

LRB - FISCAL SECTION ANALYSIS

MAY 8, 2002

ITEM 6, FILE 020110

FINANCE & PERSONNEL COMMITTEE

JAMES CARROLL

File #020110 is a substitute resolution approving an Intergovernmental Agreement between the City of Milwaukee and the Milwaukee Public Schools.

Background

1. On December 21, 2002, the Common Council adopted a resolution (#011069) authorizing the issuance of up to \$9 million in short-term promissory notes for financing the Milwaukee Public Schools (MPS) "Special Education Tracking System" and the financing of a MPS Financial System.
2. With the development of the Special Education Tracking System, MPS will be able to more effectively track the movement of students and manage the data needed to serve special needs students. The system will also allow MPS to more efficiently provide the data required by the State of Wisconsin to receive funding for special need programs. The total cost of the Special Education Tracking system is estimated to be approximately \$5 million. There are approximately 16,000 special needs students in MPS.
3. The MPS Financial System will replace the current financial system that has become obsolete and can no longer be supported by vendors. The total cost of the MPS Financial System is estimated to be approximately \$4 million.

Discussion

Under the intergovernmental cooperation agreement, MPS agrees to provide debt service payments to the City. The payments will be made no later than December 31st of the year prior to the calendar year in which the debt service becomes due and payable.

Fiscal Impact

Assuming MPS compliance in making the above noted debt service payment, the resolution has no fiscal impact on the City's tax levy.

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LRB-Fiscal Review
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