

RESOLUTION NO. 2020-95

**RESOLUTION OF THE VILLAGE BOARD OF THE VILLAGE OF CALEDONIA
APPROVING PROMISSORY NOTE TO RACINE UNIFIED SCHOOL DISTRICT**

WHEREAS, on September 17, 2019, the Village and Racine Unified School District entered into a Purchase and Sale Agreement for the Village to purchase certain property known as 5915 and 5919 Erie Street from the Racine Unified School District with a closing date by May 29, 2020 which was twice amended to extend the closing date to October 31, 2020 (the "Agreement");

WHEREAS, the Agreement requires that Village deliver to Racine Unified School District, at closing, a general obligation Promissory Note in the amount of \$1,415,000, providing for payment of the principal and interest of 5% interest on the unpaid balance as called for herein; and

WHEREAS, the closing on the real property is set for October 21, 2020 and the Promissory Note to the Racine Unified School District, including the amortization schedule, attached hereto as **Exhibit A** meets the requirements of the Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Caledonia Village Board that the Promissory Note attached hereto as **Exhibit A** and incorporated herein, is hereby approved; and

BE IT FURTHER RESOLVED, that the Village President, Clerk, Administrator and Finance Director are authorized to take all actions in furtherance of the said note and to make payments as required thereunder.

19 Adopted by the Village Board of the Village of Caledonia, Racine County, Wisconsin, this day of October, 2020.

VILLAGE OF CALEDONIA

By: James R. Dobbs
James R. Dobbs, Village President

Attest: Karie Pope
Karie Pope, Village Clerk

Stock No. 11059

W.B.A. 203D (8/06)

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COPY

FIPCO

PROMISSORY NOTE

Prepared and intended for use by commercial banks in transactions governed by Wisconsin Law.

No. _____ Village of Caledonia (NAME) \$ 1,415,000.00

Dated 10-19, 2020

1. Promise to Pay and Payment Schedule. For value received, the Village of Caledonia, Racine County, Wisconsin ("Village"), promises to pay to Racine Unified School District, or registered assigns, ("Lender") the sum of One Million Four Hundred Fifteen Thousand Dollars (\$ 1,415,000.00), payable with interest at the rate of five percent (5.000%) 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) [X] Other. See attached Addendum A to Promissory Note

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 _____, 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 for the actual number of days principal is unpaid on the basis of _____ a 360 day year [X] a 365 day year.

3. Prepayment. Full or partial prepayment of this note _____ is not permitted [X] is permitted on any principal or interest payment date without penalty on or after at any time. 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 10th day after its due date, Lender may collect a delinquency charge of 5% 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 [X] of 12% per year, computed on the basis of _____ a 360 day year [X] a 365 day year. Village agrees to pay a charge of \$ 15 _____ 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 _____ 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

(Impress official or corporate seal, if any) Village of Caledonia, Racine County, Wisconsin. By [Signature] PRESIDENT. By [Signature] 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)

Addendum A to Promissory Note

1.(d) **Other.** On the first anniversary of this note, and each one year anniversary thereafter, Village will pay to Lender an amount equal to the greater of (a) Fifty Thousand Dollars (\$50,000.00), or (b) 50% of the incremental tax revenues received during the preceding 12 months from each property within Village TID 5. Village's final payment will be due on or before the 10th anniversary of this note, and will be for all principal and all accrued interest not yet paid. Payments shall be applied first upon the unpaid interest and then applied upon the unpaid principal.

Final Settlement Statement

Settlement Date: 10/21/2020
Officer: Martin Price/MP

File No: NCS-981591-MAD

Buyer Charge	Buyer Credit	Description	Seller Charge	Seller Credit
30.00		Record Warranty Deed (transfer tax exempt)		
	235.00	Cash (X From) (To) Buyer		
		Cash (To) (X From) Seller		54,975.00
1,450,235.00	1,450,235.00	Totals	1,504,975.00	1,504,975.00

See Attached Signatures

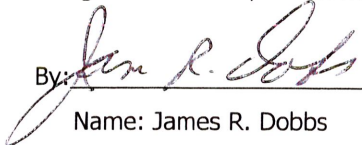
Final Settlement Statement

Settlement Date: 10/21/2020
Officer: Martin Price/MP

File No: NCS-981591-MAD

BUYER(S):

Village of Caledonia, a Wisconsin municipal corporation

By:  _____

Name: James R. Dobbs

Title: Village President

Attested By:  _____

Name: Karie Pope

Title: Village Clerk

Final Settlement Statement

Settlement Date: 10/21/2020
Officer: Martin Price/MP

File No: NCS-981591-MAD

SELLER(S):

Racine Unified School District, a Wisconsin municipal corporation, formerly known as Unified School District No. 1 of the City of Racine, Village of Sturtevant, Village of Wind Point, Village of North Bay, Village of Elmwood Park, Town of Caledonia and Town of Mt. Pleasant of Racine County, Wisconsin

By: _____

Name: Brian O'Connell

Title: School Board President