



777 East Wisconsin Avenue
Milwaukee, WI 53202

Independent Auditors' Report

To the Honorable Members
of the Common Council
of the City of Milwaukee

The Board of Directors
of the Milwaukee Public Schools:

We have audited the accompanying Schedule of Milwaukee Public Schools (MPS) Debt Service Payments for the year ended December 31, 2000. This Schedule is the responsibility of the City of Milwaukee's management. Our responsibility is to express an opinion on this Schedule based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule of Milwaukee Public Schools (MPS) Debt Service Payments is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Milwaukee Public Schools (MPS) Debt Service Payments. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall schedule presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Schedule of Milwaukee Public Schools (MPS) Debt Service Payments referred to above presents fairly, in all material respects, the long-term debt payments for MPS debt made by the City of Milwaukee net of MPS reimbursements for the year ended December 31, 2000.

KPMG LLP

March 28, 2001





CITY OF MILWAUKEE

Schedule of Milwaukee Public School (MPS) Debt Service Payments

Year ended December 31, 2000

	January 1, 2000 to June 30, 2000	July 1, 2000 to December 31, 2000	January 1, 2000 to December 31, 2000
Total debt payments made by the City of MPS debt (note 1)	\$ 5,426,379	7,901,488	13,327,867
Less: Debt payments reimbursed to the City by MPS (note 2)	<u>2,711,982</u>	<u>808,663</u>	<u>3,520,645</u>
Total debt payments made by the City for MPS debt net of MPS reimbursement	\$ <u>2,714,397</u>	<u>7,092,825</u>	<u>9,807,222</u>

Note 1: Total debt payments made by the City for MPS debt represents all of the principal and interest payments that the City makes on monies that have been borrowed on behalf of MPS.

Note 2: Debt payments reimbursed to the City by MPS represents amounts that MPS paid the City for the six month period noted to pay principal and interest due on debt that the City has entered into on behalf of MPS.

See the accompanying independent auditors' report.