

Reply to Common Council File No. 001816
From DOA-Budget and Management Division

April 26, 2001

Ref: 01010(09)

Common Council File 001816 contains a resolution amending File No. 001568, authorizing the Commissioners of the Public Debt to market general obligation "corporate purpose bonds" pursuant to the provisions of Ch. 67 Stats.


File 001816 amends the existing 2001 Corporate Purpose Resolution (001568) in order to include borrowing authority for the purpose of financing \$425,000 of Americans With Disabilities (ADA) improvements to be completed by DPW - Buildings and Fleet Division. Due to a technical error, the authority was included in the adopted 2001 City Budget under the DPW - Infrastructure Services Division.

File No. 001603, adopted on March 20, 2001, corrected the technical Budget error and authorized the issuance and sale of general obligation bonds in the amount of \$425,000 for the ADA Improvements by DPW-Buildings and Fleet Division. The authority remains unsold. File No. 001816 combines this authority into the Corporate Purpose Bond resolution, allowing for one issue. Consolidation into one issue will streamline the actual bond sales and allow for flexibility within the debt issue process.

The aggregate amount of this Corporate Purpose borrowing authority increases from \$181,881,235 to \$182,306,235, adding \$425,000 for the public purpose provided for in File 001603.

Depending on the actual sale of these bonds, a maximum of six months of interest would be incurred if these bonds were sold before July 1, 2001. There would be no fiscal impact if these bonds were sold after this time. The Public Debt Commission determines the actual structuring of the debt issue. Historically, city debt of this nature has been structured as 15-year level principal retirement issues. It is anticipated that the first corporate purpose sale will be in June 2001.

RECOMMENDATION: APPROVE



John Ledvina
Capital Planning and Finance Specialist

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