

LRB – RESEARCH AND ANALYSIS

JANUARY 11, 2006 AGENDA

ITEM 27 FILE 051146

FINANCE & PERSONNEL COMMITTEE

JAMES CARROLL

File #051146 is a resolution relating to the issuance and sale of general obligation bonds in the amount of \$15,240,442 for School Board borrowing for Milwaukee Public School (MPS) capital purposes.

Background and Discussion

1. The Comptroller's Office annually submits initial-borrowing resolutions for projects and programs approved in the adopted budget and approved carryover borrowing (File #050989).
2. The resolution authorizes the sale of general obligation bonds in the amount of \$15,240,442 for MPS capital purposes.
3. The table below shows the projects and the amount of borrowing authorized by this resolution.

Capital Project	Budget	Amount
ADA Improvements	2005	\$2,000,000
ADA Improvements	2006	\$2,000,000
Major Maintenance to Facilities	2005	\$2,240,442
Building Maintenance Projects	2006	\$7,000,000
Bradley Tech Project	2006	\$2,000,000
Total		\$15,240,442

Fiscal Impact

Until the actual structuring of the debt issue is determined by the Public Debt Commission, details relating to the long-term fiscal impact will not be known. Depending on actual sale date in 2006, a maximum of 6 months interest would be incurred during the year. If sold after July 1, 2006, there would be no fiscal impact in 2006.

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