

041710



Office of the Comptroller

May 25, 2005

W. Martin Morics, C.P.A.
Comptroller

John M. Egan, C.P.A.
Special Deputy Comptroller

Michael J. Daun
Special Deputy Comptroller

Mr. Ronald D. Leonhardt, City Clerk
City Hall - Room 205
Milwaukee, WI 53202

Dear Mr. Leonhardt:

Please find enclosed a certified copy of a resolution adopted by the Commissioners of the Public Debt at their meeting of May 19, 2005. The resolution accepts the offer for \$45,240,000 General Obligation Refunding Bonds, Series 2005 A5 (the "Bonds"). These Bonds are being issued for the purpose of refinancing certain outstanding bonds and notes of the City. These resolutions further establish required future debt service levies associated with the payment of periodic interest on and redemption of these Bonds.

The issuance of the Bonds was authorized by the Common Council via Resolution File Number 041519 adopted on March 16, 2005, as amended by 041710 adopted on May 3, 2005 (the "Resolution"). The Resolution established Common Council debt issuance parameters which, if met, pre-approved certain actions of the Public Debt Commission to accept offers, establish debt service required irrevocable tax levies for future years to meet such debt service and similar aspects of the borrowing process. The Common Council debt issuance parameters were met within the private sale process.

The Resolution also required that such debt issuance information be "entered upon the permanent record of the Commissioners of the Public Debt and formally communicated to the City Clerk ...". This letter and certified copy of the Commission's resolution is intended to meet the latter part of that Common Council directive. If there are any questions, or if we may be of any additional assistance, please feel free to contact this office.

Respectfully submitted,

W. MARTIN MORICS
Comptroller and Secretary
Public Debt Commission

WMM:RL:as
Enclosure
REF: PD-7003W.DOC

Resolution 050519-1
Authorization for the sale and issuance of
General Obligation Refunding Bonds, Series 2005 A5.

WHEREAS, Common Council Resolution File No. 041519 adopted by the Common Council (the "Common Council") of the City of Milwaukee, Wisconsin (the "City") on March 16, 2005, as amended by Resolution File No. 041710 adopted by the Common Council on May 3, 2005, authorized the issuance of general obligation refunding bonds of the City in an amount not to exceed \$90,000,000 (the "Refunding Resolution"); and

WHEREAS, The Refunding Resolution identifies certain outstanding general obligation bonds and notes for refunding and provides that the Commissioners of Public Debt shall determine which maturities shall be refunded; and

WHEREAS, The Refunding Resolution provides that the bonds authorized thereby shall be sold by the Commissioners of the Public Debt of the City to the underwriters selected by the Commissioners of Public Debt and authorizes the Commissioners of the Public Debt to determine certain matters and details in connection with such bonds in accordance with the Refunding Resolution; and

WHEREAS, The Commissioners of the Public Debt of the City have determined to sell such bonds at private sale and have selected as Underwriters for such bonds, Citigroup Global Securities, Inc., UBS Financial Services, Inc., Loop Capital Markets, LCC and Siebert Bradford Shank & Co., LLC (the "Underwriters"); now, therefore, be it

Resolved, By the Commissioners of the Public Debt of the City as follows:

(1) The outstanding general obligation bonds and notes to be refunded by the Bonds (herein defined) shall be as follows (the "Refunded Bonds"):

<u>Series/Dated</u>	<u>Amount</u>	<u>Maturity</u>	<u>Redemption Date</u>	<u>Redemption Price</u>
General Obligation Corporate Purpose Bonds, Series J dated December 1, 1997	\$ 260,000	12/01/2017	12/01/2007	100%
General Obligation Corporate Purpose Bonds, Series L dated December 15, 1998	1,280,000 1,345,000	12/15/2017 12/15/2018	12/15/2008	100
General Obligation Corporate Purpose Bonds, Series R dated September 1, 2000	440,000	09/01/2017	09/01/2010	100

<u>Series/Dated</u>	<u>Amount</u>	<u>Maturity</u>	<u>Redemption Date</u>	<u>Redemption Price</u>
General Obligation Corporate Purpose Bonds, Series T dated September 1, 2001	\$5,770,000 5,840,000	09/01/2012 09/01/2013	09/01/2011	100
General Obligation Corporate Purpose Bonds, Series W dated March 15, 2002	2,155,000 2,175,000 2,200,000 2,230,000 2,255,000	03/15/2013 03/15/2014 03/15/2015 03/15/2016 03/15/2017	03/15/2012	100
General Obligation Corporate Purpose Bonds, Series Y dated September 1, 2002	2,905,000	09/01/2015	09/01/2012	100
General Obligation Short- Term Promissory Notes, Series 2005 P4 dated April 29, 2005	18,000,000	12/31/2005	<date of issuance of the 2005 A5 Bonds>	100

(2) The Bond Purchase Agreement dated as of May 19, 2005 (the "Purchase Agreement") submitted by Citigroup on behalf of the Underwriters, for the purchase of \$45,240,000 General Obligation Refunding Bonds, Series 2005 A5 (herein defined as the "Bonds"), presented to, and filed with the minutes of, the meeting at which this Resolution is adopted, is reasonable and it is in the best interest of, and financially advantageous for, the City to accept the Purchase Agreement and it is hereby accepted; the Bonds shall be sold to the Underwriters at a price of Forty Nine Million Two Hundred Twenty Eight Thousand Five Hundred Forty Eight Dollars and Eighty Five Cents (\$49,228,548.85) which is not less than 99% of the par value thereof and at a true interest cost rate of 3.96%, which true interest cost rate is not in excess of 7.25%, together with interest thereon to the date of delivery of and payment therefor.

In the event that the principal amount of Bonds, the interest rates, purchase price and the interest cost rate, including the debt service levies referred to in paragraph (5) hereof, cannot be determined by this Commission on the date of adoption of this Resolution, there is hereby delegated to the Comptroller of the City the right to make such determinations, provided that such determinations are within the parameters of this Resolution and the Refunding Resolution.

In the event that, after adoption of the Resolution and prior to the final award of the Bonds, it is in the City's best financial interest to expand the number of bonds to be refunded, there is hereby delegated to the Comptroller of the City the right to expand the number of such bonds to be refunded, provided that such bonds to be refunded are authorized to be refunded in the Refunding Resolution.

(3) The Bonds shall be dated as of the date of issuance, shall be in the denomination of \$5,000 each or any integral multiple thereof, in fully registered form, shall be numbered R-1 upward in chronological order, shall mature serially on the 1st of September in each of the years 2012 to 2020, inclusive, as set forth in the schedule attached hereto as Exhibit A and shall bear interest at the rates per annum (none of which shall exceed 9%), payable semi-annually on March 1 and September 1 in each year, commencing September 1, 2005 as set forth on the schedule attached hereto as Exhibit A.

(4) The Bonds with maturity dates on or after September 1, 2015, are subject to redemption prior to their respective maturities at the option of the City on or after March 1, 2015 in such order of maturity as shall be selected by the City, at a price of par plus accrued interest to the date fixed for their redemption. If less than all of the Bonds of a maturity are called for redemption the particular Bonds of such maturity shall be selected by lot.

(5) In order to fully provide for the annual debt service requirements of the Bonds as the same fall due, a direct annual irrevocable tax is hereby levied in the years and in the amount sufficient to pay such debt service as set forth on the schedule attached hereto as Exhibit B shall constitute the full annual debt service on the Bonds for the years 2006 to 2020.

(6) Associated Trust Company, National Association, Green Bay, Wisconsin, is hereby appointed escrow agent for the City, for the purpose of ensuring the payment of the principal of and interest on the Refunded Bonds (the "Escrow Agent"). McGladrey & Pullen, LLP is hereby appointed verification agent for the purpose of verifying the yield on the Bonds, the investment of the proceeds of the Bonds, the adequacy of the refunding escrow account created below to pay the Refunded Bonds and other matters.

The Mayor, City Clerk and Comptroller are hereby authorized and directed to execute an escrow agreement (the "Escrow Agreement") with the Escrow Agent, for the purpose of effectuating the provisions of this Resolution.

The proceeds of the Bonds allocable to refunding the Refunded Bonds, other than any accrued interest and excess proceeds which shall be deposited in the City's Debt Service Fund Account for the Bonds, shall be deposited in a refunding escrow account which is hereby created with the Escrow Agent, pursuant to the Escrow Agreement, for the purpose of retaining the required amount of cash, if any, and acquiring the United States Government obligations provided for in the Escrow Agreement. There shall also be deposited in the refunding escrow account the amounts determined by the Comptroller which are on deposit in the City's existing Debt Service Accounts for the Refunded Bonds.

The balance of the proceeds of the Bonds shall be applied to the payment of costs of issuance of the Bonds.

(7) The Comptroller is authorized to obtain insurance guaranteeing payment of principal of and interest on all or a portion of the Bonds and is further authorized to agree to such additional provisions as any insurer which makes a commitment accepted by the City to insure such Bonds may reasonably request and which are acceptable to the Comptroller, including provisions regarding restrictions on investment of the proceeds of the Bonds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in

the event of default and payment of the Bonds by the bond insurer and notices to be given to the bond insurer. In addition, appropriate reference to the municipal bond insurance policy shall be made in the form of Bond.

(8) The action of the Comptroller of the City in causing to be prepared and distributed a Preliminary Official Statement relating to the Bonds is hereby ratified and approved, such Preliminary Official Statement being dated May 13, 2005.

(9) The Comptroller of the City is authorized to certify that the Preliminary Official Statement for the Bonds ratified and approved hereunder is "deemed final" for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended ("Rule 15c2-12").

(10) The Comptroller of the City is hereby authorized to execute and deliver, in the name and on behalf of the City, a final Official Statement in substantially the form of the Preliminary Official Statement described in Section 8 above, with such changes, insertions and omissions as the Comptroller of the City deems advisable, and to permit the distribution of said Official Statement in connection with the offering and sale of the Bonds.

(11) The Refunded Bonds shall be called for redemption on the respective redemption dates set forth in paragraph 1 hereof. The Escrow Agent is hereby directed to cause notice of redemption, in the form attached to the Escrow Agreement, to be provided at the times and in the manner provided therein.

(12) For allocation purposes, the allocation of the bonds between advanced and current (note) refunding are shown in Exhibit A.

(13) For purposes of State law, the advanced refunding portion of the Bonds are designated as being issued to pay and discharge the debt incurred by the City through the issuance of the Refunded Bonds (excluding the notes) in the order in which that debt was incurred, so that the advanced refunding portion fo the Bonds of the earliest maturities are considered to be issued to discharge the debt which was incurred first.

and be it

FURTHER RESOLVED, That this Resolution shall be entered upon the permanent record of the Commissioners of the Public Debt of the City and formally communicated by the Secretary to the City Clerk.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the Public Debt Commission at its meeting held on May 19, 2005.


W. MARTIN MORICS
Comptroller and Secretary
Public Debt Commission

EXHIBIT A

City of Milwaukee
Refunding Series 2005 A5

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Call Date for Arb Yield	Call Price for Arb Yield	
Advanced Refunding Bonds:											
	09/01/2012	5,800,000	5.000%	3.410%	110.111						
	09/01/2013	7,970,000	5.000%	3.510%	110.568						
	09/01/2014	2,145,000	3.500%	3.600%	99.216						
	09/01/2015	5,035,000	5.000%	3.690%	110.625 C	3.740%	03/01/2015	100.000	03/01/2015	100.000	
	09/01/2016	2,145,000	5.000%	3.770%	109.938 C	3.898%	03/01/2015	100.000	03/01/2015	100.000	
	09/01/2017	4,135,000	5.000%	3.840%	109.341 C	4.025%	03/01/2015	100.000	03/01/2015	100.000	
	09/01/2018	1,295,000	5.000%	3.900%	108.832 C	4.127%	03/01/2015	100.000	03/01/2015	100.000	
		<u>28,525,000</u>									
Note Refunding Bonds:											
	09/01/2016	3,345,000	5.000%	3.770%	109.938 C	3.898%	03/01/2015	100.000	03/01/2015	100.000	
	09/01/2017	3,345,000	5.000%	3.840%	109.341 C	4.025%	03/01/2015	100.000	03/01/2015	100.000	
	09/01/2018	3,345,000	5.000%	3.900%	108.832 C	4.127%	03/01/2015	100.000	03/01/2015	100.000	
	09/01/2019	3,340,000	5.000%	3.960%	108.326 C	4.216%	03/01/2015	100.000	03/01/2015	100.000	
	09/01/2020	3,340,000	5.000%	4.010%	107.907 C	4.287%	03/01/2015	100.000	03/01/2015	100.000	
		<u>16,715,000</u>									
		<u>45,240,000</u>									

Dated Date	06/07/2005
Delivery Date	06/07/2005
First Coupon	09/01/2005
Par Amount	45,240,000.00
Premium	4,143,149.55
Production	49,383,149.55
Underwriter's Discount	-154,600.70
Purchase Price	49,228,548.85
Accrued Interest	108.816421%
Net Proceeds	49,228,548.85

EXHIBIT B

City of Milwaukee
Refunding Series 2005 A5

Dated Date 06/07/2005
Delivery Date 06/07/2005

Period Ending	Principal	Coupon	Interest	Debt Service
12/31/2005			520,292.50	520,292.50
12/31/2006			2,229,825.00	2,229,825.00
12/31/2007			2,229,825.00	2,229,825.00
12/31/2008			2,229,825.00	2,229,825.00
12/31/2009			2,229,825.00	2,229,825.00
12/31/2010			2,229,825.00	2,229,825.00
12/31/2011			2,229,825.00	2,229,825.00
12/31/2012	5,800,000	5.000%	2,229,825.00	8,029,825.00
12/31/2013	7,970,000	5.000%	1,939,825.00	9,909,825.00
12/31/2014	2,145,000	3.500%	1,541,325.00	3,686,325.00
12/31/2015	5,035,000	5.000%	1,466,250.00	6,501,250.00
12/31/2016	5,490,000	5.000%	1,214,500.00	6,704,500.00
12/31/2017	7,480,000	5.000%	940,000.00	8,420,000.00
12/31/2018	4,640,000	5.000%	566,000.00	5,206,000.00
12/31/2019	3,340,000	5.000%	334,000.00	3,674,000.00
12/31/2020	3,340,000	5.000%	167,000.00	3,507,000.00
	45,240,000		24,297,967.50	69,537,967.50