



Office of the Comptroller

March 27, 2007

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Comptroller

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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 March 6, 2007. This resolution accepts the bid for \$66,000,000 General Obligation Cash Flow Promissory Notes, Series 2007 R2 (the "Notes"). The Notes are being issued for the purpose of financing the City's operating budget on an interim basis in anticipation of the receipt of State shared revenue payments ("State Aid Payments").

The issuance of the Notes was authorized by the Common Council via Resolution File Number 061008 adopted on December 12, 2006 (the "Resolution"). The Resolution established Common Council debt issuance parameters which, if met, pre-approved certain actions of the Public Debt Commission to accept bids, establish debt service required irrepealable 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 competitive bidding process.

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:cs
Enclosure
REF: PD-7277W.DOC

Resolution Number 070306-1
Authorization for the issuance and sale of
General Obligation Cash Flow Promissory Notes, Series 2007 R2

Whereas, Common Council Resolution File No. 061008 adopted by the Common Council (the "*Common Council*") of the City of Milwaukee, Wisconsin (the "*City*") on December 12, 2006 authorized the issuance of General Obligation Promissory Notes of the City in the aggregate principal amount of \$90,000,000; and

Whereas, the Resolution File No. 061008 resolved that the General Obligation Promissory Notes 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, Common Council Resolution File No. 061010 adopted by the Common Council on February 27, 2007 approved the form and distribution of the Preliminary Official Statement used in connection with the sale of City of Milwaukee, Wisconsin, debt; and

Whereas, none of the General Obligation Promissory Notes authorized by Resolution File No. 061008 has heretofore been sold or issued; and

Whereas, pursuant to an official notice of sale in accordance with the applicable provisions of the Wisconsin Statutes and the City Charter, the Commissioners determined to sell the General Obligation Cash Flow Promissory Notes, Series 2007 R2, of the City in the principal amount of \$66,000,000 (the "*Notes*"); caused bids to be received; and the Notes to be sold in the sum of \$66,000,000 on the 6th day of March, 2007; 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 March 2, 2007, for the Notes are hereby ratified and approved.
2. The bid of Lehman Brothers (the "*Purchaser*") is accepted for the Notes and the Notes are hereby awarded and sold to the Purchaser at a purchase price of \$66,429,660.00 plus accrued interest to the date of delivery, if any.
3. The Notes shall be dated as of their expected date of issuance, be available in the denomination of \$5,000 or integral multiples thereof, shall mature on March 27, 2008, and shall bear interest at the rate of Four and One Quarter percent (4.25%) per annum, payable at maturity.
4. The Notes shall not be 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 Notes 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 in the following amount and for the following year:

**General Obligation Cash Flow Promissory Notes,
Series 2007 R2**


<u>Levy Year</u>	<u>Year Due</u>	<u>Amount Due</u>
2007	2008	\$68,805,000.00

In the levy year 2007, 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 year 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 Notes as long as any Note remains outstanding.

6. The Notes 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 March 6, 2007.

for 
W. MARTIN MORICS
Comptroller and Secretary
Public Debt Commission