

Martin Matson
Comptroller

Glenn Steinbrecher, CPA
Deputy Comptroller



Office of the Comptroller

Toni Biscobing
Special Deputy Comptroller

Aycha Sirvanci, CPA
Special Deputy Comptroller

August 25, 2016

Mr. James R. Owczarski, City Clerk
City Hall - Room 205
Milwaukee, WI 53202

Dear Mr. Owczarski:

Please find enclosed a certified copy of a resolution adopted by the Commissioners of the Public Debt at their meeting of August 11, 2016. The resolution authorizes the sale and issuance of the \$89,830,000 Sewerage System Revenue Bonds, Series 2016 S7, (the "Bonds"). The Bonds are being issued for the purpose of financing improvement to, and refunding certain outstanding bonds of, the Sewerage System of the City.

The issuance of the Bonds was authorized by Resolution Number 151254 adopted by the Common Council on July 26, 2016 (the "Resolution"). The Resolution established debt issuance parameters and delegated the sale and issuance of the Bonds to the Public Debt Commission. The Common Council parameters were met with the sale. The Bonds were issued on August 25, 2016.

If there are any questions, or if we may be of any additional assistance, please feel free to contact this office.

Respectfully submitted,

A handwritten signature in black ink that reads "Martin Matson". The signature is written in a cursive, flowing style.

MARTIN MATSON
Comptroller and Secretary
Public Debt Commission

MM:RL

Enclosure
REF: PD-8301W.DOC



Resolution Number 160811-1
Authorization for the Sale and Issuance of
Sewerage System Revenue Bonds, Series 2016 S7

Whereas, Common Council Resolution File No. 151254 (the "Series Resolution") adopted by the Common Council (the "Common Council") of the City of Milwaukee, Wisconsin (the "City") on July 26, 2016 authorizes the issuance of Sewerage System Revenue Bonds in the aggregate amount of \$100,000,000 (the "Bonds") under a resolution adopted by the Common Council on August 2, 2001 as amended (the "Master Resolution"); and

Whereas, the Series Resolution authorizes the refunding of temporary financing issued for the purposes authorized for the Bonds, including Extendable Municipal Commercial Paper; and

Whereas, the Series Resolution resolved that the Bonds shall be sold by the Commissioners of the Public Debt (the "Commissioners") at public or private sale and at such time and in such amounts as the Commissioners determine to be prudent and appropriate; and

Whereas, the Comptroller of the City (the "Comptroller") has prepared a Preliminary Official Statement, and will prepare an Official Statement, for the purpose of providing comprehensive financial and economic information respecting the City in connection with the sale of the Bonds; and

Whereas, financial and economic information has been compiled by the Office of the Comptroller from its annual financial report, property tax records maintained by the Assessor's Office and from other books and records of the City; and

Whereas, concurrently with the delivery of the Bonds, the City will deliver a certificate signed by its Comptroller stating that the descriptions and statements, including financial statements, as pertaining to the City contained in the Official Statement as of its date and the date of sale and delivery of the Bonds, were and are true and correct in all material respects and do not contain an untrue statement of a material fact or omit to state a material fact required to be included therein or necessary to make the statements contained therein in the light of circumstances in which they were made not misleading; and

Whereas, such certificate will further confirm to the effect that insofar as the descriptions and statements including financial data, contained in the Official Statements of or pertaining to non-governmental bodies and governmental bodies other than the City are concerned, such descriptions, statements and data have been obtained from sources believed by the City to be reliable, and that the City has no reason to believe that they are untrue or incomplete in any material respect; and

Whereas, it is the intention of the Commissioners to approve the aforementioned Preliminary Official Statement on the basis of the representations of the Comptroller to be included in certificates signed by the Comptroller and delivered concurrently with the delivery of the Bonds; and

Whereas, the City desires to use the Master Continuing Disclosure Certificate approved by Common Council File Number 100846 adopted on November 23, 2010 in connection with the issuance of the Bonds; and

Whereas, none of the bonds authorized by the Series Resolution, other than temporary financing which are being refinanced by the Bonds, have been sold or issued; and

Whereas, pursuant to an official notice of sale, the Commissioners desire to sell \$100,000,000 principal amount of the Sewerage System Revenue Bonds authorized by the Series Resolution for the purposes authorized therein; cause bids to be received; and the Bonds to be sold on this 11th day of August, 2016; now, therefore, be it

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

1. The form of the Preliminary Official Statement as attached hereto, and to be used in connection with the sale of the Bonds, is hereby approved and its distribution is ratified.
2. The Preliminary Official Statement was and is true and correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact required to be included therein or necessary to make the statements contained therein in the light of circumstances in which they were made not misleading.
3. The Comptroller is hereby authorized to prepare an Official Statement, in substantially the same form of the Preliminary Official Statement, after the same has been completed by the insertion of the maturities, interest rates and other details of the debt and by making such other insertions, changes or corrections as the Comptroller, based on the advice of the City's financial advisor and legal counsel (including the City Attorney or Bond Counsel), deem necessary or appropriate; and the Commissioners hereby authorize the Official Statement and the information contained therein to be used by the Underwriters of the debt in connection with the sale of the Bonds.
4. The actions of 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 August 4, 2016, for the Bonds are hereby ratified and approved.
5. The bid of Bank of America Merrill Lynch ("Purchaser") for \$100,000,000 of the Bonds is accepted and are hereby awarded in the par amount of \$89,830,000 and sold to Purchaser at a purchase price of \$100,190,483.84.
6. The Bonds shall be designated Sewerage System Revenue Bonds, Series 2016 S7, dated as of their date of issuance, be available in the denomination of \$5,000 or integral multiples thereof, and shall mature on the 1st day of June in each year, in the amounts, and bear interest payable on December 1, 2016 and semiannually on each June 1 and December 1 thereafter at the rates per annum as follows:

**Sewerage System Revenue Bonds
Series 2016 S7**

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2017	\$ 2,815,000	5%
2018	2,960,000	5
2019	3,115,000	5
2020	3,270,000	5
2021	3,440,000	5
2022	3,615,000	5
2023	3,800,000	5
2024	3,995,000	5
2025	4,200,000	5
2026	4,415,000	5
2027	4,620,000	4
2028	4,810,000	4
2029	5,005,000	4
2030	5,185,000	3
2031	5,340,000	3
2032	5,505,000	3
2033	5,670,000	3
2036	18,070,000	3

7. The Bonds maturing on or after June 1, 2027 are subject to redemption prior to their maturity at the option of the City on any date on or after June 1, 2026, at a price of par plus accrued interest to the date fixed for their redemption.

8. The \$18,070,000 principal amount of Bonds maturing on June 1, 2036 are term Bonds (the "Term Bonds") which shall be subject to mandatory redemption at a price of par on June 1 in the following years in the following amounts, each constituting a Sinking Fund Installment for the retirement of the Term Bonds:

<u>Year</u>	<u>Amount</u>
2034	\$5,845,000
2035	6,020,000

With a remaining amount due on the June 1, 2036 maturity date of \$6,205,000. Amounts accumulated in the Special Redemption Fund by the reason of the payment of any Sinking Fund Installment may be applied by the City to the purchase of Term Bonds as provided in Section 6.03 of the Master Resolution.

9. The Series 2016 Reserve Account Requirement is \$0.

10. The proceeds of the sale of the Bonds shall be deposited with the Trustee and applied as follows: 1) \$75,000,000 deposited to redeem \$75,000,000 of Extendable Municipal Commercial Paper issued for the purpose of temporarily financing the costs of improvements to the Sewerage System; 2) \$0 deposited to the 2016 Reserve Account for the Bonds in the

Special Redemption Fund; and 3) The remainder of the proceeds of the sale of the Bonds shall be deposited in the Construction Fund and credited to the Series 2016 Account for the payment of issuance expenses and financing the costs of improvements to the Sewerage System, including the refinancing of Extendable Municipal Commercial Paper issued for such purposes.

11. The Bonds shall be in a form approved by the Secretary and shall be signed by those officers whose signatures are required by law. If exchanged, the Bonds shall be exchanged in accordance with the provisions of Section 4.06 of the Master Resolution.

12. The Comptroller is hereby authorized to execute a Supplemental Certificate of the Master Continuing Disclosure Certificate for the Bonds.

I hereby certify that the forgoing is a true and correct copy of the original resolution that was duly passed and adopted by the recorded affirmative votes of the following Commissioners: Craig D. Kammholz, Bernard J. Allen, and Peter R. Armbruster, constituting a majority of the members of the Public Debt Commission, at a meeting thereof that was duly called and held at 4:00 p.m. on August 11, 2016, in Conference Room 405 at City Hall, 200 East Wells Street, and at which a quorum was present and acting throughout, and that said copy has been compared by me with the original resolution recorded in the records of the Public Debt Commission and that it is a correct transcript thereof and of the whole of said resolution.


MARTIN MATSON
Comptroller and Secretary
Public Debt Commission

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