

**RESOLUTION AUTHORIZING TEMPORARY BORROWING
(PURSUANT TO SECTION 116.08 WIS. STATS.)**

WHEREAS, Cooperative Educational Service Agencies are established by Chapter 116 of the Wisconsin Statutes, and empowered by Section 116.08(2) to incur short term loans/draws so long as the outstanding amount of such loans/draws at any one time does not exceed 50% of the Agency's receipts for the prior fiscal year, and,

WHEREAS, Cooperative Educational Service Agency No. 9 (hereinafter referred to as CESA 9), Tomahawk Wisconsin, has in the past experienced shortfalls in cash flow necessary to meet the immediate expenses of operating and maintaining the services of the Agency, and,

WHEREAS, CESA 9 projects a total shortfall of \$500,000 in cash flow over the next fiscal year commencing July 1, 2017 and ending June 30, 2018, and,

WHEREAS, to meet said anticipated shortfall, the CESA 9 Board of Control deems it necessary and in the best interest of the Agency to establish a line of credit in the amount of \$500,000 for the purpose of making temporary loans/draws from the River Valley Bank, Tomahawk, Wisconsin. All loans/draws shall be repaid as soon as funds are available from revenues received by the Agency, and,

WHEREAS, the River Valley Bank of Tomahawk, Wisconsin, has agreed to establish a line of credit for CESA 9 in a sum not to exceed \$500,000 at an annual interest of **4.25%**.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Control of CESA 9 that:

1. For the purposes enumerated, there shall be borrowed from the River Valley Bank, Tomahawk, Wisconsin, up to the sum of \$500,000 at **4.25%** per annum interest.
2. From time to time the Agency President, Treasurer, and Secretary are hereby authorized, empowered and directed to make, issue and deliver to the River Valley Bank of Tomahawk, Wisconsin, CESA 9's serially numbered draws, not to exceed the total of \$500,000 with interest of **4.25%**. These notes shall be dated as of the date of making and shall bear interest from that date until repaid.
3. There shall be prepayment privileges without penalty.
4. The proceeds of the loans/draws shall be used solely for the purpose of immediate expenses of operating and maintaining the services of the Agency, and no note shall be issued for a greater amount than is reasonably anticipated to meet the necessary expenses for that period.
5. This borrowing and the notes thereunder are to be repaid from anticipated revenues received by CESA 9 and so long as any note or interest remains unpaid, CESA 9 grants to the River Valley Bank a lien on the anticipated revenues outstanding from any of the School Districts within the Cooperative Educational Service Agency area, as well as a lien on any State aids to which CESA 9 is entitled but which they have not received. Said liens shall not

be enforced by the Bank against CESA 9 until it is at least 30 days in default in the repayment of this obligation.

6. Each loan/draw shall be signed by the Agency President, Treasurer and Secretary of the Board of Control, shall be serially numbered and dated, and shall state on its face the interest which it bears and shall be delivered to the River Valley Bank upon payment of the Bank in the amount stated on the face of said loan/draw. The appropriate officers and agents of the Agency, including but not limited to the Fiscal Administrator, are hereby directed and authorized to do all acts and execute and deliver all documents as may be necessary and convenient to effectuate the closing.
7. This resolution is in effect until the 30th day of August, 2018, or until the total sum of \$500,000 has been utilized from the River Valley Bank, whichever is first.
8. In the event that any one or more provisions of this Resolution for any reason shall be held to be illegal or invalid, such illegality or invalidity shall not effect any other provision thereof.
9. This shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted this 7th day of August, 2017.

COOPERATIVE EDUCATIONAL SERVICE
AGENCY NO. 9 BOARD OF CONTROL

By: _____

President

Certify:

Vice President

Secretary

Treasurer