

Resolution Number 120418-2
Authorization for the issuance and sale of
General Obligation Promissory Notes, Series 2012 N2
and General Obligation Corporate Purpose Bonds, Series 2012 B3

Whereas, Common Council Resolution File No. 111075 adopted by the Common Council (the "Common Council") of the City of Milwaukee, Wisconsin (the "City") on February 28, 2012 authorized the issuance of General Obligation Promissory Notes of the City in the aggregate principal amount of \$825,298,778.20; and

Whereas, Common Council Resolution File No. 111076 adopted by the Common Council on February 28, 2012 (the "Bond Resolution") authorized the issuance of General Obligation Corporate Purpose Bonds of the City in the aggregate principal amount of \$588,298,778.20; and

Whereas, Common Council Resolution File No. 110718 adopted by the Common Council on November 2, 2011 (the "First Refunding Resolution") authorized the issuance of General Obligation Refunding Notes and Bonds of the City in the aggregate principal amount of \$55,480,000; and

Whereas, Common Council Resolution File No. 111497 adopted by the Common Council on April 11, 2012 (the "Second Refunding Resolution") authorized the issuance of General Obligation Refunding Notes and Bonds of the City in the aggregate principal amount of \$42,395,000; and

Whereas, \$1,270,000 of Commercial Paper, 2008 Series T4 have been issued pursuant to the First Refunding resolution to temporarily borrow to refunding the Series W Bonds; and

Whereas, prior to April 18, 2012, \$431,646.82 of the General Obligation Promissory Notes, \$0 of General Obligation Corporate Purpose Bonds, and \$0 of General Obligation Refunding Notes and Bonds (other than temporary borrowing referenced above) authorized by the resolutions have heretofore been sold or issued; and

Whereas, the above resolutions resolved that the obligations authorized thereby shall be sold by the Commissioners of the Public Debt (the "Commissioners") at such time and in such amounts as the Commissioners determine to be prudent and appropriate; and

Whereas, pursuant to an official notice of sale, the Commissioners desire to sell the General Obligation Promissory Notes, Series 2012 N2, of the City in the principal amount of \$109,440,000 (the "Notes") and the General Obligation Corporate Purpose Bonds, Series 2012 B3, of the City in the principal amount of \$8,455,000 (the "Bonds") (collectively the Notes and Bonds being herein sometimes called the "Obligations"); caused bids to be received; and the Obligations to be sold in the aggregate principal amount of \$121,885,000 on the 18th day of April, 2012; now, therefore be it

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

1. The actions of the Comptroller of the City (the "Comptroller") in distributing the Preliminary Official Statement and the Official Notice of the Sale, and in the publishing of a

Summary Notice of Sale in THE DAILY REPORTER on April 11, 2012, for the Obligations are hereby ratified and approved.

2. The bid of J.P. Morgan Securities LLC (the "Purchaser") for \$117,895,000 of Obligations at a bid price of \$136,464,527.71 is accepted for the Obligations and the Obligations are hereby awarded, pursuant to the terms of the Official Notice of Sale, in the par amount of \$121,885,000 and sold to the Purchaser at a purchase price of \$141,024,016.68.
3. The Obligations shall be dated as of their expected date of issuance, be available in the denomination of \$5,000 or integral multiples thereof, and shall mature on the 1st day of May in each year, in the amounts, and bear interest payable on November 1, 2012 and semiannually on each May 1 and November 1 thereafter at the rates per annum as follows:

**General Obligation Promissory Notes
Series 2012 N2**

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2013	\$ 22,925,000	3%
2014	14,525,000	4
2015	5,960,000	5
2016	12,610,000	5
2017	11,920,000	5
2018	11,655,000	5
2019	13,210,000	5
2020	9,125,000	5
2021	7,300,000	5
2022	4,200,000	5

**General Obligation Corporate Purpose Bonds
Series 2012 B3**

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2023	\$ 1,670,000	5%
2024	1,680,000	5
2025	1,690,000	5
2026	1,700,000	5
2027	1,715,000	5

4. The Bonds shall be subject to redemption prior to their maturity at the option of the City, in such principal amounts and from such maturities as the City shall determine and by lot within a single maturity, on May 1, 2022 and on any date thereafter, at a price of par plus accrued interest to the date fixed for their redemption. The Notes are not subject to prior redemption.

5. A direct annual tax sufficient in an amount to pay, and for the express purpose of paying, the interest on the Obligations as it falls due and also to pay and discharge the principal thereof at maturity, has been levied, by the Common Council, upon all taxable property in the City, and is hereby established for the Bonds and for the Notes in the following amounts and for the following years:

**General Obligation Promissory Notes
Series 2012 N2**

<u>Levy Year</u>	<u>Year Due</u>	<u>Amount Due</u>
2012	2013	\$ 27,648,875
2013	2014	18,614,500
2014	2015	9,610,000
2015	2016	15,795,750
2016	2017	14,492,500
2017	2018	13,638,125
2018	2019	14,571,500
2019	2020	9,928,125
2020	2021	7,692,500
2021	2022	4,305,000

**General Obligation Corporate Purpose Bonds
Series 2012 B3**

<u>Levy Year</u>	<u>Year Due</u>	<u>Amount Due</u>
2012	2013	\$ 422,750
2013	2014	422,750
2014	2015	422,750
2015	2016	422,750
2016	2017	422,750
2017	2018	422,750
2018	2019	422,750
2019	2020	422,750
2020	2021	422,750
2021	2022	422,750
2022	2023	2,051,000
2023	2024	1,977,250
2024	2025	1,903,000
2025	2026	1,828,250
2026	2027	1,757,875

In each of said levy years from 2012 to 2026 inclusive, the direct annual irrevocable tax which has been levied shall be extended upon the tax roll of the City and shall be collected by the officers of the City in the same manner and at the same time as taxes for general City purposes for such years are extended and collected, and when so collected, the proceeds of said taxes shall be used solely for paying the principal and interest on the Obligations as long as any Obligation remains outstanding.

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

<u>General Obligation Corporate Purpose Bonds/Dated</u>	<u>Amount</u>	<u>Maturities</u>	<u>Redemption Date</u>	<u>Redemption Price</u>
Series W Dated 3/15/2002	\$ 1,270,000	2018-2019	3/15/2012*	100%
Series Y Dated 9/1/2002	5,750,000	2013-2014	9/1/2012	100
Series Y Dated 9/1/2002	6,975,000	2016-2019	9/1/2012	100
Series 2003 B1 Dated 4/3/2003	7,195,000	2014-2020	3/15/2013	100
Series 2004 B1 Dated 5/6/2004	20,060,000	2016-2021	2/15/2014	100
Series 2005 B2 Dated 3/23/2005	9,660,000	2018-2022	2/15/2015	100
Series 2005 B10 Dated 12/1/2005	8,965,000	2019-2022	8/15/2015	100
Series 2005 V8 Dated 12/1/2005	12,000,000	2025	5/21/2012	100

* The Series W Bonds were refunded on 3/15/2012 with temporary borrowing (2008 Series T4 commercial paper), which are in turn, being refunded by the Notes.

7. The Bank of New York Mellon Trust Company, N.A., Milwaukee, 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"). Causey Demgen & Moore Inc. 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.

8. Upon issuance of the Notes, the Refunded Bonds are hereby irrevocably called for redemption on the respective redemption dates set forth in paragraph 6 hereof. For the Refunded Bonds callable after 8/1/2012, 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.

For the Series 2005 V8 Bonds, The Bank of New York Mellon Trust Company, N.A., Milwaukee, Wisconsin, as Trustee for the Series 2005 V8 Bonds is hereby directed to cause a conditional notice of redemption to be provided on April 19, 2012 for redemption on May 21, 2012 of the entire \$12,000,000 outstanding Series 2005 V8 Bonds in the proper manner for the Series 2005 V8 Bonds. On or before May 14, 2012, the City shall transfer to the Trustee \$12,000,000 from the proceeds of the Notes to pay the principal of the Series 2005 V8 Bonds.

For the temporary borrowing for the refunding of the Series W Bonds, the principal of the temporary borrowing shall be paid from proceeds of the Notes by the City on its maturity date of May 15, 2012. Interest shall be paid in the normal manner.

9. The Obligations shall be in a form approved by the Secretary of the Public Debt Commission (the "Secretary") and shall be signed by those officers whose signatures are required by law, and shall be a general obligation of the City.

and be it Further Resolved, that this resolution shall be entered upon the permanent record of the Commissioners of the Public Debt and formally communicated by the Secretary to the Clerk of the City.

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 April 18, 2012.



MARTIN MATSON
Comptroller and Secretary
Public Debt Commission