

CHAPTER 67

MUNICIPAL BORROWING AND MUNICIPAL BONDS

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67.01 Definitions and interpretations. In this chapter, unless the context or subject matter otherwise requires:

(1) "Municipality" includes a county, city, village, town, common school district, union high school district, unified school district, whether any such district is joint or otherwise, a board of education, a board of park commissioners, a vocational, technical and adult education district and any other public body empowered to borrow money and issue written obligations to repay the same out of public funds or revenues.

(2) "Municipal obligation" includes every lawful promise or engagement in writing by a municipality to pay at a specified future time a specified sum of money.

(3) "Governing body" includes a town or county board, the legislative body of a city or village, and the board of any district or other municipality enumerated in subsection (1).

(4) Every reference to the population of a municipality refers to its population according to the last United States census; and every reference to the value of the taxable property in a municipality refers to such value as equalized for state purposes.

(5) "Recorded" means copied at length in the record book required by subsection (12) of section 67.05.

(6) "Initial resolution" means any resolution or ordinance adopted pursuant to subsection (1) or subsection (2) of section 67.05, by which a proceeding is instituted for the purpose of authorizing a municipality to borrow money and issue bonds or other municipal obligations.

(8) This chapter is not applicable:

(a) To the borrowing of moneys belonging to the common school fund, the normal school fund, the university fund or the agricultural col-

lege fund; all of which borrowing shall continue to be regulated by chapter 25 of these statutes.

(b) To the issue or payment of street, sewer, harbor or other improvement bonds or certificates which do not constitute a general liability of the municipality issuing them, and for the payment of which specified portions only of the taxable property in such municipality are taxable.

(d) To drainage bonds issued by authority of ch. 88 (or ch. 88 or 89 as they existed prior to January 1, 1965).

(e) To viaduct bonds issued pursuant to s. 59.91.

(g) To mortgage bonds or mortgage certificates issued for the purpose of purchasing, acquiring, constructing, extending, adding to or improving public utilities, including street railways, pursuant to ss. 66.06 to 66.078, nor to refunding bonds authorized pursuant to s. 66.066 (2) (b).

(h) To contractor's certificates, general obligation-local improvement bonds or special assessment B bonds issued pursuant to section 66.54 except as therein specified.

67.015 Housing authorities exempted. This chapter shall not be applicable to borrowing by housing authorities or county veterans' housing authorities under sections 66.39 to 66.404.

67.02 Procedure validated. (1) Validations heretofore [1921] effected by legislative enactments of defective or irregular procedure in the creation, execution, or issue of municipal obligations continue unaffected by the repeal of said enactments or by the consolidation and revision of them in this chapter.

(2) Defects and irregularities in any such proceeding hereafter [1921] had which is for a law-

ful purpose, is unaffected by fraud, and does not exceed any statutory or constitutional limitation of amount, shall not invalidate the bonds issued or the indebtedness incurred after the bonds have been sold or hypothecated and the proceeds thereof received and appropriated by the municipality to such lawful purpose, nor after the performance of a contract has been entered upon by a party whose performance of the contract is the consideration for such bonds or other obligations.

(3) The governing body of any municipality about to issue municipal bonds may, in its discretion, submit to the attorney general a certified copy of all its proceedings preliminary to such issue, and also the unsigned bonds, for examination and certification as provided by s. 165.015 (3). As soon as bonds so examined and certified shall be returned the clerk of the municipality shall record such certificate.

67.03 Grant of power to borrow; general limitations of indebtedness. (1) Except as provided in s. 67.01 (8), municipalities may borrow money and issue municipal obligations therefor only for the purposes and by the procedure specified in this chapter. The aggregate amount of indebtedness, including existing indebtedness, of any municipality shall not exceed 5% of the value of the taxable property located therein as equalized for state purposes except as follows:

(a) For any city authorized to issue bonds for school purposes, an additional 10 per cent may be incurred for school purposes only, and in such cases the territory attached to the city for school purposes shall be included in the total taxable property supporting the bonds issued for school purposes.

(b) For any school district which offers no less than grades 1 to 12 and which at the time of incurring such debt is eligible for the highest level of school aids, 10 per cent of such equalized value shall be permitted.

(2) The amount so limited includes such indebtedness only as has been or may be incurred independently by a municipality for its own separate purposes; and does not include any indebtedness, in whole or in part, that has been or may be incurred independently by any other municipality for its own separate purposes, even though the territory and taxable property of either municipality constitutes the whole or a part of the territory and taxable property of the other.

(3) Whenever a municipality acquires a utility or other property of any kind that at the time is incumbered by mortgage, trust deed or otherwise, the municipality does not assume the payment of such incumbrance, nor does the

incumbrance constitute any part of the amount limited by subsection (1). Neither is any deferred payment upon a municipal contract a part of said amount, if the contract expressly provides immunity for the municipality from all liability arising from such contract to make such payment.

(4) The last determination made by the department of revenue of the full value of the taxable property in any municipality, including cities with territory attached for school purposes, under this section or s. 70.57 or 121.06 (1), shall be the value of such property as equalized for state purposes.

(5) (a) When the last determination made by the department of revenue of the full value of the taxable property in a city authorized to issue bonds for school purposes, including territory attached to such city for school purposes, or in a school district or other municipality is not a true valuation of the taxable property therein because of change in the territory thereof, the department of revenue, upon application in writing by the clerk of such city or school district or other municipality, in such form as the department prescribes, shall increase or decrease the last determination in such amount as in the best judgment of the department makes proper adjustment for the change in territory and the resulting adjusted valuation shall thereupon constitute the value of the taxable property in such city, city and attached territory, school district or other municipality as equalized for state purposes.

(b) When a new city authorized to issue bonds for school purposes or a new school district or other municipality has been formed for which no determination of the full value of the taxable property therein, including territory attached for school purposes, has been made by the department of revenue, upon application in writing by the clerk of such city, school district or other municipality, in such form as the department prescribes, it shall determine according to its best judgment from all sources of information available to it the full value of the taxable property in such city, city and attached territory, school district or other municipality which valuation shall thereupon constitute the value of the taxable property in such city, city and attached territory, school district or other municipality as equalized for state purposes.

(6) The department of revenue may certify to the clerk of any city authorized to issue bonds for school purposes, or of any school district, or of any other municipality, the full value of the taxable property of such city, including territory attached for school purposes, or school district or other municipality as equalized for state pur-

poses, when such valuation is requested for use in connection with the borrowing of money by such city, school district or other municipality.

(7) For the purposes of indebtedness school districts which in successive years operate all grades to tenth, eleventh and twelfth as provided in s. 121.84 (3) shall be considered school districts offering no less than grades one to 12.

67.035 Tax limitations not applicable to debt levies. All taxes levied or to be levied by any municipality proceeding under this chapter for the purpose of paying principal and interest on valid bonds or notes now or hereafter outstanding shall be and the same are hereby declared to be without limitation notwithstanding any legislative limitation now or heretofore existing, and all such limitations are hereby repealed in so far as they apply to taxes levied or to be levied to pay principal and interest upon such bonds or notes.

67.04 Purposes and specific limitations of bond issues. Municipalities are empowered to borrow money, subject to the general limitation of amounts prescribed by section 67.03, and subject in some specific cases to the further limitations prescribed by this section, and to issue bonds therefor, for the purposes enumerated in this section. Such bonds may be issued:

(1) By any county:

(a) To acquire sites, to equip and otherwise generally provide joint county teachers college buildings, county buildings, including county poorhouses, county hospitals, county asylums for the insane, county tuberculosis sanatoriums, county workhouses, university of Wisconsin extension centers, state university branch campus and new collegiate institutions or research facilities, if their operation has been approved by the board of regents, and houses of correction; but all outstanding unpaid bonds for these purposes shall not exceed in amount at one time 4% of the last equalized value of taxable property in such county for state taxes made by the department of revenue under s. 70.57.

(b) In counties having a population of two hundred fifty thousand or more, to provide sites and buildings for the institutions and departments mentioned in section 46.21, and to furnish and equip them for use.

(c) To provide a sum not exceeding in amount one per centum of the value of the taxable property in the county for the original construction and for the improvement and maintenance of highways.

(d) To construct, acquire or maintain, or to aid in constructing, acquiring or maintaining, a bridge over or across any stream or other body

of water bordering upon or intersecting any part of the county, including, without limitation because of designation, a bridge project eligible to construction under section 84.11 (1) (a) or (b) or under 84.12 (1) (a) or (b); provided that nothing herein shall be construed to prevent any county from proceeding under sections 67.13 and 67.14 where applicable.

(e) To pay an authorized subscription to the capital stock or mortgage bonds, or both, issued by any railroad company.

(f) Except in counties having a population of 500,000 or more, to aid the county road and bridge fund; but all outstanding unpaid bonds for such aid shall not exceed in amount at one time one per centum of the value of the taxable property in the county.

(g) To finance the cost of any dock wall, shore protection wall or dam, as authorized by ss. 30.34 (2) and 31.38.

(h) To acquire land for county parks and to improve the same.

(i) For the purpose of raising funds for one or more of the purposes specified in section 45.05 or 45.055.

(j) In counties having a population of less than 500,000: for dredging, docking, and other permanent river or harbor improvements; or to acquire the necessary sites for, and to construct and maintain thereon, public docks, wharves and approaches.

(k) To acquire sites for airports or landing fields and to construct hangars, buildings, runways and other equipment and appurtenances necessary for the operation and maintenance of same, either alone or jointly with a city, village or town.

(m) To provide relief and assistance to those in need.

(n) To raise a fund for the purpose of enabling the county to carry delinquent tax certificates.

(o) In counties having a population of two hundred fifty thousand or more, to provide for the acquisition of property, the construction of buildings and public works and the payment of expenses incurred in the exercise of powers and functions conferred by section 59.083 relating to the consolidation of municipal services in such counties.

(p) To refund a prior indebtedness of any county in any case whether or not such indebtedness was created for a purpose for which county bonds might have been issued in the original instance; provided, the time for payment shall not be extended beyond the period authorized in this chapter.

(q) To provide for the erection, repair, improvement, construction or other acquisition,

equipment or furnishing of joint county and city buildings for a courthouse, city hall, hospital, armory, library, auditorium or music center, municipal center, or any combination thereof; to acquire the site therefor; and to execute, authorize, and do all things necessary to secure financial aid and co-operation of the federal government in the undertaking, construction, maintenance and operation of any such project.

(qm) To acquire sites and to erect or acquire and to improve and equip buildings or additions to buildings to be used as county libraries under s. 43.25 except in counties having a population of 500,000 or more.

(r) To provide funds for acquiring land by purchase or condemnation and constructing thereon or upon lands otherwise acquired by the county, various types of housing to be sold or rented, upon such terms as the county board may authorize, to honorably discharged members of the armed services of the United States who served in any of its wars and who at the time of induction into such service were residents of such county.

(s) To acquire sites; to prepare, carry out, acquire, lease and operate housing projects for honorably discharged members of the armed services of the United States who served in any of its wars and who at the time of induction into such service were residents of such county and their families and dependents; to provide for the construction, reconstruction, improvement, alteration and repair of any such housing project or any part thereof.

(t) In counties having a population of 500,000 or more, to acquire land and improve the same by the construction of a county stadium, swimming pools or other recreational facilities and all necessary appurtenances therefor.

(u) In counties having a population of 500,000 or more, to acquire sites and to improve the same by construction of housing facilities with all necessary furnishings and appurtenances therefor to rent to low-income residents of such county.

(v) In counties having a population of 500,000 or more to acquire lands and improvements thereon and any and all interests of whatever nature and by whomsoever owned therein, by purchase, condemnation or otherwise for the necessary right of way for expressways, and to provide for the construction or reconstruction of a comprehensive expressway system. For the purposes of this paragraph the term "expressway" is as defined in s. 59.965 (1) (a) and also includes the cost of acquisition and construction of the land, roadways and structures necessary to permit access to, over and under such expressway and further includes such part of the cost of

the necessary work of relocating and reconstructing of utility and railroad services disrupted in the construction of such expressway as the county may be required to pay. Section 67.10 (4) shall not apply to any bond issue authorized and sold under this paragraph. Such bond issues shall be exempt from the requirements in s. 67.11 (1) (e), that not less than 5 per cent of the original indebtedness shall be annually deposited in the sinking fund. Such bonds may be issued without a referendum.

(w) In counties having a population of 500,000 or more, to acquire lands and improve the same by providing facilities including the construction of incinerators for the disposal of waste as defined in s. 59.07 (52) (b).

(x) To acquire sites for parking lots and to construct buildings and other equipment and appurtenances necessary for the operation and maintenance of the same.

(y) To acquire sites for and to erect, acquire, add to, improve and equip buildings to be used as instructional centers or special schools for handicapped children under subch. IV of ch. 115; but taxes for the payment of principal of and interest on such bonds shall be levied only against such taxable property in the county which, at the time of the adoption of the initial resolution authorizing such bonds, was included in the county's program for handicapped children under subch. IV of ch. 115, or which thereafter shall be so included.

(z) To acquire sites and to erect or acquire and to improve and equip buildings or additions to buildings to be used as schools of vocational and adult education under s. 38.155.

(2) Cities shall not borrow money or issue bonds therefor for any purpose except only those specified in this subsection, and subject to the general limitation of amounts prescribed by section 67.03, namely:

(a) For the erection, construction, enlargement or repair of a city hall or other public buildings and the purchase of sites for the same; or for the purchase of voting machines.

(b) For the purchase or erection of new school buildings, or additions to old buildings or to purchase school sites, school transportation vehicles or school equipment for the purpose of providing for the educational requirements of the city including territory attached to such city for school purposes; to acquire sites and erect or enlarge buildings thereon, and to equip such new or old buildings, for parental or schools of vocational and adult education, or for use by the local board of vocational and adult education; and to do renovating, remodeling and repairing of existing buildings.

(c) For the purchase of sites for engine houses; for fire engines and other equipments of the fire department; for construction of engine houses; and for pumps, water mains, reservoirs and all other reasonable facilities for fire protection.

(d) For the purchase of sites for police stations and for the construction of buildings thereon for the use of the police department.

(e) For the construction and extension of waterworks plants, or the purchase of existing plants; construction and improvement of water mains, sewers and drains; construction and improvement of flushing tunnels, with buildings, equipment and machinery for operating the same; to provide the protection, planning, construction and establishment of a sewage disposal plant or system; or for the erection and construction or enlargement of garbage disposal plants or refuse or rubbish disposal plants or any combination of plants provided under this section and to purchase sites for the same.

(f) To construct, acquire, enlarge, extend or maintain any plant or equipment, or any part of a plant or equipment for the production, transmission, delivery or furnishing of heat, light, or power, either directly or indirectly, to or for the public; to enlarge or extend such plants or equip any part thereof; or to acquire street railway property.

(g) To purchase or acquire any public utility, street railway, motor bus or other systems of public transportation when it deems it necessary or desirable to raise the money for either of those purposes in the course of such acquisition, by proceedings had under ss. 193.33 to 193.46, or under ss. 196.01 to 197.10; but this paragraph shall not be construed as an amendment of any of said sections nor as impairing, altering or affecting the powers of the public service commission in any such proceeding.

(h) For the purchase of lands for city markets and the construction of market buildings thereon; or for the construction of public baths and hospitals and the purchase of sites for the same.

(i) For the erection, construction and equipment of library and museum buildings and the purchase of sites for the same; to provide for the erection and equipment of auditoriums and music halls; or to acquire sites, erect buildings thereon, and equip them for use as art museums, or to purchase existing art museums.

(j) To acquire land, including submerged land, and to fill in and improve the same for the purpose of providing public parks and park buildings, public drives, boulevards and cemeteries, and to construct the necessary buildings, revetments and retaining walls therefor; and also to provide swimming pools, stadiums or other

recreational structures, either in parks or elsewhere.

(k) For the purpose of widening streets, creating boulevards and parkways, and to establish civic and municipal centers, playgrounds and reservations in and about and along and leading to any or all of the same, with authority, after the establishment, layout and completion of such improvements, to convey any such real estate thus acquired and not necessary for such improvements, with reservations for the future use and occupation of such real estate, so as to protect such public works and improvements and their environments and preserve the view, appearance, light, air and usefulness of such public works.

(l) To pay the cost of laying out, opening or widening streets; to provide street improvements; to create either a revolving or a temporary fund out of which to advance the cost of any work for which special assessments may be levied, in anticipation of the collection by the city treasurer of the special assessments, special improvement certificates, special improvement bonds, contractor's certificates, general obligation-local improvement bonds, or special assessment B bonds made or issued for the cost thereof; or to pay the city's portion of the cost of abolishing grade crossings.

(m) For construction of viaducts and bridges and for the acquisition of rights of way for the same; to construct, acquire or maintain, or to aid in constructing, acquiring or maintaining a bridge over or across any stream or other body of water bordering upon or intersecting any part of the city which shall constitute a bridge project eligible to construction under section 84.11 (1) (a) or (b) or 84.12 (1) (a) or (b); to purchase toll bridges and their approaches; or to build, purchase and maintain, or to aid in building, purchasing or maintaining a bridge located or to be located as specified in section 1320, statutes of 1921.

(n) For dredging, docking and other permanent river or harbor improvements; to finance its share of the cost of federal flood control projects; to finance the cost of any dock wall, shore protection wall or dam, as authorized by ss. 30.34 (2) and 31.38; or to acquire the necessary sites for, and to construct and maintain thereon, public docks, wharves and approaches.

(o) For the purpose of raising funds for one or more of the purposes specified in section 45.05 or 45.055.

(p) To purchase, construct, maintain and operate telephone lines and exchanges; or to aid in such construction; but the amount of bonds issued for such aid shall not exceed one-half of the

entire cost of the lines and exchanges described in the proposal or request for aid.

(q) To pay an authorized subscription to the capital stock or mortgage bonds, or both, issued by any railroad company.

(r) To refund a prior indebtedness of any city in any case whether or not such indebtedness was created for a purpose for which general municipal bonds might have been issued in the original instance; provided, the time for payment shall not be extended beyond the period authorized in this chapter.

(s) To acquire sites for airports or landing fields and to construct hangars, buildings, runways and other equipment and appurtenances necessary for the operation and maintenance of same, either alone or jointly with a county, village or town.

(u) As provided by subsection (13) of section 62.23.

(v) To refund securities heretofore or hereafter issued pursuant to section 66.066 as the same now exists or as it may be hereafter amended.

(w) To provide for the erection, construction or other acquisition, equipment or furnishing of joint city and county buildings for a courthouse, city hall, hospital, armory, library, auditorium and music center, municipal center, or any combination thereof; to acquire the site therefor; and to execute, authorize, and do all things necessary to secure financial aid and co-operation of the federal government in the undertaking, construction, maintenance and operation of any such project.

(x) To refund any or all of a deposit made pursuant to paragraph (b) of subsection (9) of section 157.11.

(y) To acquire sites for municipal parking lots and to construct buildings and other equipment and appurtenances necessary for the operation and maintenance of the same.

(z) To provide or assist in providing for the elimination or removal of railroad grade crossings and the elimination or relocation of railroad switch yards, railroad roundhouses and railroad terminals.

(zm) To acquire sites; to prepare, carry out, acquire, lease and operate housing projects for honorably discharged members of the armed services of the United States who served in any of its wars and who at the time of induction into such service were residents of the county in which the municipality is located and their families and dependents; to provide for the construction, reconstruction, improvement, alteration and repair of any such housing project or any part thereof.

(zn) To acquire sites; to prepare, to carry out, acquire, lease, construct and operate housing

projects for families displaced under ss. 66.40 to 66.43 and for families displaced by reason of any street widening, expressway or other public works project causing the demolition of dwellings; to provide for the construction, reconstruction, improvement, alteration and repair of any such housing project or any part thereof; to acquire land for housing redevelopment projects and for the clearance of slum and blighted areas; and to acquire sites; to prepare, to carry out, acquire, lease, construct and operate any housing projects authorized under ss. 66.40 to 66.43; and to provide financial assistance to blight elimination, slum clearance, redevelopment and urban renewal programs and projects under ss. 66.43, 66.431 and 66.435.

(zo) To acquire and develop sites for industrial purposes to the extent permitted by ss. 66.52 and 66.521; also to acquire sites for industry and commerce as will expand the municipal tax base.

(zp) To provide for the construction, remodeling, expansion, acquisition or equipping of land, buildings and facilities for a University of Wisconsin extension center or state university branch campus, if the operation of it has been approved by the board of regents.

(4) Villages shall not borrow money or issue bonds for any purpose except only for the following purposes and subject to the general limitation of amounts prescribed by section 67.03.

(a) For any purposes for which a city having a population of less than 500,000 is authorized to issue bonds pursuant to subsection (2), under the circumstances and subject to the limitations therein expressed, and except that the word "city" as used in subsection (2) shall be deemed to include the word "village" for the purposes of this paragraph.

(b) To contribute to the cost of creating, organizing and equipping any county school of agriculture and domestic economy, located within or adjacent to the village, pursuant to ss. 38.47 to 38.55; but such contribution shall not exceed one-fifth of the entire cost.

(d) To acquire lands for the purpose of procuring the removal of railroads from any portion of such village; but the consideration received from the sale of the lands so acquired shall be paid into the sinking fund for said bond issue, as provided in section 67.11.

(5) By any town:

(a) To purchase voting machines.

(b) To purchase or build a town hall or other building for the use of the town as provided in section 60.18 (9).

(d) To provide any sum within its constitutional limitation of indebtedness for building roads and bridges.

(e) To construct, acquire or maintain, or to aid in constructing, acquiring or maintaining a bridge over or across any stream or other body of water bordering upon or intersecting any part of the town, including, without limitation because of designation, a bridge project so located which is eligible to construction under section 84.11 (1) (a) or (b) or under 84.12 (1) (a) or (b).

(f) To finance the cost of any dock wall, shore protection wall or dam, as authorized by ss. 30.34 (2) and 31.38.

(g) To purchase, construct, maintain and operate telephone lines and exchanges or to aid in such construction; but the amount of bonds issued for such aid shall not exceed one-half of the entire cost of the lines and exchanges described in the proposal or request for aid.

(h) To pay an authorized subscription to the capital stock or mortgage bonds, or both, issued by any railroad corporation.

(i) To purchase or acquire public utilities or street railways when it is deemed necessary or desirable to raise money for either of those purposes in the course of such acquisitions, under sections 193.33 to 193.46, or under chapter 197; but this paragraph shall not be deemed an amendment of any of said sections, nor shall it impair, alter or affect the powers of the public service commission in any such proceedings.

(j) To purchase land under the circumstances mentioned in subsection (15) of section 60.18.

(k) For the purpose of raising funds for one or more of the purposes specified in section 45.05 or 45.055.

(l) To construct, acquire, or maintain, or to aid in constructing, acquiring or maintaining a free bridge over a navigable or meandered stream bordering on or intersecting the town, which necessarily will be more than 475 feet long, exclusive of approaches, when located by the highway commission pursuant to s. 84.11.

(m) To purchase sites for docks and to construct and maintain such docks, and to improve harbors; provided that the town board of such town has been constituted a "Dock and Harbor Board."

(n) To acquire sites for airports or landing fields and to construct hangars, buildings, runways and other equipment and appurtenances necessary for the operation and maintenance of same, either alone or jointly with a county, city or village.

(p) To pay any existing indebtedness, or to refund a prior indebtedness, including judgments, of any town, in any case, whether or not such indebtedness was created for a purpose for which general municipal bonds might have been

issued in the original instance; provided, the time for payment shall not be extended beyond the period authorized by this chapter.

(q) For the purposes specified in subsection (2) (l) of this section.

(r) For the purchase of sites for engine houses; for fire engines and other equipments of the fire department; for construction of engine houses; and for pumps, water mains, reservoirs and all other reasonable facilities for fire protection.

(6) By any vocational, technical and adult education district, common school district, union high school district, unified school district, whether any such district is joint or otherwise, or by any board of education, by whatever name designated, which is especially authorized to issue bonds, or by any city authorized to issue bonds for school purposes because of inclusion in a city school district whether the city school district is joint or otherwise: to purchase, erect or improve school buildings, teacherages or bus garages, to acquire schoolhouse, teacherage or bus garage sites or school playgrounds, to acquire sites and erect or enlarge buildings thereon for schools of vocational and adult education or for use by the local board of vocational and adult education and to equip such buildings with heat, light, ventilation or other necessary apparatus; to purchase school transportation vehicles; to refund indebtedness heretofore contracted; to construct at schools without the limits of cities and villages safety zones and necessary connecting ways or roads to the public highway required by s. 118.09; but no issue of bonds for purchasing a schoolhouse site, a teacherage site, or a school playground, or for purchasing or erecting a teacherage, or for purchasing school transportation vehicles, shall exceed \$25,000, except in counties containing a population of 150,000 or more, where the limit of indebtedness that may be incurred for the acquisition of a schoolhouse site or addition thereto, is any sum not in excess of an amount certified by the governing body of the town, village or city in which the site is situated as reasonable and necessary for that purpose; and provided that any school district whose territory consists of a city of the 4th class or of a city of the 4th class and a part or the whole of any adjoining town or towns may borrow and issue bonds therefor up to 10% as to any such school district offering no less than grades 1 to 12 and which is at the time of incurring the indebtedness eligible for the highest level of school aids, and as to any other such school district up to 5%, and as to vocational, technical and adult education districts up to 2%, of the value of its taxable property as equalized for state purposes for the purpose of purchasing schoolhouse sites and the construction and

equipment of schoolhouses. Any such school district or city including within its boundaries territory of a former school district may issue bonds to refund the unpaid principal amount of promissory notes issued by such former school district to the extent that such notes have been assigned to it under s. 66.03. Such bonds may be issued without an election and shall bear interest at a rate or rates not exceeding that borne by the notes refunded.

(7) By any common school district, unified school district or vocational, technical and adult education district, by the board thereof: to purchase the school property, including vocational school property, of a city or village therein upon the abolition of a city school district or common school district, or upon creation of a unified school district or upon the reorganization of vocational, vocational and adult, or vocational, technical and adult schools. Such bonds shall not be subject to a referendum.

(8) By any county, town, city or village, to acquire, develop, remodel, construct and equip land, buildings and facilities for regional projects, either alone or acting jointly under s. 66.30.

(9) By any municipality to provide a sum not exceeding the amount of all funds belonging to such municipality which have lawfully been deposited in a bank, and which are not available to such municipality because such bank has been placed in the hands of the commissioner of banking or is operating under a stabilization and readjustment agreement approved by the commissioner, or because such bank has sold a part or all of its assets to another bank which has agreed to pay a part or all of the deposit liability of such selling bank on a deferred payment basis, or because such bank, being a national bank, has been placed in the hands of the comptroller of the currency or is operating under a stabilization and readjustment agreement approved by the investment board.

(11) By any municipality to refund any of its bonds or other indebtedness which by their terms are subject to redemption before maturity; or to refund any of its bonds prior to maturity pursuant to agreement with the holders thereof provided that no refunding bonds issued to refund called bonds or unmatured bonds shall bear interest at a rate in excess of that borne by the original bonds being refunded. Refunding bonds shall be sold for not less than par and accrued interest or such bonds may be delivered to the holder or holders of the bonds or coupons to be refunded in exchange therefor on a basis of par for par. The initial resolution adopted by the governing body of any such municipality shall not be submitted to the electors unless within

thirty days after the recording thereof there shall be filed with the clerk of such municipality a petition requesting such submission, signed by electors numbering at least ten per cent of the votes cast in such municipality for governor at the last general election. If such petition is filed proceedings shall be had as then provided by the pertinent provisions of this chapter.

(12) (a) By any school district, whenever the aggregate maturities of principal and interest on previous indebtedness in any calendar year exceed \$3.33 1/3 for each \$1,000 of its assessed valuation as determined during the preceding year. Bonds maturing in such year may be refunded in the manner provided by par. (b) in an amount not exceeding the difference between such aggregate maturities of principal and interest and a sum equal to \$3.33 1/3 for each \$1,000 of its assessed valuation as determined during the preceding year. The provision of this paragraph shall not affect or repeal any law authorizing the refunding of bonds by school districts but shall be supplemental thereto. In the issuing of refunding bonds under this paragraph, a school district shall proceed as provided by par. (b).

(b) The initial resolution adopted by the governing body of any such municipality shall not be submitted to the electors unless within 30 days after the recording thereof there is filed with the clerk of such municipality a petition requesting such submission, signed by electors numbering at least 10 per cent of the votes cast in such municipality for governor at the last general election. If such petition is filed proceedings shall be had as provided by s. 67.05 (4), (5), (6) or (6a).

(13) By any county, city, village or town to acquire sites for golf courses, to improve and equip the same and to construct thereon a clubhouse and any other necessary construction for the operation of a golf course and clubhouse.

(15) By any county, village or town to purchase school transportation vehicles.

67.045 Bonds, unexpended proceeds. Whenever any bonds shall have been authorized before June 7, 1923 by vote of the electors of any city, however incorporated, for the purpose of widening streets, the council of such city may by ordinance direct that the unexpended residue of the proceeds of any such bonds may be expended for laying out and widening streets other than those streets for which the bonds were authorized, or to acquire land and to improve the same for the purpose of providing public squares, driveways or boulevards. This section shall not apply to any bonds sold prior to said date.

67.05 Bond issues; procedure. (1) INITIAL RESOLUTION BY GOVERNING BODY. The governing body of any municipality about to issue bonds pursuant to this chapter is required, except where initial action has already been taken by electors under subsection (2), to adopt a resolution stating the amount, or a sum not to exceed a stated amount, and purpose or purposes, which must not conflict with the limitations imposed upon such municipality by sections 67.03 and 67.04; and such other and further matters as the governing body may deem necessary or useful. A resolution for an issue of bonds to provide payment for an authorized subscription to the capital stock or mortgage bonds, or both, of a railroad company, shall embody a copy of the application for such issue required by subsection (8). A resolution for an issue of bonds to provide for the purchase or erection of a telephone line or exchange shall embody a copy of the proposition required by subsection (9). And a resolution for the issue of bonds to provide a free bridge, pursuant to section 84.11, shall embody a copy of the findings required by said section to be filed by the highway commission.

(2) INITIAL RESOLUTION BY ELECTORS. (a) The electors of any town, common school district, union high school district, whether such district is joint or otherwise, or of any municipality other than a county, a city, a village, a vocational, technical and adult education district or a board of park commissioners, may at any annual meeting, or at a special meeting of such electors called for the purpose, adopt the initial resolution prescribed by sub. (1) without any prior adoption thereof by the governing body of such municipality. The vote in such case shall be made by ballot in substantially the following form:

FOR BONDS AGAINST BONDS

(b) The electors of a city may adopt the initial resolution prescribed by sub. (1) in the manner provided by s. 9.20.

(3) INITIAL RESOLUTION, HOW ADOPTED. Every initial resolution in and for a city shall be offered and read at a regular meeting of the city council, shall be published as a class 2 notice, under ch. 985, during the 60 days next following such reading, and shall be invalid for any purpose unless supported by the affirmative vote of at least two-thirds of all of the members of the council, or, in the case of a city issuing school bonds and having territory attached for school purposes only, by two-thirds of all the votes provided by the formula under s. 120.50 (2), taken at a regular meeting held after such publication; and within said 60 days; and every

initial resolution adopted by the governing body of any municipality, other than a city, shall be invalid for any purpose unless supported by the affirmative vote of at least a majority of the members-elect of such governing bodies, except that a two-thirds vote of the members-elect of a county board shall be required. Every such vote by a county board shall be taken at an annual, or an adjourned annual or a special meeting thereof; and every such vote by any governing body, other than a city council or a county board, shall be taken at a meeting attended by all of its members-elect, or, if any such member is not present, proof by the affidavit of a present member must be made and recorded, showing that the absent member or members were notified of the time, place and purpose of the meeting at least 24 hours before such time.

(4) PERMISSIVE REFERENDUM IN COUNTIES. Whenever an initial resolution has been adopted by a county board for an issue of county bonds to provide for the original construction or for the improvement and maintenance of highways, to provide railroad aid, or to construct, acquire or maintain, or to aid in constructing, acquiring or maintaining a bridge over or across any stream or other body of water bordering upon or intersecting any part of the county, the county clerk shall immediately record the same. He shall not submit the resolution for approval to the electors of the county at a special election unless within 30 days after the recording thereof there is filed with the county clerk a petition requesting such submission, signed by electors numbering at least 10% of the votes cast in the county for governor at the last general election. The calling, holding and conduct of such special election, including the printing and the distribution of ballots, the canvass of votes, and the declaration of the result, shall be governed by those statutes, so far as applicable, which govern special elections in general, including ss. 5.01 (2), 5.64 (2) and 59.04 (2). The notice of such special election and the ballot used thereat shall embody a copy of the initial resolution, and the question submitted shall be whether the resolution shall be or shall not be approved. No such resolution of a county board other than those specified in this subsection need be submitted to county electors, except as provided otherwise in sub. (7).

(5) REFERENDUM IN TOWNS, VILLAGES AND CITIES. (a) Whenever an initial resolution has been so adopted by the governing body of a town, the clerk of such municipality shall immediately record the same and call a special election for the purpose of submitting the resolution to the electors of the municipality for approval. The calling, holding and conduct of

such special election, including the furnishing of printed ballots, the canvass of votes, and the declaration of the result, shall be governed by those statutes, so far as applicable, which govern special elections in general, including ss. 5.01 (2), 5.02 (3), 5.35 (3), 5.60 (7), 5.64 (2), 7.15 (2) (d), 8.06, 9.20 and 60.13. The notice of such special election and the ballot used thereat shall embody a copy of the resolution, and the question submitted shall be whether the resolution shall or shall not be approved. The ballot may be a separate ballot, or may be printed upon the official ballot, when such special election is held at the same time as a regular town, village or city election. This subsection is limited in its scope by sub. (7).

(b) No city or village shall issue any bonds for any purposes other than for waterworks, lighting works, gas works, bridges, street improvements, street improvement funding, hospitals, airports, harbor improvements, river improvements, breakwaters and protection piers, sewerage, garbage disposal, rubbish or refuse disposal, any combination of sewage, garbage or refuse or rubbish disposal, parks and public grounds, swimming pools and band shells thereon, veterans housing projects, street railway property, or paying the municipality's portion of the cost of abolishing grade crossings, for the construction of police facilities and combined fire and police safety buildings, for the purchase of sites for engine houses, for fire engines and other equipment of the fire department, for construction of engine houses, and for pumps, watermains, reservoirs and all other reasonable facilities for fire protection apparatus or equipment for fire protection, school purposes or vocational school purposes, for libraries, for buildings for the housing of machinery and equipment, for the purposes set forth in s. 67.04 (2) (zo), for providing financial assistance to blight elimination, slum clearance, redevelopment and urban renewal programs and projects under ss. 66.43, 66.431 and 66.435, university of Wisconsin extension centers or state university branch campus, or for refunding any of the bonds issued for any of the aforesaid purposes, or for bonds issued to refund securities originally issued pursuant to s. 66.066, until the proposition for their issue for the special purpose thereof has been submitted to the electors of such city or village and adopted by a majority voting thereon. Whenever the common council of any city or the village board of any village declares its purpose to raise money by issuing bonds for any purpose other than those above specified, it shall direct by resolution, which shall be recorded at length in the record of its proceedings, the clerk to call a special election for the purpose of submitting the question of bonding the city or village to the

electors thereof. Such elections shall be noticed, conducted, canvassed and the result declared as provided in this subsection, except that the notice of such special election and the ballot used thereat need not embody a copy of the resolution, but shall contain a statement of the purpose and the amount of the bonds proposed to be issued.

(6) REFERENDUM IN OTHER CASES. Whenever an initial resolution has been so adopted by the governing body of any municipality whatsoever other than a county, a town, a city, a village, a vocational, technical and adult education district or a board of park commissioners, the clerk of such municipality shall immediately record the same and call a special meeting for the purpose of submitting the resolution to the electors of the municipality for ratification or rejection. The calling and conduct of such meeting shall be governed by those statutes, so far as applicable, which govern the calling and conduct of special meetings in general. The notice of the meeting, which shall be publicly read before the balloting shall commence, and the ballot used, shall embody a copy of the resolution; the form of the ballot shall correspond, as near as may be, with form "D" annexed to s. 5.64 (2); and the question submitted shall be whether the resolution shall be approved.

(6a) SCHOOL DISTRICT BONDS, REFERENDUM. The provisions of paragraph (a) of subsection (2) and of subsection (6) shall not apply to the issuing of bonds or the borrowing of money in excess of five thousand dollars by any school district which includes within its territory a village, or a city of the fourth class, but in all such cases the procedure shall be as follows:

(a) Whenever the board of any such district, or the electors thereof at a regularly called school meeting, by a majority vote adopt a resolution to raise an amount of money in excess of \$5,000, by a bond issue or a loan other than loans made according to the authority granted in s. 67.12 (12), the board shall direct its clerk to call a special election for the purpose of submitting the same to the electors for approval or rejection, and the board may specify that such election be held on the next succeeding regularly scheduled primary or regular municipal election in the manner provided in sub. (6b).

(b) Notices containing a statement of the purpose of such special election, giving the amount of money proposed to be raised, the purpose for which it is to be used, and the means by which it is to be raised, and stating the time and place of holding such election and the hours of its opening and closing, shall be published at least

twice one week apart in some newspaper published in said school district, if there be one; if there be none, the clerk shall post or cause to be posted such notices at least fifteen days before the date set for such election in at least ten public places in said district.

(c) Such election shall be held and conducted and the votes cast thereat counted, canvassed and returned as at annual town elections. The polls thereat shall be open at 7 a. m. and be closed at 8 p. m.

(d) The school board shall provide all necessary election supplies, ballot boxes and booths and select the necessary election officials. The form of the ballot provided shall correspond as near as may be with form "D" annexed to s. 5.64 (2). The notice of such special election and the ballot used thereat, shall embody a copy of the resolution, and the question submitted shall be whether the resolution shall be or shall not be approved.

(e) Nothing in this section shall be construed to apply to borrowing by school boards to meet immediate expenses pursuant to subsection (8) of section 67.12, nor to require a referendum in such cases.

(6b) **SCHOOL DISTRICT BOND REFERENDUM AT MUNICIPAL ELECTION.** When a school board directs under sub. (6a) (a) that a referendum election be held on the next succeeding regularly scheduled municipal election as provided in this subsection:

(a) Subsection (6a) (b) and (e) shall apply.

(b) The school board shall provide the election officials of the town, city and village in which the school district lies with all necessary election supplies, and registration lists if the district has a register of its electors, except when registration with the municipal clerk is required for voting at such election. The municipal clerk shall then arrange for the voting on the bond referendum. The form of the ballot shall correspond substantially with form "D" annexed to s. 5.64 (2). The notice of the election and the ballot to be used thereat shall embody a copy of the resolution, and the question submitted shall be whether the resolution shall be or shall not be approved.

(c) The election shall be held and conducted and the votes cast thereat counted and canvassed as in other matters voted upon in the city, village or town and the results certified forthwith to the clerk of the school district.

(6m) **HEARING AND REFERENDUM IN VOCATIONAL, TECHNICAL AND ADULT EDUCATION DISTRICTS.** Prior to the adoption of an initial resolution under sub. (1), the board of a vocational, technical and adult education district shall adopt a resolution stating its intention to borrow money for the purposes specified in s.

38.155 (7) and setting a date, time and place for a public hearing on the resolution which shall be held within 30 days of the adoption of such resolution. The vocational, technical and adult education district secretary immediately shall publish a copy of such resolution as a class 1 notice, under ch. 985.

(a) A resolution adopted by a vocational, technical and adult education district board for an issue of bonds in an amount of money not exceeding \$100,000 for purposes specified in s. 38.155 (7) need not be submitted to the electors of the district for approval. A resolution adopted by a vocational, technical and adult education district board for an issue of bonds in an amount of money in excess of \$100,000 for purposes specified in s. 38.155 (7) need not be submitted to the electors of the district for approval, unless within 30 days after the resolution is adopted there is filed with the vocational, technical and adult education district secretary a petition signed by 1,000 electors in the district requesting a referendum thereon. Any resolution adopted under sub. (1) at the discretion of the district board, may be submitted to the electors without waiting for the filing of a petition.

(b) If a referendum is to be held on a resolution, the district board shall direct the vocational, technical and adult education district secretary to call a special election for the purpose of submitting the resolution to the electors for a referendum on approval or rejection. In lieu of a special election, the district board may specify that the election be held at the next succeeding spring primary or election or September primary or general election.

(c) The secretary shall publish a class 2 notice, under ch. 985, containing a statement of the purpose of the referendum, giving the amount of the bonds proposed to be issued and the purpose for which they will be issued, and stating the time and places of holding the election and the hours during which the polls will be open.

(d) The board shall provide the election officials of each city, village and town having territory in the district with all necessary election supplies, and, for a special election, shall provide or arrange for the necessary ballot boxes and booths and select the necessary election officials. The form of the ballot shall correspond substantially with form "D" annexed to s. 5.64 (2). The ballot need not embody a copy of the resolution, but shall contain a statement of the purpose and the amount of the bonds proposed to be issued.

(e) The election shall be held and conducted and the votes cast thereat counted and canvassed as at regular municipal elections and the results certified to the vocational, technical and adult education district secretary. A majority of all

votes cast in the district shall decide the question.

(7) **REFERENDUM, WHEN REQUIRED BY ELECTORS, WHEN NOT PERMITTED.** (a) An initial resolution adopted by a county board for an issue of bonds to provide a memorial for soldiers, sailors and marines, shall not be submitted to the electors unless within thirty days after the recording thereof there shall be filed with the county clerk a petition requesting such submission, signed by electors numbering at least ten per cent of the votes cast in the county for governor at the last general election. If such petition be filed, proceedings shall be had as provided by subsection (4).

(b) An initial resolution adopted by the common council of any city for an issue of bonds for purposes specifically enumerated in sub. (5) need not be submitted to the electors under sub. (5), unless within 30 days after the recording thereof there shall be filed in the office of the city clerk a petition requesting such submission, signed by electors numbering at least 10% of the votes cast for governor in the city at the last general election or in the case of adoption by the common council of an initial resolution for an issue of bonds for school purposes for a joint city school district, the number of electors required on the petition shall be at least 10% of the votes cast for governor in the school district in the last general election, as determined under s. 115.01 (13). If such petition is filed, proceedings shall be had under sub. (5). But any such resolution may, in the discretion of the city council, by separate recorded resolution, be submitted to popular vote without waiting for the filing of the petition.

(c) An initial resolution adopted by the common council of a city for an issue of bonds for paying the city's portion of the cost of abolishing grade crossings, shall not be submitted to popular vote.

(cc) An initial resolution adopted by the school board of a common school district or unified school district for the purpose of purchasing the school property or vocational school property of a city therein which formerly operated a city school district shall not be submitted to a referendum vote.

(d) Whenever the purpose for which any municipality proposes to issue bonds is required by law to be approved by a vote of its electors, such a vote in favor of the issue for that express purpose shall be construed as an approval of the purpose by the electors; and the question of approving the purpose need not be separately submitted.

(e) An initial resolution adopted by the governing body of a city or village for an issue of bonds to create a revolving fund out of which to

advance the cost of any work for which special assessments may be levied, in anticipation of the collection by the city or village treasurer of the special assessments, special improvement certificates and improvement bonds, made or issued for the cost thereof, need not be submitted to the electors as provided in sub. (5), unless within 30 days after the recording thereof there shall be filed in the office of the city or village clerk a petition requesting such submission, signed by electors numbering at least 10 per cent of the votes cast for governor in the city or village at the last general election. If such petition be filed, proceedings shall be had as provided by sub. (5). Any such resolution may, in the discretion of the city council or village board, by separate recorded resolution, be submitted to popular vote without waiting for the filing of said petition.

(f) An initial resolution adopted by any county, town, city or village for the purpose of acquiring, developing, remodeling, constructing and equipping land, buildings and facilities for regional projects, either alone or acting jointly under s. 66.30, shall not be subject to a referendum.

(8) **APPLICATION FOR RAILROAD AID BONDS.** Whenever any railroad company shall desire a subscription to its stock or mortgage bonds, or both, it shall deliver to the clerk of the county, town, village or city from which said aid is desired a definite proposition in writing, signed by the president and secretary thereof, and sealed with its seal, which shall be, if accepted, irrevocably binding on such company, which proposal shall state the amount of municipal bonds desired in payment of such subscription, the time and place of payment thereof, whether payable before maturity at the option of such municipality, the rate of interest they shall bear, when they shall be delivered with reference to the time of the complete construction of such railroad from point to point, and within what time such road shall be so constructed to entitle the company to such bonds or any instalment thereof. Said proposition shall also state that in consideration of such municipal bonds the railroad company will issue to such municipality such number of the shares of its capital stock or such of its mortgage bonds, or partly of the one and partly of the other, as will at their par value be equal to the principal sum of such municipal bonds; and shall propose that such municipal bonds and such stocks or bonds, or both, of such railroad company shall be deposited in escrow with some trustee or trustees to be named, to be delivered to the proper parties when and as the conditions of such agreement shall be complied with by the party entitled to the same there-

under. Every such proposition shall be accompanied by advance payment, or security for the payment, of the cost of printing and publishing the notices of the special election required by subsection (4) or subsection (5) and the cost of providing the ballots therefor. Thereupon the proposition shall be filed and recorded and may then be incorporated in a resolution as provided by subsection (1), or rejected, by the governing body.

(9) **APPLICATION FOR TELEPHONE AID BONDS.** Every town, village and city is forbidden to issue any municipal bonds for the purchase or erection of telephone lines and exchanges unless a proposition setting forth the length, equipment and connections of the proposed line, the amount and denomination of the bonds desired, the rate of interest they are to bear, how, when and where said bonds and interest shall be payable, when said bonds shall be delivered with reference to the construction of the line from point to point or its final completion, when said line, if not then completed, shall be finished, and providing for escrow of the bonds if the parties so elect, pursuant to the terms of such proposition, shall first be filed with and recorded by the clerk of such municipality, and the same shall thereafter be adopted by its governing body as provided by subsection (1) and approved by its electors as provided by subsection (5). But no action shall be taken on any such proposition unless presented by a person, firm, company or corporation who has filed with the secretary of state a notice of intention to apply under the provisions of this section, together with a bond in such form and amount as in the secretary's judgment shall properly protect the interests of the community concerned.

(10) **DIRECT, ANNUAL, IRREPEALABLE TAX.** The governing body of every municipality proceeding under this chapter shall, at the time of or after the adoption of an initial resolution in compliance with sub. (1) or (2), or, after the approval of such resolution by popular vote when such approval is required, and before issuing any of the contemplated bonds, levy by recorded resolution a direct, annual tax sufficient in amount to pay and for the express purpose of paying the interest on such bonds as it falls due, and also to pay and discharge the principal thereof at maturity. Taxes for the purpose of paying principal of and interest on bonds issued for school purposes by any city operating schools under subch. II of ch. 120 shall be levied against and apportioned to any property attached to such city for school purposes in the manner provided by s. 120.53. The municipality shall be and continue without

power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issue of said bonds such tax shall be from year to year carried into the tax roll of the municipality and collected as other taxes are collected, provided that the amount of tax carried into said tax roll may be reduced in any year by the amount of any surplus money in the sinking fund created pursuant to s. 67.11, and provided further that the municipality issuing said bonds may make an appropriation in advance of the authorization of such bonds to provide funds for payment of interest coming due on said bonds prior to the first collection of taxes levied for the payment thereof. The amount of such appropriation shall be based on estimates of the amount of bonds to be sold and the rate of interest such bonds will bear. Said appropriation shall not be used for any other purpose than that for which appropriated and any surplus in said appropriation shall be transferred to the general fund of the municipality. No further or annual levy for that purpose shall be necessary.

(11) **AUTHORITY TO BORROW AND ISSUE BONDS, WHEN COMPLETE.** Every municipality that has first complied with all the requirements prescribed for and made applicable to it by subs. (1) to (10), may, but not otherwise, borrow money and issue and sell or hypothecate its municipal bonds to the amount and for the purposes specified in the initial resolution.

(12) **RECORD OF PROCEEDINGS.** Every municipality shall provide and keep a separate record book or record books in which its municipal clerk shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing municipal bonds, or of incurring any other municipal obligation under the provisions of this chapter, including a statement of the number of affirmative and negative votes cast by electors.

(13) **COMBINATION OF ISSUES.** Bonds authorized under various initial resolutions may, in the discretion of the governing body, be combined into one issue and designated as "corporate purpose bonds". The resolution providing for such combination and the bond form for the combined issue shall separately itemize the amount being issued for each of the purposes provided by the underlying initial resolutions.

(14) **REFERENDUM NOT REQUIRED FOR CERTAIN TEMPORARY BORROWING.** This section shall not be construed to require, or at any time before July 9, 1955, to have required, the submission to the electors for approval of any borrowing under s. 67.12, the provisions of said s. 67.12 being controlling as to such borrowing.

Cross Reference: For petition for referendum by electors

67.05 MUNICIPAL BORROWING

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in territory attached for school purposes under (7) (b), see 120.45

67.06 Form and contents of bonds. Every municipal bond shall be a negotiable instrument payable to bearer, or, in case of bonds which are registerable, to bearer or the registered owner, with interest coupons attached payable annually or semiannually; shall bear interest at a rate not to exceed 8% per annum; shall specify the times and the place or places of payment of principal and interest; shall be numbered consecutively with the other bonds of the same issue which shall begin with number one and continue upward, or, if so directed by the governing body, shall begin with any other number and continue upward; shall bear on its face a name indicative of the purpose specified therefor in said resolution; shall contain a statement of the value of all of the taxable property in the municipality upon which the constitutional debt limit of the municipality is based, the aggregate amount of the existing bonded indebtedness of such municipality, that a direct annual irrevocable tax has been levied by the municipality sufficient to pay the interest when it falls due, and also to pay and discharge the principal at maturity; may contain a statement that the bond is callable with or without premium on conditions prescribed thereon; and may contain any other statement of fact not in conflict with said initial resolution. The entire issue may be composed of bonds of a single denomination or 2 or more denominations.

67.07 Maturity and place of payment. The principal of every sum borrowed and secured by an issue of municipal bonds may be made payable at one time in a single payment or at several times in 2 or more instalments; but every instalment, whether of principal or interest, shall be made payable not later than the termination of the 20 years immediately following the date of the bonds, if issued by a county, town, city or village, board of park commissioners, or by any school district referred to in s. 67.04 (6), and not later than the termination of the 15 years immediately following February 1 next ensuing such date, if issued by any other municipality, except that when the bonds are issued in the acquisition of lands by a county having a population of 150,000 or over, for public, municipal purposes or for the permanent improvement thereof, all instalments of principal and interest shall be made payable within a period not exceeding 50 years from the time when the bonds become a municipal obligation. The terms of the bonds, when issued, shall comply with the initial resolution. A place without the state may be designated by the municipality for such payments.

67.08 Execution and negotiation. (1) Municipal bonds shall be executed in the name of and for the municipality issuing them by their qualified officers who shall, for that purpose, sign the same in their official capacities, as follows: For a county, the chairman of the county board and the county clerk; for a city, the mayor or the city manager and the city clerk; and such other officers as the governing body of the municipality may determine, except that the signature of the mayor may be engraved on said bonds; for a village, the president and the village clerk; for a town, the chairman and the town clerk; for any other municipality, the district clerk and director, or the president and clerk or secretary of the governing body. The facsimile signature of any of the officers executing a municipal bond may be imprinted thereon in lieu of the manual signature of such officer, but at least one of the signatures appearing on each bond shall be a manual signature. Bonds issued under this chapter bearing the signatures of officers in office on the date of the execution thereof as provided herein shall be valid and binding obligations, notwithstanding that before the delivery thereof any or all of the persons whose signatures appear thereon shall have ceased to be officers of the municipality issuing the same. Each bond issued by a municipality having an official or corporate seal shall be sealed with such seal. This subsection shall apply to mortgage revenue bonds under s. 66.066.

(2) The bonds of every municipality shall be negotiated and sold or otherwise disposed of for not less than 95% of the par value of the bonds, plus accrued interest to date of delivery by those officers who are required to execute such instruments, or by such other officers as the governing body may determine, except that refunding bonds shall not be sold for less than par and accrued interest to date of delivery. Notice of sale of bonds shall be published as a class 2 notice, under ch. 985, the last insertion to be at least 10 days before the sale, except that a county having a population of 250,000 or more or any municipality may sell its bonds without notice to itself for the account of any of the sinking funds for any of its bond issues or to any of its own boards administering funds as trustee or agency or any fund specified by s. 62.13 (9) (a) 3, (10) (c), 66.069 (1) (c) or 157.50 (6) or any other trust or reserve fund of such county or municipality. Such notice shall state the time and place where bids will be received together with the amount, purpose, maturities and maximum rate of interest to be borne by the bonds to be sold and any other details which may be deemed advisable by the officials conducting the sale.

(3) All bids received may be rejected, but in such case readvertisement in the manner hereinbefore provided shall be made prior to the sale of any of said bonds, unless said bonds are sold at private sale for not less than the highest bid received at the time set forth in the published notice.

(4) If, however, no bids are received for such bonds within the period prescribed in such notice of sale, then such officials are authorized to sell without further advertisement all or any part of such bonds at private sale at not less than 95 per cent of the par value thereof and accrued interest to date of delivery, except as to refunding bonds which shall not be sold for less than par and accrued interest.

(5) Such negotiation and sale, or other disposition, may be effected by a disposition from time to time of portions only of the entire issue when the purpose for which the bonds have been authorized does not require an immediate realization upon all of them.

67.09 Registration of bonds. (1) All municipal bonds issued by any municipality may be payable to bearer or may be registered as to the principal or principal and interest by the clerk of the municipality issuing them or such other officers as the governing body of the municipality determines. Registrations by municipal clerks or the other designated officers shall be recorded in a bond register.

(2) The holder of any bearer bond registerable as herein provided may have the ownership thereof registered by the officials named in sub. (1) as therein provided, and such registration noted on the bond by or on behalf of the municipality. After such registration, no transfer thereof shall be valid unless made on the records of the municipality by the registered owner in person or by his duly authorized attorney, and similarly noted on the bond, but the same may be discharged from registration by being in like manner transferred to bearer, and thereafter transferability by delivery shall be restored; but such bond may again be registered as to principal or as to principal and interest or transferred to bearer, as before. Registration only as to principal under this section shall not affect the negotiability of the appurtenant coupons, but every such coupon shall continue to be transferable by delivery merely and shall remain payable to bearer.

67.10 Fiscal and administrative regulations. (1) **MONEY OF THE UNITED STATES.** All money borrowed by municipalities, and all money received in payment of any tax levied pursuant to subsection (10) of section 67.05, shall be lawful money of the United States; and

all municipal obligations shall be payable in such money.

(2) **FISCAL AGENTS FOR CITIES.** The common council of any city and the county board of any county indebted on account of outstanding municipal bonds is authorized, in its discretion, to appoint a fiscal agent located in some city within or without the state, or, if deemed convenient, two such agents, each in a different city. Every such fiscal agent shall be an incorporated bank or trust company authorized by the laws of the United States or of the state in which it is located to do a banking or trust company business. The treasurer of the city or county shall, when instructed so to do by written communication from the common council, or county board, deposit with such fiscal agent or agents such sums of money for the payment of the principal or interest of its said bonds as may be specified for that purpose in such communication.

(3) **BORROWED MONEY FUND, SOURCE AND USE.** All borrowed money shall be paid into the treasury of the municipality borrowing it, be entered in an account separate and distinct from all other funds, disbursements charged thereto shall be for the purpose for which it was borrowed and for no other purpose, except as provided by s. 67.11, but including the reimbursement of a temporary advance from other funds of the municipality or the repayment of a temporary loan by the municipality if such advance or loan has been made in anticipation of the borrowed money and for the same purpose, and such disbursements shall be only upon orders or warrants charged to said fund and expressing the purpose for which they are drawn. Money in the borrowed money fund may be temporarily invested as provided in s. 66.04 (2).

(4) **TIME LIMIT FOR SALES AND HYPOTHECATIONS.** Except as provided otherwise by sub. (6) for cities of the 1st class every authorized municipal bond shall be sold or hypothecated within the 5 years next following the adoption, or the approval, when approval by popular vote is required, of the initial resolution authorizing its issue, except when such sale or hypothecation has been delayed by an action to determine the validity of the prior proceedings, in which case the period of such delay may be added to said 5 years.

(5) **ANTICIPATORY CONTRACTS IN GENERAL.** (a) After any municipality has provided, as required by subsection (11) of section 67.05, for an issue of bonds for a lawful purpose which can be accomplished only through performance of an executory contract by some other contracting party, such contract may be entered

into before the actual execution, sale or hypothecation of the bonds with like effect as if the necessary cash for payments on the contract were already in the treasury.

(b) Any city having voted bonds at a special referendum election and having sold a portion thereof may negotiate, sell or otherwise dispose of the same in the manner provided by statute within nine years of the date of the election voting the same.

(6) ANTIICIPATORY CONTRACTS IN CITIES OF THE FIRST CLASS. [Not printed; see 1923 Stats.; 1925 c. 385 s. 7; 1929 c. 211]

(7) ATTORNEY'S OPINION ON BOND ISSUE. In any city the officers charged with the negotiation and sale of its bonds may employ an attorney whose opinion, in their judgment, will be accepted by bond buyers as to the legality of bonds issued by the city to pass upon the legality of any bonds issued by the city and pay a reasonable compensation therefor.

(8) ISSUE OF RAILROAD AID BONDS. Whenever an initial resolution embodying a proposition by a railroad company has been filed as required by subsections (1) and (8) of section 67.05, and has been approved by the electors of any county, town, city or village, the proposition shall be deemed obligatory as a mutual agreement by the company and the municipality, and the governing body of the municipality shall, pursuant thereto, cause subscription to be made in the books of the company for so much of the stock or mortgage bonds, or both, as the resolution specifies. Thereupon the municipal bonds authorized by such resolution shall be executed and placed in escrow for future delivery as required by the proposal. But no such bonds shall be delivered, or be valid or negotiable, if delivered, unless the railroad company at the time of receiving them shall have lawfully earned them by proper performance, in whole or in part, of said mutual agreement. Shares of the capital stock of the railroad company or its mortgage bonds, or both, shall be delivered to the municipality as its right to the same accrues under the mutual agreement; and thereupon, as to any stock so received, the municipality shall be entitled to exercise and enjoy all the rights and privileges conferred by law upon stockholders in such railroad corporation, and the governing body of the municipality shall appoint some person to represent and vote such stock in its behalf at meetings of such stockholders. Such governing body may also sell and dispose of such corporate stock or bonds when and as it deems best for the interests of the municipality.

(9) ACCOUNTING FOR AND CANCELLATION OF COUPONS AND BONDS. (a) Any municipality issuing bonds pursuant to this chapter may ac-

count for and cancel coupons or bonds in the manner provided for by either this paragraph or paragraph (b). The municipality shall keep in a separate book provided for the purpose, an accurate description of every bond so issued, specifying its number, date, purpose, amount, rate of interest, when payable, and the coupons attached; and shall enter therewith a statement of the date and amount of each payment of principal or interest thereon. Every such bond and coupon paid or otherwise retired shall be forthwith marked "canceled" by the officer empowered by law to accept a surrender of the instrument upon payment thereof, and be by him delivered to the governing body of the municipality, and by that body immediately destroyed.

(b) Or such municipality, by resolution adopted by its legislative body, may elect to use the following procedure in accounting for and the cancellation of coupons and bonds. All coupons and bonds paid by a fiscal agent or paying agent as described in sub. (2), at their respective maturities, shall be canceled and cremated by the fiscal agent or paying agent who shall deliver a certificate to such effect to the municipality. A municipality following this procedure, and whose treasurer is also a paying agent for outstanding coupons or bonds, or which has more than one fiscal agent, or paying agent, may arrange for the delivery of such canceled bonds and coupons to a designated fiscal agent or paying agent for the purpose of having said coupons and bonds cremated. Such designated fiscal agent or paying agent shall furnish and deliver to the municipality a certificate or certificates evidencing the cremation of such coupons and bonds. Any municipality, prior to authorizing the fiscal agent or paying agent to cancel and cremate coupons and bonds, shall enter into an agreement with such fiscal agent or paying agent providing for such cancellation and cremation. The local governing body of any municipality operating under this paragraph may establish such rules or procedures as may be deemed appropriate so as to effectively carry out this provision.

67.101 Milwaukee debt amortization. [Not printed; See 1923 Stats.; 1925 c. 385 s. 7; amended 1933 c. 26; 1939 c. 378; 1945 c. 316; 1963 c. 422; 1965 c. 100]

67.11 Sinking fund, sources and uses. (1) Every county, town, city, village, or school district indebted on account of outstanding municipal bonds shall immediately after the issue of such bonds establish in their treasury a fund separate and distinct from every other fund, designated as the sinking fund for the particular

bond issue, describing it, upon which the indebtedness arose, and shall maintain such fund until such indebtedness is fully paid or otherwise extinguished, provided that any money in said fund may be used to pay any amount of principal and interest becoming due and payable on said issue in any year. The sources of said fund shall be:

(a) All moneys accruing to the borrowed money fund prescribed by s. 67.10 (3) which at any stage are not needed and which obviously thereafter cannot be needed for the purpose for which the money was borrowed.

(b) All moneys raised by taxation pursuant to s. 67.05 (10) for the purpose of paying said bonds.

(c) Such moneys, derived from licenses or other sources, the expenditure of which is not otherwise provided for by law, as the governing body may elect to carry into the sinking fund.

(d) The premium, if any, for which the bonds have been sold over and above par value and accrued interest.

(e) Such further sums, raised by taxation annually, or from time to time, as may be necessary to make the contributions to the fund from all sources in each year, beginning with the first year, amount in the aggregate to a sum sufficient to pay all interest maturing in such year and not less than 5 per cent of the original indebtedness. The levying and collection of such taxes are authorized and commanded; but the governing body may, in its discretion, levy and collect larger sums than the sums so commanded, in order to speed the payment of the bonds.

(2) Proper orders or warrants shall be drawn upon the sinking fund each year to pay interest and principal maturing in such year upon said bonds. Funds shall be provided so that payments to cover principal maturing and interest on such bonds and short-term promissory notes authorized under this chapter shall be made when such principal and interest is due. The funds to provide for such annual payments may be invested in direct obligations of the United States government. The surplus, if any, may be loaned or invested under the direction of the proper governing body, as follows:

(a) In outstanding bonds for the payment of which the sinking fund is required, at any price not exceeding the principal, accrued interest and a premium not to exceed 3 years' interest on such bonds; but no such bonds shall be purchased except on bids received at a fixed time and place, notice of which has been published as a class 2 notice, under ch. 985. Such bonds when purchased shall immediately have written on the face thereof a statement, signed by the clerk of such municipality, that the same have been

taken up and cannot again be negotiated or made obligatory; and all such bonds shall be deemed paid and shall be immediately canceled.

(b) In interest-bearing bonds of the United States.

(c) In any bonds or securities issued under the authority of such municipality, whether the same create a general municipal liability or a liability of the property owners of such municipality for special improvements made therein.

(3) Investments of the second or third class continue a part of the sinking fund. The bonds representing such investments may be sold or hypothecated by the governing body at any time, but the money received shall likewise remain, until used, a part of the sinking fund. Any such sale of municipal bonds shall be for a sum not less than par value and accrued interest. All payments by the municipality in extinguishment of principal or interest of bonds representing investments of the third class shall be paid into the sinking fund, and, for the purpose of making such payments, the municipality shall levy and collect every tax that it would be legally obligated to levy and collect if such bonds were still outstanding in the hands of purchasers and had not been purchased as an investment.

(4) Money shall not be withdrawn from a sinking fund and appropriated to any purpose whatever other than the purpose for which the fund was instituted until that purpose has been accomplished.

(5) Any surplus in the sinking fund after all of the bonds for the payment of which the fund was instituted have been paid and canceled, and after all investments of the second or third class have been finally disposed of or realized upon, shall be carried into the general fund of the municipal treasury.

67.12 Temporary borrowing and borrowing on promissory notes. (1) PURPOSES; MANNER; LIMITATION. (a) Every municipality which is in temporary need of money may borrow as prescribed by pars. (b) to (d):

(b) The governing body of any county, town, village or city about to solicit such a temporary loan, shall first adopt and record a resolution specifying the purpose and the amount of the loan, and levying a tax for the same amount to provide payment; which tax, after receipt of the borrowed money, shall become and continue ir-repealable, and shall be carried into the next tax roll of the municipality and collected as other taxes are collected. The proceeds of such tax shall be kept in a distinct and separate fund and be used for the sole purpose of paying such temporary indebtedness. Such resolution shall be supported in a county, town, village or city by at

least three-fourths of all the members-elect of its governing body, or, in the case of a city borrowing for school purposes and having territory attached for school purposes only, by three-fourths of all the votes provided by the formula contained in s. 120.50 (2).

(c) To evidence such indebtedness the municipality shall execute to the lender its promissory note payable with interest on or before the thirtieth day of August following the next tax levy, and signed by the same officers who are required by law to sign municipal bonds, or, in lieu of such note the municipality may deliver to the lender an order drawn on its treasurer payable with or without interest on or before said thirtieth day of August. Nothing in this chapter contained shall be construed as abrogating or in any way affecting those provisions of law which allow any city to receive taxes before the time when they are by law payable, and to issue negotiable certificates in evidence thereof.

(d) Such temporary borrowing by any county or city is limited to such an amount as its board or common council deems necessary to its safety and interest; by a town or village, to the amount for which it has levied a special tax as required by par. (b).

(5) **EMERGENCY BORROWING.** Whenever a public building, utility, sewer system, bridge or other property of a county, town, village or city is suddenly destroyed or injured, or threatened with destruction or injury, by flood, fire, tempest or other unusual cause, the governing body of a municipality may levy a tax to provide means for the protection, repair or restoration of such property in such amount as such body may deem necessary. Borrowing for such emergencies shall be regulated by sub. (1) (b) and (c).

(6) **ADVANCE BORROWING ON REGULAR TAX ROLL.** When any tax has been ordered or levied to be collected on the next tax roll, and such tax roll shall have been placed in the hands of the treasurer for collection, any town board, village board or common council may, in temporary necessity, borrow money in anticipation of the payment of such tax, and apply the same to the purposes for which such tax was ordered or levied; and they may give orders on the treasurer, payable at a future date, therefor, with or without interest, and for the payment thereof such tax shall stand irrevocably pledged and irrevocable. But no order on any town or village treasurer shall in any case whatever be, or be held to be, negotiable according to the usage of merchants.

(8) **TEMPORARY BORROWING BY SCHOOL BOARD.** The school board of any school district operating under the district system or unified

school district plan may on its own motion, made and properly recorded at a lawful board meeting, borrow money in such sums as are needed to meet the immediate expenses of maintaining the public instruction in each district during the current school year. No such loan or loans except loans made by town boards to school districts shall be made to extend beyond September 1 of the following year nor to an amount exceeding one-half the estimated receipts for the operation and maintenance of the school for the current school year in which the loan is made, as certified by the state superintendent of public instruction and the local school clerk. Such borrowing may be done any time after the tax for operation and maintenance of the school for the current school year has been voted to be collected on the next tax roll and such estimated receipts have been so certified. All such loans shall be evidenced by lawfully authorized and drawn school orders, each order, when paid, to be receipted and returned to the treasurer of the board.

(8a) **TEMPORARY SCHOOL DISTRICT LOAN AGAINST REVENUES; REGARDED AS PAID DEBT.** Whenever a school district shall have become entitled to state aids, tuition revenues, or taxes levied, the district may pledge or assign all or portions of these revenues due but not yet paid as security for the repayment of loans required for operating purposes. Short term indebtedness secured by such assignment shall be construed as a paid or satisfied debt in reporting or computing the outstanding debt of the school district.

(9) **TEMPORARY FUNDING OF DELINQUENT TAXES.** (a) For the purpose of meeting its current expenses, any county or other municipality authorized to sell land for nonpayment of taxes, may borrow money on, or issue to its creditors, warrants, notes or orders secured by, or certificates of interest in, its tax sale certificates, not exceeding the face amount thereof, and pledge the same for the payment thereof. Such instruments may be issued payable with interest or dividends not exceeding seven per cent per annum, or without interest, within such time, not exceeding four years, as the tax sale certificates out of which they are payable will probably be liquidated. They shall be numbered serially and a record of the issue thereof shall be made. They may be guaranteed as to principal and interest, or not so guaranteed, as the governing board of such county or municipality, in the resolution authorizing the issue thereof, may determine. Only such obligations may be paid by the issue of such instruments, or out of the proceeds thereof, as were payable out of the proceeds of the tax sale certificates pledged

therefor. Such instruments shall be negotiable, if so stated upon their face, notwithstanding they may be payable only out of the tax sale certificates pledged. The county or municipality shall retain title and possession of the tax sale certificates and proceeds thereof so pledged, in trust however, as a separate fund for the benefit of the holders of such instruments secured thereby; and in the collection, protection and enforcement thereof shall have all the rights and powers of, and shall be governed by all the laws affecting, such municipality, the same as if such pledge had not been made. The payment of the principal and interest, or dividends, on such instruments, if not guaranteed by the municipality, shall be made to the holders thereof at maturity out of the proceeds of the liquidation of the tax sale certificates pledged therefor, to the extent of each holder's proportionate interest in such fund, and when full payment is not made the amount paid shall be indorsed upon each such instrument, and the officer making such payment shall enter the same in the record of each such instrument; and such county or municipality shall thereupon be authorized, but not required, to levy a tax in addition to all other taxes sufficient to pay any deficiency of principal and interest remaining unpaid, and upon collection of such tax shall pay such deficiency to the holders of such instruments upon surrender thereof for cancellation.

(b) Whenever any county shall borrow money upon such instruments secured by tax sale certificates and any municipality within such county shall, because of an excess delinquent return, have an interest in such tax sale certificates, the county shall pay over to such municipality the same proportion of the amount so borrowed as the local municipality's excess delinquent return for any year bears to the total amount of tax sale certificates for the same year.

(10) **BORROWING AGAINST ASSETS IN CLOSED BANK.** (a) Notwithstanding the requirements of sub. (1) (b), the governing board of any county or other municipality which is authorized to borrow money may borrow a sum not exceeding the amount of all funds belonging to such municipality which have been lawfully deposited in a bank and which are not available because such bank is in the hands of the banking commission, or is operating under a stabilization and readjustment agreement approved by the commission or because such bank, with approval of the banking commission, has sold a part or all of its assets to another bank which has agreed to pay a part or all of the deposit liability of such selling bank on a deferred payment basis, or because such bank, being a national bank, has been placed in the hands of the

comptroller of the currency as provided by federal statute, or because such national bank is operating under a stabilization and readjustment agreement approved by the state board of deposits. The sum so borrowed shall be repaid, with interest at the agreed rate, on or before one year from the date of the loan and shall be secured by lawfully authorized orders or promissory notes, each order or promissory note when paid to be received and returned to the treasurer or fiscal agent of the municipality; provided, that deferred certificates of deposit issued to such municipality under the deferred payment plan of any bank in this state which has been approved by the banking commission may be pledged as collateral security for such loans. When so secured such loans shall be repaid on or before the latest maturity date of the deferred certificates of deposit pledged as collateral, and shall be payable in instalments equal in amount to each of such deferred certificates of deposit and payable on the various maturity dates of the deferred certificates of deposit.

(b) Any governing board about to solicit a loan under the provisions of this subsection shall first adopt and record a resolution specifying the purpose and amount of the loan and levying an irrepealable tax for such amount. Such tax shall be carried into the next tax roll of the municipality and collected as other taxes, and the proceeds thereof shall be kept in a distinct and separate fund and shall be used for the sole purpose of paying such temporary indebtedness. Provided, that if such loan is collaterally secured by deferred certificates of deposit as provided in paragraph (a) then the tax to be levied shall be a direct annual tax in an amount sufficient to pay the interest on such debt as it falls due and also to pay each instalment on principal as it matures. Any sums collected by taxation to be used for the payment of interest and instalments of principal not required in any year for that purpose shall be held by the municipality to be used for that purpose in any succeeding year, and the tax provided for in this section shall be collected in such succeeding year only in an amount sufficient, together with such balance to pay the interest and instalments of principal due in that year.

(11) **TEMPORARY BORROWING BY CITIES OF THE FIRST CLASS.** In addition to the powers heretofore given, any city of the first class, however incorporated, may borrow money for ordinary and current expenses, up to the amount of its outstanding delinquent taxes the active certificates for which are held or owned by such city, as certified to the governing body by the city treasurer of the city about to borrow, plus one-half of the amount of the fixed sale price of

all real estate heretofore taken or held by the city by way of tax deeds, plus the amount of all unredeemed instalment assessments receivable held by the city to be certified by the real estate agent of the city and the commissioner of public works, respectively, and without complying with any other requirements of chapter 67. The governing body of such city shall first adopt and record a resolution specifying the amount to be borrowed, which resolution shall be adopted by a three-fourths vote of the members-elect of the governing body of such city. Any such loan shall be payable within one year and shall be evidenced by the note or notes of the city executed by the mayor and comptroller of such city, and shall bear interest not to exceed the rate of interest specified in the resolution authorizing the loan. Notes issued hereunder shall be the general obligation of the city issuing the same.

(12) BORROWING ON PROMISSORY NOTES.

(a) In addition to the powers heretofore given, any county, city, village, town, school district, vocational, technical and adult education district or town sanitary district may borrow money for the acquisition of lands for public purposes, for permanent improvements of lands, for public work or improvement, and the enlargement or extension thereof, for the acquisition, development, remodeling, construction and equipment of land, buildings and facilities for regional projects, or for equipment or machinery or for general and current municipal expenses, or to provide financial assistance to blight elimination, slum clearance, redevelopment and urban renewal programs and projects under ss. 66.43, 66.431 and 66.435; in the case of cities, villages and towns for the acquisition and development of industrial sites to the extent permitted by ss. 66.52 and 66.521; also for the purpose of making improvements, additions, extensions or enlargements to an auditorium or to an arena operated in conjunction with or as a part of such auditorium provided for under ch. 43; and in the case of counties for acquisition and transfer of real property to the state for new collegiate institutions or research facilities.

(aa) A school board of any newly created school district, including a common school district or unified school district created upon abolition of a city school district, or a vocational, technical and adult education district board may, pursuant to this section, issue promissory notes to refund any indebtedness assumed by such school district upon its creation.

(b) To evidence such indebtedness the county, city, village, town, school district, vocational, technical and adult education district or town sanitary district shall issue to the lender its promissory notes with interest not exceeding 7%

per annum, payable within a period not exceeding 10 years following the date of issuance of said notes.

(c) At any time during the term of any original promissory note, or thereafter, in the event the county, city, village, town, school district, vocational, technical and adult education district or town sanitary district has not paid the full amount due thereon: 1. the lender may grant an extension of time, or 2. if the terms of any note outstanding permits payment prior to maturity, the county, city, village, town, school district, vocational, technical and adult education district or town sanitary district may refund such note outstanding or any part thereof, such extension or refunding to be evidenced by a refunding note for payment of any amounts due or to become due under the provisions of such original promissory note upon such terms as may be agreed upon, with interest not exceeding 7% per annum, for a term not exceeding 10 years following the date of issuance of any such refunding note.

(cc) Any such note or notes may provide for prepayment on the terms and conditions prescribed therein.

(d) Such notes shall be signed by the same officers as are required by law to sign municipal bonds and shall carry on the face thereof the provisions of the resolution authorizing the same or a digest thereof or a reference to the same so that it can be readily located; and such notes shall be the general obligation of the county, city, village, town, school district, vocational, technical and adult education district or town sanitary district issuing them.

(e) Before such loan or any extension agreement is made:

1. The governing body of such county, city, village, town, school district, vocational, technical and adult education district or town sanitary district shall adopt and record a resolution specifying the purposes and the amount of the loan or that the note is a refunding note, the instalments, the rate of interest, and levying a direct annual irrepealable tax sufficient to pay each instalment, and the interest, as it becomes due and payable. Such resolution shall be adopted by at least a two-thirds vote of the members-elect of such governing body or, in the case of a city borrowing for school purposes and having territory attached for school purposes only, by at least two-thirds of all the votes provided by the formula contained in s. 120.50 (2).

2. Upon the adoption by a school district board of a resolution to incur an indebtedness in excess of \$5,000 under this section, the clerk of said school district shall, within 10 days thereafter, cause public notice of such adoption to be

given to the electors in the district by publication as a class 1 notice, under ch. 985. The notice need not set forth the full contents of the resolution, but shall state the amount proposed to be borrowed, the purpose thereof, that the resolution was adopted pursuant to this subsection, and the place where, and the hours during which, the resolution can be inspected. If within 15 days after such publication or posting there is filed with the school district clerk a petition for referendum on the resolution signed by 500 electors of the district or 20% of the number of district electors voting for governor at the last general election as determined pursuant to s. 115.01 (13), whichever is the lesser, then such resolution shall not be effective unless adopted by a majority of the district electors voting at such referendum. The referendum shall be noticed, called and conducted pursuant to s. 67.05 (6a) insofar as applicable, except that the notice of special election and ballot need not embody a copy of the resolution and the question which shall appear on the ballot shall be "Shall ... (name of district) borrow the sum of \$... for (state purpose) by issuing its general obligation promissory note (or notes) pursuant to s. 67.12 (12), Wis. Stats.?"

3. When a school district board adopts a resolution to borrow a sum for a stated purpose and a sufficient petition for referendum thereon is not filed within the time permitted herein, or if such petition is filed and the question is approved at referendum, then the power of said board to borrow such sum and expend the same for the purpose stated shall be deemed approved by the school district electors upon the expiration of the time for filing the petition or accomplishment of the referendum, whichever is applicable.

4. Notes heretofore [1961] issued by school districts under the authority of this subsection and without approval thereof by the electors of such school districts shall not be deemed invalid because of absence of such approval, and such notes are herewith declared to be valid and binding obligations of such school district if in all other respects issued in accordance with the law pertaining thereto.

(e) Any tax levied as provided in par. (e) for each year after receipt of the borrowed money shall become and continue irrevocable and shall be carried into the tax roll each year and collected as other taxes are collected, except that 1. if any such loan is paid in full prior to maturity, the still uncollected portions of the tax levied to provide repayment need not be carried into the tax roll; and 2. if the holder of any note issued for any of the purposes set forth in par. (a) agrees in writing to an extension of time, or any such

note is refunded as permitted herein, and the appropriate refunding note has been authorized and executed by the borrower, and the original note returned and canceled, then the still uncollected portions of the tax levied to provide the repayment of the original loan need not be carried into the tax roll but shall be replaced by the amounts levied to provide for the repayment of any such refunding note.

(f) The county clerk, city comptroller, village clerk, town clerk, school district clerk, vocational, technical and adult education district secretary or town sanitary district secretary shall keep, maintain and preserve an adequate and correct register account of all notes issued and all payments and other transactions relating thereto.

(13) **BORROWING AGAINST UNREMITTED TAX RECEIPTS.** Any county which is in need of money for a period of less than 6 months for payment of current and ordinary expenses or of valid obligations theretofore issued by the county, and which has owing to it county taxes for the current year which have been collected but not then remitted by municipal treasurers, may by resolution adopted by the affirmative vote of three-fourths of the members-elect of its governing body, borrow money for such purposes in an amount not to exceed 75 per cent of the amounts of the county taxes collected and still to be remitted by the municipal treasurers for the current year. On request by the county the local municipal treasurers shall furnish to the county treasurer a statement of the amount of the county taxes collected to date of the request. The loans shall be evidenced by promissory notes maturing not more than 6 months after date thereof and bearing interest at a rate not to exceed 5 per cent per annum. The notes shall be the general obligation of the county and shall be signed by the same officers as are required by law to sign county bonds and shall bear on the face thereof the provisions or a digest of the resolution authorizing the same. Upon receipt by the county treasurer on the dates as provided by law of the proceeds from county taxes collected, the proceeds shall be applied first in repayment of the loan.

67.125 Temporary borrowing by cities, villages and towns. (1) In addition to the powers given under section 67.12, any city, village or town which is in need of money to pay its current and ordinary expenses or to pay off valid obligations theretofore issued by such municipality under section 67.12, may by resolution adopted by at least a three-fourths' affirmative vote of all of the members-elect of its governing body, borrow money for such purposes in an amount not exceeding the portion of

the uncollected delinquent taxes which are to be returned to such municipality under the provisions of the law, when same shall have been collected. Such loans shall be evidenced by bonds or other evidence of indebtedness of the issuing municipality, bearing interest at a rate not exceeding six per cent per annum and payable at such times as the governing body shall determine, not exceeding, however, five years from the date of such bonds or evidences of indebtedness. All money received by such municipality from such delinquent taxes shall be paid into a sinking fund for the sole purpose of paying said bonds or other evidences of indebtedness and the interest thereon until the amount of such sinking fund shall equal the amount of interest and principal due and unpaid on such bonds or other evidences of indebtedness. Such bonds or other evidences of indebtedness shall be the general obligations of the municipality issuing the same and the governing body shall before the issuance thereof levy by recorded resolution a direct annual tax sufficient in amount to pay, and for the express purpose of paying, the interest on such bonds or other evidences of indebtedness as it falls due and also to pay and discharge the principal thereof at maturity. Except as herein otherwise specifically provided for, the provisions of chapter 67 relative to the issuance of bonds shall be applicable to the issuance of bonds or other evidences of indebtedness under this subsection, provided that it shall not be necessary to submit the question of the issuance of such bonds or other evidences of indebtedness to the electors for approval.

(2) In addition to the powers given under section 67.12 and in lieu of the power granted by subsection (1) of this section, any city, village or town which is in need of money to pay its current and ordinary expenses or to pay off valid obligations theretofore issued by such municipality under section 67.12, or to provide funds for public works, may by resolution adopted by at least a three-fourths' affirmative vote of all of the members-elect of its governing body, borrow money for such purposes in an amount not exceeding the portion of the uncollected delinquent taxes which are to be returned to such municipality under the provisions of the law, when same shall have been collected. Such loans shall be evidenced by bonds or other evidences of indebtedness of the issuing municipality, bearing interest at such rate and payable at such times as the governing body shall determine, not exceeding, however, five years from the date of such bonds or evidences of indebtedness. All money received by such municipality from such delinquent taxes shall be paid into a sinking fund for the sole purpose of paying said bonds or other evidences of indebtedness and the interest

thereon until the amount of such sinking fund shall equal the amount of interest and principal due and unpaid on such bonds or other evidences of indebtedness. Such bonds or other evidences of indebtedness shall not be the general obligations of the municipality issuing the same. It shall not be necessary to submit the question of the issuance of such bonds or other evidences of indebtedness to the electors for approval.

67.13 County bonds for highway improvement.

(1) Any county, if its board shall so determine, may raise money for the improvement of any portions of the system of county aid highways or of the state trunk highway system, including, without limitation because of designation, separate bridge projects eligible to construction under section 84.11 or 84.12, by issuing nontaxable semiannual interest payment coupon bonds bearing interest at a rate not exceeding 5 per cent per annum running not more than 20 years, and not exceeding, with all other county indebtedness, the constitutional limit, the money raised thereby, together with other construction funds available therefor, to be expended on certain specified improvements which, together with the estimated cost thereof, shall be specified in an initial resolution adopted by the county board authorizing the issue of such bonds. Such initial resolution shall also specify the total amount of bonds authorized to be issued, the maximum interest rate which such bonds may bear, the maximum period over which the maturity of such bonds may run, and the maximum amount of the principal sum of such bonds which may fall due in any year; and such resolution shall provide for a direct annual irrepealable tax sufficient to pay the interest and principal as it falls due.

(2) Bonds authorized to be issued under this section may be sold from time to time as ordered by resolutions adopted by the county board, and as the necessity for providing funds for construction arises. Any resolution authorizing any such sale shall specify the amount of the bonds to be sold, the dates and denominations of such bonds, the time of payment of principal and interest thereof, and the manner in which such bonds shall be negotiated; and such resolution, or a subsequent resolution confirming and approving the sale, shall specify the interest rate which the bonds shall bear and the place of payment of principal and interest, and shall also levy the direct annual irrepealable tax for each year sufficient to pay the interest and principal as it falls due; provided, however, the issuance of such bonds may be conditioned upon all or part of the money for the interest thereon being privately contributed and deposited in the county treasury before the bonds are negotiated, in

which case, the levy of taxes therefor may be suspended until necessary therefor. Such deposit shall be deemed sufficient if in an amount actually invested to the satisfaction of the county treasurer and the securities deposited in the county treasury to seasonably produce the money to pay such interest, and this shall apply to bonds heretofore issued, or voted to be issued on substantially such plan. Nothing in this section shall require that all such bonds shall bear the same date of issuance or that the whole or any part of any bond issue authorized under this section must be sold at any specific time. The bonds shall not be sold for less than par and accrued interest. The bonds shall be signed by the chairman of the county board and the county clerk in their official capacities and be sealed with the county seal. They shall be in the form approved by the highway commission, and 3 certified copies of such approved form shall be furnished by the highway commission to a county having voted to issue bonds pursuant to this section. The cost of printing the bonds, unless borne by the purchaser as part of the purchase price, shall be paid by the county as a county highway administrative cost. The amendment (1947) of this subsection and sub. (1) shall in no way invalidate any bonds issued, or any proceedings for the issuance of bonds taken prior to July 30, 1947.

(3) The proceeds of county bonds issued under this section shall be used only for road and bridge construction performed under ch. 83 or deposited with the highway commission to be used for road or bridge construction performed under ch. 84. The amount to be received from the state in any year pursuant to s. 84.03 (3) shall, as required by s. 84.03 (4), be used by the county board to reduce the county levy necessary to be made for paying the principal of the bonds maturing in such year in accordance with the bonding resolution, and such action by any county board shall in no way invalidate the bond issue. The amount to be received from the state in any year pursuant to s. 84.03 (6) shall be used by the county board to reduce the county levy necessary to be made for paying the interest maturing in such year in accordance with the bonding resolution, and such action by any county board shall in no way invalidate the bond issue.

(4) Construction with the proceeds of any bond issue shall be prosecuted in such order as shall be determined upon from time to time by the county board and as approved by the highway commission. When any construction shall be determined upon by the county board, the board may provide that a portion, not to exceed 40% of the county's share of the cost of such construction, shall be assessed as a special bene-

fit against any town, village or city in which such construction may lie, and the amounts of said special benefit may be levied by the county board as a special charge against such town, village or city and the county clerk shall certify such sum to the town, village or city clerk, who shall put the same in the next tax levy and the same shall be collected and paid into the county treasury by the officials of the town, village or city just as all other county taxes are levied, collected and paid in. If the amount of such special charge shall produce a tax upon any unit of government in excess of one-half mill upon its local equalized valuation, the county board shall make such arrangements for annually levying such special charges as will reduce the local tax to one-half mill or less in any one year. Any amounts paid into the county treasury in any year by any unit of government in accordance with this subsection shall be used in retiring a portion of the county bond issue. The county boards, after receipt of such local funds, shall reduce the county levy necessary to be made in accordance with the bonding resolution by an amount equal to the total amount so received from all units of government, and such action by the county board shall in no way invalidate the bond issue.

67.14 Referendum. (1) The total amount of bonds outstanding at any one time, issued by sole action of the county board under section 67.13, shall not exceed one per cent of the total assessed valuation of the county, but such bonds may be issued by sole action of the county board within such limitation of amount, subject to the provisions of subsection (3).

(2) The county board may by resolution provide that there be submitted to the electors of the county at any regular or legally called special election the question as to whether bonds shall be issued under the provisions of section 67.13 in excess of the limits specified in subsection (1), in which case said board shall enact a bonding resolution in general accordance with the provisions of section 67.13, which resolution shall become fully effective upon approval of the bond issue by a majority of the electors voting thereon.

(3) In case the county board shall vote to issue bonds under section 67.13 and within the limitations of subsection (1) of this section, the bonds so voted shall not be issued within thirty days after said vote is taken. If within thirty days a petition shall be filed with the county clerk, signed by electors of the county, equal in number to ten per cent of the vote cast for governor at the last election, demanding a referendum election upon said bond issue, such election shall be had and the procedure shall be as prescribed in

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subsection (4) of section 67.05. If a majority of the votes cast at such election shall be against such bond issue, then none of the proposed bonds shall be issued.

(4) The county clerk shall give notice of such election in the same manner notice is given of the general county election at least twenty days before such election, and the election on such question shall be held and conducted and the returns canvassed in the same manner in which the election for county officers is conducted and the returns thereof canvassed.

(5) The ballots for such election shall be provided by the county clerk, and shall be substantially in the following form:

FOR BONDS AGAINST BONDS .

Mark an X in the square after the one you wish to vote for.

(6) The county board of any county which has heretofore voted to issue bonds for highway improvement under the provisions of section 67.13 or 67.14, or of both of said sections, may, by a two-thirds vote of the members present at any regular or special meeting, by resolution, change the type or width of surfacing anticipated to be built or designated to be built on any portion of highway with the proceeds of the sale of said bonds, to a different type or width of surfacing, if said board shall determine that such change will best serve the public interest. If said change of type or width of surfacing shall result in a decreased cost of the improvement, the board may, by resolution, determine not to issue the portion of the bonds so rendered unnecessary or the board may, by resolution, determine to issue the said bonds and to use the proceeds thereof to augment the funds made available under the bonding resolution for the improvement of other portions of highways when said funds are inadequate to build the type or width of surfacing on said portions determined by the board to be necessary to serve the public interest. If said change in type or width shall result in an increased cost of the improvement the length of the improvement may be decreased accordingly.

67.156 County bonds for current and ordinary expenses.

(1) Any county, if its county board shall so determine, may, for the purpose of paying its current and ordinary expenses, and for the purpose of paying off valid obligations theretofore issued by such county under section 67.12 for the payment of current and ordinary expenses, borrow money in a sum not to exceed the face value of all tax certificates owned by it and not otherwise pledged as collateral security for any loan by said county.

(2) Every such loan shall be evidenced by the issuance of negotiable interest payment coupon bonds bearing interest at a rate not exceeding 6 per cent per annum and maturing serially in such amounts in not more than 10 years from date as may be specified in the resolution authorizing such bonds. Such bonds shall not exceed, with all other county indebtedness, the constitutional limit and shall be further limited in amount to the amount of all such tax certificates owned by such county and not otherwise pledged as collateral security for any loan to be determined by the county board as of the day such bonds are dated, and such finding shall be conclusive. The resolution authorizing such bonds shall specify the amount of the issue, the denomination thereof, the time and place of payment of principal and interest and the manner in which the same shall be negotiated and shall not be subject to any referendum vote or to any election requirement under this chapter. It shall also provide for the levy of a direct annual tax without limit as to rate or amount sufficient to pay the interest on such bonds as it falls due and the principal thereof within the time fixed therefor. The bonds shall be signed by the chairman of the county board and the county clerk in their official capacities, and be sealed with the county seal and shall not be sold at less than 95 per cent of par.

(3) Nothing in this section shall require that all such bonds shall bear the same date of issuance or that the whole or any part of any bond issue authorized hereunder shall be sold at any specific time. The county board may by resolution instruct the county treasurer to sell such bonds from time to time as in the opinion of said treasurer the necessity for funds arises.

(4) In the event any bonds previously issued under this section shall remain outstanding at the time of issue of additional bonds hereunder, then the amount of such outstanding bonds shall be deducted from the aggregate face amount of all such tax certificates owned by such county in determining the maximum amount of additional bonds which may be issued hereunder.

(5) The provisions of this section confer additional power and authority to issue bonds as provided herein and shall be so construed notwithstanding any other provisions of this chapter.

67.17 Diversion of funds, liability of officers for. Every public officer, and the sureties on his official bond, and every other person participating directly or indirectly in any impairment of a borrowed money fund or of a sinking fund of any municipality, shall be liable in an action brought by such municipality or by one

or more of its taxpayers, or by any party owning a warrant, note, order, or other obligation payable in whole or in part out of such fund, to restore to such fund all such diversions therefrom.

67.22 Bonding stayed by protest. No bonds shall be issued in any cases, where, within thirty days after the adoption of the initial resolution provided for in subsection (1) or (2) of section 67.05, a petition is filed with the clerk of the municipality contemplating the issuance of bonds, signed by a majority of the resident freeholders and by the owners of more than one-half of the property by assessed value therein requesting that such bond issue be not made.

67.23 Validation of certain bonds and proceedings. (1) The term "municipality" shall mean a county, city, village, town, common school district, consolidated district, state graded school district, free high school district, union free high school district, whether any such district is joint or otherwise, metropolitan sewerage commission, board of education or board of park commissioners of this state empowered to borrow money and issue bonds to repay the same.

(2) All bonds heretofore [1935] issued for the purpose of financing or aiding in the financing of any building, improvement, work or undertaking by any municipality to which any loan or grant has heretofore been made by the United States of America through the federal emergency administrator of public works for the purpose of financing or aiding in the financing of such building, improvement, work or undertaking, including all proceedings for the authorization and issuance of such bonds, and the sale, execution and delivery thereof, are hereby validated, ratified, approved and confirmed, notwithstanding any lack of power other than constitutional, of such municipality or the governing board or commission or officers thereof, to authorize and issue such bonds, or to sell, execute or deliver the same, and notwithstanding any defects or irregularities other than constitutional, in such proceedings or in such sale, execution or delivery; and such bonds are and shall be binding, legal, valid and enforceable obligations of such municipality.

67.24 Validation of obligations of incorporated municipality. (1) Any municipality, however incorporated, exercising functions of government after such incorporation may borrow money, within constitutional limitations, for the purpose of financing any building, improvement, work or other public undertaking

for the furnishing, constructing, erecting, installing, or operating any public service, including sewers, water systems for fire protection and for public and industrial use, sewage disposal systems and plants, storm water relief sewers, channels and ditches, public highways and extensions thereof, or such other public necessities which its governing body may deem necessary for the protection of public health and safety and to prevent pollution of streams and water courses, notwithstanding that such incorporated municipality may be involved in or threatened with a civil action testing or questioning the incorporation of such municipality or the validity of any part of such incorporation and all proceedings of the governing body of such municipality authorizing the issuance of bonds, notes and other evidences of debts and all resolutions or ordinances adopted for such purposes and the execution and delivery of such evidences of indebtedness are hereby validated and shall be legal and enforceable obligations of such municipality with like force and effect as the obligations of de jure municipal corporations; and the determination by any court that such municipality is irregularly incorporated shall not affect the rights of creditors against the territory and assets of such purported incorporated municipality; the legislative intention being that there shall be no lapse of government or power of government to act for the general welfare, public interest and commercial betterment of such incorporated area during the pendency of any civil or threatened civil action. All taxes levied or to be levied in accordance with the provision made by such purported municipality for the collection of a direct annual tax sufficient to pay the interest on such bonds, notes or other evidence of debts and to pay and discharge the principal thereof, shall be valid and be levied and enforced against the territory of such purported municipality by the local governmental unit or units of which the territory may be a part.

67.25 Redevelopment bonds curative act. Any proceedings by a city prior to October 4, 1959 for the issuance of general obligation bonds as authorized by s. 66.431 (13) in effect at the time of such proceedings, to provide financial assistance to blight elimination, slum clearance, redevelopment and urban renewal programs and projects being carried out under s. 66.43, 66.431 or 66.435 may be continued under this chapter and, notwithstanding lack of power in the city to issue bonds under this chapter at the time of the adoption of an initial resolution or referendum of the electors approving such bonds, such proceedings are hereby validated, ratified, approved and confirmed,

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and any bonds authorized prior to or after October 4, 1959 as a result of the proceedings are and shall be binding, valid and enforceable obliga-

tions of the city, and the city may levy taxes without limitation for the payment thereof as provided in s. 67.035.