,966</b>		

## Outstanding Water Revenue Debt Issues, as of 4/30/2024

Year	Issue		Amount Outstanding	2024 Payments Remaining		Creditor
	Amount	Name				
2005	\$586,800	Water System Mortgage Revenue Bonds	75,800	37,000		US Bank
2012	\$209,674	Water System Mortgage Revenue Bonds	101,178	10,661		State of Wisconsin Safe Drinking Water Loan Program
2014	\$447,557	Water System Mortgage Revenue Bonds	259,636	22,271		State of Wisconsin Safe Drinking Water Loan Program
2018	\$138,072	Water System Mortgage Revenue Bonds	106,386	65,516		State of Wisconsin Safe Drinking Water Loan Program
2021	\$425,886	Water System Mortgage Revenue Bonds	394,697	20,314		State of Wisconsin Safe Drinking Water Loan Program
<b>Subtotal</b>			<b>\$937,697</b>	<b>\$155,762</b>		

## Total Debt Outstanding

\$5,286,225