Sale Results

$1,840,000 General Obligation Refunding Bonds,
Series 2012B

Bonds Dated: March 15, 2012

Village of Fontana-on-Geneva Lake, Wisconsin

Prepared and Presented by:

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BID TABULATION

$1,875,000* General Obligations Refunding Bonds, Series 2012B

VILLAGE OF FONTANA-ON-GENEVA LAKE, WISCONSIN

SALE: February 27, 2012

AWARD: BAIRD

RATING: Moody's Investors Service, Inc. "A1" **BBI:** 3.69%

NAME OF BIDDER	MATURITY (March 1)	RATE	REOFFERING YIELD	PRICE	NET INTEREST COST	TRUE INTEREST RATE
BAIRD	2013	2.000%	0.500%	$1,882,007.00	$397,353.79	2.2735%
Milwaukee, Wisconsin	2014	2.000%	0.600%			
C.L. King & Associates	2015	2.000%	0.750%			
SAMCO Capital Markets	2016	2.000%	0.850%			
Davenport & Co. L.L.C.	2017	2.000%	1.000%			
Loop Capital Markets	2018	2.000%	1.250%			
Edward D. Jones & Co.	2019	2.000%	1.450%			
Cronin & Co., Inc.	2020	2.000%	1.650%			
Kildare Capital	2021**	2.000%	2.000%			
Crews & Associates, Inc.	2022**	2.000%	2.000%			
Jackson Securities, LLC	2023***	2.200%	2.200%			
Isaak Bond Investments, Inc.	2024***	2.200%	2.200%			
Wedbush Securities Inc.	2025****	2.400%	2.400%			
Corby Capital Markets, Inc.	2026****	2.400%	2.400%			
Advisors Asset Management	2027*****	2.700%	2.700%			
Northland Securities, Inc.	2028*****	2.700%	2.700%			
Ross, Sinclaire & Associates, LLC	2029*****	2.700%	2.700%			

*Subsequent to bid opening the issue size was decreased to $1,840,000.

Adjusted Price - $1,846,603.38 Adjusted Net Interest Cost - $393,225.41 Adjusted TIC - 2.2782%

**$220,000 Term Bond due 2022 with mandatory redemption in 2021 (Adjusted par amount $215,000)
***$220,000 Term Bond due 2024 with mandatory redemption in 2023
****$230,000 Term Bond due 2026 with mandatory redemption in 2025 (Adjusted par amount $225,000)
*****$360,000 Term Bond due 2029 with mandatory redemption in 2027-2028

NAME OF BIDDER	MATURITY (March 1)	RATE	REOFFERING YIELD	PRICE	NET INTEREST COST	TRUE INTEREST RATE
BANKERS' BANK	2013	0.500%		$1,856,250.00	$463,457.42	2.6499%
Madison, Wisconsin	2014	0.700%				
	2015	0.900%				
	2016	1.100%				
	2017	1.250%				
	2018	1.400%				
	2019	1.600%				
	2020	1.800%				
	2021	2.000%				
	2022	2.200%				
	2023	2.400%				
	2024	2.600%				
	2025	2.800%				
	2026	3.000%				
	2027	3.200%				
	2028	3.400%				
	2029	3.500%				

FINAL of Refunding Savings - 2009 State Trust Fund Loan (BAB)

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Existing Debt Service To Be Refunded

Issue	State Trust Fund Loan (Build America Bond)				Credit Payment	Net Debt Service
Amount						
Dated	13-Jul-09					
Call Date	Anytime 3/15 - 8/31 Annually					
Call Amt	$1,811,995					
Rate/Term	5.500%			2013-2029		
Year	Prin (2/1)	Rate	Interest	Total		
2012				0	0	0
2013	85,000	5.500%	99,660	184,660	(34,881)	149,779
2014	90,000	5.500%	94,985	184,985	(33,245)	151,740
2015	95,000	5.500%	90,035	185,035	(31,512)	153,523
2016	95,000	5.500%	85,042	180,042	(29,765)	150,277
2017	100,000	5.500%	79,585	179,585	(27,855)	151,730
2018	100,000	5.500%	74,085	174,085	(25,930)	148,155
2019	100,000	5.500%	68,585	168,585	(24,005)	144,580
2020	105,000	5.500%	63,258	168,258	(22,140)	146,117
2021	105,000	5.500%	57,310	162,310	(20,058)	142,251
2022	105,000	5.500%	51,535	156,535	(18,037)	138,498
2023	110,000	5.500%	45,760	155,760	(16,016)	139,744
2024	110,000	5.500%	39,819	149,819	(13,936)	135,882
2025	115,000	5.500%	33,660	148,660	(11,781)	136,879
2026	120,000	5.500%	27,335	147,335	(9,567)	137,768
2027	120,000	5.500%	20,735	140,735	(7,257)	133,478
2028	125,000	5.500%	14,173	139,173	(4,961)	134,213
2029	131,995	5.500%	7,260	139,255	(2,541)	136,714
2030						
Total	1,811,995		952,818	2,764,813	(333,486)	2,431,327

FINAL Debt Service After Refunding

Issue	General Obligation Refunding Bonds				Prior Issue DS Funds & Credit	Estimated Total Savings
Amount	$1,875,000					
Dated	1-Apr-12					
Call Date	1-Apr-20					
Call Amt	$1,020,000					
Rate/Term	2.000%-2.700%			2013-2029		
Year	Prin (4/1)	Est. Rate[1]	Interest	Total		
2012				0	0	**0**
2013	80,000	2.000%	58,609	138,609		**11,170**
2014	100,000	2.000%	38,060	138,060		**13,680**
2015	105,000	2.000%	36,010	141,010		**12,513**
2016	105,000	2.000%	33,910	138,910		**11,367**
2017	110,000	2.000%	31,760	141,760		**9,970**
2018	105,000	2.000%	29,610	134,610		**13,545**
2019	105,000	2.000%	27,510	132,510		**12,070**
2020	110,000	2.000%	25,360	135,360		**10,757**
2021	110,000	2.000%	23,160	133,160		**9,091**
2022	105,000	2.000%	21,010	126,010		**12,488**
2023	110,000	2.200%	18,750	128,750		**10,994**
2024	110,000	2.200%	16,330	126,330		**9,552**
2025	110,000	2.400%	13,800	123,800		**13,079**
2026	115,000	2.400%	11,100	126,100		**11,668**
2027	115,000	2.700%	8,168	123,168		**10,310**
2028	120,000	2.700%	4,995	124,995		**9,218**
2029	125,000	2.700%	1,688	126,688		**10,026**
2030						
Total	1,840,000		399,829	2,239,829		191,498

Plus Rounding	3,748
Plus Final Credit Payment	4,360
Plus Future Credit Filing Payments Not Made/Paying Agent Cost	(3,200)
ESTIMATED FUTURE VALUE SAVINGS NET OF COSTS	**196,406**
Present Value Savings FINAL	**159,627**
Savings as a Net PV Benefit/$1,811,995 Refunded Principal	**8.81%**

FINAL Rates and Structure

NOTES:

Proposed 2012 G.O. Refunding Bond

	G.O. Refunding Bond Pre-Sale Estimate	G.O. Refunding Bond Final Sizing
Amount Needed for Refunding		
Principal to be Refunded	1,811,995	1,811,995
Interest Due on 5-1-2012 Estimated Payoff Date[1]	12,457	4,915
Reofffering Premium		(28,892)
Subtotal Refunding Costs	**1,824,452**	**1,788,018**
Estimated Issuance Expenses		
Financial Advisor (discounted based on 1.23.12 Sale)	13,500	13,500
Bond Counsel	5,000	5,000
Maximum Underwriter's Discount @ 1.25%	23,438	22,288
Rating Fee	8,000	6,650
Paying Agent (BTSC)		646
Final Credit Application Filing Fee	150	150
Subtotal Issuance Expenses	**50,088**	**48,234**
TOTAL TO BE FINANCED	**1,874,540**	**1,836,252**
Estimated Interest Earnings & Rounding	460	3,748
NET BOND SIZE	**1,875,000**	**1,840,000**

NOTES:

[1] Interest amount due is the gross amount (before credit).

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Estimate of Refunding Savings - 2009 State Trust Fund Loan (BAB)

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Existing Debt Service To Be Refunded

Issue	State Trust Fund Loan (Build America Bond)
Amount	
Dated	13-Jul-09
Call Date	Anytime 3/15 - 8/31 Annually
Call Amt	$1,811,995
Rate/Term	5.500% 2013-2029

Estimated Debt Service After Refunding

Issue	General Obligation Refunding Bonds
Amount	$1,875,000
Dated	1-Apr-12
Call Date	1-Apr-20
Call Amt	$1,030,000
Rate/Term	0.650-3.550% 2013-2029

Year	Prin (2/1)	Rate	Interest	Total	Credit Payment	Net Debt Service	Year	Prin (4/1)	Est. Rate[1]	Interest	Total	Prior Issue DS Funds & Credit	Estimated Total Savings
2012				0	0	0	2012				0	0	0
2013	85,000	5.500%	99,660	184,660	(34,881)	149,779	2013	85,000	0.400%	53,898	138,898		10,881
2014	90,000	5.500%	94,985	184,985	(33,245)	151,740	2014	105,000	0.600%	35,390	140,390		11,350
2015	95,000	5.500%	90,035	185,035	(31,512)	153,523	2015	105,000	0.800%	34,655	139,655		13,868
2016	95,000	5.500%	85,042	180,042	(29,765)	150,277	2016	110,000	1.000%	33,685	143,685		6,592
2017	100,000	5.500%	79,585	179,585	(27,855)	151,730	2017	110,000	1.150%	32,503	142,503		9,228
2018	100,000	5.500%	74,085	174,085	(25,930)	148,155	2018	110,000	1.300%	31,155	141,155		7,000
2019	100,000	5.500%	68,585	168,585	(24,005)	144,580	2019	110,000	1.500%	29,615	139,615		4,965
2020	105,000	5.500%	63,258	168,258	(22,140)	146,117	2020	110,000	1.700%	27,855	137,855		8,262
2021	105,000	5.500%	57,310	162,310	(20,058)	142,251	2021	110,000	1.850%	25,903	135,903		6,349
2022	105,000	5.500%	51,535	156,535	(18,037)	138,498	2022	110,000	2.000%	23,785	133,785		4,713
2023	110,000	5.500%	45,760	155,760	(16,016)	139,744	2023	110,000	2.200%	21,475	131,475		8,269
2024	110,000	5.500%	39,819	149,819	(13,936)	135,882	2024	110,000	2.400%	18,945	128,945		6,937
2025	115,000	5.500%	33,660	148,660	(11,781)	136,879	2025	115,000	2.600%	16,130	131,130		5,749
2026	120,000	5.500%	27,335	147,335	(9,567)	137,768	2026	115,000	2.800%	13,025	128,025		9,743
2027	120,000	5.500%	20,735	140,735	(7,257)	133,478	2027	115,000	3.000%	9,690	124,690		8,788
2028	125,000	5.500%	14,173	139,173	(4,961)	134,213	2028	120,000	3.200%	6,045	126,045		8,168
2029	131,995	5.500%	7,260	139,255	(2,541)	136,714	2029	125,000	3.300%	2,063	127,063		9,651
2030							2030						
Total	**1,811,995**		**952,818**	**2,764,813**	**(333,486)**	**2,431,327**	**Total**	**1,875,000**		**415,815**	**2,290,815**		**140,512**

Plus Rounding	460
Plus Final Credit Payment	4,360
Plus Future Credit Filing Payments Not Made	2,400
ESTIMATED FUTURE VALUE SAVINGS NET OF COSTS	**147,732**
Present Value Savings ESTIMATED	**121,066**
Savings as a Net PV Benefit/$1,811,995 Refunded Principal	**6.67%**

Preliminary for Discussion

NOTES:

[1] Estimated Rates are 1/23/2012 Village of Fontana, WI (Moody's A1) sale results

MOODY'S INVESTORS SERVICE

New Issue: MOODY'S ASSIGNS A1 RATING TO VILLAGE OF FONTANA ON-GENEVA LAKE'S (WI) $1.9 MILLION GO REFUNDING BONDS, SERIES 2012B

Global Credit Research - 23 Feb 2012

A1 RATING APPLIES TO $25.3 MILLION OF POST-SALE GOULT DEBT

FONTANA-ON-GENEVA LAKE (VILLAGE OF) WI
Cities (including Towns, Villages and Townships)
WI

Moody's Rating

ISSUE	RATING
General Obligation Refunding Bonds, Series 2012B	A1

Sale Amount	$1,900,000
Expected Sale Date	02/27/12
Rating Description	General Obligation

Moody's Outlook N/A

Opinion

NEW YORK, February 23, 2012 --Moody's Investors Service has assigned an A1 rating to the Village of Fontana-on-Geneva Lake's (WI) $1.9 million General Obligation Refunding Bonds, Series 2012B. Concurrently, Moody's maintains the A1 rating on the village's outstanding general obligation unlimited tax debt. The A1 rating applies to $25.3 million of general obligation debt, including the current offering.

SUMMARY RATINGS RATIONALE

The bonds are secured by the village's general obligation unlimited tax pledge. Proceeds will refund a 2009 State Trust Fund Loan for expected interest savings. Assignment of the A1 rating reflects the village's improving financial operations characterized by reversal of negative General Fund reserves in fiscal 2010; wealthy tax base with a high concentration of second homes; and moderate debt profile.

STRENGTHS

-Recent improvement in General Fund balance and net cash position

-Favorably located tourist destination near major metropolitan areas

-Income indices substantially above state and national medians

CHALLENGES

-State imposed caps on levy growth may hinder or delay the village's ability to grow reserves, as outlined in its multi-year plan

-Leveraged tax increment district (TID) experiencing cash-flow pressures and receiving General Fund support

DETAILED CREDIT DISCUSSION

WEALTHY TAX BASE CHARACTERIZED BY SECOND HOME AND TOURISM-BASED LOCAL ECONOMY

Located on the shores of Lake Geneva, approximately 55 miles southwest of Milwaukee (Aa1/negative outlook) and 65 miles northwest of Chicago (GO rated Aa3/stable outlook), this predominately residential village attracts both seasonal tourists and owners of vacation homes. Two-thirds of the village's homes are occupied only part-time, and the village's 2010 US Census population of 1,672 grows to approximately 10,000 during the summer months. The small permanent population declined by 4.7% between 2000 and 2010. Over the past five years, the village's $1.3 billion tax base experienced a moderate average annual increase in valuation of 3.3%, which incorporates declines in 2009 and 2010 of 2.4% and 5.7%, respectively, and a modest 1.6% increase in 2011. Officials report that while home sales have declined in volume, homes have not significantly declined in price, with lakefront properties in particular holding their value. Five of the ten largest taxpayers are individuals, not businesses, attesting to the upscale nature of the village's residential properties. Full value per capita is very high at $760,220, reflecting the large number of upscale second homes. Residential construction during the economic downturn has been limited, with a residential development planned for 66 homes seeing just 7 homes constructed over the past three years, though additional construction is expected. The village also has a small commercial sector that is centered on tourism and has several established, high-quality hotels and marinas anchoring activity. The village's income indices are well above the state and nation, with median household income in at 159.3% of the state and 164.1% of the nation, according to 2006-2010 American Community Survey 5-year estimates. At 7.0%, the December 2011 unemployment rate for Walworth County is somewhat above the state rate of 6.6%, while below the national rate of 8.3% for the same time period.

NARROW FINANCIAL OPERATIONS CHARACTERIZED BY REVERSAL OF DEFICIT GENERAL FUND RESERVES IN FISCAL 2010 AND PLANS FOR CONTINUED BUILD-UP OF FUND BALANCE

The village's financial operations are likely to continue to improve in the near-term although state restrictions on levy growth and ongoing General Fund support of the village's Tax Increment District (TID) should continue to be areas of challenge. Two years of sizable General Fund operating deficits ($486,000 in fiscal 2008 and $536,000 in fiscal 2009) led to a deficit fund balance at the end of fiscal 2009 of -$302,000, or -8.2% of revenues. The fiscal 2008 operating deficit was attributed to payments for a fire truck and computer software, as well as excess snow and ice removal expenses. In fiscal 2009, the village used $450,000 in cash reserves to purchase two undeveloped lots in the Country Club Estates subdivision as required by a legal settlement. Additionally, the village experienced negative revenue variances in several areas, including room taxes, investment income, and permits. To mitigate the impact of these items, the village reduced operational expenses for an estimated savings of $300,000. Despite these measures, the village ended fiscal 2009 with a negative General Fund balance.

In fiscal 2010, the village implemented a wage freeze at 2009 levels for all employees except those in the police union, who were contractually entitled to a 3% wage increase, and continued its previously-imposed expenditure reductions. Additionally, the village took out a ten-year $525,000 loan from a local bank to retroactively pay for the 2009 land purchase, restoring liquidity to the General Fund. As a result of these measures, the village ended fiscal 2010 with an $852,000 General Fund surplus, bringing reserves to $550,000, or 14.0% of revenues. Notably, the village instituted a working capital policy in October 2010 to maintain General Fund reserves of $1 million (25.5% of 2010 revenues). The village currently expects to meet this policy by the end of fiscal 2013.

For fiscal 2011, unaudited results indicate that the village realized its budgeted $290,000 addition to reserves, bringing fund balance to $840,000, or a solid 21.4% of fiscal 2010 revenues. Contributing to fiscal 2011 results were the continued wage freezes from the prior year, which were expanded in 2011 to include police union employees, as well as modest positive revenue variances in several line items.

For fiscal 2012, the village is budgeting for a $380,000 General Fund surplus, which would bring reserves above the $1 million working capital policy to $1.2 million, or a healthy 30.6% of fiscal 2010 revenues. Wage freezes continue in fiscal 2012 for most personnel, with the police union awarded modest 1% wage increases for the year. Personnel expenditures will be additionally constrained given approximately $40,000 in savings due to new state-imposed pension contributions for non-police and fire employees, although these savings will be more than offset by approximately $60,000 in cuts to state aid. Looking forward, the village expects to maintain reserves in accordance with its working capital policy, with the expectation that modest wage increases and implementation of delayed capital projects will occur with the availability of sufficient revenues.

Given the continuation of challenging economic and fiscal climates, including new state-imposed mandates limiting levy growth to 0% or net new construction, the village's ability to rebuild reserves as planned may be constrained. Further, the village's Tax Increment District (TID), which comprises a substantial part of its downtown area, is experiencing cash flow pressures and is reliant on the General Fund for repayment of a portion of debt service on its approximately $15 million in TID-related debt. Wisconsin (Aa2/stable outlook) changed its method for assessing tax increment districts, which led to a 29% decline in the TID's valuation in 2010, thus reducing 2011 tax revenues available for debt service by approximately $300,000. Despite recent debt restructuring to reduce near-term debt payments, TID revenues were insufficient to cover debt service in fiscal 2011 and a $100,000 advance from the General Fund was made to cover the difference. An additional $150,000 advance from the General Fund is expected in fiscal 2012. The village projects that the TID will continue to require regular General Fund support ranging from $128,000 to $323,000 annually through 2026 to cover debt service unless development occurs that would substantively increase the tax increment. Village officials report recent renewed interest in residential and commercial development within the TIF district, indicating that the tax increment could soon increase. The village's ability to maintain structural balance, enabling it to meet its financial goals while addressing TID-related challenges, will be an important factor in maintenance of overall credit quality.

AVERAGE DEBT BURDEN WITH NO ADDITIONAL BORROWING PLANNED

At 1.7% and 2.4% of full value, the village's direct and overall debt burdens, respectively, are average. Debt service costs are manageable, representing 11% of the village's total operating expenses in fiscal 2010. Principal amortization is below average, partly due to recent extension of TID-related debt, with 52.1% repaid within ten years. The village has no additional borrowing plans at this time. All of the village's outstanding debt is fixed rate and the village is not a party to any interest rate swap agreements.

What could change the rating - UP

- Maintenance of General Fund balance in alignment with working capital policy

- Return of TID to self-sustaining status

- Growth in tax base valuation and maintenance of demographic profile

What could change the rating - DOWN

- Return to structural imbalance in the General Fund that leads to declines in liquidity and demonstrated inability to rebuild fund balances

-Substantial reduction in TID's ability to repay debt service, resulting in increased General Fund support

- Deterioration of the village's tax base and demographic profile

KEY STATISTICS:

2010 Population: 1,672 (4.7% decrease since 2000)

2011 Full valuation: $1.3 billion (3.3% average annual increase since 2006)

Estimated full value per capita: $760,220

Village median family income: (2006-2010 American Community Survey 5-year estimates): 159.3% of the state and 164.1% of the nation

Walworth County unemployment rate (December 2011): 7.0% (state: 6.6%; nation: 8.3%)

FY2010 General Fund balance: $550,000 (14.0% of General Fund revenues)

Fiscal 2010 General Fund net cash balance: $609,000 (15.5% of General Fund revenues)

Direct debt burden: 1.7% (Overall: 2.4%)

Principal amortization: 52.1%

Post-sale total general obligation debt outstanding (including $1.2 million in state trust fund loans): $26.5 million

The methodology used in this rating was General Obligation Bonds Issued by U.S. Local Governments published in October 2009. Please see the Credit Policy page on www.moodys.com for a copy of this methodology.

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Although this credit rating has been issued in a non-EU country which has not been recognized as endorsable at this date, this credit rating is deemed "EU qualified by extension" and may still be used by financial institutions for regulatory purposes until 30 April 2012. Further information on the EU endorsement status and on the Moody's office that has issued a particular Credit Rating is available on www.moodys.com.

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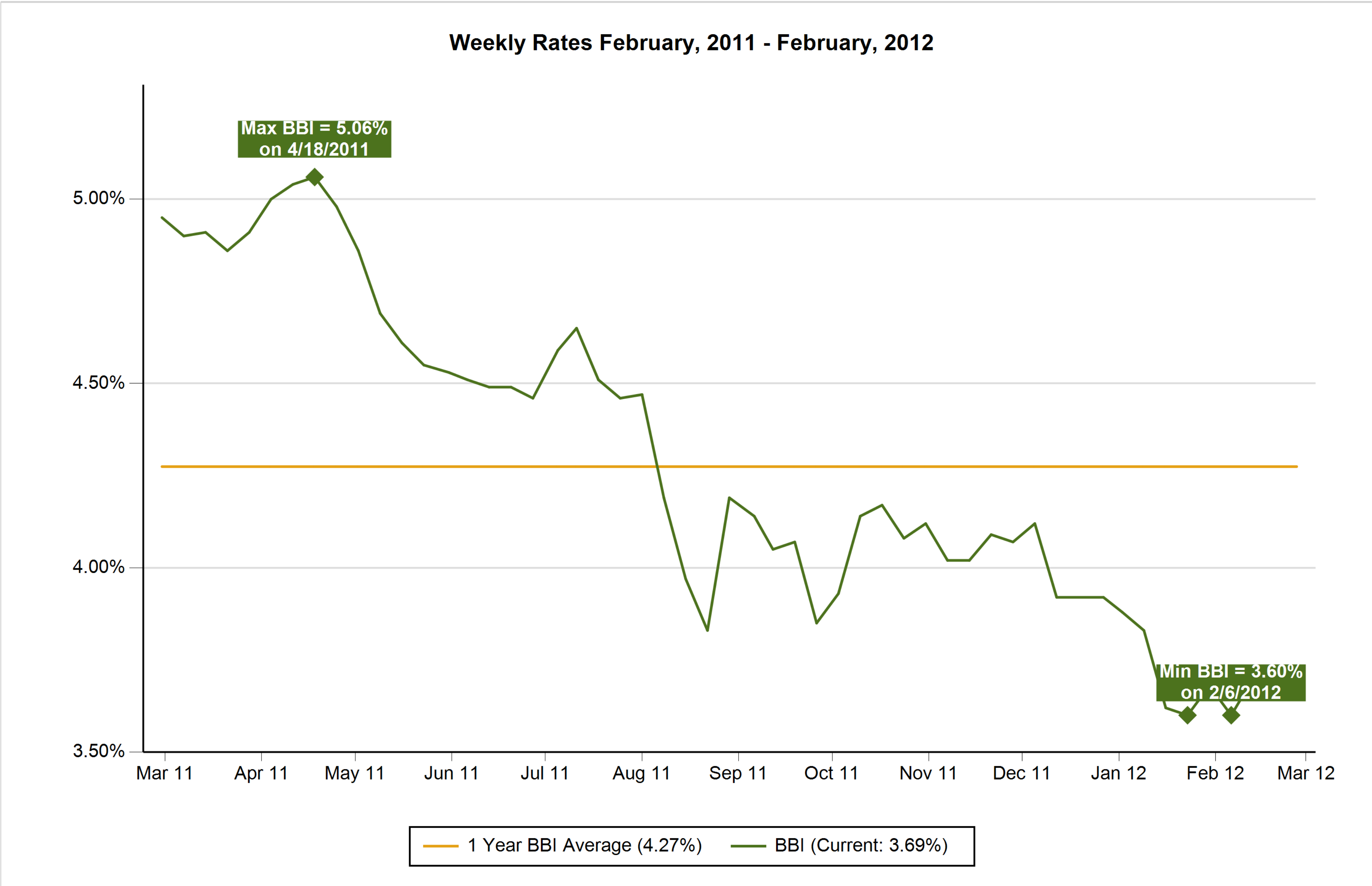
1 YEAR TREND IN MUNICIPAL BOND INDICES



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

Source: The Bond Buyer

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