

In the opinion of Foley & Lardner LLP, Bond Counsel, under existing law and assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on all taxpayers; however, interest on the Bonds will be taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Bonds. The interest on the Bonds is not exempt from current Wisconsin income or franchise taxes.

The Issuer will designate the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code relating to the ability of certain financial institutions (within the meaning of Section 265(b)(5) of the Code) to deduct from income for federal income tax purposes, 80% of the interest expense allocable to carrying and acquiring tax-exempt obligations.

New Issue

Rating Application Made: Moody's Investors Service

PRELIMINARY OFFICIAL STATEMENT DATED FEBRUARY 21, 2012

**VILLAGE OF FONTANA-ON-GENEVA LAKE, WISCONSIN
(Walworth County)**

\$1,875,000* GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012B

BID OPENING: February 27, 2012, 12:00 P.M., noon, C.T.

CONSIDERATION: February 27, 2012, 6:30 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$1,875,000* General Obligation Refunding Bonds, Series 2012B (the "Bonds" or "Obligations") of the Village of Fontana-on-Geneva Lake, Wisconsin (the "Village") are being issued pursuant to Wisconsin Statutes, Chapter 67, to finance the current refunding of certain outstanding obligations of the Village. The Bonds are valid and binding general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of, and interest on, the Bonds as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Foley & Lardner LLP, bond counsel.

DATE OF BONDS: March 15, 2012

MATURITY: March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2013	\$85,000	2019	\$110,000	2025	\$115,000
2014	105,000	2020	110,000	2026	115,000
2015	105,000	2021	110,000	2027	115,000
2016	110,000	2022	110,000	2028	120,000
2017	110,000	2023	110,000	2029	125,000
2018	110,000	2024	110,000		

MATURITY ADJUSTMENTS: * The Village reserves the right to increase or decrease the amount of any individual maturity of the Bonds in increments of \$5,000 on the day of sale. If individual maturities are increased or decreased, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BONDS: See "Term Bond Option" herein.

INTEREST: March 1, 2013 and semiannually thereafter.

OPTIONAL REDEMPTION: Bonds maturing March 1, 2021 and thereafter are subject to redemption prior to maturity on March 1, 2020 and on any date thereafter, at par.

MINIMUM BID: \$1,851,563.

GOOD FAITH DEPOSIT: \$37,500.

FISCAL AGENT: To be determined.

BOOK-ENTRY-ONLY: See "Book-Entry-Only System" herein.

This Preliminary Official Statement will be further supplemented by an addendum specifying the offering prices, interest rates, aggregate principal amount, principal amount per maturity, anticipated delivery date, and Syndicate Manager and Syndicate Members, together with any other information required by law, and, as supplemented, shall constitute a "Final Official Statement" of the Village with respect to the Bonds, as defined in S.E.C. Rule 15c2-12.

REPRESENTATIONS

No dealer, broker, salesperson, or other person has been authorized by the Village to give any information or to make any representation other than those contained in this Preliminary Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Village. *This Preliminary Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of these Obligations in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.*

This Preliminary Official Statement is not to be construed as a contract with the Syndicate Manager or Syndicate Members. Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers prepared this Preliminary Official Statement and any addenda thereto relying on information of the Village and other sources for which there is reasonable basis for believing the information is accurate and complete. Bond Counsel has not participated in the preparation of this Preliminary Official Statement except as described herein and is not expressing any opinion as to the completeness or accuracy of the information contained therein. Compensation of Ehlers, payable entirely by the Village, is contingent upon the sale of the issue.

COMPLIANCE WITH S.E.C. RULE 15c2-12

Certain municipal obligations (issued in an aggregate amount over \$1,000,000) are subject to General Rules and Regulations, Securities Exchange Act of 1934, Rule 15c2-12 Municipal Securities Disclosure (the "Rule").

Preliminary Official Statement: This Preliminary Official Statement was prepared for the Village for dissemination to potential customers. Its primary purpose is to disclose information regarding these Obligations to prospective underwriters in the interest of receiving competitive proposals in accordance with the sale notice contained herein. Unless an addendum is posted prior to the sale, this Preliminary Official Statement shall be deemed nearly final for purposes of the Rule subject to completion, revision and amendment in a Final Official Statement as defined below.

Review Period: This Preliminary Official Statement has been distributed to members of the legislative body and other public officials of the Village as well as to prospective bidders for an objective review of its disclosure. Comments or requests for the correction of omissions or inaccuracies must be submitted to Ehlers at least two business days prior to the sale. Requests for additional information or corrections in the Preliminary Official Statement received on or before this date will not be considered a qualification of a proposal received from an underwriter. If there are any changes, corrections or additions to the Preliminary Official Statement, interested bidders will be informed by an addendum at least one business day prior to the sale.

Final Official Statement: Upon award of sale of these Obligations, the Preliminary Official Statement together with any previous addendum of corrections or additions will be further supplemented by an addendum specifying the offering prices, interest rates, aggregate principal amount, principal amount per maturity, anticipated delivery date, and Syndicate Manager and Syndicate Members, together with any other information required by law, and, as supplemented, shall constitute a "Final Official Statement" of the Village with respect to the Obligations, as defined in S.E.C. Rule 15c2-12. Copies of the Final Official Statement will be delivered to the underwriter (Syndicate Manager) within seven business days following the proposal acceptance.

Continuing Disclosure: Subject to certain exemptions, issues in an aggregate amount over \$1,000,000 may be required to comply with provisions of the Rule which require that underwriters obtain from the issuers of municipal securities (or other obligated party) an agreement for the benefit of the owners of the securities to provide continuing disclosure with respect to those securities. This Preliminary Official Statement describes the conditions under which these Obligations are exempt from, or required to comply with, the Rule.

CLOSING CERTIFICATES

Upon delivery of these Obligations, the purchaser (the "Underwriter") will be furnished with the following items: (1) a certificate of the appropriate officials to the effect that at the time of the sale of these Obligations and all times subsequent thereto up to, and including, the time of the delivery of these Obligations, this Preliminary Official Statement did not, and does not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (2) a receipt signed by the appropriate officer evidencing payment for these Obligations; (3) a certificate evidencing the due execution of these Obligations, including statements that (a) no litigation of any nature is pending, or to the knowledge of signers, threatened, restraining or enjoining the issuance and delivery of these Obligations; (b) neither the corporate existence or boundaries of the Village nor the title of the signers to their respective offices is being contested; and (c) no authority or proceedings for the issuance of these Obligations have been repealed, revoked, or rescinded; and (4) a certificate setting forth facts and expectations of the Village which indicates that the Village does not expect to use the proceeds of these Obligations in a manner that would cause them to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or within the meaning of applicable Treasury Regulations.

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BOARD OF TRUSTEES

		<u>Term Expires</u>
Arvid Petersen	President	April 2013
Peggy L. Pollitt	Trustee	April 2012
Patrick J. Kenny	Trustee	April 2012
Bill Gage	Trustee	April 2013
Thomas McGreevy	Trustee	April 2013
George Spadoni Jr.	Trustee	April 2013
Cynthia Wilson	Trustee	April 2012

ADMINISTRATION

Kelly Hayden, Village Administrator/Treasurer
Dennis Martin, Village Clerk

PROFESSIONAL SERVICES

Dale Thorpe, Village Attorney, Delavan, Wisconsin

Foley & Lardner LLP, Bond Counsel

Ehlers & Associates, Inc., Financial Advisors, Brookfield, Wisconsin
(Other offices located in Roseville, Minnesota and Lisle, Illinois)

INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the Village of Fontana-on-Geneva Lake, Wisconsin (the "Village" or "Issuer") and the issuance of its \$1,875,000* General Obligation Refunding Bonds, Series 2012B (the "Bonds" or "Obligations"). Any descriptions or summaries of the Bonds, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Bonds to be included in the resolution authorizing the sale of the Bonds (the "Award Resolution") to be adopted by the Village Board on February 27, 2012.

Inquiries may be directed to Ehlers & Associates, Inc. ("Ehlers" or the "Financial Advisor"), Brookfield, Wisconsin, (262) 785-1520, the Village's Financial Advisor. A copy of this Preliminary Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the link to the Bond Sales and following the directions at the top of the site.

THE BONDS

GENERAL

The Bonds will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any multiple thereof, and will be dated the date the Bonds are actually issued. The Bonds will mature on March 1 in the years and amounts set forth on the cover of this Preliminary Official Statement. Interest will be payable on March 1 and September 1 of each year, commencing March 1, 2013, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months. All Bonds of the same maturity will bear interest from date of issue until paid at a single, uniform rate.

The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). (See "Book-Entry-Only System" herein.) As long as the Bonds are held under the Book-Entry Only system of DTC, beneficial ownership interests in the Bonds may be acquired in book-entry form only, and all payments of principal of, and premium, if any, and interest on, the Bonds shall be made through the facilities of DTC and its Participants. If the book-entry system is terminated, principal of, and premium, if any, and interest on, the Bonds shall be payable as provided in the resolution awarding the sale of the Bonds.

OPTIONAL REDEMPTION

At the option of the Village, Bonds maturing on or after March 1, 2021 shall be subject to redemption prior to maturity on March 1, 2020 and on any date thereafter, at a price of par plus accrued interest.

The Bonds subject to redemption may be redeemed in whole or in part. If redemption is in part, then the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the Village. If only part of the Bonds having a common maturity date are called for redemption, then the Village Treasurer, or the appointed financial institution, acting as Fiscal Agent will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed, and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

* Subject to change.

Notice of redemption shall be sent by first class mail not more than 60 days and not fewer than 30 days prior to the redemption date to the registered owner of each Bond to be redeemed at the address shown on the registration books maintained by the Fiscal Agent(which, as long as the Bonds are held under the Book-Entry-Only System of DTC, shall be DTC).

AUTHORITY; PURPOSE

The Bonds are being issued pursuant to Wisconsin Statutes, Chapter 67, to finance the current refunding of the remaining outstanding principal amount of the obligations of the Village described below:

<u>Issue Being Refunded</u>	<u>Date of Refunded Issue</u>	<u>Call Date</u>	<u>Call Price</u>	<u>Maturities Being Refunded</u>	<u>Interest Rate</u>	<u>Principal to be Refunded</u>
\$3,534,545 State Trust Fund Loan (“2009 Loan”)	7/13/09	5/1/12	100%	2013-2029	5.500%	\$1,811,995

After the Call Date, the 2009 Loan will be paid in full and no longer outstanding.

ESTIMATED SOURCES AND USES

Sources

Par Amount of Bonds	<u>\$1,875,000</u>	
Total Sources		\$1,875,000

Uses

Amount Needed for Refunding	\$1,824,555	
Discount Allowance	23,437	
Contingency	1,708	
Finance Related Expenses	<u>25,300</u>	
Total Uses		\$1,875,000

SECURITY

For the prompt payment of the Bonds with interest thereon and for the levy of taxes sufficient for this purpose, the full faith, credit, and resources of the Village will be irrevocably pledged. The Village will levy a direct, annual, irrevocable tax on all taxable property in the Village sufficient to pay the interest on the Bonds when it becomes due and also to pay and discharge the principal of the Bonds at maturity, in compliance with Article XI, Section 3 of the Wisconsin Constitution. Such tax may, under current law, be levied without limitation as to rate or amount.

RATING

General obligation debt of the Village, with the exception of any outstanding credit enhanced issues, is currently rated “A1” by Moody’s Investors Service, Inc.

The Village has requested a rating on this issue from Moody's Investors Service, and bidders will be notified as to the assigned rating prior to the sale. Such a rating, if and when received, will reflect only the view of the rating service/organization and any explanation of the significance of such rating may only be obtained from Moody's Investors Service. There is no assurance that such rating, if and when received, will continue for any period of time or that it will not be revised or withdrawn. Any revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

CONTINUING DISCLOSURE

In order to assist the Underwriter in complying with SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities Exchange Act of 1934 (the "Rule"), the Village shall agree, pursuant to the Award Resolution, to enter into an agreement for the benefit of owners of the Bonds to provide certain financial information and operating data relating to the Village to the Municipal Securities Rulemaking Board ("MSRB") annually and to provide to the MSRB notices of the occurrence of certain events enumerated in the Rule. The details and terms of said agreement, as well as the Village's contact information and the information to be contained in the annual financial information to be submitted to the MSRB or the notices of certain events, are set forth in the Continuing Disclosure Agreement, dated the date of the issuance of the Bonds, to be executed and delivered by the Issuer at the time the Bonds are delivered (the "Agreement"). The Agreement will be in substantially the form attached hereto as Appendix D. The Village has never failed to comply in all material respects with any previous agreements under the Rule to provide annual financial information or notices of material events. A failure by the Village to comply with the Agreement will not constitute an event of default on the Bonds (although owners will have any available remedy at law). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

LEGAL OPINION

An opinion as to the validity of the Bonds and the exclusion from gross income for federal income purposes of the interest thereon will be furnished by Foley & Lardner LLP, bond counsel to the Village, and will accompany the Bonds. The legal opinion will be issued on the basis of existing law and will state that the Bonds are valid and binding general obligations of the Village; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding).

TAX EXEMPTION

In the opinion of Bond Counsel, under existing law, interest on the Bonds is excluded from gross income for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax imposed on all taxpayers; however, interest on the Bonds is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on certain corporations. As to questions of fact material to Bond Counsel's opinion, Bond Counsel has relied upon certified proceedings and certifications of public officials and others without independently undertaking to verify them. Moreover, the Issuer must comply with all requirements of the Internal Revenue Code of 1986, as amended (**Code**) that must be satisfied after the Bonds are issued for interest on the Bonds to be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has promised to comply with those requirements to the extent it may lawfully do so. Its failure to do so may cause interest on the Bonds to be included in gross income for federal income tax purposes, perhaps even starting from the date the Bonds were issued. The proceedings authorizing the Bonds do not provide for an increase in interest rates or a redemption of the Bonds in the event interest on the Bonds ceases to be excluded from gross income.

Certain requirements and procedures contained or referred to in the Award Resolution and other relevant documents may be changed, and certain actions may be taken or omitted, under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel does not express any opinion as to any Bond or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of bond counsel other than Foley & Lardner LLP. Current and future legislative proposals, if enacted into law, may cause the interest on the Bonds to be subject, directly or indirectly, to federal income taxation or otherwise prevent the owners of the Bonds from realizing the full current benefit of the tax status of such interest. As one example, the Obama Administration recently announced a legislative proposal that, for tax years beginning on or after January 1, 2013, would to some extent limit the exclusion from gross income of interest on obligations like the Bonds (regardless of when they were issued) for taxpayers who are individuals and whose income is subject to higher marginal income tax rates. Other legislative proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Bonds. The introduction or enactment of any such legislative proposals may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any current or future federal legislative proposals.

The opinion of Bond Counsel is based on legal authorities that are current as of its date, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment regarding the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service (IRS) or the courts, and it is not a guaranty of result.

The IRS has an active tax-exempt bond enforcement program. Bond Counsel is not obligated to defend the Issuer regarding the tax-exempt status of the Bonds in the event of an examination by the IRS. Under current IRS procedures, parties other than the Issuer, including owners of the Bonds, would have little, if any, right to participate in an IRS examination of the Bonds. Moreover, because obtaining judicial review in connection with an IRS examination of tax-exempt obligations is difficult, obtaining independent review of IRS positions with which the Issuer may legitimately disagree may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for examination, or the course or result of such an examination, or an examination of obligations presenting similar tax issues may affect the market price, or the marketability, of the Bonds and may cause the Issuer or the owners of the Bonds to incur significant expense.

Bond Counsel expresses no opinion about other federal tax consequences arising regarding the Bonds. There may be other federal tax law provisions that could adversely affect the value of an investment in the Bonds for particular owners of Bonds. Prospective investors should consult their own tax advisors about the tax consequences of owning a Bond.

State of Wisconsin Income and Franchise Taxes

Interest on the Bonds is not exempt from current State of Wisconsin income or franchise taxes. Prospective investors should consult their own tax advisors about the state and local tax consequences of owning a Bond.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The Issuer will designate the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code, relating to the ability of certain financial institutions (within the meaning of Section 265(b)(5) of the Code) to deduct from income for federal income tax purposes, 80% of the interest expense that is allocable to carrying and acquiring tax-exempt obligations.

FINANCIAL ADVISOR

Ehlers has served as Financial Advisor to the Village in connection with the issuance of the Bonds. The Financial Advisor will not participate in the underwriting of the Bonds. The financial information included in this Preliminary Official Statement has been compiled by the Financial Advisor. Such information does not purport to be a review, audit, or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board as a Municipal Advisor.

RISK FACTORS

Following is a description of possible risks to owners of these Bonds without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here.

Taxes: The Bonds of this offering are general obligations of the Village, the ultimate payment of which rests in the Village's ability to levy and collect sufficient taxes to pay debt service.

State Actions: Many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Past and future actions of the State may affect the overall financial condition of the Village, the taxable value of property within the Village, and the ability of the Village to levy property taxes.

Ratings; Interest Rates: In the future, the Village's credit rating may be reduced or withdrawn, or interest rates for this type of obligation may rise generally, either occurrence resulting in a reduction in the value of the Obligations for resale prior to maturity.

Tax Exemption: If the federal government taxes the interest on municipal bonds or notes or if the state government increases its tax on interest on bonds and notes, directly or indirectly, or if there is a change in federal or state tax policy, then the value of these Bonds may fall for purposes of resale. Noncompliance by the Issuer with the covenants in the Award Resolution relating to certain continuing requirements of the Code may result in inclusion of interest to be paid on the Bonds in gross income of the recipient for United States income tax purposes, retroactive to the date of issuance.

Continuing Disclosure: A failure by the Village to comply with the Agreement for continuing disclosure (see "The Bonds-Continuing Disclosure" herein) will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

Book-Entry-Only System: The timely credit of payments for principal of, and interest on, the Bonds to the accounts of the Beneficial Owners of the Bonds may be delayed due to the customary practices or standing instructions or for other unknown reasons by DTC participants or indirect participants. Since the notice of redemption or other notices to holders of these obligations will be delivered by the Village to DTC only, there may be a delay or failure by DTC, DTC participants, or indirect participants to notify the Beneficial Owners of the Bonds.

Depository Risk: Wisconsin Statutes direct the local treasurer to immediately deposit, upon receipt thereof, the funds of the Village in a public depository designated by the governing body. A public depository means a federal or state credit union, federal or state savings and loan association, state bank, savings and trust company, mutual savings bank, or national bank in Wisconsin or the local government pooled investment fund operated by the state investment board. It is not uncommon for the Village to have deposits exceeding limits of federal and state insurance programs. Failure of a depository could result in loss of public funds or a delay in obtaining them. Such a loss or delay could interrupt a timely payment of municipal debt.

Economy: A combination of economic, climatic, political or civil disruptions, or terrorist actions could affect the local economy and result in reduced tax collections and/or increased demands upon local government.

Proposed Legislation: From time to time legislation is proposed, and there are, or may be, legislative proposals pending in the Congress of the United States that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Bonds. One such proposal is the "American Jobs Act of 2011" (the "American Jobs Act"), which President Obama submitted to Congress on September 12, 2011. If enacted in its current form, the American Jobs Act would limit for certain individual taxpayers the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. It cannot be predicted whether, or in what form, the American Jobs Act or any other proposal that could alter one or more of the federal tax matters referred to above or adversely affect the market value of the Bonds may be enacted. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

VALUATIONS

WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

Equalized Value

Wisconsin Statutes, Section 70.57, requires the Department of Revenue to annually determine the equalized value (also referred to as full equalized value or aggregate full value) of all taxable property in each county and taxation district. The equalized value is an independent estimate of value used to equate individual local assessment policies so that property taxes are uniform throughout the various subdivisions in the State. Equalized value is calculated based on the history of comparable sales and information about value changes or taxing status provided by the local assessor. A comparison of the State-determined equalized value and the local assessed value, expressed as a percentage, is known as the assessment ratio or level of assessment. The Department of Revenue notifies each county and taxing jurisdiction of its equalized value on August 15; school districts are notified on October 15. The equalized value of each county is the sum of the valuations of all cities, villages, and towns within its boundaries. Taxing jurisdictions lying in more than one municipality, such as counties, school districts, or special taxing districts, use the equalized value of the underlying units in calculating and levying their respective levies. Equalized values are also used to apportion state aids and calculate municipal general obligation debt limits.

Assessed Value

The "assessed value" of taxable property in a municipality is determined by the local assessor, except for manufacturing properties which are valued by the State. Each city, village, or town retains its own local assessor, who must be certified by the State Department of Revenue. Assessed value is used by these municipalities to determine tax levy mill rates and to apportion levies among individual property owners. Beginning in 1986, the State required that the assessed values must be within 10% of State equalized values at least once every five years. The local assessor values property as of January 1 each year and submits those values to each municipality the second Monday in May. The assessor also reports any value changes taking place since the previous year, to the Department of Revenue, by this same date.

CURRENT PROPERTY VALUATIONS

2011 Equalized Value	\$1,271,088,200
2011 Equalized Value Reduced by Tax Increment Valuation	\$1,211,298,200
2011 Assessed Value	\$1,215,730,300

2011 EQUALIZED VALUE BY CLASSIFICATION

	2011 Equalized Value	Percent of Total Equalized Value
Residential	\$ 1,215,871,900	95.656%
Commercial	51,366,400	4.041%
Agricultural	17,100	0.001%
Personal Property	3,832,800	0.302%
Total	<u>\$ 1,271,088,200</u>	<u>100.000%</u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value	Percent Increase/Decrease in Equalized Value
2007	\$917,402,302	\$1,222,875,600	13.38%
2008	1,295,435,310	1,359,065,700	11.14%
2009	1,284,320,800	1,326,316,400	-2.41%
2010	1,283,294,700	1,251,245,100	-5.66%
2011	1,215,730,300	1,271,088,200	1.59%

Source: Wisconsin Department of Revenue, Bureau of Equalization.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2011 Estimated Equalized Value¹	Percent of Village's Total Estimated Equalized Value
Cliffs of Fontana	Residential	\$ 9,714,961	0.76%
Individual	Residential	8,996,541	0.71%
Individual	Residential	7,323,785	0.58%
Individual	Residential	7,128,235	0.56%
Shodeen Family Property Co.	Real Estate Association	6,702,626	0.53%
Belvidere Park Association	Residential/Commercial	6,491,773	0.51%
Harvard Club	Residential/Commercial	5,887,046	0.46%
ABKA	Commercial	5,799,234	0.46%
Individual	Residential	5,716,145	0.45%
Individual	Residential	5,682,869	0.45%
Total		\$ 69,443,215	5.46%
Village's Total 2011 Equalized Value		\$1,271,088,200	

¹ Estimated by dividing the assessed values by the ratio of assessed to equalized value for the Village of Fontana-on-Geneva Lake.

DEBT

DIRECT DEBT¹ (includes the Bonds of this offering and excludes the refunded obligations)

General Obligation Debt (see schedules following)

Total General Obligation Debt	<u>\$ 26,486,904</u>
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OTHER DEBT¹

Revenue Debt (see schedules following)

Total revenue debt secured by sewer revenues	<u>\$ 2,322,422</u>
--	---------------------

DEBT LIMIT

The constitutional and statutory general obligation debt limit for most Wisconsin municipalities, including towns, cities, villages, and counties (Article XI, Section 3 of the Wisconsin Constitution and Section 67.03, Wisconsin Statutes) is 5% of the current equalized value.

Equalized Value	\$ 1,271,088,200
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$ 63,554,410
Less: General Obligation Debt	<u>(26,486,904)</u>
Unused Debt Limit	<u>\$ 37,067,506</u>

¹ Outstanding debt is as of the dated date of the Bonds.

VILLAGE OF FONTANA-ON-GENEVA LAKE, WISCONSIN
Schedule of Bonded Indebtedness
General Obligation Debt
(As of March 15, 2012)

Fiscal Year Ending	G.O. SDW Loan Series 1999A		GO Bonds Series 2006A		STF Loan Series 2008A		GO Bonds Series 2008B		GO Ref Bonds Series 2010A		GO Notes Series 2010		GO Bonds 1) Series 2010B			
	Dated Amount	Maturity	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest		
2012	2/10/1999 \$1,664,500	5/1	95,504	17,850	220,000	246,618	5/30/2008 \$500,000	3/15	10/25/2008 \$4,330,000	9/1	3/20/2010 \$3,035,000	3/1	4/20/2010 \$525,000	4/9	12/1/2010 \$7,215,000	3/1
2013			98,026	15,295	275,000	236,718			225,000	85,110	390,000	25,936	52,500	16,958	50,000	142,928
2014			100,614	12,673	300,000	225,218	18,206	21,527	225,000	162,570	400,000	47,485	52,500	14,963	50,000	285,356
2015			103,270	9,982	300,000	213,218	19,117	20,616	225,000	154,583	335,000	28,073	52,500	12,968	50,000	284,356
2016			105,996	7,219	300,000	201,218	20,073	19,661	225,000	146,258	215,000	19,554	52,500	10,973	115,000	282,131
2017			108,794	4,384	375,000	187,718	21,025	18,708	225,000	137,595	440,000	8,030	52,500	8,978	200,000	277,406
2018			111,667	1,474	375,000	172,718	22,127	17,606	225,000	128,595			52,500	6,983	200,000	271,406
2019					375,000	157,718	23,234	16,499	225,000	119,370			52,500	4,988	450,000	259,406
2020					400,000	142,218	24,395	15,338	225,000	109,920			52,500	2,993	450,000	241,406
2021					460,000	124,903	25,577	14,157	225,000	100,245			52,500	998	400,000	224,406
2022					500,000	105,463	26,894	12,839	225,000	90,345					500,000	189,406
2023					550,000	84,063	28,239	11,494	225,000	80,220					475,000	169,906
2024					550,000	61,444	29,651	10,082	225,000	69,870					550,000	149,406
2025					600,000	37,650	31,110	8,623	225,000	59,295					575,000	126,547
2026					600,000	12,600	32,689	7,044	225,000	48,495					625,000	101,406
2027							34,323	5,410	250,000	37,470					600,000	75,000
2028							36,039	3,694	235,000	24,970					675,000	46,688
2029							37,836	1,897		12,220					700,000	15,750
2030																
2031																
2032																
			723,870	68,876	6,180,000	2,209,479	430,534	205,195	3,885,000	1,567,130	1,780,000	167,175	472,500	80,798	7,040,000	3,350,819

1) this issue financed, in part, the current refunding of a portion of the outstanding principal amount of the 2009 Loan.

continued on next page

VILLAGE OF FONTANA-ON-GENEVA LAKE, WISCONSIN
Schedule of Bonded Indebtedness
General Obligation Debt
(As of March 15, 2012)

Dated Amount	GO Bonds Series 2012A		GO Ref. Bonds 2) Series 2012B	
	2/9/2012 \$4,140,000	2/1	3/15/2012 \$1,875,000	4/1
Maturity	2/1		4/1	
Fiscal Year Ending	Principal	Interest	Principal	Interest
2012				
2013	155,000	89,828	85,000	35,875
2014	150,000	89,068	105,000	35,390
2015	150,000	88,018	105,000	34,655
2016	175,000	86,543	110,000	33,685
2017	175,000	84,661	110,000	32,503
2018	130,000	82,810	110,000	31,155
2019	250,000	80,090	110,000	29,615
2020	250,000	76,090	110,000	27,855
2021	250,000	71,653	110,000	25,903
2022	240,000	66,940	110,000	23,785
2023	225,000	62,065	110,000	21,475
2024	225,000	56,890	110,000	18,945
2025	225,000	51,265	115,000	16,130
2026	225,000	45,190	115,000	13,025
2027	225,000	38,665	115,000	9,690
2028	225,000	31,690	120,000	6,045
2029	225,000	24,378	125,000	2,063
2030	225,000	16,840		
2031	220,000	9,220		
2032	155,000	2,713		
	4,100,000	1,154,614	1,875,000	397,793

Total Principal	Total Interest	Principal & Interest	Principal Outstanding	Principal %Paid	Year
593,004	535,399	1,128,403	25,893,900	2.24%	2012
1,348,732	909,615	2,258,347	24,545,168	7.33%	2013
1,402,230	872,968	2,275,198	23,142,938	12.62%	2014
1,405,842	832,966	2,238,808	21,737,095	17.93%	2015
1,404,521	790,905	2,195,426	20,332,574	23.24%	2016
1,708,422	741,885	2,450,307	18,624,153	29.69%	2017
1,477,400	688,420	2,165,820	17,146,752	35.26%	2018
1,486,895	637,079	2,123,974	15,659,857	40.88%	2019
1,463,077	585,968	2,049,044	14,196,780	46.40%	2020
1,496,894	533,548	2,030,442	12,699,886	52.05%	2021
1,603,239	477,308	2,080,547	11,096,648	58.11%	2022
1,614,651	417,461	2,032,112	9,481,997	64.20%	2023
1,691,110	354,603	2,045,713	7,790,887	70.59%	2024
1,772,689	287,131	2,059,820	6,018,198	77.28%	2025
1,849,323	215,101	2,064,424	4,168,875	84.26%	2026
1,226,039	152,019	1,378,058	2,942,836	88.89%	2027
1,292,836	98,539	1,391,376	1,650,000	93.77%	2028
1,050,000	42,190	1,092,190	600,000	97.73%	2029
225,000	16,840	241,840	375,000	98.58%	2030
220,000	9,220	229,220	155,000	99.41%	2031
155,000	2,713	157,713	0	100.00%	2032
26,486,904	9,201,878	35,688,782			

1) This issue financed the current refunding of the remaining portion of the outstanding 2009 Loan.

VILLAGE OF FONTANA-ON-GENEVA LAKE, WISCONSIN
Schedule of Bonded Indebtedness
Revenue Debt Secured by Sewer Revenues
(As of March 15, 2012)

Sewer System Rev. Bonds Series 1997A		Sewer System Rev. Bonds Series 2009	
Dated Amount	9/24/1997 \$1,060,036	11/25/2009 \$2,026,941	
Maturity	5/1	5/1	
Year Ending	Principal	Interest	Principal
2012	58,323	11,044	85,526
2013	60,165	9,172	87,808
2014	62,066	7,242	90,151
2015	64,027	5,250	92,556
2016	66,049	3,196	95,026
2017	68,136	1,076	97,561
2018			100,164
2019			102,836
2020			105,580
2021			108,397
2022			111,289
2023			114,258
2024			117,306
2025			120,454
2026			123,649
2027			126,948
2028			130,335
2029			133,812
2030			
	378,766	36,980	1,943,655
			503,327
			2,322,422
			540,308
			2,862,729

Total Principal	Total Interest	Principal & Interest	Principal Outstanding	Principal %Paid	Year
143,849	61,760	205,609	2,178,572	6.19%	2012
147,974	57,576	205,550	2,030,599	12.57%	2013
152,217	53,271	205,488	1,878,382	19.12%	2014
156,583	48,842	205,425	1,721,799	25.86%	2015
161,075	44,286	205,360	1,560,724	32.80%	2016
165,697	39,597	205,294	1,395,028	39.93%	2017
100,164	35,883	136,047	1,294,864	44.25%	2018
102,836	33,175	136,011	1,192,028	48.67%	2019
105,580	30,395	135,975	1,086,448	53.22%	2020
108,397	27,540	135,937	978,051	57.89%	2021
111,289	24,610	135,898	866,763	62.68%	2022
114,258	21,601	135,859	752,505	67.60%	2023
117,306	18,512	135,818	635,199	72.65%	2024
120,454	15,340	135,794	514,745	77.84%	2025
123,649	12,084	135,733	391,096	83.16%	2026
126,948	8,741	135,689	264,148	88.63%	2027
130,335	5,309	135,644	133,812	94.24%	2028
133,812	1,785	135,597	0	100.00%	2029
					2030

OVERLAPPING DEBT¹

Taxing District	2011 Equalized Value	% In Village	Total G.O. Debt	Village's Proportionate Share
Walworth County	\$ 14,848,589,300	8.5603%	\$ 41,825,000	\$ 3,580,358
Gateway Technical College District	42,914,418,528	2.9619%	40,635,000	1,203,574
Fontana J8	1,362,191,276	86.3214%	1,285,000	1,109,230
Walworth J1	370,151,484	7.0364%	271,600	19,111
Big Foot UHS	2,645,724,836	48.0431%	4,430,000	<u>2,128,309</u>
Village's Share of Total Overlapping Debt				<u><u>\$ 8,040,582</u></u>

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$1,271,088,200	Debt/ Per Capita 1,671
Total General Obligation Debt	\$ 26,486,904	2.08%	\$ 15,850.93
Village's Share of Total Overlapping Debt	<u>8,040,582</u>	<u>0.63%</u>	<u>4,811.84</u>
Total	\$ 34,527,486	2.72%	\$ 20,662.77

DEBT PAYMENT HISTORY

The Village has never defaulted in the payment of principal of, and interest on, its debt.

FUTURE FINANCING

The Village reports no plans for additional financing in the next three months.

¹ Only those taxing jurisdictions with general obligation debt outstanding are included in this section.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Tax Year	Levy for Village Purposes Only (Including TIF Levy)	% Collected	Levy/Equalized Value in Dollars per \$1,000
2007/08	\$2,725,664	100%	\$2.23
2008/09	2,885,459	100%	2.12
2009/10	2,980,982	100%	2.25
2010/11	2,926,654	100%	2.34
2011/12	2,928,175	[In Process]	2.30

Property tax statements are distributed to taxpayers by the town, village, and city clerks in December of the levy year. Current state law requires counties to pay 100% of the real property taxes levied to cities, villages, towns, school districts, and other taxing entities on or about August 20 of the collection year.

Personal property taxes, special assessments, special charges, and special taxes must be paid to the town, city, or village treasurer in full by January 31, unless the municipality, by ordinance, permits special assessments to be paid in installments. Real property taxes must be paid in full by January 31 or in two equal installments by January 31 and July 31. Alternatively, municipalities may adopt a payment plan which permits real property taxes to be paid in three or more equal installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30 and the remainder is paid by July 31. Amounts paid on or before January 31 are paid to the town, city, or village treasurer. Amounts paid after January 31, are paid to the county treasurer unless the municipality has authorized payment in three or more installments in which case payment is made to the town, city or village treasurer. On or before January 15 and February 20 the town, city, or village treasurer settles with other taxing jurisdictions for all collections through December and January, respectively. In municipalities which have authorized the payment of real property taxes in three or more installments, the town, city, or village treasurer settles with the other taxing jurisdictions on January 15, February 20 and on the fifteenth day of each month following the month in which an installment payment is required. On or before August 20, the county treasurer must settle in full with the underlying taxing districts for all real property taxes and special taxes. Any county board may authorize its county treasurer to also settle in full with the underlying taxing districts for all special assessments and special charges. The county may then recover any tax delinquencies by enforcing the lien on the property and retain any penalties or interest on the delinquencies for which it has settled. Uncollected personal property taxes owed by an entity that has ceased operations or filed a petition for bankruptcy, or are due on personal property that has been removed from the next assessment roll are collected from each taxing entity in the year following the levy year.

PROPERTY TAX RATES

Full value rates for property taxes expressed in dollars per \$1,000 of equalized value (excluding TIF) that have been collected in recent years have been as follows:

Year Levied/ Year Collected	Schools¹	County	Local	Other²	Total Full Value Effective Rate³
2007/08	\$6.88	\$3.83	\$2.23	\$0.86	\$12.12
2008/09	6.63	3.81	2.12	1.08	11.72
2009/10	6.75	3.86	2.25	1.15	12.01
2010/11	7.11	4.12	2.34	0.93	12.70
2011/12	6.83	4.17	2.30	0.84	12.71

Source: Property Tax Rates were extracted from bulletins prepared by the Wisconsin Department of Revenue, Division of State and Local Finance.

LEVY LIMITS

Section 66.0602 of the Wisconsin Statutes, as amended most recently by 2011 Wisconsin Act 32, establishes limits on the property tax levy imposed by a city, village, town, or county (a "political subdivision").

Subject to certain exceptions and adjustments, no political subdivision may increase its levy in any year by a percentage that exceeds its valuation factor. For the levy imposed in the years 2011 and 2012, the valuation factor is the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current year. For the levy imposed in the year 2013 and succeeding years, the valuation factor is the greater of 1.5 percent and such percentage change. The base amount in any year, to which the levy limit applies, is the actual levy for the immediately preceding year; however, a political subdivision that did not levy its full maximum allowable levy in the immediately preceding year may carry forward the difference, up to a maximum increase of 0.5 percent of the actual levy in the prior year.

Special provisions are made with respect to amounts levied to pay general obligation debt service. The levy limits do not apply to property taxes levied to pay debt service on general obligations authorized on or after July 1, 2005 (such as the Bonds). For general obligations authorized before July 1, 2005, if the amount of debt service in the preceding year is less than the amount of debt service needed in the current year, the levy limit is increased by the difference in the two amounts. This adjustment is based on scheduled debt service rather than the amount actually levied for debt service (after taking into account offsetting revenues such as sales tax revenues, special assessments,

¹ The Schools tax rate reflects the composite rate of all local school districts and the technical college district.

² Includes the state reforestation tax which is apportioned to each county on the basis of its full value. Counties, in turn, apportion the tax to the tax districts within their borders on the basis of full value. It also includes any tax increments and taxes levied for special purpose districts such as metropolitan sewerage districts, sanitary districts, and public inland lake protection districts.

³ Property tax less state property tax credit (not including lottery credit).

utility revenues, tax incremental revenues, or surplus funds). Thus, the levy limit could adversely affect a municipality that experiences a reduction in offsetting revenues. If the levy for debt service on general obligations issued before July 1, 2005 is less in the current year than it was in the previous year, the levy limit is generally reduced by the amount of the difference; however, this negative adjustment does not apply for taxes levied in the year 2011 by a subdivision that does not increase its levy limit as allowed by the carry-forward provision.

The levy limit does not apply to the amount that a political subdivision levies to make up any revenue shortfall for the debt service on a revenue bond issued under Section 66.0621 of the Wisconsin Statutes, which authorizes revenue obligations.

In determining the levy limit for any year, the tax increment calculated for tax incremental districts is subtracted. If the department of revenue does not calculate a value increment for a tax incremental district in the current year as a result of the district's termination, the levy limit is increased (by an amount equal to the maximum allowable levy for the immediately preceding year, multiplied by a percentage equal to 50% of the ratio between the value increment of the district over the political subdivision's equalized value).

Other exceptions or adjustments to the levy limit, which are not described in this summary, are made in specified situations.

THE ISSUER

VILLAGE GOVERNMENT

The Village was incorporated on August 12, 1924 and is governed by a Village Board that consists of a Village President and six Trustees. The President votes in all matters. All Board Members are elected to staggered two-year terms. The appointed Clerk and the appointed Administrator/Treasurer are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The Village has 21 full-time and 21 seasonal and part-time employees. The Village is a participant in the Wisconsin Retirement System (WRS) covering all qualified employees on a non-contributory basis. The annual employer's contribution rate, which is actuarially determined by the State, covers only current expenses. The Village has no outstanding prior costs. See the Notes to Financial Statements in Appendix A for a detailed description of the plan.

Recognized and Certified Bargaining Units

Bargaining Unit	Expiration Date of Current Contract
WPPA	December 31, 2013
AFSCME	December 31, 2012

LIABILITIES FOR OTHER POST-EMPLOYMENT BENEFITS

The Village does not provide other post-employment benefits.

LITIGATION

There is no litigation threatened or pending questioning the organization or boundaries of the Village or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver these Bonds or otherwise questioning the validity of these Bonds.

FUNDS ON HAND (as of November 30, 2011)

Fund	Total Cash and Investments
General	\$ 1,082,473
Utility	1,138,944
TIF	45,512
Total Funds on Hand	<u>\$ 2,266,929</u>

ENTERPRISE FUNDS

Cash flows for the Village's enterprise funds have been as follows as of December 31 each year:

	2008	2009	2010
Water			
Total Operating Revenues	\$ 960,025	\$ 1,020,453	\$ 1,003,700
Less: Operating Expenses	<u>(621,723)</u>	<u>(652,327)</u>	<u>(612,615)</u>
Operating Income	\$ 338,302	\$ 368,126	\$ 391,085
Plus: Depreciation	206,757	219,173	225,955
Interest Income	<u>0</u>	<u>0</u>	<u>0</u>
Revenues Available for Debt Service	<u>\$ 545,059</u>	<u>\$ 587,299</u>	<u>\$ 617,040</u>
Sewer			
Total Operating Revenues	\$ 832,806	\$ 855,550	\$ 1,038,714
Less: Operating Expenses	<u>(908,901)</u>	<u>(853,382)</u>	<u>(893,547)</u>
Operating Income	\$ (76,095)	\$ 2,168	\$ 145,167
Plus: Depreciation	198,121	197,817	205,092
Interest Income	<u>17,255</u>	<u>17,811</u>	<u>10,141</u>
Revenues Available for Debt Service	<u>\$ 139,281</u>	<u>\$ 217,796</u>	<u>\$ 360,400</u>

SUMMARY GENERAL FUND INFORMATION

Following are summaries of the revenues and expenditures and fund balances for the Village's General Fund for the fiscal years shown below. These summaries are not purported to be the complete audited financial statements of the Village. Copies of the complete audited financial statements are available upon request. See Appendix A for excerpts from the Village's 2010 audited financial statement.

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31				
	2006	2007	2008	2009	2010
Revenues					
Taxes	\$ 1,952,813	\$ 2,019,101	\$ 2,183,511	\$ 2,289,255	\$ 2,407,493
Intergovernmental revenues	431,065	453,809	516,776	562,266	585,839
Fines and forfeitures	69,108	78,758	78,701	80,902	70,074
Charges for services	327,654	377,171	396,634	387,621	478,095
Licenses and permits	143,560	193,605	243,365	162,229	192,488
Investment earnings	73,752	63,859	43,599	15,242	7,987
Commercial and miscellaneous revenues	109,793	112,862	101,218	90,908	0
Rental income and all other	0	0	0	0	91,745
Total Revenues	\$ 3,107,745	\$ 3,299,165	\$ 3,563,804	\$ 3,588,423	\$ 3,833,721
Expenditures					
Current:					
General government	\$ 507,352	\$ 576,901	\$ 518,397	\$ 583,134	\$ 457,641
Public safety	953,119	1,227,846	1,341,715	1,394,097	1,391,807
Health and human services	14,650	0	17,512	17,609	872
Capital outlay	790,871	607,003	889,622	1,201,564	596,222
Public works	755,424	875,294	953,964	952,369	872,702
Culture, recreation and education	384,584	425,487	429,419	408,812	426,632
Debt issuance costs	0	0	760	1,707	13,090
Conservation and development	48,395	52,430	56,002	93,710	58,035
Total Expenditures	\$ 3,454,395	\$ 3,764,961	\$ 4,207,391	\$ 4,653,002	\$ 3,817,001
Excess of revenues over (under) expenditures	\$ (346,650)	\$ (465,796)	\$ (643,587)	\$ (1,064,579)	\$ 16,720
Other Financing Sources (Uses)					
Face value of GO bonds and notes/sales	300,000	387,000	87,466	449,194	749,157
Operating transfers in	518,409	67,561	70,664	79,312	85,517
Operating transfers out	(240,694)	0	(437)	0	0
Total Other Financing Sources (Uses)	\$ 577,715	\$ 454,561	\$ 157,693	\$ 528,506	\$ 834,674
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ 231,065	\$ (11,235)	\$ (485,894)	\$ (536,073)	\$ 851,394
General Fund Balance January 1	500,259	731,324	720,089	234,195	(301,878)
General Fund Balance December 31	\$ 731,324	\$ 720,089	\$ 234,195	\$ (301,878) ¹	\$ 549,516
DETAILS OF DECEMBER 31 FUND BALANCE					
Reserved	\$ 24,444	\$ 33,404	\$ 26,592	\$ 31,451	\$ 32,220
Unreserved:					
Designated	0	266,904	864	8,864	21,580
Undesignated	706,880	419,781	206,739	(342,193)	495,716
Total	\$ 731,324	\$ 720,089	\$ 234,195	\$ (301,878)	\$ 549,516

¹ Funds were advanced to the Tax Incremental District in 2009, and were reimbursed in 2010.

GENERAL INFORMATION

LOCATION

The Village, with a 2010 U.S. Census population of 1,672 and an estimated current population of 1,671, comprises an area of 2,940 acres. The Village is located approximately 23 miles southeast of Janesville and approximately 30 miles southwest of Milwaukee. For additional information, please visit the Village's website at www.villageoffontana.com.

COMMUNITY CHARACTERISTICS

The Village is predominately a resort-type community. Although the Village has 1,671 residents, approximately two-thirds of the Village's housing stock is occupied on a part-time basis. The Village boasts a premier destination resort and access to one of Wisconsin's premier recreational lakes, Geneva Lake.

LARGER EMPLOYERS IN WALWORTH COUNTY

Larger employers in Walworth County include the following:

Firm	Type of Business/Product	Estimated No. of Employees¹
University of Wisconsin - Whitewater	Higher education	1,041
Grand Geneva	Resort/Hotel	1,100
Walworth County	County government	906
Sta-Rite Industries LLC (Pentair)	Pumping equipment manufacturing	900
Aurora Health Care	Health care/hospital	835
Generac Power Systems	Generator manufacturer	600
Miniature Precision Components	Plastics product manufacturing	420
Elkhorn Area School District	Elementary and secondary education	356
Wal-Mart	Retail	343
School District of Delavan-Darien	Elementary and secondary education	210

Source: *Infogroup (www.salesgenie.com), written and telephone survey (December, 2011), Wisconsin Manufacturers Register, and the Wisconsin Department of Workforce Development.*

¹ Includes full-time, part-time and seasonal.

BUILDING PERMITS

	2007	2008	2009	2010	2011 ¹
<u>No. of All Building Permits</u> <i>(including additions and remodelings)</i>	231	310	259	356	295
<u>Valuation of All Building Permits</u> <i>(including additions and remodelings)</i>	\$9,563,917	\$19,208,781	\$8,472,242	\$13,952,310	\$8,427,223
<u>New Single Family Homes</u>					
No. of building permits	12	10	20	9	10
Valuation	\$4,389,998	\$4,850,000	\$7,030,371	\$9,842,500	\$3,269,000
<u>New Commercial/Industrial Buildings</u>					
No. of building permits	2	1	0	0	0
Valuation	\$615,000	\$160,000	\$0	\$0	\$0

¹ As of December 21, 2011.

U.S. CENSUS DATA

Population Trend: Village of Fontana-on-Geneva Lake

2000 U.S. Census	1,754
2010 U.S. Census	1,672
2011 Estimated Population	1,671
Percent of Change 2000 - 2010	-4.68%

Income and Age Statistics

	Village of Fontana-on- Geneva Lake	Walworth County	State of Wisconsin	United States
1999 per capita income	\$32,266	\$21,229	\$21,271	\$21,587
1999 median household income	\$54,211	\$46,274	\$43,791	\$41,994
1999 median family income	\$63,594	\$55,310	\$52,911	\$50,046
2000 median gross rent	\$722	\$588	\$540	\$602
2000 median value owner occupied housing	\$181,900	\$128,400	\$112,200	\$119,600
2000 median age	45.5 yrs.	35.1 yrs.	36.0 yrs.	53.3 yrs.
		State of Wisconsin	United States	
Village % of per capita income	151.69%		149.47%	
Village % of median family	120.19%		127.07%	

Housing Statistics

	<u>Village of Fontana-on- Geneva Lake</u>		
	2000	2010	Percent of Change
All Housing Units	1,974	2,308	16.92%

Source: 2000 and 2010 Census of Population and Housing.

EMPLOYMENT/UNEMPLOYMENT DATA

Rates are not compiled for individual communities with populations under 25,000.

Year	<u>Average Employment</u>		<u>Average Unemployment</u>	
	Walworth County		Walworth County	State of Wisconsin
2007	53,753		4.5%	4.8%
2008	53,774		4.7%	4.9%
2009	51,009		9.2%	8.7%
2010	50,058		8.8%	8.3%
2011, December	50,671		7.0%	6.6%

Source: Wisconsin Department of Workforce Development.

APPENDIX A

EXCERPTS FROM FINANCIAL STATEMENTS

Reproduced on the following pages are excerpts from the Village's audited Financial Statements for the fiscal year ending December 31, 2010. The Financial Statements have been prepared by the Village and audited by a certified public accountant. The Management's Discussion and Analysis and the Notes to Financial Statements are an integral part of the audit and any judgment of the Financial Statements should be based on the Financial Statements as a whole.

Copies of the complete audited financial statements for the past three years and the current budget are available upon request from Ehlers.

The auditor was not asked to perform any additional review in connection with this Official Statement.

FORM OF LEGAL OPINION

ATTORNEYS AT LAW

777 EAST WISCONSIN AVENUE
MILWAUKEE, WI 53202-5306
414.271.2400 TEL
414.297.4900 FAX
foley.com

March __, 2012

Village of Fontana-on-Geneva Lake, Wisconsin
175 Valley View Drive
Fontana, Wisconsin 53125

Re: \$1,875,000 Village of Fontana-on-Geneva Lake, Wisconsin
General Obligation Refunding Bonds, Series 2012B,
dated March 15, 2012

We have acted as bond counsel to the Village of Fontana-on-Geneva Lake, Wisconsin (the “**Issuer**”) in connection with the issuance of its \$1,875,000 General Obligation Refunding Bonds, Series 2012B, dated March 15, 2012 (the “**Obligations**”).

We examined the law, a certified copy of the proceedings relating to the issuance of the Obligations, and certifications of public officials and others. As to questions of fact material to our opinion, we relied upon the certified proceedings and certifications without independently undertaking to verify them.

Based upon this examination, it is our opinion that, under existing law:

1. The Obligations are valid and binding general obligations of the Issuer.
2. All taxable property in the Issuer’s territory is subject to *ad valorem* taxation without any limit as to rate or amount to pay the principal and interest coming due on the Obligations. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Obligations except to the extent that the Issuer has deposited other funds, or there is otherwise surplus money, in the debt service fund created for the Obligations under Wisconsin law.
3. Interest on the Obligations is excluded from gross income for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax imposed on all taxpayers; however, interest on the Obligations is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on certain corporations. The Issuer must comply with all requirements of the Internal Revenue Code of 1986, as amended (the “**Code**”), that must be satisfied after the Obligations are issued for interest on the Obligations to be, or

continue to be, excluded from gross income for federal income tax purposes. The Issuer has agreed to comply with those requirements. Its failure to do so may cause interest on the Obligations to be included in gross income for federal income tax purposes, in some cases retroactively to the date the Obligations were issued. The Issuer has designated the Obligations as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code. We express no opinion about other federal tax law consequences relating to the Obligations.

The rights of the owners of the Obligations and the enforceability of the Obligations may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors’ rights and by equitable principles (which may be applied in either a legal or an equitable proceeding).

We express no opinion as to the truth or completeness of any official statement or other disclosure document used in connection with the offer and sale of the Obligations.

Our opinion is given as of the date of this letter. We assume no duty to update our opinion to reflect any facts or circumstances that later come to our attention or any subsequent changes in law. In acting as bond counsel, we have established an attorney-client relationship only with the Issuer.

Very truly yours,

,

APPENDIX C

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]
6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Village as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Village or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Village or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
10. The Village may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Village believes to be reliable, but the Village takes no responsibility for the accuracy thereof.

FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement, dated as of March 15, 2012 (this “**Disclosure Agreement**”), is executed and delivered by the Village of Fontana-on-Geneva Lake, Wisconsin (the “**Issuer**”), a municipal securities issuer and a governmental entity located in the State of Wisconsin. The Issuer covenants and agrees as follows:

Section 1. Definitions.

The following capitalized terms have the following meanings:

“**Annual Financial Information**” means the Issuer’s financial information or operating data, for the preceding fiscal year, of the type included in the Final Official Statement as further described in Section 3(b) hereof.

“**Commission**” means the U.S. Securities and Exchange Commission.

“**Dissemination Agent**” means any agent responsible for assisting the Issuer in carrying out its obligations under this Disclosure Agreement, which has been designated as a dissemination agent in writing by the Issuer, and has filed with the Issuer a written acceptance of such designation, and the successors and assigns of such dissemination agent.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures, a Commission-approved electronic database established and operated by the MSRB to accommodate the collection and availability of required filings of secondary market disclosures under the Rule.

“**Event Notice**” means a notice of occurrence of a Listed Event provided under Section 4(b) hereof or a notice provided under Sections 3(d), 4(c), or 8 hereof, each of which shall be transmitted as described in Section 5 hereof.

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended from time to time.

“**Final Official Statement**” means the offering document prepared and distributed to a Participating Underwriter in connection with the primary offering of the Obligations.

“**Issuer**” means the municipal securities issuer named.

“**Listed Event**” means any of the events listed in Section 4(a) of this Disclosure Agreement.

“**MSRB**” means the Municipal Securities Rulemaking Board, which serves as the sole repository for all required filings of all secondary market disclosures under the Rule.

“**Obligations**” means the Issuer’s \$1,875,000 General Obligation Refunding Bonds, Series 2012B, dated March 15, 2012.

“**Owners**” means the beneficial owners from time to time of the Obligations.

“**Participating Underwriter**” means any broker, dealer, or municipal securities dealer that is required to comply with the Rule when acting as an underwriter in a primary offering of the Obligations.

“**Resolution**” means collectively, the resolutions adopted by the governing body of the Issuer on February 27, 2012, pursuant to which the Obligations are issued.

“**Rule**” means Rule 15c2-12(b)(5) adopted by the Commission under the Exchange Act.

Section 2. Purpose of this Disclosure Agreement.

The purpose of this Disclosure Agreement is to assist Participating Underwriters in complying with the Rule when acting as an underwriter in a primary offering of the Obligations.

Section 3. Annual Financial Information.

- (a) The Issuer shall, not later than nine months following the close of the Issuer’s fiscal year, submit its Annual Financial Information to the MSRB.
- (b) The Annual Financial Information will consist of (i) the Issuer’s audited annual financial statements prepared using generally accepted accounting principles, and (ii) the following operating data:
 - 1. direct debt,
 - 2. equalized value/assessed value,
 - 3. other obligations,
 - 4. debt limit, and
 - 5. tax levies, rates, and collections.
- (c) If the Issuer’s audited annual financial statements are not available at the time the Annual Financial Information is submitted, then the Issuer shall submit the statements to the MSRB within ten business days after they are publicly available.
- (d) If the Issuer fails to submit its Annual Financial Information to the MSRB by the date required in subsection (a) above, then the Issuer shall promptly send an Event Notice of such failure to the MSRB.

Section 4. Reporting of Listed Events; Event Notices.

- (a) This Section 4 shall govern the submission of an Event Notice after the occurrence of any of the following Listed Events with respect to the Obligations:

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material under the Exchange Act.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the Obligations.
7. Modifications to rights of Owners, if material under the Exchange Act.
8. Redemptions of the Obligations, if material under the Exchange Act, and tender offers.
9. Defeasances.
10. Release, substitution, or sale of property securing repayment of the Obligations, if material under the Exchange Act.
11. Rating changes.
12. Bankruptcy, insolvency, receivership, or similar event of the Issuer (for the purposes of this event, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all the assets or business of the Issuer).
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material under the Exchange Act.

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material under the Exchange Act.
- (b) The Issuer shall submit an Event Notice to the MSRB not in excess of ten business days after the occurrence of the particular Listed Event.
- (c) If the Issuer determines that it failed to submit an Event Notice of an occurrence of a Listed Event as required by this section, then it shall promptly submit an Event Notice with respect to such occurrence to the MSRB.

Section 5. Transmittal of Annual Financial Information and Event Notices.

Annual Financial Information and Event Notices shall be submitted to the MSRB in an electronic format, and accompanied by identifying information, as prescribed by the MSRB. As of the date of this Disclosure Agreement, the MSRB requires that all submissions of secondary disclosure be made through EMMA. The Annual Financial Information may be submitted as a single document or as a package comprising separate documents. Any or all of the items constituting the Annual Financial Information may be incorporated by reference from other documents available to the public on the MSRB's Internet Website or filed with the Commission. The Issuer shall clearly identify each document so incorporated by reference.

Section 6. Duty to Confirm MSRB's Filing Format and Procedure.

Each time the Issuer submits information to the MSRB in accordance with this Disclosure Agreement, it shall confirm, in the manner it deems appropriate, the MSRB's prescriptions concerning the electronic format and accompanying identifying information for submissions. As of the date of this Disclosure Agreement, information on the MSRB's required electronic format and submission procedures through EMMA can be found on the MSRB's Internet Web site at www.emma.msrb.org.

Section 7. Termination of Disclosure Agreement and Reporting Obligation.

This Disclosure Agreement and the Issuer's disclosure obligations under this Disclosure Agreement with respect to the Obligations shall terminate upon the legal defeasance, prior redemption, or payment in full of all the Obligations or if the Rule shall be revoked or rescinded by the Commission or declared invalid by a final decision of a court of competent jurisdiction.

Section 8. Amendment; Waiver.

Notwithstanding any other provision of this Disclosure Agreement, the Issuer may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, if the following conditions are met:

- (a) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer or an obligated person, or the type of business conducted;
- (b) This Disclosure Agreement, as amended or waived, would have complied with the requirements of the Rule at the time of the primary offering, after

taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

- (c) The amendment or waiver does not materially impair the interests of Owners, as determined either by parties unaffiliated with the Issuer or obligated person (such as the fiscal agent, trustee, or bond counsel), or by approving vote of the Owners pursuant to the terms of the Resolution at the time of the amendment.

In the event this Disclosure Agreement is amended for any reason other than to cure any ambiguities, inconsistencies, or typographical errors that may be contained herein, the Issuer agrees the next Annual Financial Information it submits after such event shall include an explanation of the reasons for the amendment and the impact of the change, if any, on the type of financial statements or operating data being provided.

If the amendment concerns the accounting principles to be followed in preparing financial statements, then the Issuer agrees that it will give an Event Notice and that the next Annual Financial Information it submits after such event will include a comparison between financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Dissemination Agent.

The Issuer may, from time to time, appoint or engage a Dissemination Agent and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 10. Additional Information.

The Issuer may from time to time choose to disseminate other information, using the means of transmittal set forth in this Disclosure Agreement or any other means of communication, or to include other information with its Annual Financial Information or Event Notice, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information with its Annual Financial Information or Event Notice in addition to that which is specifically required by this Disclosure Agreement, then the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Financial Information or Event Notice.

Section 11. Default.

A default under this Disclosure Agreement shall not be deemed an Event of Default under the Resolution, and the sole remedy of the Owners under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action to compel performance.

Section 12. Beneficiaries.

The Issuer intends to be contractually bound by this Disclosure Agreement. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Participating Underwriters, and the Owners, and shall create no rights in any other person or entity.

Section 13. Recordkeeping.

The Issuer shall maintain records of all Annual Financial Information and Event Notices submitted to the MSRB pursuant to this Disclosure Agreement, including the content and the date of filing of such submissions.

Section 14. Responsible Officer.

The Issuer's Treasurer shall be the officer, representative, agency, or agent of the Issuer ultimately responsible for submitting Annual Financial Information and Event Notices to the MSRB, to the extent required hereunder, regardless of whether a Dissemination Agent has been appointed, and any inquiries regarding this Disclosure Agreement should be directed to:

Village Administrator/Treasurer
Village of Fontana
175 Valley View Drive
P.O. Box 200
Fontana, Wisconsin 53125
Telephone: (262) 275-6139
Fax: (262) 275-8088
Email: kelly@villageoffontana.com

[Signature Page Follows]

IN WITNESS WHEREOF, the Issuer has caused this Disclosure Agreement to be executed by its duly authorized officer or representative as of the date written above.

VILLAGE OF FONTANA-ON-GENEVA LAKE, WISCONSIN,
Issuer

By: _____
Title: Treasurer

=

APPENDIX E

NOTICE OF SALE

\$1,875,000* GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012B VILLAGE OF FONTANA-ON-GENEVA LAKE, WISCONSIN

Bids for the purchase of \$1,875,000* General Obligation Refunding Bonds, Series 2012B (the "Bonds") of the Village of Fontana-on-Geneva Lake, Wisconsin (the "Village") will be received at the offices of Ehlers & Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Financial Advisors to the Village, until 12:00 P.M., noon, Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 12:00 P.M., noon, Central Time, on February 27, 2012, at which time they will be opened, read, and tabulated. The bids will be presented to the Village Board for consideration for award by resolution (the "Award Resolution") at a meeting to be held at 6:30 P.M., Central Time, on the same date. The bid offering to purchase the Bonds upon the terms specified herein and most favorable to the Village will be accepted unless all bids are rejected.

PURPOSE

The Bonds are being issued pursuant to Wisconsin Statutes, Chapter 67, for the purpose of financing the current refunding of certain outstanding obligations of the Village. The Bonds are valid and binding general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of, and interest on, the Bonds as they become due which tax may, under current law, be levied without limitation as to rate or amount.

DATES AND MATURITIES

The Bonds will be dated the date the Bonds are actually issued, will be issued as fully registered Bonds in the denomination of \$5,000 each, or any multiple thereof, and will mature on March 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2013	\$85,000	2019	\$110,000	2025	\$115,000
2014	105,000	2020	110,000	2026	115,000
2015	105,000	2021	110,000	2027	115,000
2016	110,000	2022	110,000	2028	120,000
2017	110,000	2023	110,000	2029	125,000
2018	110,000	2024	110,000		
2019	250,000	2026	225,000		

ADJUSTMENT OPTION

* The Village reserves the right to increase or decrease the amount of any individual maturity of the Bonds in increments of \$5,000 on the day of sale. If individual maturities are increased or decreased, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BOND OPTION

Bids for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing, or principal subject to mandatory redemption, in each year conforms to the maturity schedule set forth above. All dates are inclusive.

INTEREST PAYMENT DATES AND RATES

Interest will be payable on March 1 and September 1 of each year, commencing March 1, 2013, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months. All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate, not exceeding the rate specified for Bonds of any subsequent maturity. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, all payments of principal and interest will be made to the depository, which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds.

OPTIONAL REDEMPTION

At the option of the Village, Bonds maturing on or after March 1, 2021 shall be subject to redemption prior to maturity on March 1, 2020 and on any date thereafter, at a price of par plus accrued interest.

The Bonds subject to redemption may be redeemed in whole or in part. If redemption is in part, then the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the Village. If only part of the Bonds having a common maturity date are called for redemption, then the Village Treasurer, or the appointed financial institution, acting as Fiscal Agent, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed, and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of redemption shall be sent by first-class mail not more than 60 days and not fewer than 30 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books maintained by the Fiscal Agent.

DELIVERY

On or about March 15, 2012, the Bonds will be delivered without cost to the winning bidder at DTC. On the day of closing, the Village will furnish to the winning bidder the opinion of bond counsel hereinafter described, a tax certificate, and certificates verifying that no litigation in any manner questioning the validity of the Bonds is then pending or, to the best knowledge of officers of the Village, threatened. Payment for the Bonds must be received by the Village at its designated depository on the date of closing in immediately available funds.

LEGAL OPINION

An opinion as to the validity of the Bonds and the exemption from federal taxation of the interest thereon will be furnished by Foley & Lardner LLP, bond counsel to the Village, and will accompany the Bonds. The legal opinion will be issued on the basis of existing law and will state that the Bonds are valid and binding general obligations of the Village; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding).

SUBMISSION OF BIDS

Bids must not be for less than \$1,851,563 plus accrued interest on the principal sum of \$1,875,000 from date of original issue of the Bonds to date of delivery. A signed bid form must be submitted to Ehlers prior to the time established above for the opening of bids as follows:

- 1) In a sealed envelope as described herein; or
- 2) A facsimile submission to Ehlers, Facsimile Number (651) 697-8555; or
- 3) Electronically via **PARITY** in accordance with this Notice of Sale until 12:00 P.M., noon, Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact Ehlers or i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Telephone (212) 849-5021.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the Village nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit (the "Deposit") in the amount of \$37,500, complying with the provisions below, must be submitted with each bid. The Deposit must be in the form of a certified or cashier's check, or a financial surety bond or a wire transfer of funds to **KleinBank, 1550 Audubon Road, Chaska, Minnesota, ABA No. 091915654 for credit: Ehlers & Associates Good Faith Account No. 3208138**. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the bidder fails to comply therewith. The Deposit will be returned to the winning bidder at the closing for the Bonds.

The Deposit, payable to the Village, shall be retained in the offices of Ehlers with the same effect as if delivered to the Village. Alternatively, bidders may wire the Deposit to **KleinBank, 1550 Audubon Road, Chaska, Minnesota, ABA No. 091915654 for credit: Ehlers & Associates Good Faith Account No. 3208138**. The Village and any bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the losing bidder; 3) If the bid is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

If a financial surety bond is used, it must be from an insurance company licensed to issue such a bond in the State of Wisconsin, and preapproved by the Village. Such bond must be submitted to Ehlers prior to the opening of the bids. Such bond must identify each bidder whose Deposit is guaranteed by such financial surety bond. If the Bonds are awarded to a bidder using a financial surety bond, then that bidder is required to submit its Deposit to Ehlers in the

form of a certified or cashier's check or wire transfer as instructed by Ehlers not later than 3:00 P.M., Central Time, on the next business day following the award. If such Deposit is not received by that time, then the financial surety bond may be drawn by the Village to satisfy the Deposit requirement. The amount securing the winning bid will be retained as liquidated damages if the bid is accepted and the bidder fails to comply therewith. No bid can be withdrawn after the time set for receiving bids unless the meeting of the Village scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

AWARD

The Bonds will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The Village's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The Village reserves the right to reject any and all bids and to waive any informality in any bid.

BOND INSURANCE

If the Bonds are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the Village requested and received a rating on the Bonds from a rating agency, the Village will pay that rating fee. Any rating agency fees not requested by the Village are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Bonds are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Bonds.

CUSIP NUMBERS

The Village will assume no obligation for the assignment or printing of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The Village will designate the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

CONTINUING DISCLOSURE

In order to assist bidders in complying with SEC Rule 15c2-12, as amended, the Village, as an obligated person, will agree, pursuant to the Award Resolution, to enter into an agreement provide to the Municipal Securities Rulemaking Board certain financial information and timely notice of the occurrence of certain listed events for the benefit of owners of the Bonds. The details and terms of the agreement are set forth in a Continuing Disclosure Agreement (the "Agreement") to be executed and delivered by the Village at the time the Bonds are delivered, the form of which is included in the Official Statement. As a condition of closing, the Village will deliver the Agreement at closing for the Bonds (in addition to the legal opinion and non-litigation certificate).

INFORMATION FROM WINNING BIDDER

The winning bidder will be required to provide, in a timely manner, certain information relating to the initial reoffering prices of the Bonds necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended.

PRELIMINARY OFFICIAL STATEMENT

Bidders may obtain a copy of the Preliminary Official Statement relating to the Bonds prior to the bid opening by request from Ehlers at www.ehlers-inc.com by connecting to the link to the Bond Sales. The Syndicate Manager of the winning bidder will be provided with an electronic version and up to 10 printed copies upon request of the Final Official Statement within seven business days of the bid acceptance. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

Information for bidders and bid forms may be obtained from Ehlers at 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Telephone (651) 697-8500.

By Order of the Village Board

Dennis Martin, Clerk
Village of Fontana-on-Geneva Lake, Wisconsin

BID FORM

The Village Board
Village of Fontana-on-Geneva Lake, Wisconsin

February 27, 2012

RE: **\$1,875,000* General Obligation Refunding Bonds, Series 2012B**
DATED: **March 15, 2012**

For all or none of the above Bonds, in accordance with the Notice of Sale and terms of the Global Book-Entry System as stated in this Preliminary Official Statement, we will pay the Village \$_____ (not less than \$1,851,563) for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

_____ % due 2013	_____ % due 2020	_____ % due 2027
_____ % due 2014	_____ % due 2021	_____ % due 2028
_____ % due 2015	_____ % due 2022	_____ % due 2029
_____ % due 2016	_____ % due 2023	
_____ % due 2017	_____ % due 2024	
_____ % due 2018	_____ % due 2025	
_____ % due 2019	_____ % due 2026	

* The Village reserves the right to increase or decrease the amount of any individual maturity of the Bonds in increments of \$5,000 on the day of sale. If individual maturities are increased or decreased, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

We enclose our good faith deposit in the amount of \$37,500, to be held by you pending delivery and payment. Alternatively, we have provided a financial surety bond or have wired our good faith deposit to the **KleinBank, 1550 Audubon Road, Chaska, Minnesota, ABA No. 091915654 for credit: Ehlers & Associates Good Faith Account No. 3208138**. If our bid is not accepted, said deposit shall be promptly returned to us. If the good faith deposit is wired to such escrow account, we agree to the conditions and duties of Ehlers & Associates, Inc., as escrow holder of the good faith deposit, pursuant to the Preliminary Official Statement dated February 21, 2012. This bid is for prompt acceptance and is conditional upon deposit of said Bonds to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about March 15, 2012.

This bid is subject to the Village's agreement to enter into a written agreement to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Preliminary Official Statement for the Bonds.

We have received and reviewed the Preliminary Official Statement and have submitted our requests for additional information or corrections to the Final Official Statement. As Syndicate Manager, we agree to provide the Village with the reoffering price of the Bonds within 24 hours of the bid acceptance.

Account Manager: _____ By: _____
Account Members:

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from March 15, 2012 of the above bid is \$_____ and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted by and on behalf of the Village Board of the Village of Fontana-on-Geneva Lake, Wisconsin, on February 27, 2012.

By: _____ By: _____
Title: _____ Title: _____