

## LRB-FISCAL REVIEW SECTION ANALYSIS

APRIL 9, 2003 AGENDA

ITEM 18 FILE 021776

FINANCE & PERSONNEL COMMITTEE

JAMES CARROLL

File #021776 is a resolution amending File Number 991863 as it relates to revenue bonds of the City of Milwaukee, Wisconsin for the purposes of the sewerage system of the City.

### **Background**

1. The 2000 Budget transferred the Relief and Relay Sewer capital program from the City's capital improvement budget to the Sewer Maintenance Fund. The Relief and Relay Sewers are to be financed through issuance of revenue or general obligation bonds and paid for through the Sewer Maintenance Fee. Prior to 2000, the Relief and Relay Sewers were largely cash financed.
2. On August 2, 2001, the Common Council adopted a resolution (File #991863) setting forth the details and the technical aspects of the issuance of Sewerage System Revenue Bonds. It also provided the authority for such issuances when used in conjunction with separate "series resolutions".

### **Discussion**

The resolution makes the following two technical changes to File #991863:

- Currently, after 12/31, the prior year audit cannot be use. Under this resolution, a prior year's audit (i.e. 2001) can be used while the current audit (i.e. 2002) is being prepared.
- This resolution will allow prior year results to be restated to reflect current rates and charges. This allows rate increases to result in an immediate increase in debt issuance capacity.

### **Fiscal Impact**

The resolution has no fiscal impact..

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LRB-Fiscal Review  
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