

Resolution No. 3-1009A

INITIAL RESOLUTION AUTHORIZING  
GENERAL OBLIGATION BONDS  
IN AN AMOUNT NOT TO EXCEED \$6,100,000

WHEREAS, the County Board of Supervisors of Iowa County, Wisconsin (the "County") finds and determines that it is necessary, desirable and in the best interest of the County to raise funds for the public purpose of designing and constructing a new health and human services building and acquiring related furniture, fixtures and equipment (the "Project"), and there are insufficient funds on hand to pay said costs;

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

WHEREAS, counties are authorized by the provisions of Section 67.04 of the Wisconsin Statutes to borrow money and to issue general obligation bonds for such public purpose;

WHEREAS, counties may issue general obligation bonds for such public purpose pursuant to Section 67.045(1) (b) of the Wisconsin Statutes if the County Board of Supervisors adopts a resolution that sets forth its reasonable expectations that issuance of the bonds will not cause the County to increase the debt levy rate, as defined in Section 59.605(1) (b) of the Wisconsin Statutes;

WHEREAS, the Department of Revenue has promulgated standards for debt issuance regarding the establishment of such reasonable expectations (Wis. Admin. Code § Tax 21.06);

WHEREAS, the County's 1992 debt levy rate, which is the base for the County's debt levy rate limit, was .000603999 as set forth on Line 14 of the attached Exhibit A;

WHEREAS, the five-year historical average percentage of dollar growth in equalized values of taxable property exclusive of tax incremental district value is 5.03% as set forth in the attached Exhibit B;

WHEREAS, the growth in the allowable annual debt levy rate as determined by multiplying the growth in equalized value by the prior year levy rate is set forth in the attached Exhibit C;

WHEREAS, the proposed debt service for the general obligation bonds necessary to pay the cost of the Project is set forth on the attached Exhibit D and shows no increase in the County's debt levy rate over the life of the bonds;

WHEREAS, the County currently anticipates no other borrowing over the life of the proposed bonds;

WHEREAS, the County's independent certified public accountants have agreed that the Project constitutes expenditures which can be associated with the issuance of long-term debt in accordance with Generally Accepted Accounting Principles as set forth in the attached Exhibit E; and

WHEREAS, there are no balloon payments or variable rate debt contemplated by the County and the County is not using any estimate of state aid in reaching its conclusion on reasonable expectations.

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

Section 1A. Reasonable Expectations. In accordance with Section 67.045(1)(b) of the Wisconsin Statutes and Wis. Admin. Code § Tax 21.06 and on the basis of the information set forth on Exhibits A through E attached hereto, the County Board of Supervisors reasonably expects that \$6,100,000 general obligation bonds issued to pay the cost of the Project will not cause the County to increase the debt levy rate as defined in Section 59.605 of the Wisconsin Statutes.

Section 1B. Notice. Pursuant to Wis. Admin. Code § Tax 21.06, the County Clerk is directed to send to the Department of Revenue a copy of this resolution and all supporting documentation appended thereto together with the voting results thereon and a completed county tax levy rate limit reporting form within ten business days of the adoption hereof together with any other information requested by the Department of Revenue.

Section 1C. Authorization of the Bonds. The County shall sell and deliver its general obligation bonds, in a principal amount not to exceed \$6,100,000 (the "Bonds"), issued for the purpose above stated, to a purchaser or purchasers to be determined by subsequent resolutions of the County Board of Supervisors.

Section 2. Direct Annual Irrepealable Tax. For the purpose of paying the principal of and interest on the Bonds as the same become due, the full faith, credit and resources of the County are hereby irrevocably pledged and there be and there hereby is levied on all the taxable property in the County a direct, annual, irrepealable tax in such years and in such amounts as are sufficient to meet such principal and interest payments when due.

Adopted and recorded October 20, 2009.

Approved October 20, 2009.

  
Mark Masters  
County Board Chairperson

Attest:

  
Greg Klusendorf  
County Clerk

Debt Levy Rate Calculation

Determination of Actual 2009 payable 2010 Debt Levy Rate

12. 2008 payable 2009 allowable Debt Levy (Line 16 on 2008 Form) .....	12. \$	1,129,820
13. 2008 Equalized Value of county exclusive of TID value increments (Line 2) .....	13. \$	1,870,563,600
14. 2008 payable 2009 Debt Levy Rate (Line 12 divided by Line 13) .....	14.	0.000603999
15. 2009 Equalized Value of the county exclusive of TID value increments .....	15. \$	1,852,152,500
16. 2009 payable 2010 Allowable Debt Levy (Line 14 x Line 15) .....	16. \$	1,118,700

Adjustments to Allowable Debt Levy

17. Adjustment for 2009 payable 2010 Debt Levy for debt issued to comply with court orders and judgments. 67.04(5)(b)1. ....	17. \$	
18. Adjustment for 2009 payable 2010 Debt Levy for debt issued to pay unfunded prior service liability contributions under the Wisconsin Retirement System. 67.04(5)(b)4. ....	18. \$	
19. Adjustment for 2009 payable 2010 Debt Levy for debt issued to provide liability insurance and risk management services under 611.11(4) Stats. 67.04(5)(b)3. ....	19. \$	
20. Adjustment for 2009 payable 2010 Debt Levy for debt issued with referendum approval. 67.045(1)(a). ....	20. \$	
21. Adjustment for 2009 payable 2010 Debt Levy for debt authorized by the governing body prior to August 12, 1993. 67.045(1)(c). ....	21. \$	
22. Adjustment for 2009 payable 2010 Debt Levy for debt issued for purposes under 67.05(7)(c), (cc), (f), (h) or (l) or under 67.045(1)(d). ....	22. \$	
23. Adjustment for 2010 Debt payments and related cost financed by issuing new debt. 67.045(1)(e). ....	23. \$	
24. Adjustment for 2010 Payments for Debt issues approved by a three-fourths vote of the members-elected as defined in s. 59.001(2m) Stats. 67.045(1)(f) .....	24. \$	
25. Allowable 2009 payable 2010 Debt Levy adjustments (Sum of Lines 16 through 24) .....	25. \$	

Actual 2009 Payable 2010 Debt Levy Rate

26. Actual 2009 payable 2010 Debt Levy .....	** 26. \$	
27. 2009 Equalized Value of the county excluding TID value increment (Line 4) .....	27. \$	1,852,152,500
28. Actual 2009 payable 2010 Debt Levy Rate (Line 26 divided by Line 27) .....	28.	

\*\* WARNING: Must not exceed line 25 (see S. 59.605(4) Penalties)

## EXHIBIT B

### Iowa County, Wisconsin Equalized Valuation Trends Excluding TID Values

Five-Year Average Percent Change (2004 - 2009) (2004 - 2009)	5.03%
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<u>Levy Year</u>	(TID NOT Included) <u>Total Property Equalized Value</u>	<u>Year Over Year Percent Change</u>
2004	1,452,894,400	
2005	1,565,450,400	7.75%
2006	1,692,951,600	8.14%
2007	1,789,368,400	5.70%
2008	1,870,563,600	4.54%
2009	1,852,152,500	-0.98%
2010	1,945,315,771	5.03%
2011	2,043,165,154	5.03%
2012	2,145,936,361	5.03%
2013	2,253,876,960	5.03%
2014	2,367,246,971	5.03%
2015	2,486,319,494	5.03%
2016	2,611,381,365	5.03%
2017	2,742,733,847	5.03%
2018	2,880,693,360	5.03%
2019	3,025,592,236	5.03%
2020	3,177,779,525	5.03%
2021	3,337,621,835	5.03%
2022	3,505,504,214	5.03%
2023	3,681,831,076	5.03%
2024	3,867,027,179	5.03%
2025	4,061,538,646	5.03%
2026	4,265,834,040	5.03%
2027	4,480,405,492	5.03%
2028	4,705,769,888	5.03%
2029	4,942,470,113	5.03%

## EXHIBIT C

### Iowa County, Wisconsin Allowable Debt Levy

<u>Levy Year</u>	<u>Budget Year</u>	(TID NOT Included) <u>Projected Equalized Value</u>	<u>Year Over Year Percent Change</u>	<u>Allowable Tax Rate*</u>	<u>Allowable Debt Levy</u>
2007	2008	1,789,368,400	5.70%	0.000603999	1,080,777
2008	2009	1,870,563,600	4.54%	0.000603999	1,129,819
2009	2010	1,852,152,500	-0.98%	0.000603999	1,118,698
2010	2011	1,945,315,771	5.03%	0.000603999	1,174,969
2011	2012	2,043,165,154	5.03%	0.000603999	1,234,070
2012	2013	2,145,936,361	5.03%	0.000603999	1,296,143
2013	2014	2,253,876,960	5.03%	0.000603999	1,361,339
2014	2015	2,367,246,971	5.03%	0.000603999	1,429,815
2015	2016	2,486,319,494	5.03%	0.000603999	1,501,734
2016	2017	2,611,381,365	5.03%	0.000603999	1,577,272
2017	2018	2,742,733,847	5.03%	0.000603999	1,656,609
2018	2019	2,880,693,360	5.03%	0.000603999	1,739,936
2019	2020	3,025,592,236	5.03%	0.000603999	1,827,455
2020	2021	3,177,779,525	5.03%	0.000603999	1,919,376
2021	2022	3,337,621,835	5.03%	0.000603999	2,015,920
2022	2023	3,505,504,214	5.03%	0.000603999	2,117,321
2023	2024	3,681,831,076	5.03%	0.000603999	2,223,822
2024	2025	3,867,027,179	5.03%	0.000603999	2,335,681
2025	2026	4,061,538,646	5.03%	0.000603999	2,453,165
2026	2027	4,265,834,040	5.03%	0.000603999	2,576,559
2027	2028	4,480,405,492	5.03%	0.000603999	2,706,160
2028	2029	4,705,769,888	5.03%	0.000603999	2,842,280
2029	2030	4,942,470,113	5.03%	0.000603999	2,985,247

\* The allowable debt levy rate based on the 1992/1993 levy

EXHIBIT D

**Iowa County, Wisconsin**  
**Estimated Debt Service vs. Projected Allowable Debt Service Under Levy Limits**

Levy Year	Budget Year	Debt Service Clean Water 1992 Loan	Debt Service Farmers Savings Bank 2004 Note	Estimated Debt Service \$6,100,000 Future Bonds *	Allowable Debt Levy **	Excess Debt Service Capacity
2007	2008	34,997	95,624		1,080,777	950,156
2008	2009	34,975	95,624		1,129,819	999,220
2009	2010	34,953	95,624		1,118,698	988,121
2010	2011	34,930	95,624	740,963	1,174,969	303,452
2011	2012	34,907	95,624	740,963	1,234,070	362,576
2012	2013		95,624	740,963	1,296,143	459,556
2013	2014		163,357	740,963	1,361,339	457,019
2014	2015			740,963	1,429,815	688,852
2015	2016			740,963	1,501,734	760,771
2016	2017			740,963	1,577,272	836,309
2017	2018			740,963	1,656,609	915,646
2018	2019			740,963	1,739,936	998,973
2019	2020			740,963	1,827,455	1,086,492
2020	2021				1,919,376	1,919,376
2021	2022				2,015,920	2,015,920
2022	2023				2,117,321	2,117,321
2023	2024				2,223,822	2,223,822
2024	2025				2,335,681	2,335,681
2025	2026				2,453,165	2,453,165
2026	2027				2,576,559	2,576,559
2027	2028				2,706,160	2,706,160
2028	2029				2,842,280	2,842,280
2029	2030				2,985,247	2,985,247

\* Total debt service based on average borrowing rate of 3.56%

\*\* The allowable debt levy rate based on the 1992/1993 levy and pro forma equalized values (TID excluded)