



Office of the Comptroller

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

Michael J. Daun
Deputy Comptroller

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

Craig D. Kammholz
Special Deputy Comptroller

March 30th, 2012

The Honorable Common Council
Committee on Finance and Personnel
City of Milwaukee

Re: Common Council Contingent Fund Status

Dear Committee Members:

Attached is the current Common Council Contingent Fund Status report as updated by the recent Common Council resolutions adopted.

If you have any questions concerning this report, please contact Trang Dinh of my staff at extension 2293.

Sincerely,

MICHAEL J. DAUN
Deputy Comptroller

MD:td

Attachment

CC: City Clerk
Budget Office
LRB



2012 COMMON COUNCIL CONTINGENT FUND

Status on 03/30/12

Funds Appropriated

2012 Adopted Budget 5,000,000.00

Transfers authorized by prior Council meetings

Journal ID	Date	Year	Class	Bud Ref	Amount	Description
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None -

Remaining Reserved Commitments Authorized by prior Council meetings

None -

Total Transfers & Reserved -

Balance Available on March 30th, 2012 5,000,000.00

% Expended/Reserved Current status 0%

Comparative Balance Available on March 30th, of prior years

	<u>Balance</u>	<u>Budgeted</u>	<u>% Expended</u>
2007	5,500,000	5,500,000	0%
2008	4,483,028	5,000,000	10%
2009	3,987,325	5,000,000	20%
2010	5,000,000	5,000,000	0%
2011	4,363,374	5,000,000	13%
Average of prior years	4,666,745	5,100,000	8%

2011 COMMON COUNCIL CONTINGENT FUND

Status on 03/30/12

Funds Appropriated

2011 Adopted Budget

5,000,000.00

Transfers authorized by prior Council meetings

Journal ID	Date	Year	Class	Bud Ref	Amount	Description
238874	1/1/2011	2011	C001	2011	5,000,000.00	2011 Approved Budget
242301	2/8/2011	2011	C001	2011	(636,626.35)	Res. 101189 2/8/11 CF to S163
252831	11/18/2011	2011	C001	2011	(100,000.00)	Res110479 11/2/11 CF to S172
253167	12/1/2011	2011	C001	2011	(30,000.00)	Res. 110792 1st Rel. Encum
254641	12/22/2011	2011	C001	2011	(30,000.00)	Res. 110792 2nd Rel. Encum
254776	12/29/2011	2011	C001	2011	(22,000.00)	Res. 110792 3rd Rel. Encum
254955	1/4/2011	2011	C001	2011	(32,000.00)	Res. 110792 4th Rel. Encum
255784	1/18/2012	2011	C001	2011	(50,000.00)	Res. 110792 5th Rel. Encum
256887	2/6/2012	2011	C001	2011	(236,000.00)	Res. 110792 6th Rel. Encum

Remaining Reserved Commitments Authorized by prior Council meetings

Res. 110792 11/2/11 reserve for 2011: Land Management \$400,000

(All \$400,000 was released from encumbrance as requested by DCD)

Total Transfers & Reserved

(1,136,626.35)

Balance Available on March 30th, 2012

3,863,373.65

% Expended/Reserved Current status

23%

Comparative Balance Available on March 30th of prior years

	<u>Balance</u>	<u>Budgeted</u>	<u>% Expended</u>
2006	63,199	5,500,000	99%
2007	1,152,401	5,500,000	79%
2008	1,268,349	5,000,000	75%
2009	3,569,230	5,000,000	29%
2010	944,004.00	5,000,000	81%
Average of prior years	1,399,437	5,200,000	73%



City of Milwaukee

City Hall
200 East Wells Street
Milwaukee, WI 53202

Meeting Agenda FINANCE & PERSONNEL COMMITTEE

ALD. MICHAEL J. MURPHY, CHAIR
Ald. Robert J. Bauman, Vice-Chair
Ald. Joe Dudzik, Ald. Milele A. Coggs, and Ald. Nik Kovac

Staff Assistant, Tobie Black, 286-2231; Fax: 286-3456,
tblack@milwaukee.gov
Legislative Liaison, Jim Carroll, 286-8679,
jcarro@milwaukee.gov

Thursday, April 5, 2012

9:00 AM

Room 301-B, City Hall

AMENDED- 4/2/12- Item numbered #6 (File 111669) has been added.

1. [111590](#) Communication from the Department of Administration - Budget and Management Analysis Division regarding vacancy requests, fund transfers and equipment requests.
Sponsors: THE CHAIR

2. [111466](#) Communication from the Department of Employee Relations relating to classification studies scheduled for Fire and Police Commission action.
Sponsors: THE CHAIR
Attachments: [Letter from Dept of Employee Rel and Job Eval Reports-FPC Meeting March 15](#)
[Fiscal Impact Statement and Spreadsheet- FPC Meeting March 15 and April 5. :](#)
[Hearing Notice List](#)

3. [111589](#) Communication from the Department of Employee Relations relating to classification studies scheduled for City Service Commission action.
Sponsors: THE CHAIR
Attachments: [Letter from Dept of Employee Rel and Job Eval Reports-CSC Meeting March 27](#)
[Fiscal Impact Statement and Spreadsheet- CSC Meeting March 27, 2012](#)
[Hearing Notice List](#)

4. [111463](#) Communication from the Department of Employee Relations providing an update on meet and confer sessions held with City employees or employee groups.
Sponsors: THE CHAIR
Attachments: [Hearing Notice List](#)

5. [111591](#) A substitute ordinance revising provisions of the code relating to employee regulations and benefits for purposes of correcting errors, clarifying language and eliminating obsolete provisions.
Sponsors: THE CHAIR

- Attachments:** [Proposed Substitute A](#)
[Hearing Notice List](#)
6. [111669](#) Communication from the Department of Employee Relations relating to the 2012 Salary Ordinance.
Sponsors: THE CHAIR
Attachments: [Communication](#)
[Hearing Notice List](#)
7. [111544](#) Substitute resolution authorizing carryover of certain fund balances from 2011 to 2012 in accordance with Section 65.07(1)(p), Wisconsin Statutes.
Sponsors: THE CHAIR
Attachments: [REVISED Exhibit A \(2011 to 2012\) 4-3-12](#)
[REVISED Fiscal Impact Statement 4-3-12](#)
[Budget and Management Division Response](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)
8. [111315](#) Substitute Resolution appropriating up to \$3,754,850 from the 2011 Common Council Contingent Fund for the purpose of closing the 2011 financial books.
Sponsors: THE CHAIR
Attachments: [Proposed Substitute A](#)
[REVISED Fiscal Impact Statement](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)
9. [111661](#) Communication relating to the implementation of the Milwaukee Management Training Program.
Sponsors: THE CHAIR
Attachments: [Communication](#)
[Hearing Notice List](#)
10. [111579](#) Communication from the Department of Employee Relations relating to creating a reserve fund for health care claims and for workers compensation claims.
Sponsors: THE CHAIR
Attachments: [2012 Health Benefits PowerPoint](#)
[Hearing Notice List](#)
11. [111547](#) Resolution authorizing the City of Milwaukee Department of Employee Relations to renew self-insurance status for Workers Compensation with the State of Wisconsin Department of Workforce Development Workers Compensation.
Sponsors: THE CHAIR

Attachments: [Proposed Substitute A](#)
[Cover Letter](#)
[Hearing Notice List](#)

12. [111422](#) A substitute charter ordinance relating to exceptions to bid requirements for city purchases.
Sponsors: Ald. Bohl
Attachments: [Proposed Substitute B](#)
[Proposed Substitute A](#)
[Hearing Notice List](#)
13. [111508](#) A substitute ordinance relating to the composition of the deferred compensation plan board.
Sponsors: Ald. Murphy
Attachments: [Hearing Notice List](#)
14. [111078](#) Resolution approving the form of the Preliminary Official Statement used in connection with the sale of City of Milwaukee debt.
Sponsors: THE CHAIR
Attachments: [Cover Letter](#)
[Preliminary Official Statement](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)
15. [111497](#) Resolution authorizing the sale and issuance of General Obligation Refunding Notes and Bonds.
Sponsors: THE CHAIR
Attachments: [Cover Letter](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)
16. [111518](#) Resolution amending an intergovernmental agreement with Milwaukee Public Schools to authorize the expenditure of bond proceeds on additional projects.
Sponsors: THE CHAIR
Attachments: [Cover Letter](#)
[Exhibit 2](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)
17. [111565](#) Substitute resolution authorizing a Commercial Paper Program, the issuance of Note Anticipation Commercial Paper Notes, and related agreements.
Sponsors: THE CHAIR

Attachments: [Cover Letter](#)
[Trust Indenture-April 3](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)

18. [111568](#) Substitute resolution authorizing the issuance of General Obligation Refunding Notes and Bonds to refund Note Anticipation Commercial Paper Notes, Note Anticipation Multi-Modal Notes, and General Obligation Multi-Modal Notes and Bonds.

Sponsors: THE CHAIR

Attachments: [Cover Letter](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)

19. [111569](#) Resolution approving the form of the Preliminary Official Statement used in connection with the sale of Note Anticipation Commercial Paper Notes.

Sponsors: THE CHAIR

Attachments: [Cover Letter](#)
[Offering Memorandum](#)
[Fiscal Impact Statement](#)
[Hearing Notice List](#)

20. [110454](#) Substitute resolution authorizing attendance at conventions, seminars and other travel.

Sponsors: THE CHAIR

21. [111592](#) An ordinance to further amend the 2012 rates of pay of offices and positions in the City Service.

Sponsors: THE CHAIR

22. [111593](#) A substitute ordinance to further amend the 2012 offices and positions in the City Service.

Sponsors: THE CHAIR

Attachments: [Administrative Changes Requested by DER](#)
[Administrative Change Requested by Assessor's Office](#)
[Administrative Changes Requested by Budget and Management Div](#)

23. [111210](#) Resolution relating to direct deposit of employee paychecks.

Sponsors: Ald. Murphy

--This item may be placed on file as no longer needed.

This meeting will be webcast live at www.milwaukee.gov/channel25.

Common Council members who are not members of this committee may attend this meeting to participate or to gather information. This meeting may constitute a meeting of the Common Council or any of its standing committees although no formal action will be taken at this meeting.

Upon reasonable notice, efforts will be made to accommodate the needs of persons with disabilities through sign language interpreters or auxiliary aids. For assistance contact the Legislative Services ADA Coordinator at 286-2998, (FAX)286-3456, (TDD)286-2025 or by writing to Room 205, City Hall, 200 E. Wells Street, Milwaukee, WI 53202.

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Legislation Details (With Text)

File #: 111590 **Version:** 0
Type: Communication to Finance **Status:** In Committee
File created: 3/20/2012 **In control:** FINANCE & PERSONNEL COMMITTEE
On agenda: **Final action:**

Effective date:
Title: Communication from the Department of Administration - Budget and Management Analysis Division regarding vacancy requests, fund transfers and equipment requests.

Sponsors: THE CHAIR

Indexes: VACANCY REQUESTS

Attachments:

Date	Ver.	Action By	Action	Result	Tally
3/20/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111590
Version
ORIGINAL

Reference

Sponsor
THE CHAIR

Title
Communication from the Department of Administration - Budget and Management Analysis Division regarding vacancy requests, fund transfers and equipment requests.

Drafter
CC-CC
TB
3/15/12

**AGENDA OF ITEMS TO BE CONSIDERED
BY THE COMMITTEE ON FINANCE AND PERSONNEL**

DATE: April 5, 2012

TIME: 9:00 A.M.

PLACE: Committee Room 301-B
City Hall

SCHEDULE A: Vacancy Requests

SCHEDULE B: Fund Transfers

SCHEDULE A - VACANCY REQUESTS

CSC-Status - Under Civil Service
Unless Noted as Exempt (E)

Finance & Personnel Committee Meeting: April 5, 2012

Funding Source - 100% Operating
Budget Unless Otherwise Indicated

I.D. No.	Department and Position	Pay Range	Date Vacant	Number of Positions With Same Title					CSC Status and/or Funding Source	Int/Ext Fill	Code
				No. Positions Authorized	Filled excl. this pos.	Recomm. Authorization	Vac. Prev. Appr.	Other Vac.			
<u>PROPERTY TAX LEVY SUPPORTED POSITIONS</u>											
12162-63	<u>ASSESSOR</u> Senior Property Appraiser (2 pos.)	2HN	12/26/10 12/26/10	29	23	1		4		Int/Ext	x-3
12200	<u>DEPT. OF CITY DEVELOPMENT</u> Mechanical Plan Examiner III	2JN	TBD	1	0	1	0	0		Int/Ext	x-6
12198	<u>CITY TREASURER</u> Teller (0.53 FTE)	6HN	3/3/12	2	1	1	0	0		Int	x-2b
12164	<u>COMMON COUNCIL-CITY CLERK</u> Council Records Manager	1FX	12/18/06	1	0	1	0	0		Int	x-2b
<u>FIRE DEPARTMENT</u>											
12191	Battalion Chief, Fire	4MX	3/24/12	20	19	1	0	0		Int	x-1
12192-93	Fire Captain (2 positions)	4J	3/25/12	56	54	2	0	0		Int	x-1
12194-95	Fire Lieutenant (2 positions)	4E	4/15/12	166	164	2	0	0		Int	x-1
12196	Heavy Equipment Operator	4D	4/29/12	177	176	1	0	0		Int	x-1
<u>HEALTH DEPARTMENT</u>											
12168	Public Health Nurse	2DN	4/5/12	58	57	1	1	1		Int/Ext	x-2a
<u>LIBRARY</u>											
12202	Library Branch Manager	1DX	4/14/12	8	7	1	0	0		Int/Ext	x-2a
12169	Library Facilities Manager	1EX	4/28/12	1	0	1	0	0		Int/Ext	x-3
12170-71	Custodial Wkr II-City Laborer (2 pos.)	8DN	3/9/12 11/29/11	28	25	2	0	0		Int/Ext	x-2b
<u>MUNICIPAL COURT</u>											
12172	Management Accounting Specialist	2FX	3/17/12	1	0	1	0	0		Int/Ext	x-3
<u>DEPT. OF NEIGHBORHOOD SERVICES</u>											
12173	Building Construction Inspector II	3QN	5/14/11	14	12	1	1	0		Ext	x-2a
12174	Environmental Risk Officer	2EN	3/18/12	5	4	1	0	0		Int	x-2a
<u>POLICE DEPARTMENT</u>											
12199	Office Supervisor II	2CN	4/14/2012	3	2	1	0	0		Int	x-2b
<u>DPW-ADMINISTRATIVE SERVICES</u>											
12175	Applications Programmer	2GX	5/1/12	1	0	1	0	0		Ext	x-2b
<u>DPW-INFRASTRUCTURE SERVICES</u>											
12179	Electrical Mechanic	7M	5/24/12	2	1	1	0	0		Int/Ext	x-2b
12180-81	Spec. Laborer-Electrical Serv. (2 pos.)	8GN	12/2/10 11/29/10	13	10	2	0	0	42% Capital & Reimb.	Int	x-2b x-2b
12183	Administrative Specialist Sr.	2EX	3/31/12	1	0	1	0	0	10% Capital, 3% Reimb.	Int	x-2b
<u>DPW-OPERATIONS DIVISION</u>											
12184	Sanitation Supervisor	1AX	3/10/12	22	20	1	0	1		Int/Ext	x-1
12185	Vehicle Service Technician-Heavy	7FN	3/31/12	33	26	1	0	6		Int/Ext	x-1
12186	Heavy Equipment Lubricator	8FN	3/21/12	5	4	1	0	0		Int/Ext	x-4

SCHEDULE A - VACANCY REQUESTS

CSC-Status - Under Civil Service
Unless Noted as Exempt (E)

Finance & Personnel Committee Meeting: April 5, 2012

Funding Source - 100% Operating
Budget Unless Otherwise Indicated

I.D. No.	Department and Position	Pay Range	Date Vacant	Number of Positions With Same Title					CSC Status and/or Funding Source	Int/Ext Fill	Code
				No. Positions Authorized	Filled excl. this pos.	Recomm. Authorization	Vac. Prev. Appr.	Other Vac.			
<u>NON-PROPERTY TAX LEVY SUPPORTED POSITIONS (Enterprise Funds, Grants)</u>											
12201	<u>EMPLOYES' RETIREMENT SYSTEM</u> ERS Deputy Director	1LX	4/17/12	1	0	1	0	0	Pension Trust	Int	x-6
12188	<u>LIBRARY</u> Library Technology Specialist	5DN	3/17/12	6	5	1	0	0	ARRA	Ext	x-6
12203	<u>PORT OF MILWAUKEE</u> Engineering Technician II	3FN	1/25/12	1	0	1	0	0	Port	Int/Ext	x-6
12189-90	<u>DPW-WATER WORKS</u> Water Distr. Repair Wkr II (2 pos.)	8IN	2/20/12 2/20/12	28	24	2	2	0	Water Works	Int	x-6
12197	Water Distribution Chief Repair Worker	8MN	3/26/11	12	11	1	0	0	Water Works	Int	x-6

BMA 30 SCHEDULE B - FUND TRANSFERS AND/OR EQUIPMENT REQUESTS

Finance and Personnel Committee Meeting: April 5, 2012

Department Account Name	Amount of Transfer		Reason
	From	To	
<u>ASSESSOR</u> 2012 Professional Services 2012 Salaries & Wages	\$87,278.00	\$87,278.00	Fully fund the Chief Assessor position as an employee rather than contractor, due to the Chief's deferral of retirement for 2012.
<u>CITY ATTORNEY</u> 2011 SPA-City Attorney Collection Contract 2011 SPA-Outside Counsel-Expert Witness Fund	\$26,647.00	\$26,647.00	The transfer satisfies required accounting procedures related to the timing of various year-end invoices.
<u>DEPT. OF EMPLOYEE RELATIONS</u> 2011 Operating Expenditures 2011 Salaries & Wages	\$28,675.14	\$28,675.14	Offset for benefit credits related to Auxiliary Resource program, which is needed to satisfy accounting procedures.
<u>FIRE DEPARTMENT</u> 2011 Salaries & Wages 2011 Operating Expenditures	\$20,960.43	\$20,960.43	To cover reimbursable costs associated with DER Auxiliary Resource hire and late DPW IRIs. The personnel costs were budgeted in Salaries, but reimbursements were paid from Operating.
<u>LIBRARY</u> 2011 Salaries & Wages 2011 Operating Expenditures	\$30,300.00	\$30,300.00	Auxiliary Resource Program billings for Personnel Section assistance.
<u>POLICE DEPARTMENT</u> 2011 Equipment 2011 Operating Expenditures 2011 Salaries & Wages	\$109,233.45 \$340,094.15	\$449,327.60	To offset a portion of existing 2011 salary shortage of \$508,236 (0.3% of total salaries).
<u>PORT</u> 2011 Salaries & Wages 2011 Fringe Benefits	\$34,020.00	\$34,020.00	Shortfall is due to underestimation of Fringe Benefits accounts.
<u>DPW-ADMINISTRATIVE SERVICES/OPERATIONS DIVISION</u> 2011 DPW-Admin. Salaries & Wages 2011 DPW-Operations Equipment 2011 DPW Operations Div. Operating Exp.	\$43,350.46 \$92,663.12	\$136,013.58	Shortage is the result of higher than budgeted energy costs. The 2012 budget increases the appropriation for energy by \$1.3 million.
<u>DPW-INFRASTRUCTURE SERVICES</u> 2011 Salaries & Wages 2011 Equipment 2011 Operating Expenditures	\$102,606.04 \$11,516.16	\$114,122.20	2011 Operating Expenditures were significantly higher than expected due to unprecedented demand for emergency services, primarily street lighting outages. Approximately \$442,000 was added to the Construction Supplies account in the 2012 Budget to address this problem.
<u>DPW-SEWER MAINTENANCE</u> 2011 Salaries & Wages 2011 Operating Expenditures	\$220,757.00	\$220,757.00	Shortage is the result of higher fuel and repair costs for equipment and higher charges from other departments. The 2012 Budget added \$460,000 to these two accounts to address the issues.

SCHEDULE C - GENERAL MATTERS

1. Miscellaneous Matters



Legislation Details (With Text)

File #: 111466 **Version:** 0

Type: Communication **Status:** In Committee

File created: 2/28/2012 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Communication from the Department of Employee Relations relating to classification studies scheduled for Fire and Police Commission action.

Sponsors: THE CHAIR

Indexes: FIRE AND POLICE COMMISSION, POSITIONS ORDINANCE, RATES OF PAY, SALARY ORDINANCE, WAGES AND BENEFITS

Attachments: Letter from Dept of Employee Rel and Job Eval Reports-FPC Meeting March 15 and April 5, 2012, Fiscal Impact Statement and Spreadsheet- FPC Meeting March 15 and April 5, 2012, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
2/28/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111466
Version
ORIGINAL
Reference

Sponsor
THE CHAIR
Title

Communication from the Department of Employee Relations relating to classification studies scheduled for Fire and Police Commission action.

Drafter
CC-CC
TB
2/12/12



Department of Employee Relations

Tom Barrett
Mayor

Marla Monteagudo
Director

Michael Brady
Employee Benefits Director

Troy M. Hamblin
Labor Negotiator

April 2, 2012

To the Honorable
The Committee on Finance and Personnel
Common Council
City of Milwaukee

Dear Committee Members:

Re: Common Council File Number 111466

The following classifications and pay levels will be submitted to the Board of Fire and Police Commissioners on **April 5, 2012**. We recommend these changes subject to approval by the Board of Fire and Police Commissioners.

In the Fire Department,

One position of Office Assistant III, PR 6FN is recommended for reclassification to Database Specialist, PR 5GN.

The following classification and pay levels were approved by the Board of Fire and Police Commissioners on **March 15, 2012**:

In the Police Department,

Two new positions were classified as Crime Analyst, PR 2GN.

One position of Assistant Chief of Police, PR 4R was recommended for reclassification to an Inspector of Police, PR 4Q.

One position of Audiovisual Specialist II, PR 3CN was recommended for reclassification to Media Producer, PR 2EN.

The job evaluation report and letter covering the above positions, including the necessary Salary and Positions Ordinance amendments, are attached.

Sincerely,

Maria Monteagudo
Employee Relations Director

MM:fcw

Attachment: 4 Job Evaluation Reports
2 Fiscal Notes

C: Mark Nicolini, Jennifer Meyer, James Carroll, Troy Hamblin, Nicole Fleck, Victoria Robertson, Michael Tobin, Fire Chief Mark Rohlfing, Assistant Fire Chief Gerard Washington, Deborah Wilichowski, Juliet Battle, Chief of Police Edward Flynn, Assistant Chief of Police John Hagen, Chief of Staff Joel Plant, Deputy Inspector Ramon Galaviz, Captain Victor Beecher, Anne Schwartz, Valarie Williams, Pamela Roberts and John Whitman (ALEASP)

JOB EVALUATION REPORT

Fire and Police Commission Meeting Date: April 5, 2012

Milwaukee Fire Department

Present	Requested	Recommended
Office Assistant III PR 6FN (\$33,865 – 37,464)	Information Technology Specialist PR 3GN (\$39,522-47,065)	Database Specialist PR 5GN (\$40,589 – 48,721)

Action Required

In the Positions Ordinance, under Fire Department, Support Services Bureau Decision Unit, Administration Division, eliminate one position of Office Assistant III and in lieu thereof, add one position of Database Specialist in the Technical Services Division of the Fire department’s Support Services Bureau Decision Unit.

Background

Fire Chief Rohlfing has requested that a position of Office Assistant III be studied to determine its appropriate title and pay level in conjunction with a reorganization of functions. In studying this request, the following documents were reviewed: an initial job description for the position and a revised description, both of which were written by the Fire Department with assistance from Employee Relations; work products from the employee performing the job; information regarding the National Fire Incident Reporting System provided on its website; and job descriptions for other positions within City government performing similar work; job descriptions from other fire departments for positions performing similar work; and occupational information from the Department of Labor.

In addition, the employee performing the job was interviewed at her worksite and discussions were held with Deborah Wilichowski, Fire Technical Services Manager, the employee’s immediate supervisor. Discussions with Ms. Wilichowski resulted in a revised job description for the position which provides a more comprehensive and accurate description of the position’s duties and responsibilities than initially presented.

Duties and Responsibilities

The basic responsibility of this position, which requires about two-third’s of the position’s time, is to administer the Records Management System (RMS) for the Milwaukee Fire Department (MFD), ensuring that the Department is compliance with standards set by the National Fire Incident Reporting System (NFIRS) when submitting data to the Department of Homeland Security.

Duties associated with this area of responsibility include the following:

- Writing database queries
- Auditing fire reports completed by company officers for thoroughness and adherence to standards
- Verifying informaiton submitted in fire reports

- Extracting fire report data and formatting it for upload to the Department of Homeland Security
- Uploading all MFD fire report data to the Department of Homeland Security
- Responding to open records requests and writing queries to retrieve data

In addition, the employee performing the job also conducts group training sessions in using the System and provides one-on-one coaching as needed. As with almost all employees who perform work associated with information technology, the employee must continually learn new information related to the software.

This position is also responsible for providing technical support to Fire Department employees and includes such duties as trouble shooting issues with personal computer hardware and software; installing software updates; and setting up new personal computers. This position is also responsible for administering the Department's email system, which includes creating and deactivating email accounts, maintaining distribution groups, resetting passwords, and the like. Office administration duties, which account for a minor part of the position's time, include maintaining a detailed database of IT hardware used in 36 engine houses; purchasing toner for all printers and FAX machines in the Fire Department; creating, printing, binding, and distributing day books to all fire houses on an annual basis; and processing work orders for repairing and installing computer and communications equipment.

Knowledge, Skills, Abilities, and Attributes

This job analysis, which was conducted to recommend an appropriate title and pay level, indicates that successful performance of the job requires approximately four years of experience working with a data base system at the level described above and the ability to troubleshoot personal computer hardware and software. Since equivalent combinations of education and experience are almost always applicable, an individual could have an associate's degree in information technology, for example, and two years of work experience. The Staffing Division has not assessed these requirements for purposes of recruitment and hiring.

In the field of information technology, the particular set of knowledge, skills, abilities, and attributes of the employee performing the job very often has a significant impact upon the level of work performed. For that reason, it is not only appropriate to discuss the requirements of the job, apart from the person holding the job, but to also take into consideration the knowledge, skills, abilities, and attributes of the employee performing the work. Prior to working with the Records Management System in the Fire Department, the employee filling the job, Ms Amber Lawson, was employed as a database analyst and project leader for IBM for a period of eight years. In addition, as of December 2011, she had earned 94 college credits and attained certification as a Microsoft Certified Engineer Plus Internet (MCSE+I). This work experience and knowledge/skills enabled Ms Lawson to perform the duties associated with maintaining the Fire Department's Records Management Database.

Analysis

It is apparent that the nature of work performed by this position no longer conforms to that of an Office Assistant and now falls within the broad occupation of information technology. In terms of comparisons within City government, there are two other Database Specialists in the City's employ at this time—one in the Department of City Development (DCD), and another in the Milwaukee Fire Department. The position in DCD administers all data bases associated with real estate and redevelopment acquisitions, dispositions, inventory, and property management.

The position in the Fire Department supports the daily administration of TeleStaff, the Fire Department's staffing software.

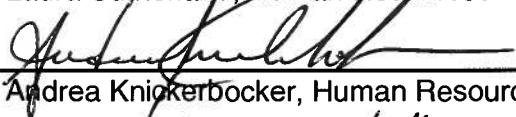
The Fire Department's "TeleStaff administrator" administers the interface configuration with the Computer-Aided Dispatch; administers the Telestaff configuration based upon staffing rules; maintains all data related to personnel transactions; works with colleagues who administer the Computer Aided Dispatch System and Records Management System as to what data is shared between these database systems; provides training to staff; tests upgrades to the software; and performs other duties related to information technology. The requirements for this position, as stated in the most recent job announcement, are an associate's degree in information technology or closely related field or a minimum of two years of experience administering the day-to-day functions of a database system.

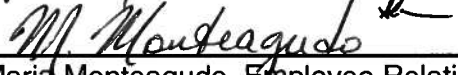
The classification of Information Technology Specialist, which was requested by the Department, is associated with two positions in the City's Department of Information Technology Management (ITMD) who provide first-line customer support for users of the the City's financial and human resources systems and work on projects related to the maintenance and upgrade of these large systems. It therefore appears that the classification of Database Specialist is more appropriate for the position under study than that of Information Technology Specialist.

Recommendation

Both the nature of work and level of work performed by two other Database Specialists, particularly the currently existing Database Specialist in the Fire Department, are comparable to the position under study. It is therefore recommended that the position under study be reclassified from from Office Assistant III to Database Specialist, PR 5GN.

Prepared by: 
Laura Sutherland, Human Resources Representative

Reviewed by: 
Andrea Knickerbocker, Human Resources Manager

Reviewed by: 
Maria Monteagudo, Employee Relations Director

JOB EVALUATION REPORT

Fire and Police Commission Meeting Date: March 15, 2012

Department: Police

Present	Request	Recommendation
Two New Positions	Crime Analyst PR 2GN \$50,206 - \$70,295	Crime Analyst PR 2GN \$50,206 - \$70,295
<p>Rationale: The nature of work and level of work performed by these positions, as indicated in a job description created by the Milwaukee Police Department, and reviewed by the Department of Employee Relations, is the same as that of the established job classification of Crime Analyst. With the addition of these two positions, the Police Department will employ a total of four Crime Analysts.</p>		

No Action Required

Background


On February 2, Employee Relations received a communication from Chief Edward Flynn to assess the appropriate job title and pay level for two new positions of Crime Analyst that will be assigned to the Intelligence Fusion Center. These positions were included in the Department's 2012 budget.

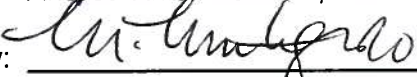
A review of the job description submitted for these positions indicates that they will perform the same work as two other Crime Analysts namely collecting, analyzing, disseminating, and evaluating crime data to discover developing trends, patterns, and changes in criminal activity, using mapping and other analytical software.

The requirements of the job are a master's degree in geography, public policy or related field of study with a concentration in statistics and research methods; the ability to use quantitative and qualitative research methods; and one year of work experience conducting research using complex statistical analysis and statistical software such as SPSS or SAS. Equivalent combinations of education and experience are acceptable. Knowledge of police computer systems and certification from International Association of Crime Analysts (IACA) as a Certified Law Enforcement Analyst are desirable.

Since these new positions will perform the same work as that of two presently existing Crime Analysts and require the same level of education and work experience as those positions, it is recommended that these new positions be classified as Crime Analysts in Pay Range 2GN.

Prepared by: 
 Laura Sutherland, Human Resources Representative

Reviewed by: 
 Andrea Knickerbocker, Human Resources Manager

Reviewed by: 
 Maria Monteagudo, Employee Relations Director

JOB EVALUATION REPORT

Fire and Police Commission Meeting Date: March 15, 2012

Department: Police

Current	Request	Recommended
Assistant Chief of Police PR 4R (\$95,030 - \$133,049) Vacant	Inspector of Police PR 4Q (\$83,653 - \$117,118)	Inspector of Police PR 4Q (\$83,653 - \$117,118)

Action Required

In the Positions Ordinance, under Police Department, Administration Services Decision Unit, Professional Standards Bureau, Office of Assistant Chief, delete one position of "Assistant Chief of Police" and under Administration Bureau, add one position of "Inspector of Police".

Background

The Department of Employee Relations received a letter dated January 17, 2012 from Michael Tobin, Fire and Police Commission Executive Director, requesting a reclassification study of one position of Assistant Chief of Police to be downgraded to an Inspector of Police as a part of reorganization within the Police Department. The department submitted a new job description and discussions were held with Joel Plant, Chief of Staff for the Police Department, Valarie Williams, Police Personnel Administrator, and Mike Tobin, Fire and Police Commission Executive Director.

The Chief of Police has requested changes to the department executive level command staff structure that coincide with this request to downgrade one position of Assistant Chief of Police to Inspector of Police. The Chief has proposed reducing the current four major functional areas of the department to three: Administration Bureau, Neighborhood Policing Bureau and Criminal Investigation Bureau.

With this reorganization each Bureau will be headed by an Assistant Chief and will have an Inspector of Police as the second in command. Currently both the Neighborhood Policing Bureau and the Criminal Investigation Bureau have this structure. With this reclassification of a vacant Assistant Chief of Police, the Administration Bureau will also have an Inspector of Police as a designated second in command.

Duties and Responsibilities

As Administration Bureau Commanding Officer, this position has supervisory responsibility for all Administration Bureau functions. This Inspector of Police is responsible for effective and efficient use of personnel resources and equipment allocated to the Bureau for the purpose of providing cost effective efficient administrative support services to the entire department. Duties and responsibilities include:

- Management of the administrative bureau, deployment of personnel resources and equipment to provide required administrative support services to the entire department.
- Monitor and hold to account subordinate commanding officers and supervisors to ensure that directives of the Assistant Chief of Police are properly carried out, that productivity standards

are maintained or improved, and that appropriate administrative support services are provided to the department as required.

- Plan and develop initiatives to efficiencies in the allocation of personnel resources and equipment assigned to the bureau. Devise ways and means of recording/reporting data and information useful to the Chief and department commanders/supervisors in furthering the department's objectives and foster cooperation between the bureaus and units of the department – as well as other city department and agencies – that interact with the Administration Bureau.
- Represent the Chief before elected/appointed Boards/Commissions/Committees as directed by the Chief of Police
- Preserve public peace and order, the prevention and detection of crime, the apprehension of offenders, the protection of persons and property, and the enforcement of the laws of the State and Ordinances of the City.

Analysis/Recommendation

The duties and responsibilities of this new Inspector of Police are comparable to those of the current Inspectors of Police who serve as the designated second in command for the Neighborhood Policing Bureau and the Criminal Investigation Bureau.

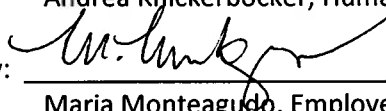
It is therefore recommended that one Assistant Chief of Police be reclassified to Inspector of Police as requested by the Chief.

Prepared by:



Andrea Knickerbocker, Human Resources Manager

Reviewed by:



Maria Monteagudo, Employee Relations Director

JOB EVALUATION REPORT

Fire and Police Commission Meeting Date: March 15, 2012
 Department: Police Department

Current	Request	Recommendation
Audiovisual Specialist II PR 3CN (\$34,776 - \$38,484)*	To Be Studied	Media Producer PR 2EN (\$44,194 - \$61,871) Recruitment at \$48,133

*2006 Rates

Action Required

In the Salary Ordinance, under Pay Range 2EN, add the title "Media Producer" with the footnote designation "10".

In the Positions Ordinance, Police Department, Administrative Services Decision Unit, Training Division, Audio Visual Section, delete one position of "Audiovisual Specialist II" and add one position of "Media Producer".

Background

The Fire and Police Commission forwarded a letter from the Milwaukee Police Department (MPD) regarding a request to study one position of Audiovisual Specialist II for proper classification. A job description, questionnaire and other materials were provided and discussions were held with the incumbent; his direct supervisor, Captain Victor Beecher; Deputy Inspector Ramon Galaviz; Anne Schwartz, Public Relations Manager; and Valarie Williams, Police Department Personnel Administrator.

Duties and Responsibilities

The basic function of this position is to provide technical support for presentations and presentation equipment; document training and department operations through photographs and video, produce web and television videos of press conferences and public affairs events; and research, create and develop various techniques used in presenting informative video training for police personnel and for the public. The duties and responsibilities include the following:

60% Video Production

- Pre-Production – perform a production needs evaluation; conduct planning meetings; perform scheduling, script writing, storyboarding, outlining, music selection, copyright clearances, and support material research; schedule cast and crew; obtain actor releases; acquire materials and supplies; perform set design and lighting design; and secure equipment.
- Production – direct video productions including blocking, lighting, and sound; operate video camera; and incorporate external media including photographs, slides and other collateral and hard copy.

- Post Production with Digital Non-Linear Editing which requires the ingesting of raw video into the computer, editing and trimming selections, signal processing and enhancing, audio mixing, title creation, photo retouching, graphic creation, and sound enhancing and mixing; CD/DVD mastering and authoring; and web posting and network distribution.
- 30% Media/Public Affairs – support the Office of the Chief and the Media and Communications Section with public outreach; provide setup and support for press conferences and other media events; photograph and document media coverage; provide video and photo support to communicate information both within the Police Department and to the public; and arrange for videos to be available online and through Time Warner On Demand.
- 10% Other Responsibilities – provide technical support and routine maintenance on audiovisual systems and production equipment; provide training on how to operate equipment properly and information and suggestions on operational capabilities; assist in managing an annual budget of \$25,000 to purchase equipment and parts; maintain and control and inventory of Department equipment that is valued at \$250,000; research or attend training/sales seminars on new technology, upgrades, and repair techniques; and assist with event planning and logistics.

Requirements for this position include a Bachelor's Degree in Communications, Media Relations, Advertising, Journalism or related field or an Associate's Degree in Electronics, Visual Arts, Video/Television/Film Production or related field; four years of experience in professional video production, working with an advertising agency or television/print new outlet; proficiency with video production and photograph editing software; knowledge of audio, video, and computer cables, wireless communications, and the use of social media; and an ability to communicate effectively, both orally and in writing, using tact and diplomacy and maintain a high level of confidentiality.

Changes in the Position

The changes in the position include the following:

- More emphasis on public relations and providing support to the Office of the Chief. Works closely with the Public Relations Manager and provides support for media inquiries and news conferences. Coordinates onsite activities for press conferences and records them to send to the media; edits and uploads video to the website and other media outlets; and works directly with members of the media, dignitaries, and MPD command staff.
- Photographs training, special events and Police Officers on the street.
- Manages social media including the Facebook and YouTube.
- Maintains all audiovisual equipment at the Safety Academy and provides setup and tear down of any requested audiovisual equipment.

Comparison to Other Positions

To study this position, comparisons were made to several other positions in the City including the following. Please note that not all requirements have been assessed for staffing purposes and equivalent combinations of education and experience may be considered.

Public Relations Manager in PR 2JX (\$60,809 - \$85,129) (Police Department)

Promotes positive public relations of the MPD through internal and external communications; coordinates local, state and national media relations and serves as a media resource for MPD Divisions; maintains news media contacts and responds to scenes of critical incidents; supervises the release of sensitive information; writes and designs news releases, brochures, reports and other public information materials; oversee MPD's website; serves as a liaison with the Mayor's Office, Common Council/City Clerk's Office, and other City Departments, citizens and community groups; and serves on task forces and committees, and attends meetings as assigned by the Chief of Police or Assistant Chief of Police to represent MPD. Requirements include a Bachelor's Degree in Journalism, Public Relations, Mass Communications, or related field and five years of experience in the media as a reporter or editor and as an Account Supervisor or Communications Director.

City Channel Manager in PR 1CX (\$50,206 - \$70,295) (Common Council/City Clerk)

Supervises the programming and production for the City of Milwaukee cable television channel and other video programs related to City business; hires, supervises, and evaluates a staff of four to ensure proper staffing levels for all productions and telecasts; develops, reviews, and approves program plans and outlines; reviews and approves production budgets, scripts, program content, and other aspects of production; prepares studio budget; evaluates maintenance needs and writes specifications for equipment supplies and service requisitions; prepares program and staffing schedules; and in conjunction with the Publications and Information Manager develops production policies and procedures. Requirements include a Bachelor's Degree in Communications, Journalism, or related field and three years of experience in television production, some of which involved overall responsibility for results.

Public Relations Supervisor in PR 1CX (\$50,206 - \$70,295) (Common Council/City Clerk)

Assists in the management of all public relations and publications functions of the Public Information Division of the Common Council/City Clerk's Office; writes scripts and performs on air television hosting and reporting duties for programming on City Channel 25; writes new releases, newsletters, speeches, brochures, flyers, reports and promotional materials; maintains news media contacts, arranges news conferences and disseminates information to the news media and the public through E-notify; provides digital/film photography and photographic services; provides public relations advice and counsel; and supervises two positions of Graphic Designer. Requirements include a Bachelor's Degree in Journalism, Mass Communications, or related field and three years of related experience.

Production Services Coordinator in PR 2EX (\$44,194 - \$61,871) (Former Position in Common Council/City Clerk)

Works with City departments and agencies to develop informational video programs for use on the City's cable television channel and other City related purposes; researches and writes video program outlines, scripts and other program documents; acts as on-camera reporter, interviewer, moderator or voice-over announcer; coordinates City departments and personnel to complete program production requirements; and prepares reports or presentations on programming goals, objectives, and results. Requirements include a Bachelor's Degree in Mass Communications, Journalism, Communications, or related field; three years of experience in television scripting or reporting; and experience in program length productions.

Television Production Specialist II in PR 3EN (\$36,216 - \$44,277) (Common Council/City Clerk)

Under supervision of the City Channel Manager supervises the telecast of public meetings, events or other video productions on the City Cable Channel; coordinates video production services for City departments and agencies including assisting with script development, coordinating production activities, directing actual production and/or editing as needed; provides direction and handles production responsibilities for operating control rooms, text and graphic generators, automated layback equipment, duplication equipment, lighting equipment, portable production equipment and audio equipment; and organize and maintain production and video libraries and files in accordance with the records retention schedule. Requirements include two years of television production experience with some experience in live television production; and one year of experience in shooting, directing, producing, or editing program length video productions. An Associate's Degree in Television Production, Mass Communications or related field and/or experience in governmental or educational productions is preferred.

Production Technician in PR 3CN (\$36,538 - \$41,311) (Common Council/City Clerk)

Operates and maintains a variety of television production equipment used to telecast City and County government meetings and programs on the City's cable channel and other City-related video productions; assemble, operate and maintain all equipment involved in the telecast of meetings including remote camera equipment, audio equipment, additional video or presentation equipment and sound systems; operate the Master Control area which includes recording, editing, and scheduling the playback of meetings and other programming events; Operate a personal computer (PC) based webcasting system which provides live and archived meeting footage and a PC based text message system which requires the use of Photoshop, Paint Shop Pro and other related graphics software. Requirements include an Associate's Degree in Television Production or two years of professional video production experience with some experience in live production.

A table of related positions is shown below:

Classification	Pay Range	Department
Permits and Communications Manager	2JX (\$60,809 - \$85,129)	Public Works
Public Relations Manager	2JX (\$60,809 - \$85,129)	Police
Police Audiovisual Specialist	4K (813) (\$69,841 - \$84,609)	Police
City Channel Manager	1CX (\$50,206 - \$70,295)	Common Council/City Clerk's Office
Public Relations Supervisor	1CX (\$50,206 - \$70,295)	Common Council/City Clerk's Office
Television Production Specialist II	3EN (\$36,216 - \$44,277)	Common Council/City Clerk
Audiovisual Specialist II	3CN (\$36,538 - \$41,311)	Fire
Audiovisual Specialist II (ALEASP Rate)	3CN (\$34,776 - \$38,484)	Police
Production Technician	3CN (\$36,538 - \$41,311)	Common Council/City Clerk
Audiovisual Specialist I	3BN (\$32,290 - \$39,875) Recruitment \$35,363	Underfill Title

Audiovisual Specialist I (ALEASP Rate)	3BN (\$33,326 - \$36,718)	Underfill Title
Television Production Specialist I	3BN (\$32,290 - \$39,875) Recruitment \$35,363	Underfill Title

Analysis

This position under study is in the Training Division of the MPD. The basic function previously was to produce and record video and audio informational and training presentations for the MPD from the concept of an idea to the finished product. Duties included researching, creating, and developing informative video training materials for police personnel and the public; attending to emergency requests for assistance including preparing audio and video surveillance tapes, duplicating evidence tapes for courtroom proceedings, setting up audiovisual equipment, and troubleshooting problems with equipment; maintaining an inventory of audiovisual equipment and supplies; instructing police personnel in proper care use of equipment; and performing routine maintenance and minor repairs on equipment. Requirements included a Bachelor's Degree in Communications including visual communications, Media Studies or related field and one year of experience in studio and field video production including digital editing experience or an Associate's Degree in Television Production and two years of experience in studio and field video production, including digital editing experience.

The current position continues to perform these duties but now has worked to significantly update the Department's equipment and provide a higher quality finished product. This is reflected in the fact that the position now produces videos for the Department of Justice that are shown throughout the State of Wisconsin. The MPD receives \$25,000 annually for this position's time and work on this project and the money has been used to purchase the updated equipment. The position also spends more time (30%) on work related to media and public relations. The position works closely with the Public Relations Manager to help with public outreach, provide setup and support for press conferences, and provide video and photographs to help communicate information within the MPD and to the public. The position has also implemented the use of social media to help with MPD communications.

The role of this position has expanded and changed dramatically from primarily a technical position to primarily a professional position that requires not only up-to-date skills in video production and photography but also an ability to work directly with members of the media, dignitaries and MPD command staff in a professional way using good judgment and communication skills including tact and diplomacy.

A comparison to other positions indicates that this position is stronger than some of the other technical positions such as Production Technician in Pay Range 3CN and Television Production Specialist II in Pay Range 3EN. It is not as strong as the Public Relations Manager in Pay Range 2JX as the Public Relations Manager has broad oversight responsibility for public relations at the MPD. The City Channel Manager and the Public Relations Supervisor in 1CX are also stronger as these two positions are managers with supervisory responsibilities. These positions also must work with members of the media, dignitaries, elected officials, and high level City personnel.

The position under study has some similar duties to the former position of Production Services Coordinator in Pay Range 2EX as both positions develop informational video programs. The position under study has more responsibility for the actual production of a video from the


beginning to the end but the Production Services Coordinator had to research, write and develop programs on a variety of topics for several different departments; work with personnel from throughout the City including department heads and elected officials; and on a regular basis serve as the on-camera reporter, interviewer, and moderator.


Based on the changes listed above and comparisons to other positions in the Police Department and City-wide we recommend Pay Range 2EN. This is the same rate of pay as Pay Range 2EX but indicates a position is nonexempt. Since this position is somewhat of a hybrid between a high level technical position and an exempt professional position we would recommend that the position be classified as nonexempt under the Fair Labor Standards Act (FLSA). We also recommend a recruitment rate of \$48,133, the same as for another position in the pay range, to assist with recruitment in the future. While this recommendation provides a significant increase in pay the change in scope, breadth, and level of responsibility could suggest the creation of a new position rather than a reclassification. Further, the percentage increase is also made higher since the position is currently paid 2006 rates.

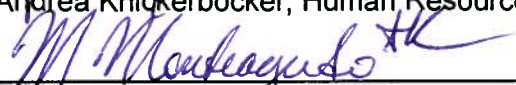
We recommend the title Media Producer. This title reflects the primary function of producing a variety of media, such as videos and photographs, to communicate various messages from the Department.

Recommendation

Based on the analysis above we recommend this position of Audiovisual Specialist II in Pay Range 3BN be reclassified to Media Producer in Pay Range 2EN with a recruitment rate of \$48,133.

Prepared by: 
Sarah Trotter, Human Resources Representative

Reviewed by: 
Andrea Knickerbocker, Human Resources Manager

Reviewed by: 
Maria Monteagudo, Employee Relations Director



City of Milwaukee Fiscal Impact Statement

A

Date 4/2/12 **File Number** 111466
Subject Classification and pay recommendations approved by the Fire and Police Commission on April 5, and March 15, 2012

B

Submitted By (Name/Title/Dept./Ext.) Sarah Trotter, Human Resources Representative
Dept. of Employee Relations/X2398.

C

- This File**
- Increases or decreases previously authorized expenditures.
 - Suspends expenditure authority.
 - Increases or decreases city services.
 - Authorizes a department to administer a program affecting the city's fiscal liability.
 - Increases or decreases revenue.
 - Requests an amendment to the salary or positions ordinance.
 - Authorizes borrowing and related debt service.
 - Authorizes contingent borrowing (authority only).
 - Authorizes the expenditure of funds not authorized in adopted City Budget.

D

This Note Was requested by committee chair.

E

- Charge To**
- Department Account
 - Capital Projects Fund
 - Debt Service
 - Other (Specify) _____
 - Contingent Fund
 - Special Purpose Accounts
 - Grant & Aid Accounts

F

Assumptions used in arriving at fiscal estimate.

G

Purpose	Specify Type/Use	Expenditure	Revenue
Salaries/Wages	Classification and Pay recommendations.	See the attached spreadsheet.	
Supplies/Materials			
Equipment			
Services			
Other			
TOTALS			

H

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

1-3 Years 3-5 Years

1-3 Years 3-5 Years

1-3 Years 3-5 Years

I

List any costs not included in Sections E and F above.

J

Additional information.

Department of Employee Relations
Fiscal Note Spreadsheet

Finance & Personnel Committee Meeting of April 5, 2012
Fire and Police Commission Meeting of April 5, 2012

NEW COSTS FOR 2012

No.	Dept	From	PR	To	PR	Present Annual	New Annual	New Cost	Rollup	Total Rollup+ Sal
1	Fire	Office Assistant III	6FN	Database Specialist	5GN	\$35,404	\$40,589	\$3,390	\$693	\$4,083
1								\$3,390	\$693	\$4,083

Assume effective date is Pay Period 10 (April 29, 2012)

NEW COSTS FOR FULL YEAR

No.	Dept	From	PR	To	PR	Present Annual	New Annual	New Cost	Rollup	Total Rollup+ Sal
1	Fire	Office Assistant III	6FN	Database Specialist	5GN	\$35,404	\$40,589	\$5,185	\$1,060	\$6,245
1								\$5,185	\$1,060	\$6,245

Totals may not be to the exact dollar due to rounding.

Department of Employee Relations
Fiscal Note Spreadsheet

Finance & Personnel Committee Meeting of April 5, 2012
Fire and Police Commission Meeting of March 15, 2012

NEW COSTS FOR 2012														
No.	Pos.	Dept	From	To	PR	CR	PR	Annual	Present Annual	New Annual	New Cost	Rollup	Rollup+ Sal	Total
2		Police	New Position	Crime Analyst*	N/A	2GN	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$9,263
1		Police	Audiovisual Specialist II	Media Producer**	3CN	2EN	\$36,371	\$48,133	\$7,691	\$1,573	\$0	\$0	\$0	\$9,263
3														\$0

*Assume effective date is Pay Period 2 (January 8, 2012)
**Assume effective date is Pay Period 10 (April 29, 2012)

NEW SAVINGS FOR 2012														
No.	Pos.	Dept	From	To	PR	CR	PR	Annual	Present Annual	New Annual	New Savings	Rollup	Rollup+ Sal	Total
1		Police	Assistant Chief of Police	Inspector of Police	4R	4Q	\$114,040	\$100,386	\$9,453	\$1,607	\$0	\$0	\$0	\$11,060
1														\$11,060

Assume effective date is Pay Period 9 (April 15, 2012)
Note: Annual rates are based on median of Pay Ranges

NEW COSTS FOR FULL YEAR														
No.	Pos.	Dept	From	To	PR	CR	PR	Annual	Present Annual	New Annual	New Cost	Rollup	Rollup+ Sal	Total
2		Police	New Position	Crime Analyst	N/A	2GN	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$14,167
1		Police	Audiovisual Specialist II	Media Producer	3CN	2EN	\$36,371	\$48,133	\$11,762	\$2,405	\$0	\$0	\$0	\$14,167
3														\$0

NEW SAVINGS FOR FULL YEAR														
No.	Pos.	Dept	From	To	PR	CR	PR	Annual	Present Annual	New Annual	New Savings	Rollup	Rollup+ Sal	Total
1		Police	Assistant Chief of Police	Inspector of Police	4R	4Q	\$114,040	\$100,386	\$13,654	\$2,321	\$0	\$0	\$0	\$15,975
1														\$15,975

Totals may not be to the exact dollar due to rounding.



Legislation Details (With Text)

File #: 111589 **Version:** 0

Type: Communication **Status:** In Committee

File created: 3/20/2012 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Communication from the Department of Employee Relations relating to classification studies scheduled for City Service Commission action.

Sponsors: THE CHAIR

Indexes: CITY SERVICE COMMISSION, POSITIONS ORDINANCE, RATES OF PAY, SALARY ORDINANCE, WAGES AND BENEFITS

Attachments: Letter from Dept of Employee Rel and Job Eval Reports-CSC Meeting March 27, 2012, Fiscal Impact Statement and Spreadsheet- CSC Meeting March 27, 2012, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
3/20/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111589
Version
ORIGINAL
Reference

Sponsor
THE CHAIR
Title

Communication from the Department of Employee Relations relating to classification studies scheduled for City Service Commission action.

Drafter
CC-CC
TB
3/15/12



Department of Employee Relations

March 30, 2012

Tom Barrett
Mayor

Maria Monteagudo
Director

Michael Brady
Employee Benefits Director

Troy M. Hamblin
Labor Negotiator

To the Honorable
The Committee on Finance and Personnel
Common Council
City of Milwaukee

Dear Committee Members: Re: Common Council File Number 111589

The following classification and pay recommendations were approved by the City Service Commission on **March 27, 2012**:

In Employee Relations,

One new position was recommended for classification to Office Clerk III, PR 6FN.

One new title was recommended for classification to Office Clerk IV, PR 6HN.

In the Health Department,

One position of Chief Molecular Scientist, PR 1IX was recommended for reclassification to Public Health Deputy Laboratory Director, PR 1JX.

One new position (replacing a Chief Microbiologist, PR1IX) was recommended for reclassification to Public Health Laboratory Operations Manager, PR 1EX.

In DPW - Administration Services Division, one position of Public Works Personnel Administrator was recommended for reclassification to Public Works Personnel and Compliance Manager, PR 1KX.

In DPW - Infrastructure Services Division, one vacant position of Bicycle and Pedestrian Coordinator, PR 3NN was recommended for reallocation to PR 2IN.

The job evaluation report covering the above positions, including the necessary Salary and Positions Ordinance amendments, is attached.

Sincerely,

Maria Monteagudo
Employee Relations Director

MM:fcw

Attachments: 4 Job Evaluation Reports
 Fiscal Note

C: Mark Nicolini, James Carroll, Troy Hamblin, Nicole Fleck, Victoria Robertson, Bevan Baker, Raquel Filmanowicz, Yvette Rowe, Stephen Gradus, Sanjib Bhattacharya, Ghassan Korban, Preston Cole, Dan Thomas, Jeffrey Polenske, Clark Wantoch, Richard Abelson, Kenneth Wischer, Bill Mollenhauer, Daniel Panowitz, and Calvin Lee (DC 48)

JOB EVALUATION REPORT

City Service Commission Meeting: March 27, 2012

Request	Recommended
Office Clerk III – New Title PR 6FN \$33,865 - \$37,464	Office Clerk III PR 6FN \$33,865 - \$37,464
Office Clerk IV – New Title PR 6HN \$36,170 - \$40,836	Office Clerk IV PR 6HN \$36,170 - \$40,836

Action Required

In the Salary Ordinance, under Pay Range 6FN, add the title “Office Clerk III” and under Pay Range 6HN, add the title “Office Clerk IV.”

Background

In 2006 the Department of Employee Relations created the classifications of Office Clerk I (PR 6CN) and Office Clerk II (PR 6EN) to run parallel to the classifications of Office Assistant I and II in the same pay ranges. The distinction between these classifications is that Office Assistants must be able to create and produce narrative documents. Office Clerks in contrast would not typically be required to create and produce narrative documents, and although accuracy remains important in entering data, the requirement of typing 45 words per minute may not be applicable.

Both Office Assistant I/II and Office Clerk I/II must be able to interact effectively with customers and team members, perform a variety of office duties, and be able to perform keyboarding and computer work such as looking up information and entering data accurately into a computerized database.

This report recommends creating the titles of Office Clerk III (PR 6FN) and Office Clerk IV (PR 6HN) as the higher level titles in the series.

Analysis

Creation of the new titles of Office Clerk III and IV will allow departments to fill office support positions that perform higher level general office duties but that do not have an emphasis on creating narrative documents. The requirement of typing 45 words per minute would therefore not apply.

As with Office Assistant III, an Office Clerk III will perform diverse and complex duties involving the application of standard procedures to a variety of clerical assignments. Selects and interprets data, demonstrates a thorough knowledge of departmental and organizational policies and procedures in the assigned area of responsibility; screens calls, answers questions and provides information. Some phone and in person work may be difficult due to the nature of the questions or the customers served. Uses advanced features of computer software to produce complex documents. May work with others on a team to complete special projects. May guide and check the work of other employees.


As with Office Assistant IV, an Office Clerk IV performs duties at the III level and possesses the corresponding knowledge, skills, and abilities, and acts as a group leader for lower level employees.

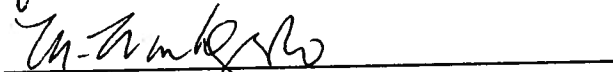
These responsibilities as a group leader usually include basic office management such as monitoring equipment and ordering supplies, monitoring and improving office procedures and practices, and directing a small group of employees. May work with others on a team to complete special projects. An Office Clerk IV may also exercise responsibility for a specific function or service area requiring extensive knowledge of technical and/or complex procedures and processes having a significant consequence of error. This requires responsibility for monitoring and improving those procedures on a continuous basis.

The creation of these new classifications of Office Clerk III and Office Clerk IV will provide a means for departments to fill clerical positions that perform higher level general office work. Employees and/or positions with the same level of responsibility that are involved in the production of narrative documents and graphics that require software skills will continue to be placed in the Office Assistant III and IV classifications.

Recommendation

We therefore recommend, based upon the above discussion, the creation of the classifications of Office Clerk III in Pay Range 6FN and Office Clerk IV in Pay Range 6HN.

Prepared by: 
Andrea Knickerbocker, Human Resources Manager

Reviewed by: 
Maria Monteagudo, Employee Relations Director

Job Evaluation Report

City Service Commission Meeting Date: March 27, 2012

HEATH DEPARTMENT

Current	Request	Recommendation
Chief Molecular Scientist PR 1IX \$73,627 - \$103,077	Deputy Director-Public Health Laboratory PR IIX \$78,469 - \$109,864	Public Health Deputy Laboratory Director PR IIX \$78,469 - \$109,864

ACTION REQUIRED – Effective Pay Period 2, 2012 (January 8, 2012)

In the Salary Ordinance, under Pay Range 1IX, delete the title “Chief Molecular Scientist” and under Pay Range 1JX, add the title “Public Health Deputy Laboratory Director”.

In the Position Ordinance, under Health Department, Disease Control and Environmental Health Services Division, Virological Division, delete one position of “Chief Molecular Scientist (Y)” and add one position of Public Health Deputy Laboratory Director (Y)”.

Background

In March of 2010, Health Operations Administrator Raquel Filmanowicz requested that the position of Chief Molecular Scientist held by Dr. Sanjib Bhattacharyya be studied for reclassification from SG 12 to Deputy Director-Public Health Laboratory, SG 13, based upon a significant expansion of the scope of responsibility exercised by the position. The Department of Employee Relations assisted the Health Department in drafting a new job description indicating how the position would function in the future and discussed the timing of when a classification study would take place.

A study commenced in the beginning of this year to determine the extent and nature of changes that had taken place in the position. The following materials were reviewed in conjunction with this study: a job description for the position from 2006; a revised job description prepared in 2010 by the Health Department; a Job Analysis Questionnaire completed by the employee performing the work and reviewed by his immediate supervisor; occupational information from the Department of Labor; salary information from the Bureau of Labor Statistics; job descriptions for other public health laboratory directors; and information about the Laboratory’s mission, goals, and accomplishments as presented on the Health Department’s website. In addition, Dr. Bhattacharyya was interviewed at his worksite, which included a tour of the Laboratory. Discussions were then held with Dr. Stephen Gradus, Public Health Laboratories Director.

The Public Health Laboratory

The Public Health Laboratory plays an important role in the Milwaukee Health Department and maintenance of public health in the City and region. The core functions of the Laboratory are as follows:

- Disease prevention, control and surveillance
- Environmental health and protection
- Food Safety
- Integrating and interpreting lab data across the city's many healthcare systems

- Reference and specialized testing
- Laboratory improvement, regulation and polity development
- Emergency response
- Applied research

The Laboratory is headed by Dr. Stephen Gradus, Public Health Laboratories Director and one other manager, the Chief Molecular Scientist, Dr. Sanjib Bhattacharya. Twenty-three employees work in the Laboratory, 18 of whom are scientific professionals such as microbiologists and chemists. The Laboratory provides services related to communicable diseases, emergency preparedness, environmental health, lead poisoning prevention, sexually transmitted disease, and flood and waterborne disease control. The work is divided two major areas:

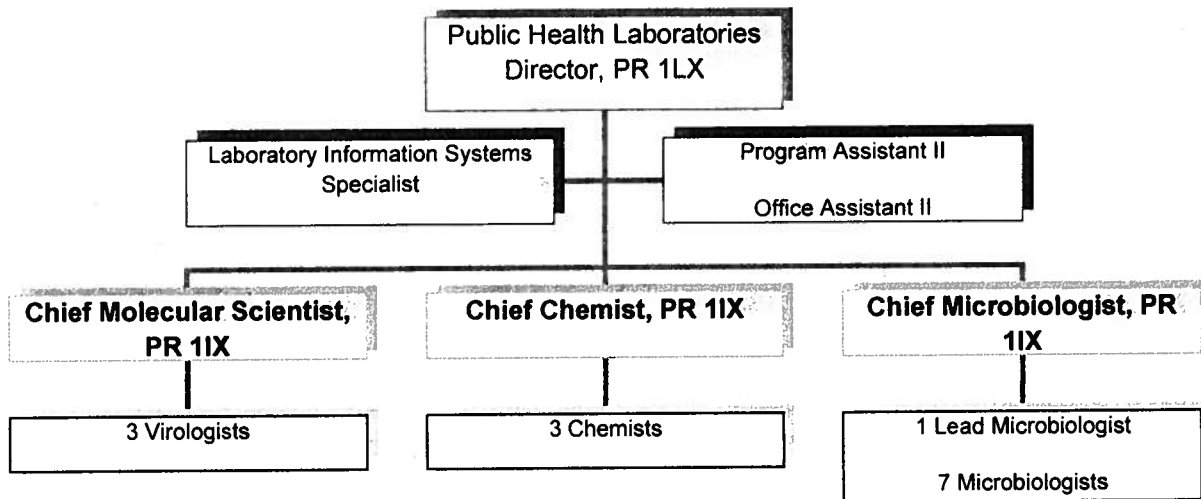
- Clinical and Environmental Microbiology and
- Chemistry, Virology and Molecular Science

The Laboratory holds the following certifications:

- Clinical Laboratory Improvement Amendment Certification*
 - Clinical Laboratory Improvement Amendment Certification for the Keenan Health Center*
 - Wisconsin Department of Agriculture, Trade, and Consumer Protection Laboratory Certification
- *The federal government's Centers for Medicare & Medicaid Services regulates all laboratory testing (except research) performed on humans in the U.S. through the Clinical Laboratory Improvement Amendments (CLIA).*

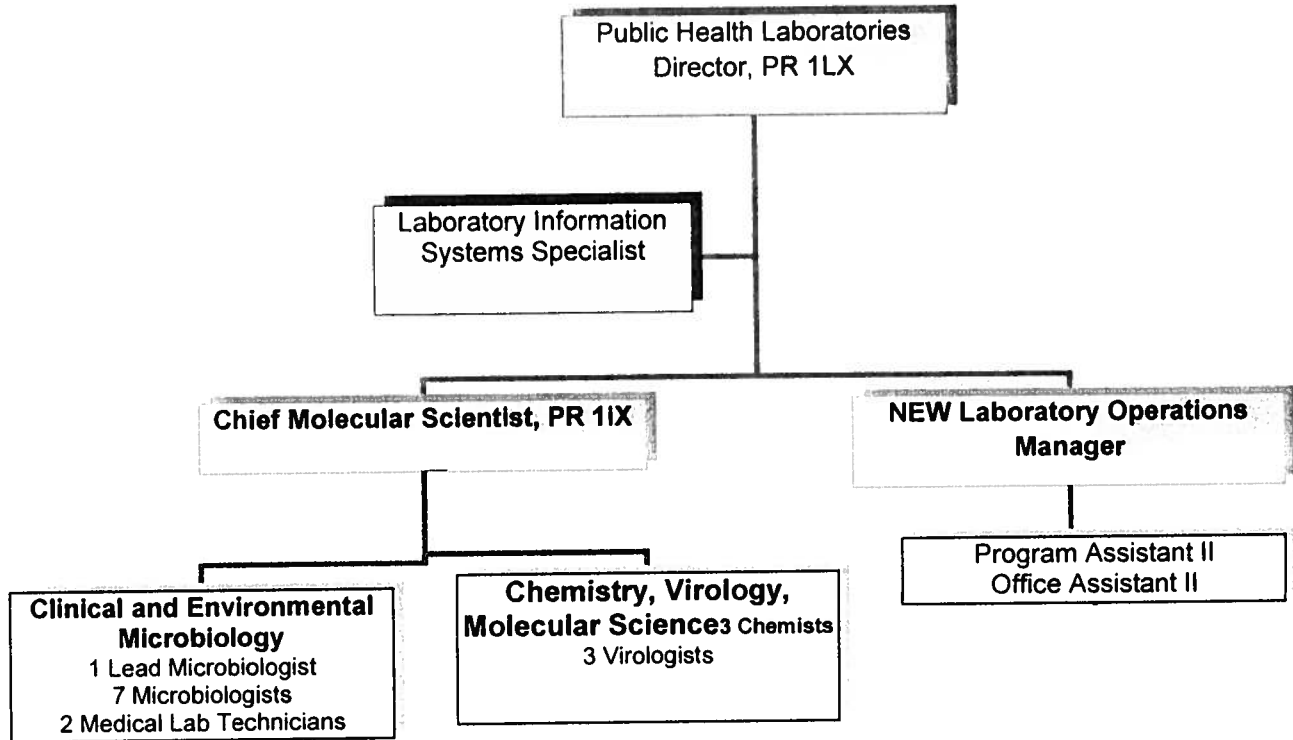
Since 1989 the Health Department's Laboratory has generated almost 3.0 million in revenue for the City.

In 2006, the Public Health Laboratory was organized as shown in the following chart.



The following chart shows how the Public Health Laboratory is currently organized. The new Laboratory Operations Manager will be discussed in a separate report.

Public Health Laboratory, 2012



As indicated in the chart above, the positions of Chief Microbiologist and a Chief Chemist no longer exist and operations have been consolidated under the Chief Molecular Scientist. The Chief Molecular Scientist formerly functioned as a "section chief" for the virology section of three employees.

Sometime after the positions of Chief Microbiologist and Chief Chemist had been eliminated following retirements, it became evident that the Laboratory could not operate effectively at its present staffing levels or expand its services and revenues with only a Director and one other manager. As a result, the position of "Laboratory Operations Manager" was added to the Health Department's budget in 2012 to perform critical work in quality assurance, customer relations, service expansion, and business operations.

The changes that have taken place in the scope of responsibility associated with the Chief Molecular Scientist have been dramatic. Several years ago this position was responsible for managing the work processes and employees of one section—that of virology. Now, Dr. Bhattacharya supervises all of the scientific work processes and personnel for the entire Laboratory, consisting of ten professionals which include:

# of Positions	Title
1	Virologist III
3	Virologist II
1	Chemist III
4	Chemist II
1	Laboratory Assistant

Changes in Duties and Responsibilities

In addition to a significant increase in supervisory responsibility, this manager now functions as a member of the Health Department's leadership team and works with various constituencies outside the Department such as academics, community groups, public safety employees, and those involved with emergency management planning and operations. The goal of this work is to improve public health outcomes by participating in community research, stimulating leadership in community groups, and sharing resources and information. Working with the academic community is an important part of the Health Department's stated objective of becoming one of the first academic public health departments in the nation. Lastly, the position acts on behalf of the Public Health Laboratories Director in his absence. This occurs on a regular basis due to the amount of time the Director must spend working with researchers, other public health officials, community groups, academics, and many others.

In addition to these new and expanded duties, this position also continues to perform all of the day-to-day work required to manage the work and personnel of the Laboratory and functions as the Laboratory's foremost scientific and technical expert. All of these duties and responsibilities are outlined in detail in the revised job description for the positions.

The job analysis indicates that the knowledge, skills, abilities, and attributes required to successfully perform the job (not the minimum requirements) are as follows:

- A Ph.D. in microbiology with special training in molecular microbiology
- Three to five years of successful work experience in a public health laboratory, two of which must have been in a supervisory capacity.

The most noteworthy knowledge, skills, abilities, and competencies include the following:

Knowledge of:

- The laws, rules, and regulations governing the operation of a public health laboratory
- Common causes and modes of transmission of communicable diseases
- Health and safety precautions and procedures required in a laboratory
- Bacteriological, serological, mycological, parasitological, virological, environmental, and other microbiological principles
- Appropriate application of laboratory data to public health communicable disease prevention activities and emergency preparedness
- New techniques, technology, concepts, and developments in a public health laboratory

Ability to:

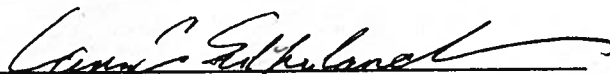
- Plan, organize, coordinate, direct, and evaluate the work of staff
- Hire, supervise, train, and coach technical employees
- Analyze and prepare program goals in accordance with department's needs
- Prepare and analyze financial and statistical data
- Prepare technical and administrative reports and correspondence
- Communicate effectively both orally and in writing
- Establish and maintain cooperative relationships with other governmental agencies, community groups, the general public, health officials, medical staff, and colleagues
- Ability to interpret, apply and explain laws and regulations governing operation of a public health laboratory


It should be noted that these requirements have not been assessed for purposes of staffing.


Analysis and Recommendation

The scope of responsibility associated with this position has changed from managing the Virology Section with three employees to managing all scientific and technical work processes and professional employees for the entire Public Health Laboratory. Furthermore, the position now functions as an integral part of the Health Department's leadership team and works with community organizations, academics, and other stakeholders to improve Laboratory services. Lastly, the employee filling this position acts on behalf of the Director in his absence.

Considering the significant change in responsibility associated with this job, it is recommended that this position be reclassified to Public Health Laboratory Deputy Director, in Pay Range IJX as requested by the Department.

Prepared by: 
Laura Sutherland, Human Resources Representative

Reviewed by: 
Andrea Knickerbocker, Human Resources Manager

Reviewed by: 
Maria Monteagudo, Employee Relations Director

JOB EVALUATION REPORT

City Service Commission Meeting Date: March 27, 2012

Health Department

Present	Request	Recommendation
New Position (Replacing a Chief Microbiologist PR 11X (\$73,627 - \$103,077)	Laboratory Operations Manager Study of New Position	Public Health Laboratory Operations Manager PR 1EX (\$57,028 - \$79,836)

Action Required

In the Salary Ordinance,

under Pay Range 1EX, add the title "Public Health Laboratory Operations Manager (2)" and create footnote (2) to read as following "Recruitment may be up to the midpoint of the range with the approval of Employee Relations.

Under Pay Range 11X, delete the title "Chief Microbiologist".

In the Positions Ordinance, Health Department, Disease Control and Environmental Health Services Division, Microbiological Division, delete one position of "Chief Microbiologist (Y) and add one position of "Public Health Laboratory Operations Manager (Y)".

Background

In January, the Milwaukee Health Department requested classification of a new position that would be responsible for managing all the administrative, business, and community outreach, and regulatory compliance work for the Public Health Laboratory. This new position will replace a vacant position of Chief Microbiologist in PR 11X.

In studying this request, the job description created by the Health Department was reviewed and discussions were held with Dr. Stephen Gradus, Public Health Laboratories Director. In addition, occupational information from the Department of Labor and other sources was reviewed as well as salary information from the Bureau of Labor Statistics, an industry survey, and a professional survey.

The Public Health Laboratory

The Public Health Laboratory plays an important role in the Milwaukee Health Department and maintenance of public health in the City and region. The core functions of the Laboratory are as follows:

- Disease prevention, control and surveillance
- Environmental health and protection
- Food Safety
- Integrating and interpreting lab data across the city's many healthcare systems
- Reference and specialized testing

- Laboratory improvement, regulation and policy development
- Emergency response
- Applied research

The Laboratory is headed by Dr. Stephen Gradus, Public Health Laboratories Director and one other manager, the Chief Molecular Scientist, Dr. Sanjib Bhattacharya. Twenty-three employees work in the Laboratory, 18 of whom are scientific professionals such as microbiologists and chemists. The Laboratory provides services related to communicable diseases, emergency preparedness, environmental health, lead poisoning prevention, sexually transmitted disease, and flood and waterborne disease control. The work is divided two major areas:

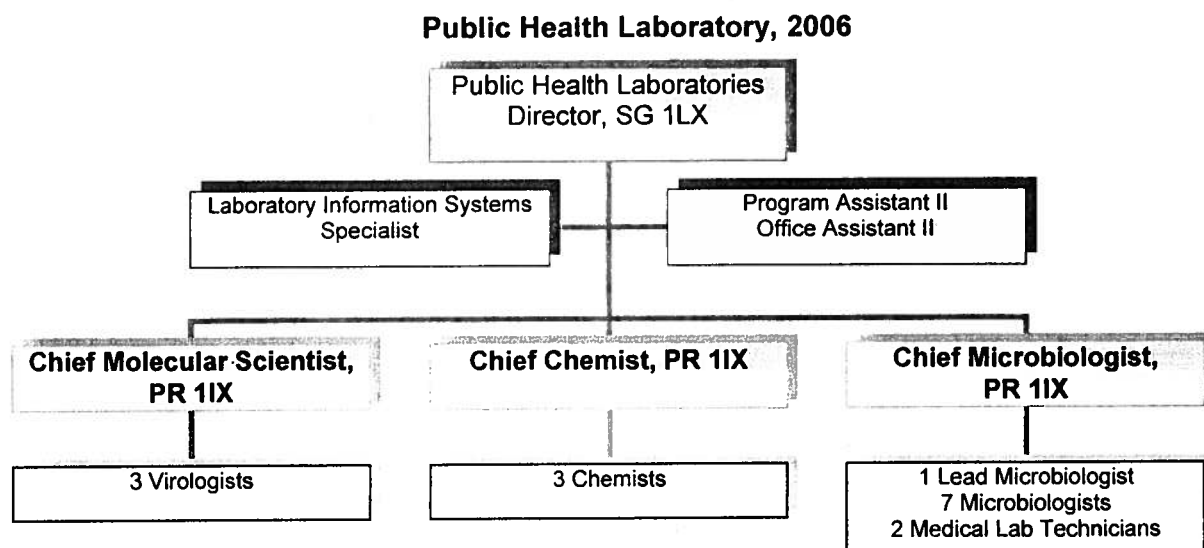
- Clinical and Environmental Microbiology and
- Chemistry, Virology and Molecular Science.

The Laboratory holds the following certifications:

- Clinical Laboratory Improvement Amendment Certification*
 - Clinical Laboratory Improvement Amendment Certification for the Keenan Health Center*
 - Wisconsin Department of Agriculture, Trade, and Consumer Protection Laboratory Certification
- *The federal government's Centers for Medicare & Medicaid Services regulates all laboratory testing (except research) performed on humans in the U.S. through the Clinical Laboratory Improvement Amendments (CLIA).*

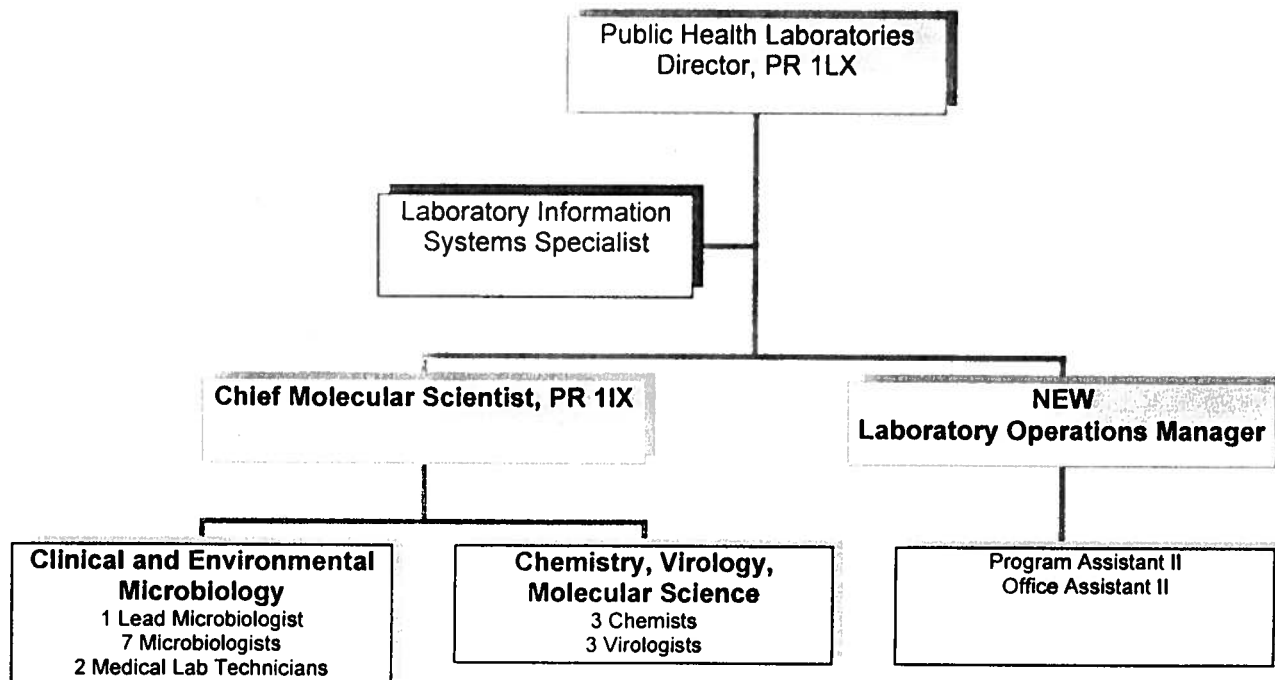
Since 1989 the Health Department's Laboratory has generated almost 3.0 million in revenue for the City.

In 2006, the Public Health Laboratory was organized as shown in the following chart.



The following chart shows how the Public Health Laboratory is currently organized and will be organized with the addition of the new Laboratory Operations Manager.

Public Health Laboratory, 2012



As indicated, the Chief Microbiologist and a Chief Chemist no longer exist and operations have been consolidated under the Chief Molecular Scientist who formerly functioned as a "section chief" for the virology section.

Sometime after the positions of Chief Microbiologist and Chief Chemist had been eliminated following retirements, it became evident that the Laboratory could not operate effectively at its present level or expand its services and revenues with only a Director and one other manager. As a result, the position of "Laboratory Operations Manager" was added to the Health Department's budget in 2012 to perform critical work in business development, recertification (quality assurance), customer relations, and business operations.

Duties and Responsibilities

This Manager will report to the Public Health Laboratories Director and be responsible three interrelated areas: business development, customer relations; recertification (quality assurance), and business operations. This manager will supervise an Office Assistant II and Program Assistant. Duties and responsibilities of the position are as follows:

Quality Assurance - Recertification

- Coordinating the quality assurance program to ensure that the Laboratory is in compliance with all municipal, state, and federal regulations as well as and industry standards
- Creating and maintaining Laboratory policies, procedures, and practices
- Managing all necessary documentation, review, and follow-up on incident reports and corrective action reports

Customer Relations and Business Development

- Managing customer relations, which includes resolving service issues that may occur
- Creating new business for the Laboratory
- Developing and maintaining a database of the Laboratory
- Actively promoting the Laboratory's services through site visits, speaking engagements, and other means
- Disseminating information to customers via electronic and conventional media
- Actively developing and promoting student internship opportunities
- Seeking new funding sources
- Serving as a liaison to other section of the Health Department such as epidemiology, emergency response, and other relevant program when required

Business Operations

- Prepare and oversee budgets, grants, accounts receivable and payable, the procurement of equipment and supplies, and the administration of contracts with vendors.

Requirements

The job description prepared by the Department states that the minimum requirements for the job are a bachelor's degree in laboratory science or equivalent and two years of general laboratory managerial/supervisory experience in a hospital or public health based laboratory. Considering the scientific nature of work performed in the Laboratory, the specialized high-tech equipment used, and educational level of the current Laboratory workforce, there is some question as to whether these requirements are adequate in terms of formal education and work experience. This is noted because the requirements for this position will have an influence upon the ultimate pay level recommended for the position. The nature of work performed by this Manager will require knowledge of laboratory operations and the science underpinning those operations; business acumen; the ability to maintain and expand contacts with customers; and the ability to generate new business.

The technical requirements for the position appear to be approximately equivalent to Microbiologist II. The maximum rate of pay for a Microbiologist II is \$58,037. Annual rates of pay for Microbiologists employed in the Health Department's Laboratory are shown in the following table.

Microbiologist Rates of Pay
City of Milwaukee - 2009

	Min	Max
Microbiologist I	\$34,279	\$47,987
Microbiologist II	\$41,458	\$58,037
Microbiologist III	\$47,109	\$65,957
Lead Microbiologist*	\$53,519	\$74,922

*Although the job classification of Lead Microbiologist is in existence, there are no positions of Lead Microbiologist in the Health Department.

Internal Comparisons

Considering this new manager's responsibilities for business operations, the position could be seen as somewhat equivalent to the classification of Business Operations Manager in Pay

Range 1EX. The business operations manager for the Health Department has a unique title and is allocated to Pay Range 1FX.

Responsibility for customer relations and public relations is usually afforded a good deal of importance in service organizations. Positions related to public relations in City government are commonly allocated to Pay Range 1FX including Public Information Manager in the Common Council-City Clerk, Public Relations Manager in the Police Department, and Permits and Communications Manager in the Department of Public Works. There is also Water Marketing Specialist in Pay Range 2FX.

It should be noted that, in addition to customer relations, the Laboratory Operations Manager will also be responsible for developing new business, increasing revenue, and locating new sources of funding for the Laboratory.

External Salary Considerations

The State of Wisconsin compensates Microbiologists and Research Scientists at the following rates.

Rates of Pay for Microbiologists
 State of Wisconsin - November, 2011

	Min	Appointment Max	Max
Microbiologist	\$35,156		\$58,594
Microbiologist-Senior	\$45,814	\$75,593	\$105,373
Microbiologist Supervisor	\$44,916	\$74,112	\$103,307

The City of Milwaukee's rates are repeated here for comparison.

Microbiologist Rates of Pay
 City of Milwaukee - 2009

	Min	Max
Microbiologist I	\$34,279	\$47,987
Microbiologist II	\$41,458	\$58,037
Microbiologist III	\$47,109	\$65,957
Lead Microbiologist*	\$53,519	\$74,922

In May of 2010, The Bureau of Labor Statistics reported that the mean rate of pay for Microbiologists in the Milwaukee-West Allis-Waukesha area was \$77,397 annually. This includes all Microbiologists employed in all establishments in the private, nonprofit, and public sectors.

Rates of Pay for Microbiologists
 Bureau of Labor Statistics
 Milwaukee-West Allis-Waukesha
 May, 2010

	Hourly Rate	Yearly Rate
Level 1 Wage	\$27.87	\$57,970
Level 2 Wage	\$32.54	\$67,683
Level 3 Wage	\$37.21	\$77,397
Level 4 Wage	\$41.88	\$87,110
Mean Wage	\$37.21	\$77,397

Levels represent years of experience and expertise.

One way to use this salary data is to gauge the applicant pool from which well qualified applicants for the position of Laboratory Operations Manager could be recruited. If an internal candidate from the City of Milwaukee was promoted into this position, he or she would probably be currently compensated somewhere between \$50,000 and \$60,000 annually, an amount that spans both the Microbiologist II and III. A well qualified candidate from the State of Wisconsin would likely earn between \$45,000 and \$75,000 annually. Likewise, a well qualified candidate from the Milwaukee area could be earning about \$65,000, a rate somewhat less than a Level 2 job listed in the above table.

In order to successfully recruit a qualified candidate to the position of Laboratory Operations Manager it would appear reasonable to establish the position in Pay Range 1EX with a range of \$57,028.14 to \$79,836.38. Further, it would be reasonable for the Department to have some flexibility in recruitment rate for the position.

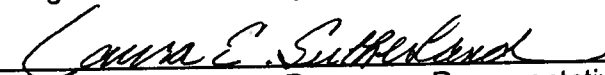
Conclusion and Recommendation


One of the most important aspects of this job will be to develop new customers and identify new sources of funding. Responsibility for customer relations and developing new business and revenue indicates that the level of responsibility associated with the job is roughly equivalent to that of a Business Operations Manager in PR 1EX (\$57,028-\$79,836). Although the typical Business Operations Manager's scope of responsibilities is larger than the Laboratory Operations Manager, Business Operations Managers in City government do not have responsibility for developing new business and locating new sources of funding as will the Laboratory Operations Manager.

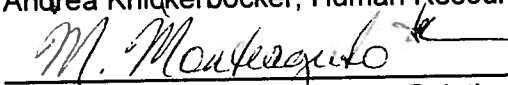
Another critical area of responsibility is the coordination of recertifications required by the Laboratory. In a worst-case scenario, failing to obtain any one of these required recertifications could result in the Laboratory having to cease operations. In order to perform this responsibility well, the employee must have knowledge of laboratory operations and a basic understanding of the science underpinning those operations, be extremely organized, have a high degree of degree of conscientiousness, and be able to communicate and work with many different stakeholders.

Other aspects of the job, such as grants administration, contract administration, and budget preparation and management require business acumen.

Considering the internal comparisons with public relations managers and business operations managers and the external salary data, it is recommended that this new position be allocated to Pay Range 1EX. It is further recommended that the Department be provided the flexibility to recruit a well-qualified individual up to the midpoint of the range with the approval of Employee Relations. We recommend the title of Public Health Laboratory Operations Manager, which is consistent with the titling structure currently in place for the Public Health Laboratory.

Prepared by: 
Laura Sutherland, Human Resources Representative

Reviewed by: 
Andrea Knickerbocker, Human Resources Manager

Reviewed by: 
Maria Monteagudo, Employee Relations Director

JOB EVALUATION REPORT

City Service Commission Meeting Date: March 27, 2012

This report recommends appropriate classifications and compensation levels for various positions created or changed in conjunction with the implementation of the 2012 City of Milwaukee budget. This report contains recommendations for positions in the Administrative Services Division and the Infrastructure Services Division of the Department of Public Works.

In reviewing these positions, staff analyzed new job descriptions and held discussions with management representatives. The following chart summarizes the recommended changes.

DPW – ADMINISTRATIVE SERVICES DIVISION

Current	Request	Recommendation
Public Works Personnel Administrator PR 1IX (\$73,627 - \$103,077) Dan Thomas	Public Works Personnel and Compliance Manager PR 1KX (\$83,653 - \$117,118)	Public Works Personnel and Compliance Manager PR 1KX (\$83,653 - \$117,118)

DPW – INFRASTRUCTURE SERVICES DIVISION

Current	Request	Recommendation
Bicycle and Pedestrian Coordinator PR 3NN (\$43,846 - \$59,792) Vacant	Bicycle and Pedestrian Coordinator PR 2IN (\$57,028 - \$79,836) Recruitment at \$64,697	Bicycle and Pedestrian Coordinator PR 2IN (\$57,028 - \$79,836) Recruitment at \$64,697

ACTION REQUIRED – Effective Pay Period 2, 2012 (January 8, 2012)

In the Salary Ordinance, under Pay Range 3NN, delete the title “Bicycle and Pedestrian Coordinator”; under Pay Range 2IN, add the title “Bicycle and Pedestrian Coordinator (2)”. Under Pay Range 1IX, delete the title “Public Works Personnel Administrator”; under Pay Range 1KX, add the title “Public Works Personnel and Compliance Manager”.

In the Positions Ordinance, under Department of Public Works – Administrative Services Division, Office of the Commissioner, delete on position of “Public Works Personnel Administrator” and add one position of “Public Works Personnel and Compliance Manager”.

DEPARTMENT OF PUBLIC WORKS – ADMINISTRATIVE SERVICES

Current:	Public Works Personnel Administrator	PR 1IX
Request:	Public Works Personnel and Compliance Manager	PR 1KX
Recommended:	Public Works Personnel and Compliance Manager	PR 1KX

The Department of Public Works (DPW) indicated they have eliminated one position of Civil Engineer V in Pay Range 1JX as part of the 2012 budget and have made changes in the duties and responsibilities for the following three positions:

Public Works Coordination Manager in PR 1KX
Public Works Personnel Administrator in PR 1IX
Recycling Specialist in PR 2HX

The majority of the duties and responsibilities of the eliminated position of Civil Engineer V have been given to the Public Works Coordination Manager in Pay Range 1KX. These duties include coordinating transportation, utility, and general infrastructure needs of major developments; providing transportation planning liaison with various city, county, state, and regional planning agencies; supervising the processing and approval of DPW and building permits, and Special Privileges, Subterranean and Airspace leases and outdoor cafes; coordinating activities with all railroad companies doing business in the City; reviewing paving projects for hollow sidewalks; supervising traffic related reviews for the Board of Zoning Appeals and DPW comments for the City Plan Commission; and coordinating public works activities relating to streetscape improvements.

In addition, two positions of Civil Engineer III and one position of Engineering Technician IV have moved from the Infrastructure Services Division to the Administrative Services Division and are now reporting to the Public Works Coordination Manager. Other duties performed by the Civil Engineer V have been divided up and absorbed by other positions in the Infrastructure Services Division.

In conjunction with these changes several duties and responsibilities of the Public Works Coordination Manager position were given to the Public Works Personnel Administrator as is explained below. Other separate changes have been made to the duties and responsibilities of the Recycling Specialist. As a result of these changes the Department has requested a reclassification of the Public Works Personnel Administrator and the Recycling Specialist. This report is regarding the Public Works Personnel Administrator position. The Recycling Specialist position will be reviewed in a subsequent report.

The basic function of the Public Works Personnel Administrator is, under the general direction of the Commissioner of Public Works and the Operations Division Director, to represent DPW on a wide variety of employee relations and contractual matters including labor relations; contract bid, award, compliance, and dispute resolution; personnel; discrimination complaints; benefits and payroll; and safety. Duties and responsibilities include the following:

- 30% Advise and represent DPW management regarding disciplinary actions, employment law, and civil service benefits. This includes development and implementation of personnel policies; providing training on various topics as needed; preparing and presenting cases before the Civil Service Commission; and advising and consulting with City Attorney staff on matters involving employee discrimination complaints.
- 30% Manage the DPW contract function with the award and administration of \$150 - \$200 million in construction and professional service contracts. This includes monitoring contractor compliance based on various statutes, ordinances, and contract law; conducting legal and procedural analysis to determine whether contractor's actions are in violation of any provisions, laws or agreements; mediating alleged violations and creating and implementing proposed economic or procedural remedies; and supervising contract staff.
- 20% Supervise Payroll, Safety, Driving Training Instructors and the Public Works University. This includes developing, implementing and monitoring the DPW Safety Program, overseeing training activities, and monitoring legislation regarding federally mandated drug and alcohol programs; developing, implementing and monitoring the payroll function and policies; and advising and training management regarding payroll and personnel related matters; developing, implementing and monitoring compliance with the Americans with Disabilities Act (ADA), case review and analysis of the Transition Duty Program, accommodations and fitness for duty requests, and referrals to the Disabled

Employee Placement Program; monitoring and analysis related to the Family and Medical Leave Act (FMLA), case review and analysis of FMLA certification and requests for recertification, second opinions, etc; and overseeing, researching, developing, and implementing curriculum for the Public Works University and developing and implementing website training modules.

- 5% Represent DPW during grievance hearings and arbitrations, unemployment compensation hearings, and discrimination hearings. This includes researching, interpreting, and implementing various facets of employment law and matters subject to arbitration process; preparing data and exhibits; providing testimony regarding DPW policies, procedures and actions on various matters; and advising and consulting with City Attorney and Labor Relations staff regarding matters involving employee relations.
- 5% Serve as the DPW point of contact for contract compliance related matters. This includes advising the Common Council, developers, DPW personnel, community groups, and the public regarding various projects and programs; initiating planning meetings and consultations with principals as needed; and representing the Commission of Public Works at these and other related meetings.
- 5% Resolve complex problems related to personnel administration, payroll, safety, and contract administration. This includes investigating, reviewing, preparing reports and solving complex and/or politically sensitive issues and problems regarding planning and implementation of projects and programs; and representing the Commissioner of Public Works before the Common Council and at other related meetings.
- 5% Review programs, program changes, and contractual changes. This includes reviewing formal programs submitted to the Common Council, ordinance language changes, specifications and proposals, and contract bids, change orders and time extensions.

Requirements include a Bachelor's Degree in Human Resource Management or related area and eight years of experience as a high level management representative in contract management and labor relations. Equivalent combinations of education and experience may be considered. Other requirements include the ability to interpret and apply highly complex legal and contract principles to construction contracts and employee relations matters; highly developed written and oral communication skills; and high level interpersonal skills to effectively interact with the Common Council, State and Federal Courts, contractors, citizens, and other City and government agencies.

The changes in this position include responsibility for managing the award and administration of construction and professional services contracts and evaluating and implementing citywide workforce programs such as the Resident Preference Programs and the "Minority, Woman, and Small Business Enterprise Program" under Chapter 370 of the Milwaukee Code of Ordinances. These changes have greatly strengthened this position and comprise 30 – 40%, depending on the time of the year, of the position's total duties and responsibilities. The position will also supervise two additional staff, Contract Compliance Officer in Pay Range 2GX and Office Assistant IV in Pay Range 6HN which will mean supervisory responsibility for 22 positions.

These additional duties have a high consequence of error and require good judgment in making decisions related to contracts worth a total of \$150 - \$200 million per year. Previously the position was focused primarily on internal DPW operations and employee relations. With these new duties this position will also be responsible for interactions with numerous contractors and for implementing these citywide workforce programs that directly affect the public. Other positions in the requested level of Pay Range 1KX include Public Works Coordination Manager,

Facilities Manager, and Administration and Projects Manager. All of these positions have widespread authority and responsibility within DPW and are comparable to the position under study. The requested title of "Public Works Personnel and Compliance Manager" reflects well the responsibilities of the position.

Based on the above analysis we recommend that the Public Works Personnel Administrator in Pay Range 1IX be reclassified to Public Works Personnel and Compliance Manager in Pay Range 1KX.

DEPARTMENT OF PUBLIC WORKS – INFRASTRUCTURE SERVICES

Current:	Bicycle and Pedestrian Coordinator	PR 3NN
Request:	Bicycle and Pedestrian Coordinator	PR 2IN
Recommended:	Bicycle and Pedestrian Coordinator	PR 2IN

The basic function of this position is to administer the City of Milwaukee's Bicycle and Pedestrian Plan. The specific duties and responsibilities are as follows:

- 15% Serve as the Project Manager for various bicycle and pedestrian related grant and city funded projects.
- 15% Serve as staff to the City's Bicycle and Pedestrian Task Force; serve as the City's bicycle/pedestrian liaison; and coordinate programs and activities with regional agencies.
- 15% Administer the City's Neighborhood Traffic Management Program.
- 10% Design bicycle and pedestrian facilities within the right of way and oversee the work of consultants designing bicycle and pedestrian related facilities.
- 10% Coordinate efforts in complying with ADA (Americans with Disabilities Act) requirements as they relate to City facilities
- 10% Analyze reports, studies, bicycle/pedestrian plans, and related information; and make recommendations for improving the accessibility and safety of bicycle and pedestrian facilities.
- 10% Review major projects to ensure compliance with City plans and goals for bicycles, pedestrians, and accessibility; and monitor compliance with ADA requirements.
- 10% Administer and expand various City bicycle and pedestrian programs
- 5% Perform other related duties as assigned.

Requirements include four years of experience in the planning and designing of bicycle and pedestrian facilities or other duties listed above; or current status as a regularly appointed City of Milwaukee employee with at least two years of experience at the level of Civil Engineer II or Engineering Technician V with experience in the planning and designing of bicycle and pedestrian facilities. A Bachelor's Degree in Planning, Engineering, Communication, or related field is desired. Equivalent combinations of education, training and experience may also be considered. Other requirements include knowledge of principles and practices of planning and design related to bicycle and pedestrian facilities according to the American Association of State Highway and

Transportation Officials (AASHTO) standards and of the Americans with Disabilities Act (ADA) requirements as they relate to City facilities; an ability to design bicycle and pedestrian facilities according to state and federal guidelines, plan and organize public education and promotion programs, and use computer applications for data management and analysis, word processing and drafting; and strong oral and written communication skills. It should be noted that these requirements have not yet been assessed for the purposes of staffing.

This position was first created in 2005 by using the authority of a vacant position of Engineering Drafting Technician IV in Pay Range 604 (which is currently 3NN). In 2006 the title was changed to Bicycle and Pedestrian Coordinator. The requirements at that time were two years of experience in the planning and designing of bicycle and pedestrian facilities or other experience performing duties related to those listed above; or current status as a City employee with at least two years of experience at the level of an Engineering Drafting Technician II or in planning and designing bicycle and pedestrian facilities. Equivalent combinations of job-related training and experience could be considered.

The Department indicated that there have been a number of changes in the position since it was first created that have made the position stronger and at a higher level. These changes include serving as a project manager for various bicycle and pedestrian related projects and administering the Neighborhood Traffic Management Program. The purpose of the Neighborhood Traffic Management Program is to "slow motor vehicle traffic in a particular neighborhood or on a particular street in order to improve safety and comfort of residents, businesses, pedestrians, and bicyclists" and includes several steps and options to achieve these goals. This position also has much interaction with the community to implement this and other programs and projects.

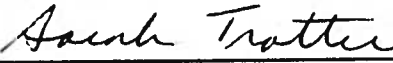
The Department has revised the requirements for the position to include four years of experience in the planning and designing of bicycle and pedestrian facilities or current status as a regularly appointed City of Milwaukee employee with at least two years of experience at the level of Civil Engineer II or Engineering Technician V with experience in the planning and designing of bicycle and pedestrian facilities. A Bachelor's Degree in Planning, Engineering, Communication, or related field is desired. The level and amount of experience required are generally consistent with the requirements for Engineering Technician VI and Civil Engineer III which vary according to location and assignment.


An Engineering Technician VI is the highest level of the Engineering Technician series and performs advanced technical work in subprofessional engineering. Duties may include technical and complex work in surveying and drafting, making engineering investigations and inspections, and being responsible for a significant phase or section of work. This level is distinguished from the other levels of Engineering Technician by the scope of oversight responsibility and the complexity of work. A Civil Engineer III is distinguished from the journey level Civil Engineer II level by the need to work more independently and be responsible for a particular area of engineering. The position may also have oversight of other staff, serve as a project manager, and/or serve as staff for a board or committee.

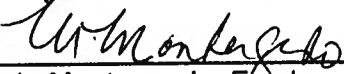
The position under study will not directly supervise employees on a consistent basis but will have project and program management responsibilities that include oversight of other positions on a project basis. The position also serves as staff for the Bicycle and Pedestrian Task Force and has extensive community outreach responsibilities relating to the City-Wide Bicycle Plan in addition to the Neighborhood Traffic Management Program. A review of job descriptions for the classifications of Engineering Technician IV, V, and VI and Civil Engineer II and III indicates that

the duties and responsibilities of the position under study are comparable to those of an Engineering Technician VI or Civil Engineer III in Pay Range 2IN.

Based on the above analysis we recommend this position be classified as Bicycle and Pedestrian Coordinator in 2IN with a recruitment rate at \$64,697.

Prepared by: 
Sarah Trotter, Human Resources Representative

Reviewed by: 
Andrea Knickerbocker, Human Resources Manager

Reviewed by: 
Maria Monteagudo, Employee Relations Director



City of Milwaukee Fiscal Impact Statement

A

Date 04/02/12 **File Number** 111589
Subject Classification and pay recommendations approved by the City Service Commission March 27, 2012.

B

Submitted By (Name/Title/Dept./Ext.) Sarah Trotter, Human Resources Representative
Dept. of Employee Relations/X2398.

C

- This File**
- Increases or decreases previously authorized expenditures.
 - Suspends expenditure authority.
 - Increases or decreases city services.
 - Authorizes a department to administer a program affecting the city's fiscal liability.
 - Increases or decreases revenue.
 - Requests an amendment to the salary or positions ordinance.
 - Authorizes borrowing and related debt service.
 - Authorizes contingent borrowing (authority only).
 - Authorizes the expenditure of funds not authorized in adopted City Budget.

D

This Note Was requested by committee chair.

E

Charge To

- Department Account
- Capital Projects Fund
- Debt Service
- Other (Specify) _____
- Contingent Fund
- Special Purpose Accounts
- Grant & Aid Accounts

F

Assumptions used in arriving at fiscal estimate.

G

Purpose	Specify Type/Use	Expenditure	Revenue
Salaries/Wages	Classification and Pay recommendations.	See the attached spreadsheet.	
Supplies/Materials			
Equipment			
Services			
Other			
TOTALS			

H

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

1-3 Years 3-5 Years

1-3 Years 3-5 Years

1-3 Years 3-5 Years

I

List any costs not included in Sections E and F above.

J

Additional information.

Department of Employee Relations
Fiscal Note Spreadsheet

Finance & Personnel Committee Meeting of April 5, 2012
City Service Commission Meeting of March 27, 2012

NEW COSTS FOR 2012

No. Pos.	Dept	From	PR	To	PR	Present Annual	New Annual	New Cost	Rollup	Total Rollup+ Sal
N/A	Employee Relations	New Title	N/A	Office Clerk III	6FN	N/A	N/A	N/A New Title Only		
N/A	Employee Relations	New Title	N/A	Office Clerk IV	6HN	N/A	N/A	N/A New Title Only		
1	Health	Chief Molecular Scientist	1IX	Public Health Dep Laboratory Dir	1JX	\$80,692	\$84,727	\$3,880	\$660	\$4,539
1	Health	New Position	N/A	Public Health Lab Operations Mgr	1EX	N/A	N/A	N/A Included in 2012 Budget		
1	DPW-Admin Svcs	Public Works Personnel Adm	1IX	Public Works Personnel & Compliance Mgr	1KX	N/A	N/A	N/A Included in 2012 Budget		
1	DPW-Infrastructure Svcs	Bicycle & Pedestrian Coord	3NN	Bicycle & Pedestrian Coord	2IN	N/A	N/A	N/A Included in 2012 Budget		
4								\$3,880	\$660	\$4,539

Assume changes are effective Pay Period 2 (January 8, 2012)

NEW COSTS FOR FULL YEAR

No. Pos.	Dept	From	PR	To	PR	Present Annual	New Annual	New Cost	Rollup	Total Rollup+ Sal
N/A	Employee Relations	New Title	N/A	Office Clerk III	6FN	N/A	N/A	N/A New Title Only		
N/A	Employee Relations	New Title	N/A	Office Clerk IV	6HN	N/A	N/A	N/A New Title Only		
1	Health	Chief Molecular Scientist	1IX	Public Health Dep Laboratory Dir	1JX	\$80,692	\$84,727	\$4,035	\$686	\$4,721
1	Health	New Position	N/A	Public Health Lab Operations Mgr	1EX	N/A	N/A	N/A Included in 2012 Budget		
1	DPW-Admin Svcs	Public Works Personnel Adm	1IX	Public Works Personnel & Compliance Mgr	1KX	N/A	N/A	N/A Included in 2012 Budget		
1	DPW-Infrastructure Svcs	Bicycle & Pedestrian Coord	3NN	Bicycle & Pedestrian Coord	2IN	N/A	N/A	N/A Included in 2012 Budget		
4								\$4,035	\$686	\$4,721

Totals may not be to the exact dollar due to rounding.



Legislation Details (With Text)

File #: 111463 **Version:** 0

Type: Communication **Status:** In Committee

File created: 2/28/2012 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Communication from the Department of Employee Relations providing an update on meet and confer sessions held with City employees or employee groups.

Sponsors: THE CHAIR

Indexes: DEPARTMENT OF EMPLOYEE RELATIONS

Attachments: Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
2/28/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111463
Version
ORIGINAL
Reference

Sponsor
THE CHAIR
Title

Communication from the Department of Employee Relations providing an update on meet and confer sessions held with City employees or employee groups.

Requestor

Drafter
CC-CC
tb
2/20/12



Legislation Details (With Text)

File #: 111591 **Version:** 1
Type: Ordinance **Status:** In Committee
File created: 3/20/2012 **In control:** FINANCE & PERSONNEL COMMITTEE
On agenda: **Final action:**
Effective date:

Title: A substitute ordinance revising provisions of the code relating to employee regulations and benefits for purposes of correcting errors, clarifying language and eliminating obsolete provisions.
Sponsors: THE CHAIR
Indexes: REVISORS BILL
Attachments: Proposed Substitute A, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
3/20/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111591
Version
SUBSTITUTE 1
Reference

Sponsor
THE CHAIR
Title

A substitute ordinance revising provisions of the code relating to employee regulations and benefits for purposes of correcting errors, clarifying language and eliminating obsolete provisions.

Sections
350-2-2 rc
350-3-1 am
350-35-5-a am
350-37-2 rc
350-145 rp

Analysis
This ordinance revises certain provisions of the code relating to employee regulations and benefits for purposes of correcting errors, clarifying language and eliminating obsolete provisions.

Body
The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Section 350-2-2 of the code is repealed and recreated to read:

350-2. Holidays, General Provisions.

- 2. FIRE DEPARTMENT.** a. Fire Equipment Dispatchers and Fire Dispatch Supervisors. Fire equipment dispatchers and fire dispatch supervisors shall receive 11 days off per calendar year in lieu of holidays or holiday pay, earned at the rate of 0.9167 days per month. This holiday time-off shall be taken in the calendar year in which it was earned.
- b. Employees Working 24-Hour Shifts.
- b-1. Holiday Compensation. An employee working 24-hour shifts shall receive 24 hours off per calendar year in lieu of holidays or holiday pay, earned at a rate of 2 hours per month. This holiday time-off shall be taken in the calendar year in which it was earned.
- b-2. Unused Holiday Compensation. An employee on authorized injury leave as a result of a duty-incurred injury may use holiday time-off scheduled during the period of such leave provided the employee notifies his or her supervisor orally of this fact prior to the start of the holiday time-off. An employee on authorized injury leave as a result of a duty-incurred injury not using holiday time-off scheduled during the period of the employee's leave, because he or she did not make a request for it, shall have his or her unused holiday time-off rescheduled by the fire department administration when the employee returns to duty if it is possible to do so before the end of the calendar year. If the fire department administration is unable to reschedule all of the employee's remaining unused holiday time-off before the end of the calendar year, the employee shall be entitled to receive a lump-sum payment equivalent to the dollar value of the remaining unused holiday time-off at the end of the calendar year, computed on the basis of the employee's hourly base salary rate in effect at the time for which the holiday time-off was originally scheduled. This lump-sum payment shall be made as soon as is administratively practicable following the end of the calendar year. The lump-sum payment shall not be construed as being part of the employee's base salary and shall not be included in the computation of any fringe benefits. The lump-sum payment shall not have any sum deducted for pension benefits nor shall it be included in any computation establishing pension benefits or payments. When authorized by the fire department administration, an employee may elect to carry over into the next succeeding calendar year any remaining unused holiday time-off that the fire department administration was unable to reschedule by the end of the calendar year, instead of the lump-sum payment provided for in this subparagraph. The scheduling of carried-over holiday time-off shall be subject to availability of the dates requested by the employee, require prior approval by the employee's supervisor and in no way affect the scheduling of other employee holiday time-off.
- c. Computation. For purposes of computation of benefits under par. a and b, an employee on the fire department payroll for at least 14 days in a calendar month shall be deemed as having been on the fire department payroll for the full calendar month. If the employee is on the fire department payroll for less than 14 days in a calendar month, exclusive of any mandatory furlough time, the employee shall be deemed as not having been on the payroll at all during the calendar month.

Section 2. Section 350-3-1 of the code is amended to read:

350-3. Uniform Overtime Policies.

1. CASH OR COMPENSATORY TIME. The determination as to whether overtime shall be taken as cash or compensatory time shall be made by each department head in consultation with the budget and management division. Department heads shall notify employees of whether cash or compensatory time-off is being offered for overtime worked prior to the actual work being performed. If notification is not provided that compensatory time is being offered for overtime worked, cash shall be paid for the overtime worked. >>The accumulated credit for each employee at no time shall exceed 120 hours worked which is equivalent on a time and one-half basis to 180 hours to be taken off.<<

Section 3. Section 350-35-5-a of the code is amended to read:

350-35. Leave of Absence Policies.

5. FUNERAL LEAVE. a. Immediate Family. Unless stated otherwise in a certified collective bargaining agreement while it is in force and in effect, funeral leave shall cover necessary absence from duty of a city employee because of death in the immediate family of the employee. "Immediate family" is defined as husband or wife, child, stepchild, brother, sister, parent, stepparent, mother-in-law, father-in-law, brother-in-law, sister-in-law or grandchild of the employee. "Brother-in-law" and "sister-in-law" includes a spouse's sibling's spouse. "Immediate family" includes stepparents and stepchildren by virtue of the employee's current spouse. Eligibility to use stepparent funeral leave benefits shall be limited to one stepmother and one stepfather regardless of the number of stepparents. "Immediate family" also includes an employee's domestic partner, if the domestic partnership is registered with the department of employee relations under s. 350 245 or was registered with the city clerk as provided in s. 111-3 in effect prior to October 30, 2009. In the case of a death in the immediate family, an employee working a regular or alternative work schedule may be granted a leave of absence not to exceed 3 8-hour work days with pay >> an employee regularly working 24-hour shifts may be granted a leave of absence not to exceed 2 24-hour days with pay<<. These work days shall be limited to work days falling within the 10 consecutive calendar-day period that begins on the day of death. One day with pay may be used to attend the funeral of a grandparent of the employee. If funeral leave coincides with any mandatory furlough dates, the mandatory furlough time shall be rescheduled as approved by the department head.

Section 4. Section 350-37-2 of the code is repealed and recreated to read:

350-37. Sick and Disability Leave.

2. ACCUMULATIVE BASIS. a. General City Employee. Every permanent employee shall be granted sick and disability leave with pay at the rate of 3.7 work hours for each 2 weeks of active service. The unused balance of sick and disability leave allowance shall be accumulated to the employee's credit up to 120 working days or 960 hours. Employees having accumulated a balance of greater than 960 hours as of January 1, 2012, shall be allowed to retain their balance but shall not be granted additional leave until their balance falls below 960 hours.

b. Nonrepresented, Noncivilian Police and Fire Management Employees Working 40-Hour Week. Nonrepresented, noncivilian police and fire management employees working a 40-hour week shall be granted sick and disability leave with pay at the rate of 1.25 working days for each month of active service or 4.6 work hours for each 2 weeks of active service.

c. Nonrepresented, Noncivilian Fire Management Employees Working 24-Hour Shifts. Nonrepresented, noncivilian fire management employees working a 24-hour shift shall be granted sick and disability leave with pay at 0.5833 of one work shift for each calendar month of active service.

d. Public Officials, Director of Administration and Director of Employee Relations. In addition to the normal sick leave benefits to which employees are entitled under this section, public officials appointed under s. 62.51, Wis. Stats., the director of administration and the director of employee relations shall be credited with a special sick leave account of 30 sick leave days. This special account shall be available for use until such time as 30 regular sick leave days have accrued in the normal sick leave account. As normal sick leave account days accrue, the special sick leave account shall be reduced accordingly. Unused days in the special sick leave accounts shall not be considered in the computation of any applicable benefits, including pension benefits, retirement health insurance benefits, terminal leave benefits or sick leave incentive pay benefits.

Section 5. Section 350-145 of the code is repealed.

LRB
APPROVED AS TO FORM

Legislative Reference Bureau

Date: _____

Attorney

IT IS OUR OPINION THAT THE ORDINANCE
IS LEGAL AND ENFORCEABLE

Office of the City Attorney

Date: _____

Requestor

Department of Employee Relations

Drafter

LRB138033-2

Mary E. Turk

3/27/2012

..Number

111591

..Version

PROPOSED SUBSTITUTE A

..Reference

..Sponsor

THE CHAIR

..Title

A substitute ordinance revising provisions of the code relating to employee regulations and benefits for purposes of correcting errors, clarifying language and eliminating obsolete provisions.

..Sections

350-2-2 rc

350-3-1 am

350-35-5-a am

350-37-2 rc

350-145 rp

..Analysis

This ordinance revises certain provisions of the code relating to employee regulations and benefits for purposes of correcting errors, clarifying language and eliminating obsolete provisions.

..Body

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Section 350-2-2 of the code is repealed and recreated to read:

350-2. Holidays, General Provisions.

2. FIRE DEPARTMENT. a. Fire Equipment Dispatchers and Fire Dispatch Supervisors. Fire equipment dispatchers and fire dispatch supervisors shall receive 11 days off per calendar year in lieu of holidays or holiday pay, earned at the rate of 0.9167 days for each calendar month of active service during that calendar year. This holiday time-off shall be taken in the calendar year in which it was earned.

b. Employees Working 24-Hour Shifts.

b-1. Holiday Compensation. An employee working 24-hour shifts shall receive 24 hours off per calendar year in lieu of holidays or holiday pay, earned at a rate of 2 hours per month. This holiday time-off shall be taken in the calendar year in which it was earned.

b-2. Unused Holiday Compensation. An employee on authorized injury leave as a result of a duty-incurred injury may use holiday time-off scheduled during the period of such leave provided the employee notifies his or her supervisor orally of this fact prior to the start of the holiday time-off. An employee on authorized injury leave as a result of a duty-incurred injury not using holiday time-off scheduled during the period of the employee's leave, because he or she did not make a request for it, shall have his or her unused holiday time-off rescheduled by the

fire department administration when the employee returns to duty if it is possible to do so before the end of the calendar year. If the fire department administration is unable to reschedule all of the employee's remaining unused holiday time-off before the end of the calendar year, the employee shall be entitled to receive a lump-sum payment equivalent to the dollar value of the remaining unused holiday time-off at the end of the calendar year, computed on the basis of the employee's hourly base salary rate in effect at the time for which the holiday time-off was originally scheduled. This lump-sum payment shall be made as soon as is administratively practicable following the end of the calendar year. The lump-sum payment shall not be construed as being part of the employee's base salary and shall not be included in the computation of any fringe benefits. The lump-sum payment shall not have any sum deducted for pension benefits nor shall it be included in any computation establishing pension benefits or payments. When authorized by the fire department administration, an employee may elect to carry over into the next succeeding calendar year any remaining unused holiday time-off that the fire department administration was unable to reschedule by the end of the calendar year, instead of the lump-sum payment provided for in this subparagraph. The scheduling of carried-over holiday time-off shall be subject to availability of the dates requested by the employee, require prior approval by the employee's supervisor and in no way affect the scheduling of other employee holiday time-off.

c. Computation. For purposes of computation of benefits under par. a and b, an employee on the fire department payroll for at least 14 days in a calendar month shall be deemed as having been on the fire department payroll for the full calendar month. If the employee is on the fire department payroll for less than 14 days in a calendar month, exclusive of any mandatory furlough time, the employee shall be deemed as not having been on the payroll at all during the calendar month.

Section 2. Section 350-3-1 of the code is amended to read:

350-3. Uniform Overtime Policies.

1. CASH OR COMPENSATORY TIME. The determination as to whether overtime shall be taken as cash or compensatory time shall be made by each department head in consultation with the budget and management division. Department heads shall notify employees of whether cash or compensatory time-off is being offered for overtime worked prior to the actual work being performed. If notification is not provided that compensatory time is being offered for overtime worked, cash shall be paid for the overtime worked. >>The accumulated compensatory time credit for each employee at no time shall exceed 180 hours of banked compensatory time, which is equivalent on a time and one-half basis to 120 hours worked.<<

Section 3. Section 350-35-5-a of the code is amended to read:

350-35. Leave of Absence Policies.

5. FUNERAL LEAVE. a. Immediate Family. Unless stated otherwise in a certified collective bargaining agreement while it is in force and in effect, funeral leave shall cover necessary absence from duty of a city employee because of death in the immediate family of the employee. "Immediate family" is defined as husband or wife, child, stepchild, brother, sister, parent, stepparent, mother-in-law, father-in-law, brother-in-law, sister-in-law or grandchild of the employee. "Brother-in-law" and "sister-in-law" includes a spouse's sibling's spouse. "Immediate family" includes stepparents and stepchildren by virtue of the employee's current spouse. Eligibility to use stepparent funeral leave benefits shall be limited to one stepmother and one stepfather regardless of the number of stepparents. "Immediate family" also includes an employee's domestic partner, if the domestic partnership is registered with the department of employee relations under s. 350 245 or was registered with the city clerk as provided in s. 111-3 in effect prior to October 30, 2009. In the case of a death in the immediate family, an employee working a regular or alternative work schedule may be granted a leave of absence not to exceed 3 8-hour work days with pay >>: an employee regularly working 24-hour shifts may be granted a leave of absence not to exceed 2 24-hour work days with pay<<. These work days shall be limited to work days falling within the 10 consecutive calendar-day period that begins on the day of death. One day with pay may be used to attend the funeral of a grandparent of the employee. If funeral leave coincides with any mandatory furlough dates, the mandatory furlough time shall be rescheduled as approved by the department head.

Section 4. Section 350-37-2 of the code is repealed and recreated to read:

350-37. Sick and Disability Leave.

2. ACCUMULATIVE BASIS. a. General City Employee. Every permanent employee shall be granted sick and disability leave with pay at the rate of 3.7 work hours for each 2 weeks of active service. The unused balance of sick and disability leave allowance shall be accumulated to the employee's credit up to 120 working days or 960 hours. Employees having accumulated a balance of greater than 960 hours as of January 1, 2012, shall be allowed to retain their balance but shall not be granted additional leave until their balance falls below 960 hours.

b. Nonrepresented, Noncivilian Police and Fire Management Employees Working 40-Hour Week. Nonrepresented, noncivilian police and fire management employees working a 40-hour week shall be granted sick and disability leave with pay at the rate of 1.25 working days for each month of active service or 4.6 work hours for each 2 weeks of active service.

c. Nonrepresented, Noncivilian Fire Management Employees Working 24-Hour Shifts. Nonrepresented, noncivilian fire management employees working a 24-hour shift shall be granted sick and disability leave with pay at 0.5833 of one work shift for each calendar month of active service.

d. Appointed Public Officials. In addition to the normal sick leave benefits to which employees are entitled under this section, public officials appointed under

s. 62.51, Wis. Stats., shall be credited with a special sick leave account of 30 sick leave days. This special account shall be available for use until such time as 30 regular sick leave days have accrued in the normal sick leave account. As normal sick leave account days accrue, the special sick leave account shall be reduced accordingly. Unused days in the special sick leave accounts shall not be considered in the computation of any applicable benefits, including pension benefits, retirement health insurance benefits, terminal leave benefits or sick leave incentive pay benefits.

Section 5. Section 350-145 of the code is repealed.

..LRB
APPROVED AS TO FORM

Legislative Reference Bureau

Date: _____

..Attorney

IT IS OUR OPINION THAT THE ORDINANCE
IS LEGAL AND ENFORCEABLE

Office of the City Attorney

Date: _____

..Requestor

Department of Employee Relations

..Drafter

LRB138033-3

Mary E. Turk

4/2/2012



Legislation Details (With Text)

File #: 111669 **Version:** 0

Type: Communication **Status:** In Committee

File created: 3/20/2012 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Communication from the Department of Employee Relations relating to the 2012 Salary Ordinance.

Sponsors: THE CHAIR

Indexes: DEPARTMENT OF EMPLOYEE RELATIONS, SALARY ORDINANCE

Attachments: Communication, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
3/20/2012	0	COMMON COUNCIL	ASSIGNED TO		

Number
111669
Version
ORIGINAL
Reference

Sponsor
THE CHAIR
Title

Communication from the Department of Employee Relations relating to the 2012 Salary Ordinance.

Requestor

Drafter
CC-CC
tb
4/2/12



Department of Employee Relations

Tom Barrett
Mayor

Maria Monteagudo
Director

Michael Brady
Employee Benefits Director

Troy M. Hamblin
Labor Negotiator

April 2, 2012

To The Honorable
Finance and Personnel Committee
Common Council
City of Milwaukee

Dear Committee Members:

SUBJECT: Additional Changes to 2012 Salary Ordinance Part I & II

Attached please find a list of recommended changes to the Salary Ordinance. The changes have been identified and recommended as a result of our ongoing review of the Ordinance.

Changes to Part 1 of Salary Ordinance

1. Edit footnotes for ALEASP positions to include a minimum and maximum of range and delete specific pay steps. This is consistent with salary ordinance changes approved for other employee groups.

Typical Footnote language:

Employees represented by the Association of Law Enforcement Allied Services Personnel to be paid in the following range effective Pay Period 1, 2006: "minimum" to "maximum."

Includes these pay ranges/titles:

- 2AN GRAPHIC DESIGNER I
- 2BN GRAPHIC DESIGNER II
- 3BN AUDIOVISUAL SPECIALIST I, COMPUTER OPERATOR I, MICROFILM TECHNICIAN I
- 3CN AUDIOVISUAL SPECIALIST II, COMPUTER OPERATOR II
- 5EN ACCOUNTING ASSISTANT III, OFFICE COORDINATOR I, POLICE SERVICES SPECIALIST-INVESTIGATOR
- 6CN OFFICE ASSISTANT I, OFFICE CLERK I
- 6DN DATA ENTRY OPERATOR I
- 6EN OFFICE CLERK II, POLICE DISTRICT OFFICE ASSISTANT, TRANSCRIPTIONIST II, OFFICE ASSISTANT II
- 6NN POLICE DISPATCHER
- 7FN PRINTER

2. Add the following language to all footnotes that currently provide pay steps for emergency or temporary appointments in the Department of Public Works. This additional language which directs how a rate is calculated for an emergency or temporary appointment, as well as the progression to a higher step after 2080 hours, is added to codify current practice and will be studied by Employee Relations at a future date. In all cases pay step advancement remains frozen.

Current Language:

An employee given an emergency appointment to this title to be paid these rates: "pay steps are listed here."

Proposed Language:

"An employee given an emergency appointment to this title to be paid these rates: 'pay steps are listed here.' **The appointment shall be at a pay rate that is at least \$10 more biweekly than the employee was receiving. An employee who reaches 2080 hours of work in at a pay rate shall advance to the next higher rate.**"

Includes these pay ranges/titles:

- 3HN MAINTENANCE TECHNICIAN II, SEWER MAINTENANCE SCHEDULER
- 3LN DRIVER TRAINING INSTRUCTOR
- 3NN URBAN FORESTRY TECHNICIAN
- 6IN LEAD PARKING CHECKER
- 6KN COMMUNICATIONS ASSISTANT V
- 7CN EQUIPMENT MECHANIC II, EQUIPMENT MECHANIC III
- 7EN EQUIPMENT MECHANIC IV
- 7FN LEAD EQUIPMENT MECHANIC, VEHICLE SERVICES TECHNICIAN-HEAVY
- 7GN AUTOMOTIVE MECHANIC LEAD WORKER
- 7HN FIELD SERVICE MECHANIC, WATER DEPARTMENT BLACKSMITH
- 7IN URBAN FORESTRY CREW LEADER
- 8EN CUSTODIAL WORKER III, LABORER (ELECTRICAL SERVICES), SEWER LABORER I, WATER DISTRIBUTION LABORER
- 8FN CEMENT FINISHER HELPER, GARAGE CUSTODIAN, INFRASTRUCTURE REPAIR WORKER, SEWER LABORER II, SPECIAL FLEET SERVICES LABORER, TRAFFIC SIGN WORKER I
- 8GN SEWER CREW LEADER I, SPECIAL LABORER (ELECTRICAL SERVICES), UTILITY WORKER (ELECTRICAL SERVICES)
- 8HN SEWER CREW LEADER II, SEWER FIELD INVESTIGATOR
- 8IN BRIDGE OPERATOR LEADWORKER, INFRASTRUCTURE REPAIR CREW LEADER, WATER DISTRIBUTION REPAIR WORKER II, WATER DISTRIBUTION UTILITY WORKER
- 8JN SEWER EXAMINER III
- 8KN OPERATIONS DRIVER/WORKER, SEWER REPAIR CREW LEADER

Changes to Part II of the Salary Ordinance

1. Sec 5. Salary Adjustments, e. Transfers – The proposed language expands the Sections of the Ordinance and titles that would now be eligible to request a 3% salary adjustment for transferring within a pay range. These requests are subject to approval by the Department of Employee Relations and the Chair of the Committee on Finance and Personnel.

Current

e. Transfers: City Departments may request a 3% salary adjustment for employees voluntarily transferring to positions allocated to Section I, Officials and Administrators or Section II, Professionals, subject to approval of the Department of Employee Relations and the Chair of the Committee on Finance and Personnel. Transfers under this section are defined as the appointment to a position within the Official and Administrators or Professionals Sections within the same salary grade. Employees receiving a 3% salary adjustment under this provision shall receive a new salary anniversary date. The salary of an employee who voluntarily transfers back to the position originally held will be decreased by 3%. This provision shall only apply to voluntary transfers within a department to a different classification or the same classification with significantly different responsibilities or voluntary transfers between departments into the same or different classification.

Proposed

e. Transfers: City Departments may request a 3% salary adjustment for employees voluntarily transferring to positions allocated to Section I, Officials and Administrators or Section II, Professionals, **Section III-Technicians, Section V-Paraprofessionals, Section VI-Administrative Support, Section VII-Skilled Craft, Section VIII-Service and Maintenance** subject to approval of the Department of Employee Relations and the Chair of the Committee on Finance and Personnel. Transfers under this section are defined as the appointment to a position within **the same pay range or to a pay range with the same rates of pay**. Employees receiving a 3% salary adjustment under this provision shall receive a new salary anniversary date. The salary of an employee who voluntarily transfers back to the position originally held will be decreased by 3%. This provision shall only apply to voluntary transfers within a department to a different classification or the same classification with significantly different responsibilities or voluntary transfers between departments into the same or different classification **as defined above**.

2. Sec 11. Supplemental Pay Practices f. Shift Differential – Clarify language as follows:

Current

f. Shift Differential: Employees holding positions classified as non-exempt under the FLSA whose hours of work occur between the time period beginning at 5:00 p.m. and ending at 5:00 a.m. shall receive, in addition to base salary, a shift differential of \$.45 per hour. To be eligible for shift differential, the employee shall be required to work not less than 4 hours of his or her regular workday within this time frame, and when the employee satisfies that requirement, the employee's entire workday shall be compensated at a rate that includes the shift differential. Eligible employees in the Department of Public Works whose workday begins after 1:00 a.m. and before 4:00 a.m. shall be eligible to receive the shift differential for all hours worked.

Shift differential shall be paid for all hours for which an employee would have received a regular shift assignment but for the fact that the employee was on vacation, holiday, sick leave, or funeral leave. In no case shall an employee receive both shift and weekend differential rates for the same hours worked. Shift and weekend differential shall be paid for no more than 40 hours worked, including holidays.

Proposed

f. Shift Differential: Employees holding positions classified as non-exempt under the FLSA whose hours of work occur between the time period beginning at 5:00 p.m. and ending at 5:00 a.m. shall receive, in addition to base salary, a shift differential of \$.45 per hour. To be eligible for shift differential, the employee shall be required to work not less than 4 hours of his or her **workday** within this time frame, and when the employee satisfies that requirement, the employee's entire workday shall be compensated at a rate that includes the shift differential. Eligible employees in the Department of Public Works whose workday begins after 1:00 a.m. and before 4:00 a.m. shall be eligible to receive the shift differential for all hours worked.

Shift differential shall be paid for all hours for which an employee would have received a regular shift assignment but for the fact that the employee was on vacation, holiday, sick leave, or funeral leave. In no case shall an employee receive both shift and weekend differential rates for the same hours worked. Shift differential shall be paid for no more than 40 hours worked, including holidays.

3. Sec 11. Supplemental Pay Practices g. Snow and Ice Control Operations – Clarify language as follows:

Current

g. Snow and Ice Control Operations: bonus payments for support personnel in the Operations Division, Fleet Services Section who work during Snow and Ice Control Operations. Support personnel in the Operations Division, Fleet Services Section shall receive a one (\$1) dollar per hour premium for all time worked in excess of eight (8) hours in one 24 hour day worked during snow and ice control operations. These bonus payments shall also be paid to support personnel in the Fleet Services Repairs Unit at the Central Repair Garage for all time worked in excess of eight (8) hours in one 24 hour day worked repairing snow plow blades and to Repairs Unit personnel time worked in excess of eight (8) hours in one 24 hour day worked on a snow related assignment during the winter season. These support personnel shall be Operations Division employees in the Fleet Services Section, Stock Room or Tire Shop employees in the Administration Section or Garage Attendants, Garage Custodians, Field Service Mechanics, Communications Assistants III or IV in the Operations Section, or Driving Training Instructors.

Proposed

g. Snow and Ice Control Operations: bonus payments for support personnel in the Operations Division, Fleet Services Section who work during Snow and Ice Control Operations. Support personnel in the Operations Division, Fleet Services Section shall receive a one (\$1) dollar per hour premium for all time worked **outside of their normal schedule during snow and ice control operations**. These bonus payments shall also be paid to support personnel in the Fleet Services Repairs Unit at the Central Repair Garage for all time worked outside of their normal schedule repairing snow plow blades and to Repairs Unit personnel time **worked outside of their normal schedule** on a

snow related assignment during the winter season. These support personnel shall be Operations Division employees in the Fleet Services Section, Stock Room or Tire Shop employees in the Administration Section or Garage Attendants, Garage Custodians, Field Service Mechanics, Communications Assistants III or IV in the Operations Section, or Driving Training Instructors.

4. Sec 11. Supplemental Pay Practices i. Weekend Differential – Clarify language as follows:

Current

i. Weekend Differential: Employees holding positions classified as non-exempt under the FLSA shall receive fifty cents (\$.50) per hour for regularly scheduled Saturday work and sixty cents (\$.60) per hour for scheduled Sunday work. In no case shall an employee receive both shift and weekend differential rates for the same hours worked. Weekend differential shall be paid for all hours for which an eligible employee would have received the differential but for the fact that the employee was on vacation, holiday, sick leave, or funeral leave. Shift and weekend differential shall be paid for no more than 40 hours worked, including holidays.

Proposed

i. Weekend Differential: Employees holding positions classified as non-exempt under the FLSA shall receive fifty cents (\$.50) per hour for scheduled Saturday work and sixty cents (\$.60) per hour for scheduled Sunday work. In no case shall an employee receive both shift and weekend differential rates for the same hours worked. Weekend differential shall be paid for all hours for which an eligible employee would have received the differential but for the fact that the employee was on vacation, holiday, sick leave, or funeral leave. Weekend differential shall be paid for no more than 40 hours worked, including holidays.

5. Revise Titles in Section 1. Organization to match Part 1 Titles to include: Officials and Administrators; Professionals; Technicians; Protective Service; Paraprofessionals; Administrative Support; Skilled Craft; Service and Maintenance; Hourly, Part-time, Intermittent Positions, Boards and Commissions, Elected Officials.
6. Sec 3. Salary at Time of Appointment b. Recruitment for Officials and Administrators (Section I) and Professionals (Section II) – clarify language

Current

b. Recruitment for Officials and Administrators (Section I) and Professionals (Section II): In the event it becomes necessary to recruit at a rate above the minimum for positions classified as Officials and Administrators and Professionals, recruitment may be authorized at a rate up to 60% of the salary grade with the approval of the Department of Employee Relations and the Chair of the Committee on Finance and Personnel. A listing of appointments made pursuant to this provision shall be communicated to the Committee on Finance and Personnel.

Proposed

b. Recruitment for Officials and Administrators (Section I) and Professionals (Section II): In the event it becomes necessary to recruit at a rate above the minimum for positions classified as Officials and Administrators and Professionals, recruitment may be authorized at a rate up to 60% **above the minimum** of the salary grade with the

approval of the Department of Employee Relations and the Chair of the Committee on Finance and Personnel. A listing of appointments made pursuant to this provision shall be communicated to the Committee on Finance and Personnel.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Monteagudo', with a long, sweeping flourish extending to the right.

Maria Monteagudo
Employee Relations Director



Legislation Details (With Text)

File #: 111544 **Version:** 1

Type: Resolution **Status:** In Committee

File created: 3/20/2012 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Substitute resolution authorizing carryover of certain fund balances from 2011 to 2012 in accordance with Section 65.07(1)(p), Wisconsin Statutes.

Sponsors: THE CHAIR

Indexes: BUDGET

Attachments: REVISED Exhibit A (2011 to 2012) 4-3-12, REVISED Fiscal Impact Statement 4-3-12, Budget and Management Division Response, Fiscal Impact Statement, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
3/20/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number:
111544
Version:
SUBSTITUTE
Reference:

Sponsor:
THE CHAIR
Title:

Substitute resolution authorizing carryover of certain fund balances from 2011 to 2012 in accordance with Section 65.07(1)(p), Wisconsin Statutes.

Analysis:

The Common Council annually authorizes the carryover of certain available fund balances to permit achieving or completing a previously authorized and funded purposes, programs, projects, or equipment purchases. This resolution authorizes the City Comptroller to carry over the accounts enumerated in Exhibit A, which is attached to this file.

Body:

Whereas, It has been the practice of the Mayor and the Common Council of the City of Milwaukee to maintain as low a tax rate as is possible, consistent with the standard of services requested by the citizens of Milwaukee; and

Whereas, The authorization to carry over certain available fund balances to permit achieving or completing a previously authorized and funded purpose, program, project, or equipment purchase is

in the best interests of the City and assists in reducing the amounts that must be levied on taxable property in the City of Milwaukee; and

Whereas, The Budget and Management Division and the Committee on Finance and Personnel have reviewed 2011-2012 carryover requests and recommend in this resolution those carryovers which appear to be in compliance with Section 65.07(1)(p), Wisconsin State Statutes, Capital Guidelines, Grant and Aid Guidelines, Community Development Agency Guidelines, and other prudent criteria; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee that it hereby authorizes and directs the City Comptroller to carry over the accounts enumerated in Exhibit A (attached to this file) in the amounts set forth in the recommended column; and, be it

Further Resolved, That the City Comptroller is hereby authorized and directed to close out each Capital Purpose Account in accordance with the requirements of Common Council Resolution File Number 031033, et.al., Section V; and, be it

Further Resolved, That the departments affected by this resolution are hereby authorized to expend the carried over funds in accordance with the intent of the original appropriations; and, be it

Further Resolved, That each amount indicated for carryover for Special Ledger accounts is the maximum balance that can be carried over to 2012. Any balance over those amounts indicated are to revert to the Tax Stabilization Fund, in accordance with Section 304-29-3, Milwaukee Code of Ordinances; and, be it

Further Resolved, That Notwithstanding the above authorizations, that if the Comptroller, at the time of transferring this money to the succeeding year's appropriations, determines that any of the above authorized funds exceeds that three-year carryover authorization, the Comptroller is hereby directed to close the funds in excess of the three-year authorization to the appropriate close-out account.

Requestor:

DOA Budget and Management Division

Drafter:

EP

Reference: 12006

March 28, 2012

I:\BUDGET\12Budget\carryovers (2011 funds)\ carryover resolution 2011 to 2012.rtf

EXHIBIT A (REVISED 4/3/12)
AMOUNTS AND AFFECTED ACCOUNTS TO BE CARRIED OVER FROM 2011 TO 2012
IN ACCORDANCE WITH SECTION 65.07(1)(p), WISCONSIN STATE STATUTES

File No: 111544

NOTE: Each amount identified with an asterisk (*) is the estimated balance in the account. In such cases, the intent is to carry over the full balance. Each amount without an asterisk (*) is the maximum specific amount to be carried over regardless of the remaining balance.

Amounts for department totals and amount recommended cells may not total due to rounding.

Appropriations, expenditures and balances listed, in most cases, reflect the activity of the entire account with the exception of equipment items. Appropriations shown include any fund transfers, Contingent Fund appropriations, or previous carryovers occurring during 2011. ENCUMBRANCES ARE NOT LISTED.

The amounts listed under the unencumbered balance and the amount recommended columns were obtained as of March 22, 2012.

<u>DEPARTMENT NAME</u>	<u>ACCOUNT NUMBER</u>	<u>ACCOUNT NAME</u>	<u>DESCRIPTION</u>	<u>APPROPRIATION</u>	<u>EXPENDITURE</u>	<u>UNENCUMBERED BALANCE</u>	<u>AMOUNT REQUESTED</u>	<u>AMOUNT RECOMMENDED</u>	<u>Change</u>
						<u>Department of Administration</u>			
DOA	0001-1510-0001-R999-006300-2011	Operating	Delayed 2011 billing for annual software maintenance fees	\$770,378	\$544,960	\$225,417	\$78,908	\$78,908	\$0
DOA	0001-1510-0001-R999-006300-2011	Operating	Continue financial planning and actuarial review services	\$770,378	\$544,960	\$225,417	\$101,000	\$101,000	\$0
DOA	0001-1510-0001-R999-006300-2011	Operating	Provide funding for Management Intern program	\$770,378	\$544,960	\$225,417	\$0	\$45,000	\$45,000
DOA	0001-1510-0001-R157-006300-2011	Special Funds	Emerging Business Enterprise certification processing for new M/W/SBE program	\$55,229	\$8,850	\$46,379	\$46,379	\$46,379	\$0
DOA	0001-1510-0001-R158-006300-2011	Special Funds	Enterprise Resource Mgmt-Fund anticipated upgrades	\$1,186,000	\$915,301	\$270,698	\$270,698	\$270,698	\$0
DOA	0001-1510-0001-R159-006300-2011	Special Funds	Disparity Study - implement disparity study recommendations	\$54,576	\$0	\$54,576	\$54,576	\$54,576	\$0
Resolution	0001-9990-0001-S216-006300-2011	Special Purpose	Housing Trust Fund-carryover remaining balance to support projects	\$390,000	\$0	\$390,000	\$390,000	\$390,000	\$0
DOA	0001-1510-0001-D152-006300-2011	Contribution	Best Practices Review-DPW and FPC	\$21,500	\$5,800	\$15,700	\$15,700	\$15,700	*
DOA	0001-1510-0001-D153-006300-2011	Contribution	Solar America Cities-continue Milwaukee Shines solar program	\$203,033	\$100,000	\$103,033	\$103,034	\$103,033	*
Department of Administration Total				\$4,221,472	\$2,664,831	\$1,556,637	\$1,060,295	\$1,105,294	\$44,999
						<u>Unified Call Center</u>			
Unified Call Center	0001-1200-0001-R999-006300-2011	Operating	Fund IT Licensing expenses to avoid costs of annual fees	\$405,130	\$112,432	\$292,698	\$338,971	\$292,698	-\$46,273
Unified Call Center Total				\$405,130	\$112,432	\$292,698	\$338,971	\$292,698	-\$46,273
						<u>Assessor</u>			
Assessor	0001-2300-0001-R999-006000-2011	Salary	Retirement accounted for in 2012 budget did not occur requiring additional salary funds in 2012	\$2,764,870	\$2,583,020	\$181,850	\$111,778	\$24,500	-\$87,278
Assessor	0001-2300-0001-R248-006300-2011	Special Fund	Valuation System Maintenance changes relating to changes in state reporting requirements & hardware upgrades	\$76,320	\$60,308	\$16,012	\$16,000	\$16,000	\$0
Assessor Total				\$2,841,190	\$2,643,328	\$197,862	\$127,778	\$40,500	-\$87,278
						<u>City Attorney</u>			
City Attorney	0001-1490-0001-R999-006000-2011	Salaries	Workload requires funding of auxiliary position	\$4,869,561	\$4,816,646	\$52,915	\$52,915	\$52,915	*
City Attorney	0001-1490-0001-R999-006300-2011	Operating	Fund on-going uncompleted IT project to upgrade hardware and software platforms	\$438,000	\$416,760	\$21,240	\$20,908	\$20,908	\$0
City Attorney	0001-1490-0001-R999-006800-2011	Equipment	Complete IT project to upgrade hardware and consolidate servers	\$79,000	\$60,724	\$18,276	\$19,664	\$18,276	*
City Attorney	0001-1490-0001-S118-006300-2011	Special Purpose	Damages & Claims Fund-fund potential exposure to on-going lawsuits	\$1,709,281	\$1,083,887	\$625,393	\$625,393	\$625,393	*
City Attorney Total				\$7,095,842	\$6,378,017	\$717,824	\$718,880	\$717,492	-\$1,388
						<u>City Clerk</u>			
City Clerk	0001-1310-0001-R999-006300-2011	Operating	Service contract for consulting and planning for downtown streetcar	\$804,804	\$728,592	\$76,212	\$7,261	\$7,261	\$0
City Clerk	0001-1310-0001-R121-006300-2011	Special Fund	Expense Fund for Common Council President	\$11,656	\$2,890	\$8,766	\$8,766	\$8,766	*
City Clerk	0001-1310-0001-R129-006800-2011	Special Fund	Legistar enhancements planned for 2011 but were delayed	\$20,000	\$12,159	\$7,841	\$7,841	\$7,841	*
City Clerk	0001-1310-0001-S123-006300-2011	Special Purpose	Fund ongoing initiatives to support small business growth	\$20,000	\$7,378	\$12,622	\$12,622	\$12,622	*
City Clerk	0001-1310-0001-D132-006300-2011	Contribution	City Hall Exhibit Work	\$804	\$0	\$804	\$804	\$804	*
City Clerk Total				\$857,264	\$751,019	\$106,245	\$37,294	\$37,294	\$0
						<u>Municipal Court</u>			
Municipal Court	0001-1320-0001-R132-006300-2011	Special Fund	Install AV monitors in courtrooms for evidence display, future video conferencing	\$10,000	\$3,518	\$6,482	\$6,482	\$6,482	*
Municipal Court	0001-1320-0001-S155-006300-2011	Special Purpose	Municipal Court Intervention Program 2011 invoice	\$425,320	\$389,873	\$35,447	\$35,443	\$35,443	\$0
Municipal Court Total				\$435,320	\$393,391	\$41,929	\$41,925	\$41,925	\$0

<u>DEPARTMENT NAME</u>	<u>ACCOUNT NUMBER</u>	<u>ACCOUNT NAME</u>	<u>DESCRIPTION</u>	<u>APPROPRIATION</u>	<u>EXPENDITURE</u>	<u>UNENCUMBERED BALANCE</u>	<u>AMOUNT REQUESTED</u>	<u>AMOUNT RECOMMENDED</u>	<u>Change</u>	
						<u>Comptroller</u>				
Comptroller	0001-2110-0001-R999-006300-2011	Operating	Consulting services for internal audits	\$574,000	\$144,988	\$429,012	\$80,000	\$80,000	\$0	
Comptroller	0001-2110-0001-S111-006300-2011	Special Purpose	Care of Prisoners payment to County being withheld until billing dispute resolved	\$367,075	\$0	\$367,075	\$221,200	\$221,200	\$0	
Comptroller	0150-9990-0001-R999-000600-2011	Grant	Appropriation authority for grants received by the City	\$89,655,539	\$53,813,322	\$35,842,216	\$36,162,736	\$35,842,216	* -\$320,520	
Comptroller Total				\$90,596,614	\$53,958,310	\$36,638,303	\$36,463,936	\$36,143,416	-\$320,520	
						<u>City Treasurer</u>				
City Treasurer	0001-2210-0001-R999-006300-2011	Operating	Fund completion of tax bill imprinting and mailing and application reprogramming costs	\$699,768	\$569,556	\$130,211	\$6,051	\$6,051	\$0	
City Treasurer Total				\$699,768	\$569,556	\$130,211	\$6,051	\$6,051	\$0	
						<u>City Development</u>				
City Development	0001-1910-0001-R199-006300-2011	Special Fund	Fund maintenance, management and repair of foreclosed property inventory	\$61,144	\$35,257	\$25,887	\$25,887	\$25,887	* \$0	
City Development	0001-1910-0001-R194-006300-2011	Special Fund	Market Century City and Park East developments	\$26,185	\$19,419	\$6,766	\$6,766	\$6,766	* \$0	
City Development	0001-1910-0001-S150-006300-2011	Special Purpose	Fund increased costs for use of County Parks	\$116,281	\$99,166	\$17,116	\$17,116	\$17,116	* \$0	
City Development	0001-1910-0001-S151-006300-2011	Special Purpose	Pay remainder of Arts grant amounts still due to grantees	\$130,491	\$117,131	\$13,360	\$13,360	\$13,360	* \$0	
City Development	0001-1910-0001-D193-006300-2011	Contribution	Contributions used by Arts Board to promote the Arts	\$11,588	\$6,116	\$5,472	\$5,472	\$5,472	* \$0	
Department of City Development Total				\$345,689	\$277,089	\$68,601	\$68,601	\$68,601	\$0	
						<u>Department of Employee Relations</u>				
Employee Relations	0001-1650-0001-R999-006300-2011	Operating	Fund IT projects, including worker's compensation claims system modules, and computer, operating system and license upgrades	\$422,125	\$330,432	\$91,692	\$61,000	\$61,000	* \$0	
Employee Relations	0001-1650-0001-S171-006300-2011	Special Purpose	Fund 2011 tuition expenses not yet paid	\$750,000	\$709,929	\$40,071	\$53,000	\$17,000	* -\$36,000	
Employee Relations	0001-1650-0001-S172-006100-2011	Special Purpose	Fund special assessment charge not included in 2012 for Unemployment Comp	\$1,165,000	\$1,139,744	\$25,256	\$25,256	\$25,256	* \$0	
Employee Relations	0001-1650-0001-S176-006100-2011	Special Purpose	Cover volatility of workers compensation claims	\$13,530,035	\$11,103,517	\$2,426,518	\$1,500,000	\$1,000,000	* -\$500,000	
Employee Relations	0001-1650-0001-S104-006300-2011	Special Purpose	Fund increased cost for commuter value not included in 2012 budget	\$115,000	\$108,612	\$6,388	\$6,388	\$6,388	* \$0	
Employee Relations	0001-1650-0001-S101-006100-2011	Special Purpose	EHCB-Admin Expense-contingency reserve for self-insurance and lagged billings	\$6,705,806	\$6,667,730	\$38,076	\$38,174	\$38,076	* -\$98	
Employee Relations	0001-1650-0001-S114-006100-2011	Special Purpose	UHC Choice Plus-accruals, contingency reserve for self-insurance & lagged billings	\$21,982,330	\$18,192,492	\$3,789,838	\$3,786,642	\$3,786,642	* \$0	
Employee Relations	0001-1650-0001-S140-006100-2011	Special Purpose	UHC Choice "EPO"-Provide contingency reserve for self-insurance	\$114,014,058	\$111,113,165	\$2,900,893	\$2,909,891	\$2,900,893	* -\$8,998	
Employee Relations	0001-1650-0001-S121-006100-2011	Special Purpose	Dental Insurance-contingency reserve for self-insurance and lagged billings	\$2,236,056	\$1,917,162	\$318,894	\$318,893	\$318,893	* \$0	
Department of Employee Relations Total				\$160,920,410	\$151,282,783	\$9,637,626	\$8,699,244	\$8,154,148	-\$545,096	
						<u>Fire & Police Commission</u>				
FPC	0001-3100-0001-R999-006000-2011	Salaries	Fund unanticipated expenses in 2012: testing & recruitment; cubicle construction; purchase of testing software to match DER systems upgrade	\$726,237	\$642,669	\$83,568	\$83,568	\$83,568	\$0	
FPC	0001-3100-0001-R999-006300-2011	Operating	Hearing examiner and court reporter 2011 costs; Purchase exam instrument instead of developing exam internally	\$197,167	\$177,463	\$19,704	\$25,174	\$19,704	* -\$5,470	
FPC	0001-3100-0001-R312-006300-2011	Special Fund	Pre-Employment Screening-provide funding for uncertain 2012 expenses	\$77,600	\$71,787	\$5,813	\$5,813	\$5,813	\$0	
Fire & Police Commission Total				\$1,001,004	\$891,919	\$109,085	\$114,555	\$109,085	-\$5,470	
						<u>Fire Department</u>				
Fire	0001-3280-0001-R999-006000-2011	Salaries	Extend operation of one apparatus for entire year	\$69,695,682	\$68,693,157	\$1,002,524	\$396,043	\$396,000	-\$43	
Fire	0001-3280-0001-R999-006300-2011	Operating	Pay for 2011 invoices not yet paid	\$5,305,784	\$5,258,192	\$47,591	\$51,528	\$47,591	* -\$3,937	
Fire	0001-3280-0001-R999-006800-2011	Equipment	Fund vehicle purchases previously approved by Finance & Personnel Committee via fund transfer	\$374,779	\$100,974	\$273,805	\$273,805	\$273,805	\$0	
Fire	0001-3280-0001-R320-006800-2011	Special Fund	Fund replacement chairs for dispatchers not purchased in 2011	\$5,000	\$0	\$5,000	\$5,000	\$5,000	* \$0	
Fire	0001-3280-0001-R322-006300-2011	Special Fund	Fund replacement peripheral technology equipment not purchased in 2011	\$20,000	\$16,149	\$3,851	\$3,851	\$3,851	* \$0	
Fire	0001-3280-0001-R324-006300-2011	Special Fund	Fund replacement printer equipment not purchased in 2011	\$12,000	\$4,471	\$7,529	\$7,529	\$7,529	* \$0	
Fire	0001-3280-0001-R327-006300-2011	Special Fund	Fund replacement phone equipment not purchased in 2011	\$7,598	\$96	\$7,502	\$7,502	\$7,502	* \$0	
Fire	0001-3280-0001-R328-006300-2011	Special Fund	Fund replacement fax equipment not purchased in 2011	\$3,823	\$3,137	\$686	\$686	\$686	* \$0	
Fire	0001-3280-0001-R330-006300-2011	Special Fund	Fund replacement computer equipment not purchased in 2011	\$65,270	\$63,275	\$1,995	\$1,995	\$1,995	* \$0	
Fire	0001-3280-0001-D321-006000-2011	Contribution	Special Teams Training Operating Funds	\$165,551	\$83,405	\$82,147	\$82,147	\$82,147	* \$0	

<u>DEPARTMENT NAME</u>	<u>ACCOUNT NUMBER</u>	<u>ACCOUNT NAME</u>	<u>DESCRIPTION</u>	<u>APPROPRIATION</u>	<u>EXPENDITURE</u>	<u>UNENCUMBERED BALANCE</u>	<u>AMOUNT REQUESTED</u>	<u>AMOUNT RECOMMENDED</u>	<u>Change</u>	
Fire	0001-3280-0001-D321-006300-2011	Contribution	Special Teams Training Operating Funds	\$148	\$57	\$91	\$91	\$91	*	\$0
Fire	0001-3280-0001-D323-006800-2011	Contribution	Equipment Purchase Contribution Account	\$10,500	\$4,068	\$6,431	\$6,431	\$6,431	*	\$0
Fire	0001-3280-0001-D324-006000-2011	Contribution	Project Staying Alive Contribution Account Operating	\$181,466	\$114,672	\$66,794	\$66,794	\$66,794	*	\$0
Fire	0001-3280-0001-D324-006300-2011	Contribution	Project Staying Alive Contribution Account Operating	\$12,325	\$11,695	\$630	\$630	\$630	*	\$0
Fire	0001-3280-0001-D325-006800-2011	Contribution	Fire Suppression Equipment Contribution Account	\$12,469	\$2,259	\$10,210	\$10,210	\$10,210	*	\$0
Fire Department Total				\$75,872,395	\$74,355,607	\$1,516,786	\$914,242	\$910,262		-\$3,980
Health Department										
Health	0001-3810-0001-R999-006000-2011	Salaries	Fund necessary technology assessments and improvements, Nurse Family Partnership Training, clerical support at STD Clinic	\$7,226,371	\$6,725,844	\$500,527	\$158,000	\$158,000		\$0
Health	0001-3810-0001-R387-006300-2011	Special Fund	Support on-going domestic violence & sexual assault initiatives	\$26,599	\$6,036	\$20,563	\$20,563	\$20,563	*	\$0
Health	0001-3810-0001-R391-006300-2011	Special Fund	2011 maintenance and hardware/software replacement projects not completed	\$95,000	\$93,050	\$1,950	\$2,035	\$1,950	*	-\$85
Health	0001-3810-0001-D382-006300-2011	Contribution	STD Medications Contribution Acct	\$18,098	\$2,930	\$15,168	\$15,168	\$15,168	*	\$0
Health	0001-3810-0001-D386-006300-2011	Contribution	Infant Mortality Prevention Contribution Account	\$110,369	\$93,171	\$17,198	\$17,199	\$17,198	*	-\$1
Health	0001-3810-0001-D387-006300-2011	Contribution	Immunization Symposium Contribution Account	\$22,538	\$10,988	\$11,550	\$11,551	\$11,550	*	-\$1
Health	0001-3810-0001-D388-006300-2011	Contribution	Back to School Health Fair Contribution Account	\$78,371	\$58,985	\$19,386	\$19,387	\$19,386	*	-\$1
Health	0001-3810-0001-D389-006300-2011	Contribution	Office of Violence Prevention Contribution Account	\$100	\$0	\$100	\$100	\$100	*	\$0
Health	0001-3810-0001-D390-006300-2011	Contribution	Emergency Response Contribution Account	\$5,500	\$0	\$5,500	\$5,500	\$5,500	*	\$0
Health	0001-3810-0001-D391-006300-2011	Contribution	TB Clinic Activities Contribution Account	\$820	\$0	\$820	\$820	\$820	*	\$0
Health Department Total				\$7,583,766	\$6,991,004	\$592,762	\$250,323	\$250,235		-\$88
Library										
Library	0001-8610-0001-R999-006000-2011	Salaries	Fund programming marketing while Marketing position is vacant	\$12,135,476	\$11,531,836	\$603,640	\$25,000	\$25,000		\$0
Library	0001-8610-0001-D862-006300-2011	Contribution	Milwaukee Public Library Foundation Contributions for Training and Programming	\$215,954	\$213,606	\$2,348	\$2,348	\$2,348	*	\$0
Library	0001-8610-0001-D862-006800-2011	Contribution	Milwaukee Public Library Foundation Contributions for Materials	\$455,922	\$394,107	\$61,814	\$61,814	\$61,814	*	\$0
Library Total				\$12,807,352	\$12,139,549	\$667,802	\$89,162	\$89,162		\$0
Neighborhood Services										
Neighborhood Services	0001-3600-0001-R999-006000-2011	Salaries	Fund Special Enforcement Inspector no longer funded by CDBG	\$8,604,585	\$8,264,017	\$340,568	\$84,000	\$84,000		\$0
Neighborhood Services	0001-3600-0001-R384-006300-2011	Special Fund	Fund higher overhead costs associated with staff increase and reorganization	\$1,734,000	\$1,723,697	\$10,303	\$10,300	\$10,300		\$0
Neighborhood Services	0001-3600-0001-S137-006300-2011	Special Purpose	Mitigate 2012 reduction in graffiti abatement funding	\$170,000	\$136,189	\$33,811	\$33,800	\$33,800	*	\$0
Neighborhood Services	0001-3600-0001-S162-006300-2011	Special Purpose	Seven demolition projects not completed in 2011	\$1,206,281	\$1,046,314	\$159,967	\$159,966	\$159,966	*	\$0
Neighborhood Services Total				\$11,714,866	\$11,170,217	\$544,649	\$288,066	\$288,066		\$0
Police Department										
Police - Admin	0001-3310-0001-D335-006300-2011	Contribution	Metro Drug Unit Contributions	\$34,846	\$24,108	\$10,738	\$10,738	\$10,738	*	\$0
Police - Admin	0001-3310-0001-D348-006300-2011	Contribution	Regional Training Center Contributions	\$11,187	\$6,979	\$4,208	\$4,208	\$4,208	*	\$0
Police - Admin	0001-3310-0001-D348-006800-2011	Contribution	Regional Training Center Contributions	\$30,117	\$0	\$30,117	\$30,117	\$30,117	*	\$0
Police - Admin	0001-3310-0001-D356-006300-2011	Contribution	Canine contributions from the Greater Milwaukee Foundation	\$3,945	\$1,945	\$2,000	\$2,000	\$2,000	*	\$0
Police - Admin	0001-3310-0001-D361-006300-2011	Contribution	Operation Impact Contributions	\$17,244	\$3,034	\$14,209	\$14,209	\$14,209	*	\$0
Police - Admin	0001-3310-0001-D362-006300-2011	Contribution	2009 Asset Forfeiture Funds	\$149,453	\$129,050	\$20,403	\$20,403	\$20,403	*	\$0
Police - Admin	0001-3310-0001-D362-006800-2011	Contribution	2009 Asset Forfeiture Funds	\$199,142	\$7,435	\$191,707	\$191,707	\$191,707	*	\$0
Police - Admin	0001-3310-0001-D363-006300-2011	Contribution	2010 Asset Forfeiture Funds	\$181,957	\$62,072	\$119,885	\$119,885	\$119,885	*	\$0
Police - Admin	0001-3310-0001-D363-006800-2011	Contribution	2010 Asset Forfeiture Funds	\$414,585	\$105,063	\$309,522	\$309,522	\$309,522	*	\$0
Police - Admin	0001-3310-0001-D365-006300-2011	Contribution	2011 Asset Forfeiture Funds	\$383,396	\$102,926	\$280,470	\$280,470	\$280,470	*	\$0
Police - Admin	0001-3310-0001-D365-006800-2011	Contribution	2011 Asset Forfeiture Funds	\$275,274	\$32,122	\$243,152	\$243,152	\$243,152	*	\$0
Police Department Total				\$1,735,806	\$509,394	\$1,226,411	\$1,226,411	\$1,226,411		\$0
Employee Retirement System										
ERS	0001-4500-0001-R999-006300-2011	Operating	Funding for HVAC repair for data center	\$24,960,000	\$16,687,508	\$8,272,492	\$80,000	\$80,000		\$0
Employees' Retirement System Total				\$24,960,000	\$16,687,508	\$8,272,492	\$80,000	\$80,000		\$0

Department of Public Works- Operations

<u>DEPARTMENT NAME</u>	<u>ACCOUNT NUMBER</u>	<u>ACCOUNT NAME</u>	<u>DESCRIPTION</u>	<u>APPROPRIATION</u>	<u>EXPENDITURE</u>	<u>UNENCUMBERED BALANCE</u>	<u>AMOUNT REQUESTED</u>	<u>AMOUNT RECOMMENDED</u>	<u>Change</u>	
DPW Operations	0001-5450-0001-D581-006000-2011	Contribution	Gateway Sign Boulevard Maintenance	\$42,817	\$0	\$42,817	\$42,817	\$42,817	*	\$0
DPW Operations	0001-5450-0001-D581-006300-2011	Contribution	Gateway Sign Boulevard Maintenance	\$18,350	\$0	\$18,350	\$18,350	\$18,350	*	\$0
Department of Public Works - Operations Total				\$61,167	\$0	\$61,167	\$61,167	\$61,167		\$0
<u>Port of Milwaukee</u>										
Port	0480-4280-0001-R999-006300-2011	Operating	Study on asset/equipment maintenance scheduling; Port Security Grant match; pay outstanding 2011 expenses	\$1,375,507	\$1,017,216	\$308,291	\$100,000	\$100,000		\$0
Port	0480-4280-0001-R417-006300-2011	Special Fund	Sewer system upgrade project to reduce runoff, project not completed in 2011	\$102,559	\$24,198	\$78,361	\$78,360	\$78,360		\$0
Port	0480-4280-0001-R418-006300-2011	Special Fund	Leasehold demolition projects to upgrade facilities to improve operations	\$170,277	\$12,701	\$157,576	\$157,500	\$157,500		\$0
Port	0480-4280-0001-R419-006300-2011	Special Fund	Ongoing roof replacements to improve energy efficiency	\$98,000	\$31,338	\$66,662	\$66,600	\$66,600		\$0
Port	0480-4280-0001-R420-006300-2011	Special Fund	Ongoing rehab of unsafe dockwalls	\$133,022	\$29,221	\$103,802	\$103,800	\$103,800		\$0
Port	0480-4280-0001-R423-006800-2011	Special Fund	Completion of major rehabilitation and equipment upgrades	\$158,385	\$71,856	\$86,529	\$86,500	\$86,500		\$0
Port	0480-4280-0001-R425-006300-2011	Special Fund	Ongoing projects to ensure compliance with environmental regulations	\$100,000	\$37,646	\$62,354	\$62,700	\$62,354	*	-\$346
Port	0480-4280-0001-R426-006300-2011	Special Fund	Complete dredging projects	\$50,000	\$0	\$50,000	\$50,000	\$0		-\$50,000
Port	0480-4280-0001-R429-006300-2011	Special Fund	Major rehabilitation and equipment upgrades, process 2011 expenditures	\$123,460	\$113,932	\$9,528	\$12,500	\$9,528	*	-\$2,972
Port of Milwaukee Total				\$2,311,210	\$1,338,108	\$923,103	\$717,960	\$664,642		-\$53,318
<u>Department of Public Works- Water Works</u>										
Water Works	0410-6410-0001-R999-006800-2011	Equipment	Purchase of replacement meters delayed until 2012	\$1,154,499	\$671,239	\$483,560	\$45,000	\$45,000		\$0
Water Works	0410-6410-0001-R648-006900-2011	Special Fund	Pension Contribution	\$432,000	\$0	\$432,000	\$432,000	\$432,000	*	\$0
Department of Public Works - Water Works Total				\$1,586,499	\$671,239	\$915,560	\$477,000	\$477,000		\$0
<u>Department of Public Works- Parking Fund</u>										
DPW-Parking	0450-6610-0001-R999-006800-2011	Equipment	Purchase of replacement jeeps budgeted in 2011 was delayed until 2012	\$218,011	\$94,555	\$123,456	\$106,746	\$106,746		\$0
DPW-Parking	0450-6610-0001-R665-006900-2011	Special Fund	Pension Contribution	\$147,518	\$0	\$147,518	\$147,518	\$147,518	*	\$0
Department of Public Works - Parking Fund				\$365,529	\$94,555	\$270,974	\$254,264	\$254,264		\$0
<u>DPW Infrastructure/Sewers</u>										
DPW-Sewers	0490-6830-0001-R999-006800-2011	Equipment	Fund purchase of radios to work with new radio system	\$77,400	\$49,984	\$27,416	\$27,416	\$27,416		\$0
DPW-Sewers	0490-6830-0001-R692-006300-2011	Special Fund	Channel cleaning project on northwest side	\$116,067	\$42,551	\$73,516	\$73,515	\$40,000		-\$33,515
DPW-Sewers	0490-6830-0001-R693-006300-2011	Special Fund	PCB removal project application awaits EPA approval	\$130,000	\$0	\$130,000	\$130,000	\$130,000		\$0
DPW-Sewers	0490-6830-0001-R690-006900-2011	Special Fund	Pension Contribution	\$182,000	\$0	\$182,000	\$182,000	\$182,000	*	\$0
DPW Infrastructure/Sewers Total				\$505,467	\$92,535	\$412,932	\$412,931	\$379,416		-\$33,515
LEVY SUPPORTED TOTAL:				\$314,499,516	\$287,962,632	\$26,536,874	\$14,424,165	\$13,779,591		-\$644,574
GRANT & AID FUND TOTAL				\$89,655,539	\$53,813,322	\$35,842,216	\$36,162,736	\$35,842,216		-\$320,520
<u>ENTERPRISE FUND TOTAL:</u>				<u>\$4,768,705</u>	<u>\$2,196,437</u>	<u>\$2,522,569</u>	<u>\$1,862,155</u>	<u>\$1,775,322</u>		<u>-\$86,833</u>
TOTAL CARRYOVER FOR ALL DEPARTMENTS:				\$408,923,760	\$343,972,391	\$64,901,659	\$52,449,056	\$51,397,129		-\$1,051,927

FISCAL NOTE TO FILE NO. 111544

Substitute resolution authorizing carryover of certain fund balances from 2011 to 2012 in accordance with Section 65.07(1)(p), Wisconsin Statutes.

COMMENTS

The Carryover of the following 2011 funds will increase 2012 appropriations by these or similar amounts:

	<u>2010-2011</u>	<u>2011-2012</u>	<u>Difference</u>
General City Funds	\$4,371,543	\$11,986,817	\$7,615,274
Wages Supplement Fund	\$0	\$0	\$0
Enterprise Funds	\$632,644	\$1,775,322	\$1,142,678
Retirement Funds	\$500,000	\$80,000	(\$420,000)
Contribution Fund	\$1,949,335	\$1,712,774	(\$236,561)
Grant & Aid	<u>\$19,107,629</u>	<u>\$35,842,216</u>	<u>\$16,734,587</u>
Total Carryover Recommended**:	\$26,561,151	\$51,397,129	\$24,835,978

** The recommended amount reflects the status of account balances that were taken on March 22, 2012.

ECP



City of Milwaukee Fiscal Impact Statement

A **Date** 3/28/2012 **File Number** 111544 **Original** **Substitute**
Subject Substitute resolution authorizing carryover of certain fund balances from 2011 to 2012.

B **Submitted By (Name/Title/Dept./Ext.)** Eric Pearson/Budget & Policy Manager/DOA/x8554

C **This File**

- Increases or decreases previously authorized expenditures.
- Suspends expenditure authority.
- Increases or decreases city services.
- Authorizes a department to administer a program affecting the city's fiscal liability.
- Increases or decreases revenue.
- Requests an amendment to the salary or positions ordinance.
- Authorizes borrowing and related debt service.
- Authorizes contingent borrowing (authority only).
- Authorizes the expenditure of funds not authorized in adopted City Budget.

D **Charge To**

- Department Account
- Capital Projects Fund
- Debt Service
- Other (Specify) Contributions
- Contingent Fund
- Special Purpose Accounts
- Grant & Aid Accounts

	Purpose	Specify Type/Use	Expenditure	Revenue
E	Salaries/Wages	\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00
	Supplies/Materials	\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00
	Equipment	\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00
	Services	\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00
	Other	\$0.00	\$0.00	\$0.00
		\$0.00	\$51,397,129.00	\$0.00
	TOTALS	\$ 0.00	\$51,397,129.00	\$ 0.00

F

Assumptions used in arriving at fiscal estimate.

(See File Exhibit A for details.) Balances from FMIS Commitment Control as of March 22, 2012.

G

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

1-3 Years 3-5 Years

1-3 Years 3-5 Years

1-3 Years 3-5 Years

H

List any costs not included in Sections D and E above.

I

Additional information.

J

This Note Was requested by committee chair.

Reply to Common Council File No. 111544
From DOA-Budget and Management Division

April 2, 2012

Ref: 12006

File Number 111544 contains a substitute resolution authorizing carryover of certain fund balances from 2011 to 2012 in accordance with Section 65.07(1)(p), Wisconsin Statutes.

State statutes permit the carryover of unexpended appropriations from one budget year to the next, up to a maximum of three years following the original appropriation.

Carryover in recent years has been used primarily to provide for (a) budgeted, but uncompleted, projects; (b) planned supplements to program accounts that in effect reduced the level of new appropriations required in the annual budget; (c) payment of encumbrances; and (d) the payment of accrued but unpaid health care benefit and workers compensation expenses.

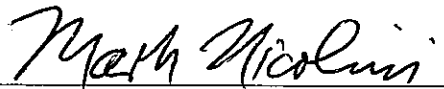
The recommended list of carryovers is included in Exhibit A. The following highlights some items that may be of particular interest to the Committee's review of this file.

- The recommendations include \$396,000 for the Fire Department to enable the operation of a fire suppression company for the entire year. The adopted budget was projected to require one company to be out of service for 6-7 months, in addition to three companies to be removed daily from service for the entire year. This action should enable a more effective transition to a reduced level of fire suppression capacity in addition to providing additional coverage for the entire year.
- The recommendations include \$7,044,504 pertaining to four Employee Health Care Benefits sub-accounts. Approximately \$3.5 million of this total is directed to the payment of expenses which have accrued to the 2011 fiscal year, consistent with past practice and generally accepted accounting principles. The remaining ~ \$3.544 million is directed to a reserve for health benefits claims experience volatility. In 2012 the city initiated self-funding for all benefit contracts; in prior years an insured product covered approximately 90% of plan participants. As a result the city assumes all the risk of experience varying from projected levels of expense. This reserve will reduce Contingent Fund exposure to the financial volatility that can arise from higher-than-projected utilization; large claims occurrences; the actual timing of claims processing; and other factors.
- The recommendations include \$625,393 pertaining to the Damages and Claims Fund special purpose account. This is consistent with past practice as the city is exposed to the potential for large single case occurrences. Building a fund balance reduces the potential need for Contingent Fund appropriations or contingent borrowing.

- The recommendations include \$159,966 to complete seven demolitions of blighted properties, including a 36-unit apartment building. In addition, the recommendations provide \$33,800 for graffiti abatement.
- The recommendations include \$292,698 for the Unified Call Center's licensing expenses for Customer Relationship Management Software. This will provide for three years' worth of fees that, as a result, will not require new budget appropriations.
- The recommendations include \$38,000 for the Health Department to maintain additional clerical support at the STD Clinic in order to continue progress regarding clients being served on the day they visit. In addition, \$100,000 is included for an evaluation (\$35,000) of potential "short-term" solutions to deficiencies associated with the Health Department's CHILI application, with \$65,000 being made available for implementation of the potential solution.
- The recommendations include \$45,000 for the Department of Administration to implement the new management intern program in 2012.

In summary, the recommendations include carryover of \$13,960,307 of levy supported funds. Approximately 58% of this amount pertains to health care benefits and workers compensation accounts.

**RECOMMENDATION: ADOPT COMMON COUNCIL FILE NUMBER
111544 AS SUBSTITUTED.**



Mark Nicolini
Budget and Management Director

DY:dmr

FINANCE: 111544



City of Milwaukee Fiscal Impact Statement

A	Date <u>3/28/2012</u>	File Number <u>111544</u>	<input checked="" type="checkbox"/> Original	<input type="checkbox"/> Substitute
	Subject <u>Substitute resolution authorizing carryover of certain fund balances from 2011 to 2012.</u>			

B	Submitted By (Name/Title/Dept./Ext.) <u>Eric Pearson/Budget & Policy Manager/DOA/x8554</u>
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C	This File	<input checked="" type="checkbox"/> Increases or decreases previously authorized expenditures.
		<input type="checkbox"/> Suspends expenditure authority.
		<input type="checkbox"/> Increases or decreases city services.
		<input type="checkbox"/> Authorizes a department to administer a program affecting the city's fiscal liability.
		<input type="checkbox"/> Increases or decreases revenue.
		<input type="checkbox"/> Requests an amendment to the salary or positions ordinance.
		<input type="checkbox"/> Authorizes borrowing and related debt service.
		<input type="checkbox"/> Authorizes contingent borrowing (authority only).
		<input type="checkbox"/> Authorizes the expenditure of funds not authorized in adopted City Budget.

D	Charge To	<input checked="" type="checkbox"/> Department Account	<input type="checkbox"/> Contingent Fund
		<input type="checkbox"/> Capital Projects Fund	<input checked="" type="checkbox"/> Special Purpose Accounts
		<input type="checkbox"/> Debt Service	<input checked="" type="checkbox"/> Grant & Aid Accounts
		<input checked="" type="checkbox"/> Other (Specify) <u>Contributions</u>	

	Purpose	Specify Type/Use	Expenditure	Revenue
E	Salaries/Wages	\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00
	Supplies/Materials	\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00
	Equipment	\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00
	Services	\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00
	Other	\$0.00	\$0.00	\$0.00
		\$0.00	\$51,531,282.00	\$0.00
	TOTALS	\$ 0.00	\$51,531,282.00	\$ 0.00

F

Assumptions used in arriving at fiscal estimate.

(See File Exhibit A for details.) Balances from FMIS Commitment Control as of March 22, 2012.

G

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

1-3 Years 3-5 Years

1-3 Years 3-5 Years

1-3 Years 3-5 Years

H

List any costs not included in Sections D and E above.

I

Additional information.

J

This Note Was requested by committee chair.



Legislation Details (With Text)

File #: 111315 **Version:** 1

Type: Resolution **Status:** In Committee

File created: 1/18/2012 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Substitute Resolution appropriating up to \$3,754,850 from the 2011 Common Council Contingent Fund for the purpose of closing the 2011 financial books.

Sponsors: THE CHAIR

Indexes: CONTINGENT FUND

Attachments: Proposed Substitute A, REVISED Fiscal Impact Statement, Fiscal Impact Statement, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
1/18/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111315
Version
Substitute 1
Reference

Sponsor
THE CHAIR
Title

Substitute Resolution appropriating up to \$3,754,850 from the 2011 Common Council Contingent Fund for the purpose of closing the 2011 financial books.

Analysis

Body

Whereas, To facilitate closing of year 2011 financial books, transfers from 2011 Common Council Contingent Fund are necessary; now therefore, be it

Resolved, By the Common Council of the City of Milwaukee that up to \$559,500 from the Common Council Contingent Fund (#0001-9990-C001-006300) (2011) be transferred to the DPW-Infrastructure Services Operating Expenditures Account (#0001-5230-R999-006300) (2011) if necessary; and, be it

Further Resolved, That up to \$2,992,700 from the Common Council Contingent Fund (#0001-9990-C001-006300) (2011) be transferred to the DPW-Operations Division Salaries and Wages Account

(#0001-5450-R999-006000) (2011) if necessary; and, be it

Further Resolved, That up to \$143,700 from the Common Council Contingent Fund (#0001-9990-C001-006300) (2011) be transferred to DPW-Operations Division Operating Expenditures Account (#0001-5450-R999-006300) (2011) if necessary; and, be it

Further Resolved, That up to \$58,950 from the Common Council Contingent Fund (#0001-9990-C001-006300) (2011) be transferred to the Police Department Salaries and Wages Account (#0001-3310-R999-006000) (2011) if necessary.

Requestor
Department of Administration
Budget and Management Division

Drafter
Ref: 11009 DY:dmr
March 30, 2012
Finance: 2011 CCCF Closing Books

..Number
111315
..Version
Proposed Substitute A
..Reference

..Sponsor
CHAIR

..Title
Substitute Resolution appropriating up to \$3,757,197 from the 2011 Common Council Contingent Fund for the purpose of closing the 2011 financial books.

..Analysis

..Body
Whereas, To facilitate closing of year 2011 financial books, transfers from 2011 Common Council Contingent Fund are necessary; now therefore, be it

Resolved, By the Common Council of the City of Milwaukee that up to \$561,243 from the Common Council Contingent Fund (#0001-9990-C001-006300) (2011) be transferred to the DPW-Infrastructure Services Operating Expenditures Account (#0001-5230-R999-006300) (2011) if necessary; and, be it

Further Resolved, That up to \$2,992,700 from the Common Council Contingent Fund (#0001-9990-C001-006300) (2011) be transferred to the DPW-Operations Division Salaries and Wages Account (#0001-5450-R999-006000) (2011) if necessary; and, be it

Further Resolved, That up to \$144,304 from the Common Council Contingent Fund (#0001-9990-C001-006300) (2011) be transferred to DPW-Operations Division Operating Expenditures Account (#0001-5450-R999-006300) (2011) if necessary; and, be it

Further Resolved, That up to \$58,950 from the Common Council Contingent Fund (#0001-9990-C001-006300) (2011) be transferred to the Police Department Salaries and Wages Account (#0001-3310-R999-006000) (2011) if necessary.

..Requestor
Department of Administration
Budget and Management Division

..
Drafter
Ref: 11009 DY:dmr
April 2, 2012
Finance: 2011 CCCF Closing Books



City of Milwaukee Fiscal Impact Statement

A **Date** 3/30/2012 **File Number** 111315 **Original** **Substitute**

Subject Substitute Resolution appropriating up to \$3,757,197 from the 2011 Common Council Contingent Fund for the purpose of closing the 2011 financial books.

B **Submitted By (Name/Title/Dept./Ext.)** Dennis Yaccarino /Budget & Policy Manager-Sr./ DOA /x8552

C **This File**

- Increases or decreases previously authorized expenditures.
- Suspends expenditure authority.
- Increases or decreases city services.
- Authorizes a department to administer a program affecting the city's fiscal liability.
- Increases or decreases revenue.
- Requests an amendment to the salary or positions ordinance.
- Authorizes borrowing and related debt service.
- Authorizes contingent borrowing (authority only).
- Authorizes the expenditure of funds not authorized in adopted City Budget.

D **Charge To**

- Department Account Contingent Fund
- Capital Projects Fund Special Purpose Accounts
- Debt Service Grant & Aid Accounts
- Other (Specify) _____

	Purpose	Specify Type/Use	Expenditure	Revenue
E	Salaries/Wages	DPW Operations	\$2,992,700.00	\$0.00
		Police	\$58,950.00	\$0.00
	Supplies/Materials		\$0.00	\$0.00
			\$0.00	\$0.00
	Equipment		\$0.00	\$0.00
			\$0.00	\$0.00
	Services	DPW-Operations	\$144,304.00	\$0.00
		DPW-Infrastructure	\$561,243.00	\$0.00
	Other		\$0.00	\$0.00
			\$0.00	\$0.00
	TOTALS		\$3,757,197.00	\$ 0.00

F

Assumptions used in arriving at fiscal estimate. _____

G

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

- | | | |
|------------------------------------|------------------------------------|-------|
| <input type="checkbox"/> 1-3 Years | <input type="checkbox"/> 3-5 Years | _____ |
| <input type="checkbox"/> 1-3 Years | <input type="checkbox"/> 3-5 Years | _____ |
| <input type="checkbox"/> 1-3 Years | <input type="checkbox"/> 3-5 Years | _____ |

H

List any costs not included in Sections D and E above. _____

I

Additional information. _____

J

This Note Was requested by committee chair.



City of Milwaukee Fiscal Impact Statement

A **Date** 3/30/2012 **File Number** 111315 **Original** **Substitute**

Subject Substitute Resolution appropriating up to \$3,754,850 from the 2011 Common Council Contingent Fund for the purpose of closing the 2011 financial books.

B **Submitted By (Name/Title/Dept./Ext.)** Dennis Yaccarino /Budget & Policy Manager-Sr./ DOA /x8552

C **This File**

- Increases or decreases previously authorized expenditures.
- Suspends expenditure authority.
- Increases or decreases city services.
- Authorizes a department to administer a program affecting the city's fiscal liability.
- Increases or decreases revenue.
- Requests an amendment to the salary or positions ordinance.
- Authorizes borrowing and related debt service.
- Authorizes contingent borrowing (authority only).
- Authorizes the expenditure of funds not authorized in adopted City Budget.

D **Charge To**

- Department Account
- Capital Projects Fund
- Debt Service
- Other (Specify) _____
- Contingent Fund
- Special Purpose Accounts
- Grant & Aid Accounts

	Purpose	Specify Type/Use	Expenditure	Revenue
E	Salaries/Wages	DPW Operations	\$2,992,700.00	\$0.00
		Police	\$58,950.00	\$0.00
	Supplies/Materials		\$0.00	\$0.00
			\$0.00	\$0.00
	Equipment		\$0.00	\$0.00
			\$0.00	\$0.00
	Services	DPW-Operations	\$143,700.00	\$0.00
		DPW-Infrastructure	\$559,500.00	\$0.00
	Other		\$0.00	\$0.00
			\$0.00	\$0.00
	TOTALS		\$3,754,850.00	\$ 0.00

F

Assumptions used in arriving at fiscal estimate. _____

G

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

- | | | |
|------------------------------------|------------------------------------|-------|
| <input type="checkbox"/> 1-3 Years | <input type="checkbox"/> 3-5 Years | _____ |
| <input type="checkbox"/> 1-3 Years | <input type="checkbox"/> 3-5 Years | _____ |
| <input type="checkbox"/> 1-3 Years | <input type="checkbox"/> 3-5 Years | _____ |

H

List any costs not included in Sections D and E above. _____

I

Additional information. _____

J

This Note Was requested by committee chair.



Legislation Details (With Text)

File #: 111661 **Version:** 0
Type: Communication **Status:** In Committee
File created: 3/20/2012 **In control:** FINANCE & PERSONNEL COMMITTEE
On agenda: **Final action:**
Effective date:

Title: Communication relating to the implementation of the Milwaukee Management Training Program.
Sponsors: THE CHAIR
Indexes: DEPARTMENT OF EMPLOYEE RELATIONS
Attachments: Communication, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
3/28/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111661
Version
ORIGINAL
Reference
111124
Sponsor
THE CHAIR
Title
Communication relating to the implementation of the Milwaukee Management Training Program.
Requestor

Drafter
Jim Owczarski
03/28/12



Department of Employee Relations

March 30, 2012

Tom Barrett
Mayor

Maria Monteagudo
Director

Michael Brady
Employee Benefits Director

Troy Hamblin
Labor Negotiator

To The Honorable
Finance and Personnel Committee
Common Council
City of Milwaukee

Dear Committee Members;

Common Council File # 111124 directs the establishment of a Management Training Program Committee composed of the Employee Relations Director, Budget and Management Director, and Public Works Commissioner, to make recommendations regarding the creation and administration of a Management Training Program for the City of Milwaukee.

As understood by the Management Training Program Committee, the purpose of the Management Training Program is to create employment opportunities for local college-trained professionals to pursue careers in public service with the City of Milwaukee. The Program should be designed to enable the City of Milwaukee to recruit and hire such individuals for specific periods of time in limited term assignments until permanent placement opportunities are available. At the discretion of appointing authorities, placement into regular professional positions could be pursued in accordance with civil service rules.

The recommendations of the Management Training Program Committee are presented below.

Overview

Appointment to a Management Trainee position in the City of Milwaukee should provide exposure to meaningful professional level work within a City department. It is anticipated that such exposure will generally be found within the following categories:

- Financial (budgeting, accounting, financial planning)
- Organizational development/human resources
- Operational support/management analysis (e.g., support for departments' AIM reporting; productivity analysis of operations, research regarding "best practices")
- Planning (strategic planning, business plan development, neighborhood planning, statistical analysis)

- Scientific and Technical

Administrative and Fiscal Considerations

The Management Training program shall be designed to serve “corporate-wide” purposes and therefore a general fund appropriation is an appropriate funding source. Carryover funds from 2011 are available and considered to be a feasible means to initiate the program in 2012. This plan recommends that \$45,000 be carried over from the Department of Administration (DOA) operating expenses to fund two Management Trainee positions starting in fall of 2012.

The 2013 Budget should include a special fund or special purpose account assigned to the Department of Employee Relations. An estimated amount of \$90,000 will be needed to fund two positions on a full-time basis.

A program expansion (beyond the two FTEs) may also be feasible through use of the reimbursable services funding approach. This approach is currently used for operation of the City’s Auxiliary Resource Program (ARP). Departments that are considering recruitment for entry-level positions and that anticipate a vacancy due to separation or retirement could consider individuals from the Management Trainee eligible list as a “first source” means to initiate an expedited selection process. Consistent with ARP guidelines, the client department would reimburse DER for pertinent salary expenditures during the trainee’s tenure.

If the trainee proves to be a qualified and viable candidate for the anticipated vacancy, the client department would be able to appoint the Trainee to the vacant position using existing civil service processes. At that point, the individual’s salary would be paid through the department’s operating budget. This approach facilitates the City’s ability to hire qualified individuals in a timely manner even though vacancies may not be immediately available.

Process to Identify and Select Assignment of Management Trainee Positions

It is recommended that all City of Milwaukee departments be eligible to compete for the allocation of Management Trainee positions through an application/evaluation process. Applications will be evaluated by the Department of Employee Relations and the Budget and Management Division and must include the following information:

- A detailed description of the nature of work and level of responsibility associated with the work to be performed by the Management Trainee.
- A description of how the Trainee position will contribute to the overall mission of the department and the City.
- Identification of whether the work is related to a special project or initiative and/or the standard day to day operations of the agency.
- Length of assignment
- An assessment of potential or anticipated vacancies within the department that may create permanent employment opportunities for the Trainee within one year of placement.

Applicant Eligibility Requirements

Applicants must have successfully completed a Bachelor of Science or Bachelor of Arts Degree from an accredited college or university within two years of placement on the eligibility list. Students in their final year of college may be accepted for the Trainee examination but will not be eligible for appointment until completion of the appropriate degree.

The resolution includes language requiring the program to focus on recruiting eligible candidates who are either graduates of Milwaukee Public School high schools or of colleges or universities in the City of Milwaukee. The Committee's understanding of this provision is that graduation from an MPS high school or Milwaukee college or university a requirement for participation. We have been advised that the current version of this is problematic, and that the City Attorney requests revisions and an opportunity to conduct research and review of proposed alternative parameters for eligibility of candidates, in the event the general concept of the Program is authorized by the Common Council.

Recruitment Activities

DER will be responsible for developing and implementing a recruitment plan that will target local colleges and universities, placement offices, professional organizations and community based organizations. The plan shall include efforts to attract a diverse pool of candidates to be considered for participation in compliance and consistent with all applicable federal and state regulations.

Civil Service Examination/Certification/Appointment

Appointment to a Management Trainee position will require compliance with all applicable civil service rules and requirements. The Management Trainee examination will be job- related and in compliance with appropriate professional testing standards. DER will determine the dimensions to be tested and the examination components.

DER will refer the top five scores from the Management Trainee eligible list to the appropriate department for interviews. The department will conduct interviews and background checks, and will comply with all pre-employment requirements (including pre-placement medical examinations and drug tests).

Management Trainees will serve a probationary period of one year of actual service. This will require a change to City Service Commission Rule VIII Section 8.

In accordance with CSC Rule VIII Section 11, appointment of Management Trainees will be for a fixed term not to exceed one year. However, flexibility to extend an appointment for an additional three months at the discretion of the City Service Commission should be considered and established under the appropriate section of the rules.

Management Trainees will be able to apply and be considered for vacancies for which they qualify in any City department. For example, a Management Trainee assigned to work in the Assessor's Office who has an urban planning degree could be hired by the Department of City Development for a planning position as long as the trainee meets all other qualifications. The trainee would be transferred or promoted to the vacancy in accordance with CSC rules.

Upon completion of the fixed term, Management Trainees who have successfully completed probation will be eligible for placement on a transfer/reinstatement list for positions for which they qualify. Appointment to such positions will be in accordance to applicable rules of the Civil Service Commission.

Compensation and Benefits

The classification of Management Trainee will be compensated at an annual salary of \$41,458 and assigned to Pay Range 2DN. This is minimum rate of pay for a number of entry level managerial and professional positions in the City of Milwaukee. Eligibility for pay progression will be subject to provisions in the Salary Ordinance as approved by the Common Council.

Management Trainees will be eligible for all standard benefits but accrual of service credit for pension purposes will not commence until appointment, transfer or promotion to a regular position. This will require a change to Chapter 36 of the City Charter.

Timeline for Implementation

Given the complexities associated with establishing a Management Trainee Program and the steps required to comply with applicable rules and regulations, the Committee has developed a tentative timeline that reflects appointments under the Management Trainee Program could potentially occur in November of this year.

Finance and Personnel Committee Program Approval	May 16th
Changes to Chapter 36 -Finance & Personnel Committee	May 16th
City Service approval of classification/Intro of Rule Changes	June 5th
Approval of CSC Rule changes	June 19th
Calls for Departmental applications/proposal	July 2nd
Deadline for proposals	July 13th
Evaluation Completed	July 25th
Recruitment Period	August
Application Screening	August-September
Examination Development	July-August
Exam Administration/Creation of Eligible List	September
Departmental Interviews and Pre-employment Requirements	October
Appointment	November

Members of the Committee will be available at the April 5th Finance and Personnel Committee meeting to answer questions and concerns.

Sincerely,
Maria Monteagudo
Maria Monteagudo
Employee Relations Director

C: Mark Nicolini
Ghassan Korban
Patrick Curley



Legislation Details (With Text)

File #: 111579 **Version:** 0

Type: Communication **Status:** In Committee

File created: 3/20/2012 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Communication from the Department of Employee Relations relating to creating a reserve fund for health care claims and for workers compensation claims.

Sponsors: THE CHAIR

Indexes: DEPARTMENT OF EMPLOYEE BENEFITS, HEALTH INSURANCE, INSURANCE, WORKER'S COMPENSATION

Attachments: 2012 Health Benefits PowerPoint, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
3/20/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111579
Version
ORIGINAL
Reference

Sponsor
THE CHAIR
Title
Communication from the Department of Employee Relations relating to creating a reserve fund for health care claims and for workers compensation claims.
Requestor

Drafter
DER
mb
3/15/12

2012 Health Benefits

Insured Health Plan vs
Self-funded Health Plan

Insured Health Plan

- ▶ Employer pays fixed amount monthly to insurance company regardless of actual claims costs
- ▶ Insurance company pays all claims for each member based on agreed set of benefits
- ▶ Insurance company takes all the risk
 - UHC's claim to premium ratio for the city has been extremely high in past years (i.e. 98% in 2010)

Self-Funded Health Plan

- ▶ Employer contracts with third-party administrator (TPA) to pay health claims using their discount and provider agreements
- ▶ TPA pays claims and submits totals to employer for reimbursement
- ▶ Employer reimburses TPA for claims costs and pays small administrative fee
- ▶ Employer assumes much greater risk with self-funded plan
 - Health care expenditures may be greater than expected
 - Utilization may be higher than projected

Health Care Risk

- ▶ Claims experience can vary widely from month to month and it's not unusual to see variations between 25 - 75%
- ▶ Volatility of claims experience can lead to budget variations between 3-4% of gross claims cost
- ▶ The Health Care account has historically relied on carryover funds (from health care and worker's compensation) to offset budgetary shortfalls from year to year and minimize contingent fund exposure
 - In 2010 the Health Care Budget required an \$800,000 contingent fund transfer along with a \$4.8 million transfer from the worker's compensation account because of budget shortfalls
- ▶ A more structured approach for utilizing carryover funds is critical now that the City's health care plans are completely self-funded
- ▶ In 2012 the city's risk exposure is 100% compared to 10% in recent years

Reserve Fund

- ▶ A reserve fund, adjusted annually, allows the employer to address volatility that can include significant month to month or annual variation in paid claims based on
 - Employee utilization
 - Billing practices of healthcare providers
 - Occurrence of large claims and hospitalizations
 - Economic conditions
 - Benefit design changes
- ▶ Because the City is assuming a much greater risk in 2012, establishing a reserve fund is the responsible and fiscally prudent thing to do
 - A decision to forgo the creation of a reserve fund places much greater stress on the contingent fund

City Reserve Fund for self-funded Health Care Plan

- ▶ Based on actuarial analysis of prior years claim experience, a reserve account of at least 4% of gross claims costs should be established
- ▶ The reserve fund will protect against unanticipated volatility in the health benefits and worker's compensation accounts
- ▶ The reserve fund will also limit exposure to contingent fund utilization if a budgetary shortfall occurs
 - Without a dedicated reserve fund, adverse variations in claims experience could produce expenditure levels that exceed the contingent fund appropriation

Health Care Budget & Carryover Funds

- ▶ Year end accruals for the health care account are projected to be at least 2.6% of total claim expenditures
 - Accruals result from claim expenditures that were incurred in 2011 and paid in 2012
 - The comptroller accrues back a large portion of the incurred but not reported expenditures each year
 - Any remaining prior year expenditures, after the accruals, are absorbed in the current year budget
 - 2011 accruals will be significantly higher than the past several years
- ▶ Remaining carryover funds would be used to establish the reserve account
- ▶ The reserve fund would be subject to annual review and adjustment
- ▶ DER and the Budget Office will prepare a resolution for Finance and Personnel to establish a health care reserve fund in the upcoming months



Legislation Details (With Text)

File #: 111547 **Version:** 0
Type: Resolution **Status:** In Committee
File created: 3/20/2012 **In control:** FINANCE & PERSONNEL COMMITTEE
On agenda: **Final action:**

Effective date:

Title: Resolution authorizing the City of Milwaukee Department of Employee Relations to renew self-insurance status for Workers Compensation with the State of Wisconsin Department of Workforce Development Workers Compensation.

Sponsors: THE CHAIR

Indexes: DEPARTMENT OF EMPLOYEE BENEFITS, INSURANCE, WORKER'S COMPENSATION

Attachments: Proposed Substitute A, Cover Letter, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
3/20/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111547
Version
Original
Reference

Sponsor
THE CHAIR
Title

Resolution authorizing the City of Milwaukee Department of Employee Relations to renew self-insurance status for Workers Compensation with the State of Wisconsin Department of Workforce Development Workers Compensation.

Body

Whereas, The City of Milwaukee is a qualified political subdivision of the State of Wisconsin; and

Whereas, The Wisconsin Worker's Compensation Act (Act) provides that employers covered by the Act either insure their liability with worker's compensation insurance carriers authorized to do business in Wisconsin, or to be exempted (self-insured) from insuring liabilities with a carrier and thereby assuming the responsibility for its own worker's compensation risk and payment; and

Whereas, The State and its political subdivisions may self-insure worker's compensation without a special order from the Department of Workforce Development (Department) if they agree to report faithful all compensable injuries and agree to comply with the Act and rules of the Department; and

Whereas, The Finance and Personnel Committee at its April 5 meeting approved the continuation of the self-

insured worker's compensation program, in compliance with Wisconsin Administrative Code DWD 80.60(3); now, therefore, be it

Resolved, That the Finance and Personnel Committee of the City of Milwaukee does ordain as follows:

- (1) Provide for the continuation of a self-insured worker's compensation program that is currently in effect.
- (2) Authorize the Department of Employee Relations and Employee Benefits Director to forward certified copies of this resolution to the Worker's Compensation Division, Wisconsin Department of Workforce Development.

Drafter
DER
MB
3/2/2012

..Number

111547

..Version

PROPOSED SUBSTITUTE

..Reference

..Sponsor

THE CHAIR

..Title

Substitute resolution directing the City of Milwaukee Department of Employee Relations to renew self-insurance status for Workers' Compensation with the Wisconsin Department of Workforce Development, Workers Compensation Division.

..Analysis

This resolution directs the Department of Employee Relations to submit the application documents necessary for renewal of the City's self-insurance status (workers' compensation benefits) to the State of Wisconsin. Renewal of self-insurance status is required every 3 years.

..Body

Whereas, The Wisconsin Workers' Compensation Act (Act) provides that employers covered by the Act either insure their liability with workers' compensation insurance carriers authorized to do business in Wisconsin, or to be exempted (self-insured) from insuring liabilities with carriers and thereby assuming the responsibility for their own workers' compensation risk and payment; and

Whereas, For providing workers' compensation benefits, the City of Milwaukee has chosen to be self-insured, rather than to purchase workers' compensation insurance; and

Whereas, The State of Wisconsin requires employers that have self-insurance status for their workers' compensation programs to renew this status every 3 years; and

Whereas, Pursuant to s. 340-1 of the Milwaukee Code of Ordinances, the Department of Employee Relations, Employee Benefits Division, has the authority to administer the City of Milwaukee's workers' compensation program and is responsible for renewing self-insurance; and now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Department of Employee Relations is directed to submit the application documents required for renewal of the City's self-insurance status (workers' compensation benefits) to the State of Wisconsin; and, be it

Further Resolved, That the Department of Employee Relations shall forward certified copies of this resolution to the Wisconsin Department of Workforce Development, Workers' Compensation Division.

..Requestor

..Drafter
LRB138272-1
Jim Carroll
3/30/12

March 14, 2012

Alderman Michael Murphy, Chairman
City of Milwaukee Common Council Finance and Personnel Committee
200 East Wells Street, Room 205
Milwaukee, WI 53202

File No: 111547 Authorize City's self-insurance status
With State of Wisconsin for purposes of Workers Compensation

Dear Alderman Murphy and Finance Committee Members:

The City of Milwaukee through the Department of Employee Relations is required every three years to renew the self-insurance status with the State of Wisconsin.

The attached file allows the City to continue to operate self-insured workers compensation program consistent with the State of Wisconsin Department of Workforce Development.

Please contact me if you have any additional comments or questions regarding this file.
Sincerely,

Michael Brady, Employee Benefits

CC:

Maria Monteagudo, DER
Renee Joos, DER
Burma Hudson, DER
Ellen Tangen, City Attorney's Office



Legislation Details (With Text)

File #: 111422 **Version:** 1

Type: Charter Ordinance **Status:** In Committee

File created: 2/7/2012 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: A substitute charter ordinance relating to exceptions to bid requirements for city purchases.

Sponsors: ALD. BOHL

Indexes: CHARTER ORDINANCES, PURCHASING PROCEDURES

Attachments: Proposed Substitute B, Proposed Substitute A, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
2/7/2012	0	COMMON COUNCIL	ASSIGNED TO		
2/15/2012	0	CITY CLERK	DRAFT SUBMITTED		
2/20/2012	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
2/20/2012	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
2/23/2012	1	FINANCE & PERSONNEL COMMITTEE	HELD TO CALL OF THE CHAIR	Pass	4:0
4/2/2012	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	1	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111422
Version
SUBSTITUTE 1
Reference
090352
Sponsor
ALD. BOHL
Title

A substitute charter ordinance relating to exceptions to bid requirements for city purchases.

Sections
16-05-3-b am
Analysis

Current charter provisions allow exceptions to the general city bid requirements for city purchases, including the conditions under which the purchasing director may negotiate amendments to existing contracts and grant waivers. This ordinance eliminates waivers based on the continuation of work, requires that a waiver be made in writing and requires the purchasing director to report the circumstances surrounding each waiver to the committee on finance and personnel within the next regularly scheduled common council cycle following the issuance of the waiver. In addition, no

waiver granted may extend a contract for longer than 60 days after issuance unless otherwise approved by the committee on finance and personnel.

Body

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Section 16-05-3-b of the city charter is amended to read:

16-05. Purchasing.

2. EXCEPTIONS TO BID REQUIREMENTS.

b. The purchasing director may negotiate amendments to any existing contracts. When an existing single or sole source contract of less than \$50,000 is amended and the original amount of the contract added to the amended amount of the contract is \$50,000 or greater, the single or sole source contract amendment shall not be effective unless approved by the finance and personnel committee. This requirement shall not apply to contract amendments, upon ~~>>written<<~~ waiver by the city purchasing director, that are necessary to respond to emergency situations that threaten life, health~~[[,]]~~ ~~>>or<<~~ safety ~~[[or the continuation of work]]~~. ~~>>~~The purchasing director shall report the circumstances surrounding each waiver to the committee on finance and personnel within the next regularly scheduled common council cycle following the issuance of the waiver. No waiver granted may extend the contract for longer than 60 days after issuance unless otherwise approved by the committee on finance and personnel.~~<<~~

Part 2. This is a charter ordinance and shall take effect 60 days after its passage and publication, unless within such 60 days a referendum petition is filed as provided in s. 66.0101(5), Wis. Stats., in which event this ordinance shall not take effect until submitted to a referendum and approved by a majority of the electors voting thereon.

LRB

APPROVED AS TO FORM

Legislative Reference Bureau

Date: _____

Attorney

IT IS OUR OPINION THAT THE ORDINANCE
IS LEGAL AND ENFORCEABLE

Office of the City Attorney

Date: _____

Requestor

Drafter

LRB137184-2

Mary E. Turk

2/15/2012

..Number

111422

..Version

PROPOSED SUBSTITUTE B

..Reference

090352

..Sponsor

ALD. BOHL, MURPHY AND DAVIS

..Title

A substitute charter ordinance relating to exceptions to bid requirements for city purchases.

..Sections

16-05-3-b am

16-05-3-e cr

..Analysis

Current charter provisions allow exceptions to the general city bid requirements for city purchases, including the conditions under which the purchasing director may negotiate amendments to existing contracts and grant waivers. This ordinance eliminates provisions related to all single and sole source contracts and adds provisions relating to only single and sole source service contracts. The new provisions require that when a single or sole source service contract of \$50,000 or more is executed or an existing single or sole source service contract of less than \$50,000 is amended and the original amount of the contract added to the amended amount of the contract is \$50,000 or greater, the contract or amendment shall not be effective unless approved by the committee on finance and personnel. This requirement shall not apply to contracts or contract amendments, upon a written waiver by the city purchasing director, that are necessary to respond to emergency situations that threaten life, health or safety. The purchasing director shall report the circumstances surrounding any such waiver to the committee on finance and personnel within the next 2 regularly scheduled common council cycles following the issuance of the waiver. In addition, no waiver granted may be for a contract of longer than one year in duration or may extend a service contract for longer than one year after issuance unless otherwise approved by the committee on finance and personnel.

..Body

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Section 16-05-3-b of the city charter is amended to read:

16-05. Purchasing.

3. EXCEPTION TO BID REQUIREMENTS.

b. The purchasing director may negotiate amendments to any existing contracts.

~~[[When an existing single or sole source contract of less than \$50,000 is amended and the original amount of the contract added to the amended amount of the contract is \$50,000 or greater, the single or sole source contract amendment shall not be effective unless approved by the finance and personnel committee. This requirement shall not apply to contract amendments, upon~~

~~waiver by the city purchasing director, that are necessary to respond to emergency situations that threaten life, health, safety or the continuation of work.]]~~

Part 2. Section 16-05-3-e of the city charter is created to read:

e. When a single or sole source service contract of \$50,000 or more is executed or an existing single or sole source service contract of less than \$50,000 is amended and the original amount of the contract added to the amended amount of the contract is \$50,000 or greater, the contract or amendment shall not be effective unless approved by the committee on finance and personnel. This requirement shall not apply to contracts or contract amendments, upon a written waiver by the city purchasing director, that are necessary to respond to emergency situations that threaten life, health or safety. The purchasing director shall report the circumstances surrounding any such waiver to the committee on finance and personnel within the next 2 regularly scheduled common council cycles following the issuance of the waiver. No waiver granted may be for a contract of longer than one year in duration or may extend the contract for longer than one year after issuance unless otherwise approved by the committee on finance and personnel.

Part 3. This is a charter ordinance and shall take effect 60 days after its passage and publication, unless within such 60 days a referendum petition is filed as provided in s. 66.0101(5), Wis. Stats., in which event this ordinance shall not take effect until submitted to a referendum and approved by a majority of the electors voting thereon.

..LRB

APPROVED AS TO FORM

Legislative Reference Bureau

Date: _____

..Attorney

IT IS OUR OPINION THAT THE ORDINANCE
IS LEGAL AND ENFORCEABLE

Office of the City Attorney

Date: _____

..Requestor

..Drafter

LRB137184-4

Mary E. Turk

3/14/2012

..Number

111422

..Version

PROPOSED SUBSTITUTE A

..Reference

090352

..Sponsor

ALD. BOHL

..Title

A substitute charter ordinance relating to exceptions to bid requirements for city purchases.

..Sections

16-05-3-b am

..Analysis

Current charter provisions allow exceptions to the general city bid requirements for city purchases, including the conditions under which the purchasing director may negotiate amendments to existing contracts and grant waivers. This ordinance eliminates waivers based on the continuation of work, requires that a waiver be made in writing and requires the purchasing director to report the circumstances surrounding each waiver to the committee on finance and personnel within the next regularly scheduled common council cycle following the issuance of the waiver. In addition, no waiver granted may extend a contract for longer than one year after issuance unless otherwise approved by the committee on finance and personnel.

..Body

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Section 16-05-3-b of the city charter is amended to read:

16-05. Purchasing.

3. EXCEPTIONS TO BID REQUIREMENTS.

b. The purchasing director may negotiate amendments to any existing contracts. When an existing single or sole source contract of less than \$50,000 is amended and the original amount of the contract added to the amended amount of the contract is \$50,000 or greater, the single or sole source contract amendment shall not be effective unless approved by the finance and personnel committee. This requirement shall not apply to contract amendments, upon >>written<< waiver by the city purchasing director, that are necessary to respond to emergency situations that threaten life, health~~[[,]]~~ >>or<< safety ~~[[or the continuation of work]]~~. >>The purchasing director shall report the circumstances surrounding each waiver to the committee on finance and personnel within the next regularly scheduled common council cycle following the issuance of the waiver. No waiver granted may extend the contract for longer than one year after issuance unless otherwise approved by the committee on finance and personnel.<<

Part 2. This is a charter ordinance and shall take effect 60 days after its passage and publication, unless within such 60 days a referendum petition is filed as provided in s. 66.0101(5), Wis. Stats., in which event this ordinance shall not take effect until submitted to a referendum and approved by a majority of the electors voting thereon.

..LRB

APPROVED AS TO FORM

Legislative Reference Bureau

Date: _____

..Attorney

IT IS OUR OPINION THAT THE ORDINANCE
IS LEGAL AND ENFORCEABLE

Office of the City Attorney

Date: _____

..Requestor

..Drafter

LRB137184-3

Mary E. Turk

2/22/2012

Technical Correction-tb-3-13-12



Legislation Details (With Text)

File #: 111508 **Version:** 1

Type: Ordinance **Status:** In Committee

File created: 2/28/2012 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: A substitute ordinance relating to the composition of the deferred compensation plan board.

Sponsors: ALD. MURPHY

Indexes: DEFERRED COMPENSATION PLAN BOARD

Attachments: Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
2/28/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111508
Version
SUBSTITUTE 1
Reference

Sponsor
ALD. MURPHY
Title

A substitute ordinance relating to the composition of the deferred compensation plan board.

Sections

320-17-1 rc

Analysis

This ordinance increases the number of members on the deferred compensation plan board to 11 by adding one member who is receiving a service retirement allowance from the employees' retirement system, appointed by the common council president.

Body

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Section 320-17-1 of the code is repealed and recreated to read:

320-17. Deferred Compensation Plan Board.

1. CREATION. a. There is created a deferred compensation plan board consisting of 11 members:
 - a-1. The mayor.
 - a-2. The chair of the common council's finance and personnel committee.
 - a-3. The city attorney.
 - a-4. The city comptroller.

- a-5. The city treasurer.
- a-6. The director of employe relations.
- a-7. The executive director of the employes' retirement system.
- a-8. One member receiving a service retirement allowance from the employes' retirement system, appointed by the common council president.
- a-9. 2 employes appointed by the mayor for a term of 2 years.
- a-10. One city employe appointed by the common council president for a term of 2 years.
- b. Members listed under par. a-1 to 7 may name designees.
- c. The following members shall be members of the city's deferred compensation plan at the time of appointment:
 - c-1. Designees of members listed under par. a-1 to 7.
 - c-2. Members appointed pursuant to par. a-8 to 10.
- d. Members appointed pursuant to par. a-8 to 10 shall be confirmed by the common council.
- e. Members appointed pursuant to par. a-8 to 10 shall be appointed no later than 60 days after the third Tuesday in April in even-numbered years to 2-year terms expiring on the third Tuesday of April 2 years thereafter. When a vacancy occurs in a board position, the appointing authority shall make an appointment within 60 days after the vacancy occurs.

LRB
APPROVED AS TO FORM

Legislative Reference Bureau
Date: _____
Attorney
IT IS OUR OPINION THAT THE ORDINANCE
IS LEGAL AND ENFORCEABLE

Office of the City Attorney
Date: _____

Requestor
Drafter
LRB137531-2
Mary E. Turk
3/6/2012



Legislation Details (With Text)

File #: 111078 **Version:** 0

Type: Resolution **Status:** In Committee

File created: 11/30/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Resolution approving the form of the Preliminary Official Statement used in connection with the sale of City of Milwaukee debt.

Sponsors: THE CHAIR

Indexes: BUDGET, MUNICIPAL BORROWING

Attachments: Cover Letter, Preliminary Official Statement, Fiscal Impact Statement, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
11/30/2011	0	COMMON COUNCIL	ASSIGNED TO		
12/12/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
12/14/2011	0	FINANCE & PERSONNEL COMMITTEE	HELD TO CALL OF THE CHAIR	Pass	5:0
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111078

Version
Original

Sponsor
THE CHAIR

Title
Resolution approving the form of the Preliminary Official Statement used in connection with the sale of City of Milwaukee debt.

Analysis
In connection with the sale of City debt, a Preliminary Official Statement is prepared and distributed to provide potential investors with information on the City. The rules of the Securities and Exchange Commission require that the governing body of the municipality review and approve the Official Statement for accuracy and completeness.

Body
Whereas, The City Comptroller has prepared a Preliminary Official Statement (the form of which is attached

hereto), and will prepare an Official Statement, for the purpose of providing comprehensive financial and economic information respecting the City of Milwaukee in connection with the sale of the City of Milwaukee, Wisconsin, General Obligation Bonds, Notes, and/or Revenue Anticipation Notes (“RANs”) (individually, an “Offered Obligation”, and collectively, the “Offered Obligations”); 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 Offered Obligations, the City will deliver its certificates signed by its Comptroller stating that the descriptions and statements, including financial statements, as pertaining to the City contained in the Official Statements as of their dates and the date of sale and delivery of each Offered Obligation, 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 certificates 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 Common Council to approve the aforementioned Preliminary Official Statement on the basis of the representations of the Comptroller to be included in the certificates signed by the Comptroller and delivered concurrently with the delivery of each Offered Obligation; 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 Offered Obligations; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee that the form of the Preliminary Official Statement as attached hereto, and to be used in connection with the sale of the City of Milwaukee, Wisconsin, General Obligation Bonds, Notes, and/or RANs, (the “Offered Obligations”) be and hereby are approved; and, be it

Further Resolved, By the Common Council of the City of Milwaukee that the Preliminary Official Statement was and is 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 be it

Further Resolved, By the Common Council of the City of Milwaukee that the Comptroller is hereby authorized to prepare an Official Statement, in substantially the same form of the Preliminary Official Statement, after the same have 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 Common Council hereby authorizes the Official Statement and the information contained therein to be used by the underwriters of the debt in connection with the sale of the Offered Obligations; and be it

Further Resolved, By the Common Council of the City of Milwaukee that the Comptroller is hereby authorized

to execute Supplemental Certificate(s) of the Master Continuing Disclosure Certificate for the Offered Obligations.

Drafter
Comptroller
11/29/11
RL

REF: PD-7879fW.rtf



Office of the Comptroller

November 18, 2011

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

Michael J. Daun
Deputy Comptroller

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

Craig D. Kammholz
Special Deputy Comptroller

To the Honorable
the Common Council
City of Milwaukee
City Hall - Room 205
Milwaukee, WI 53202

Dear Council Members:

I would like to request the introduction of the attached files that relate to City borrowing authorized by the City's 2012 Budget:

These resolutions are typically referred to the Finance and Personnel Committee. If we may be of any additional assistance, please contact Richard Li (x-2319) of my staff.

Very truly yours,

W. MARTIN MORICS
Comptroller

WMM:RL

REF: PD-7879W.DOC

Borrowing Purposes

Renewal & Development Projects	
Business Improvement Districts	250,000
Healthy Neighborhood Initiative (100,000 cash)	100,000
Housing Infrastructure Preservation Fund	800,000
Façade Program	500,000
Brownfield Program	500,000
Housing Trust Fund	400,000
Library Improvements	
Central Library Imp. Fund	1,327,000
Library Facility Initiatives	1,250,000
Public Buildings	
Space Planning - Facilities - Notes	55,000
Facility Systems Program	970,000
Facilities Exterior Upgrade Program	430,000
Environmental Remediation Program	150,000
Health: Facilities Capital Projects	450,000
Muni Garages/Outlying Fac Remodeling	650,000
Major Capital Equipment (n)	3,000,000
MacArthur Square Plaza Restoration	251,000
2-way Radio Replacement	495,000
Energy Efficiency & Renewable Energy	150,000
City Hall Complex Remodeling	100,000
ADA Compliance Program	261,900
SP: Land Management System	2,512,000
DOA: Exchange Server (125,000 cash)	150,000
Muni Phone System Upgrade	720,000
Municipal Services Building	75,000
City Facilities Consolidation	60,000
Rubbish	
Major Capital Equipment (n)	3,000,000
Sanitation HQ Modifications	550,000
Hartung Park Landfill Closure	140,000
Harbor	
Dockwall Rehabilitation	150,000
Combined Disposal Facility Expansion	75,000
Parking Facility Improvements	
Misc Structural/Mechanical/Elec Maint - Struc	250,000
2nd/Plankinton	540,000
Fire Stations & Improvements	
Fire Facilities Maint Program	500,000
Fire Engine & Equipment	
Major Capital Equipment (n)	2,814,000
Auxiliary Power Supply	110,000
Police Facilities	
Remodel Admin Bldg Offices	5,460,000
District Station Repairs	465,000
Evidence Storage Warehouse	760,000
Radio & Communications Upgrads	277,000

Borrowing Purposes

Bridges & Viaducts	
State & Federally Aided Bridges BR3	500,000
Bridge Reconstruction - Local BR1	7,782,000
Street Lighting	
Street Lighting - (0% cash funded)	8,220,000
Street Improvements	
State & Federally Aided Streets	9,776,200
New Street Construction	200,000
Neighborhood Comm. Dist. St. Improvement	500,000
Street Improvements - Sidewalk	1,478,000
Street Reconstruction, Regular Pgm	14,297,500
Alley Reconstruction Program	2,400,000
Traffic Control Facilities	2,303,000
Conduit & Manholes	1,156,500
Underground Electrical Manholes	300,000
Public Safety Communications	500,000
Parks & Public Grounds	
Boulevard Plan	447,000
Street Improvement Funding	
Special Assessments	1,065,600
School Purposes	
2012 Authorization	2,000,000
Sewer Maintenance Fund	
2012 Authorization	29,700,000
I&I Reduction Projects	7,810,000
Water Works	
2012 Authorization	8,690,000
Tax Incremental Districts	
New TID's	20,000,000
Capitalized Interest	2,000,000
Revenue Anticipation Borrowing	
New Authorization	
City - RANs	150,000,000
MPS - RANs	250,000,000
Contingent Borrowing	
New Authorization	100,000,000
RAN Purposes	100,000,000
Delinquent Tax Financing - Notes	37,000,000
Total	<u>788,823,700</u>

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 9, 2012

NEW ISSUES
BOOK ENTRY ONLY

RATINGS:	Moody's	Standard & Poor's
R1 Notes:	Rating Requested	Rating Requested
N2 Notes, B3 Bonds, T4 Notes and T5 Bonds:	Rating Requested	Rating Requested
(See "Ratings" herein.)		

In the opinion of Katten Muchin Rosenman LLP, and of Hurtado, S.C. Bond Counsel, in connection with the issuance of the General Obligation Cash Flow Promissory Notes, Series 2012 R1, the General Obligation Promissory Notes, Series 2012 N2, and the General Obligation Corporate Purpose Bonds, Series 2012 B3 (collectively, the "Tax-Exempt Obligations") under existing law, if there is continuing compliance with certain requirements of the Internal Revenue Code of 1986, interest on the Tax-Exempt Obligations will not be includable in gross income for federal income tax purposes. The Tax-Exempt Obligations are not "private activity bonds" and the interest thereon is not required to be included as an item of tax preference for purposes of computing individual or corporate "alternative minimum taxable income." However, interest on the Tax-Exempt Obligations is includable in corporate earnings and profits and therefore must be taken into account when computing corporate alternative minimum taxable income for purposes of the corporate alternative minimum tax. Interest on the Tax-Exempt Obligations and the Taxable Obligations (collectively referred to herein as, the "Offered Obligations") is not exempt from Wisconsin income taxes.

In the opinion of Hurtado, S.C., Bond Counsel, in connection with the issuance of the Taxable General Obligation Promissory Notes, Series 2012 T4 and the Taxable General Obligation Corporate Purpose Bonds, Series 2012 T5 (the "Taxable Obligations"), under existing law, interest on the Taxable Obligations IS includable in gross income of the owners for federal income tax purposes.



CITY OF MILWAUKEE, WISCONSIN
\$100,000,000 General Obligation Cash Flow Promissory Notes, Series 2012 R1
\$126,890,000* General Obligation Promissory Notes, Series 2012 N2
\$8,455,000 General Obligation Corporate Purpose Bonds, Series 2012 B3
\$5,000,000 Taxable General Obligation Promissory Notes, Series 2012 T4
\$0,000,000 Taxable General Obligation Corporate Purpose Bonds, Series 2012 T5

Dated: Expected Date of Delivery (May 3, 2012)

Due: As shown herein

The \$100,000,000 General Obligation Cash Flow Promissory Notes, Series 2012 R1 (the "CFNs" or "R1 Notes"), the \$126,890,000* General Obligation Promissory Notes, Series 2012 N2 (the "N2 Notes"), the \$8,455,000 General Obligation Corporate Purpose Bonds, Series 2012 B3 (the "B3 Bonds") (the R1 Notes, N2 Notes and B3 Bonds, collectively, the "Tax-Exempt Obligations") and the \$5,000,000 Taxable General Promissory Notes, Series 2012 T4 (the "T4 Notes") and the \$0,000,000 Taxable General Obligation Corporate Purpose Bonds, Series 2012 T5 (the "T5 Bonds") (the T4 Notes and T5 Bonds, collectively, the "Taxable Obligations"). The Tax-Exempt Obligations and the Taxable Obligations (collectively referred to herein as the "Offered Obligations") are direct general obligations of the City of Milwaukee, Wisconsin (the "City" and the "State" respectively), payable from taxes levied on all taxable property within the City, subject to taxation by the City, without limitation as to rate or amount.

The CFNs will be dated the Expected Date of Delivery, and will be payable on December 4, 2012. The CFNs are being issued for the public purpose of financing the City's operating budget on an interim basis in anticipation of the receipt of State shared revenue payments. Interest on the CFNs shall be payable at maturity. The CFNs are not subject to optional redemption prior to maturity.

The N2 Notes, B3 Bonds, T4 Notes and T5 Bonds will be dated the Expected Date of Delivery, will bear interest payable semi-annually on May 1 and November 1 of each year, commencing November 1, 2012 at the rates, and will mature on May 1, in the years and amounts, as detailed herein. The N2 Notes, B3 Bonds, T4 Notes and T5 Bonds are being issued for the purpose of financing various public improvements and fiscal requirements of the City, and for the purpose of refunding of certain outstanding obligations of the City. The N2 Notes and T4 Notes are not subject to optional redemption as provided herein. The B3 Bonds and T5 Bonds are subject to optional redemption on any date on or after May 1, 2022 as provided herein.

The Offered Obligations have been offered for sale by competitive bid in accordance with the Official Notices of Sale dated April 9, 2012 and other conditions specified in the Official Notices of Sale. The Tax-Exempt Obligations are being issued subject to the legal opinions of Katten Muchin Rosenman LLP, Chicago, Illinois, and of Hurtado, S.C., Wauwatosa, Wisconsin, Bond Counsel to the City, and the Taxable Obligations are being issued subject to the legal opinion of Hurtado, S.C., Wauwatosa, Wisconsin, Bond Counsel to the City. It is expected that the Offered Obligations will be delivered through the facilities of the Depository Trust Company ("DTC"), New York, New York on or about May 3, 2012 (the "Expected Date of Delivery").

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THE OFFERED OBLIGATIONS. INVESTORS MUST READ THIS ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

For Further Information Contact:
Michael J. Daun, Deputy City Comptroller and Secretary to Public Debt Commission
City Hall, Room 404, 200 East Wells Street - Milwaukee, WI 53202 - Phone (414) 286-3321

ELECTRONIC BIDS WILL BE RECEIVED ON WEDNESDAY, APRIL 18, 2012 UNTIL
9:45 A.M. (CENTRAL TIME) FOR THE CFN's
10:15 A.M. (CENTRAL TIME) FOR THE TAX-EXEMPT OBLIGATIONS
10:45 A.M. (CENTRAL TIME) FOR THE TAXABLE OBLIGATIONS

**Preliminary, subject to change.*

This is a Preliminary Official Statement, subject to correction and change. The City has authorized the distribution of the Preliminary Official Statement to prospective purchasers and others. Upon the sale of the Offered Obligations, the City will complete, adopt and deliver a Final Official Statement substantially in this form.

MATURITY SCHEDULES

\$100,000,000 GENERAL OBLIGATION CASH FLOW PROMISSORY NOTES, SERIES 2012 R1

The CFNs will be dated the Expected Date of Delivery, and will mature on December 4, 2012 without the option of prior redemption. Interest will be payable at maturity, at the rate or rates shown below.

Amount	Interest Rate	Yield	CUSIP ⁽¹⁾ Base 602366
\$100,000,000			

\$126,890,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2012 N2

The N2 Notes will be dated the Expected Date of Delivery, will bear interest at the rates shown below, payable semi-annually on May 1 and November 1 of each year, commencing November 1, 2012 and will mature on May 1 in the years and in the amounts shown below. The N2 Notes are **not** subject to optional redemption.

Maturing (May 1)	Amount*	Interest Rate	Yield	CUSIP ⁽¹⁾ Base 602366	Maturing (May 1)	Amount*	Interest Rate	Yield	CUSIP ⁽¹⁾ Base 602366
2013	\$23,175,000				2018	\$15,620,000			
2014	16,280,000				2019	13,460,000			
2015	11,855,000				2020	9,375,000			
2016	12,860,000				2021	7,300,000			
2017	12,765,000				2022	4,200,000			

*Preliminary, subject to change.

\$8,455,000 GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2012 B3

The B3 Bonds will be dated the Expected Date of Delivery, will bear interest at the rates shown below, payable semi-annually on May 1 and November 1 of each year, commencing November 1, 2012 and will mature on May 1 in the years and in the amounts shown below. The B3 Bonds are subject to optional redemption on any date on or after May 1, 2022, as provided herein.

Maturing (May 1)	Amount	Interest Rate	Yield	CUSIP ⁽¹⁾ Base 602366
2023	\$1,670,000			
2024	1,680,000			
2025	1,690,000			
2026	1,700,000			
2027	1,715,000			

{MATURITY SCHEDULES FOR THE T4 NOTES AND T5 BONDS ON NEXT PAGE}

⁽¹⁾The above-referenced CUSIP numbers have been assigned by an independent company not affiliated with the City and are included solely for the convenience of the holders of the Offered Obligations. The City is not responsible for the selection or uses of such CUSIP numbers, and no representation is made as to their correctness on the Offered Obligations, or as indicated above. The CUSIP number for a specific maturity is subject to change after the issuance of the Offered Obligations.

MATURITY SCHEDULES-CONTINUED

\$5,000,000 TAXABLE GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2012 T4

The T4 Notes will be dated the Expected Date of Delivery, will bear interest at the rates shown below, payable semi-annually on May 1 and November 1 of each year, commencing November 1, 2012 and will mature on May 1 in the years and in the amounts shown below. The T4 Notes are **not** subject to optional redemption.

Maturing (May 1)	Amount	Interest Rate	Yield	CUSIP ⁽¹⁾ Base 602366	Maturing (May 1)	Amount	Interest Rate	Yield	CUSIP ⁽¹⁾ Base 602366
2013	\$435,000				2018	\$535,000			
2014	435,000				2019	540,000			
2015	435,000				2020	545,000			
2016	435,000				2021	550,000			
2017	535,000				2022	555,000			

\$0,000,000 TAXABLE GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2012 T5

The T5 Bonds will be dated the Expected Date of Delivery, will bear interest at the rates shown below, payable semi-annually on May 1 and November 1 of each year, commencing November 1, 2012 and will mature on May 1 in the years and in the amounts shown below. The T5 Bonds are subject to optional redemption on any date on or after May 1, 2022, as provided herein.

Maturing (May 1)	Amount	Interest Rate	Yield	CUSIP ⁽¹⁾ Base 602366
2023				
2024				
2025				
2026				
2027				
2028				
2029				

⁽¹⁾The above-referenced CUSIP numbers have been assigned by an independent company not affiliated with the City and are included solely for the convenience of the holders of the Offered Obligations. The City is not responsible for the selection or uses of such CUSIP numbers, and no representation is made as to their correctness on the Offered Obligations, or as indicated above. The CUSIP number for a specific maturity is subject to change after the issuance of the Offered Obligations.

No dealer, broker, salesperson or other person has been authorized by the City to give any information or to make any representation other than as contained in this Official Statement in connection with the sale of these securities and, if given or made, such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities by a person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. These securities have not been registered pursuant to the Securities Act of 1933, in reliance upon exemptions contained in such Act.

Table of contents will be further reviewed and updated prior to printing.

TABLE OF CONTENT

<u>Page</u>	<u>Page</u>
MATURITY SCHEDULES.....	2
INTRODUCTION TO THE OFFICIAL STATEMENT	5
Summary Statement-CFNs	5
Summary Statement-N3 Notes	7
Summary Statement- B3 Bonds	9
Summary Statement-T5 Bonds.....	11
THE CFNs	15
Authority and Purpose.....	15
Security for the CFNs.....	15
Statutory Borrowing Limitation.....	15
THE N3 NOTES, B4 BONDS and T5 BONDS	16
Authority and Purpose	16
Plan of Refunding	17
Security for the N3 Notes, B4 Bonds and T5 Bonds	17
Maturity and Interest Rates.....	18
Redemption Provisions.....	18
Statutory Borrowing Limitation	18
INVESTMENT POLICIES.....	18
THE CITY	19
Location, Organization and Government	19
General.....	19
Elected Officials	19
City Officials	19
Common Council	19
Public Services and Facilities	20
Employee Relations	20
GENERAL, DEMOGRAPHIC AND ECONOMIC INFORMATION	21
General.....	21
Building Permits	22
Leading Business and Industrial Firms Located Within Milwaukee County.....	23
EMPLOYMENT AND INDUSTRY	24
Annual Unemployment Rates.....	24
Recent Monthly Unemployment Rates	24
Ten Largest Taxpayers With 2011 Estimated Equalized Valuations	25
DEBT STRUCTURE.....	26
Legal Debt Limitations	26
Debt Margin	26
Debt Refunded.....	27
Analysis of General Obligation Debt Outstanding As of May 1, 2012	27
General Obligation Debt Service Requirements	28
Trends of General Obligation Debt	29
Trends of Self-Sustaining General Obligation Debt	29
Ratio of General Obligation Debt.....	30
Computation of Net Direct and Overlapping Debt	31
Future Financing	31
City Capital Improvements Plan.....	31
Commercial Paper Program.....	32
Auction Rate and Other Variable Rate Exposure.....	32
REVENUE BONDING.....	32
TAX INCREMENT DISTRICT FINANCING	34
FINANCIAL INFORMATION	34
Budgeting	34
Adopted Budget - Combined Revenues - 2012.....	35
Adopted Budget - Combined Appropriations - 2012	36
Budgetary Comparison Schedule - General Fund For The Years Ending December 31, 2006 Through 2010.....	37
General Fund Projected Cash Flow Summary.....	38
Projected Schedule of Cash Receipts and Disbursements	40
Schedule of Cash Receipts and Disbursements	41
Schedule of Cash and Investment Balances - All Funds 2011	42
Projected Schedule of Cash and Investment Balances - All Funds 2012	43
Assessed and Equalized Valuations.....	44
Assessed Tax Rates.....	45
Property Tax Levies and Collections.....	45
Collection Procedures	46
Insurance	46
PENSION SYSTEM SUMMARY.....	47
Employes' Retirement System	47
Fireman's Annuity and Benefit Fund.....	48
Policeman's Annuity and Benefit Fund	48
Other Post-employment Benefits.....	49
LEGAL MATTERS	51
Litigation Statement.....	51
Legal Opinions.....	51
RATINGS	52
TAX MATTERS	52
Tax-Exempt Obligations.....	52
Taxable Obligations	54
State Tax Matters	54
NO DESIGNATION AS QUALIFIED TAX-EXEMPT OBLIGATIONS	54
CONTINUING DISCLOSURE	55
FINANCIAL ADVISOR.....	55
UNDERWRITING	55
CLOSING DOCUMENTS AND CERTIFICATES	56
REPRESENTATIONS OF THE CITY	56
ADDITIONAL INFORMATION.....	56
APPENDICES	
Appendix A - Audited financial information of the City of Milwaukee, Wisconsin for the Year Ended December 31, 2010- Selected Sections of the Comprehensive Annual Financial Report	A-1
Appendix B - Draft Form of Legal Opinions.....	B-1
Appendix C - Master Continuing Disclosure Certificate.....	C-1
Appendix D - Book-Entry-Only System.....	D-1
Appendix E - Official Notices of Sale and Bid Forms	E-1

INTRODUCTION TO THE OFFICIAL STATEMENT

The purpose of this Official Statement, including the cover page and Appendices, is to set forth certain information concerning the City of Milwaukee (the “City”), located in Milwaukee County, Wisconsin, and to set forth information concerning the following securities issued by the City:

\$100,000,000 General Obligation Cash Flow Promissory Notes, Series 2012 R1 (the “CFNs” or “R1 Notes”)
\$126,890,000* General Obligation Promissory Notes, Series 2012 N2 (the “N2 Notes”)
\$8,455,000 General Obligation Corporate Purpose Bonds, Series 2012 B3 (the “B3 Bonds”)
\$5,000,000 Taxable General Obligation Promissory Notes, Series 2012 T4 (the “T4 Notes”)
\$0,000,000 Taxable General Obligation Corporate Purpose Bonds, Series 2012 T5 (the “T5 Bonds”)

*Preliminary, subject to change.

The following summary statement is furnished solely to provide limited introductory information regarding the City’s Offered Obligations, and does not purport to be comprehensive. All such information is qualified in its entirety by reference to the more detailed descriptions appearing in this Official Statement, including the Appendices hereto.

SUMMARY STATEMENT-CFNS

Issuer:	City of Milwaukee, Wisconsin
Issue:	\$100,000,000 General Obligation Cash Flow Promissory Notes, Series 2012 R1
Dated Date:	The Expected Date of Delivery, which is anticipated to be May 3, 2012
Maturity:	December 4, 2012
Principal:	\$100,000,000
Interest Payment Date:	Payable at maturity. Interest is calculated on the basis of 30-day months and a 360-day year (term of 211 days assuming a May 3, 2012 delivery date).
Denominations:	\$5,000 or integral multiples thereof.
Purpose:	The CFNs are 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”).
Security:	Principal and interest on the CFNs will be payable out of receipts from an irrevocable ad-valorem tax levied on all taxable property within the City. The City has also pledged and will irrevocably segregate upon receipt, State Aid Payments in an amount sufficient, with interest thereon, to pay, when due, the principal of and interest on the CFNs. The City has also pledged all other general fund revenues included in the budget for the current calendar year which are due the City, which have not been received as of the date of delivery of the Notes and which are not otherwise pledged or assigned. (See “THE CFNs - SECURITY FOR THE CFNs” herein).
Authority for Issuance:	The Common Council of the City has authorized the issuance and sale of the CFNs in accordance with the provisions of Chapters 65 and 67, including particularly Section 67.12(12) of the Wisconsin Statutes.
Form of Issuance:	The CFNs will be issued in Book-Entry-Only form, fully registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York, New York, which will act as security depository for the CFNs. (See “BOOK-ENTRY-ONLY SYSTEM” herein).

Tax Status of Interest: Bond Counsel are of the opinion that under existing law, interest on the CFNs is not includable in the gross income of the owners thereof for federal income tax purposes. If there is continuing compliance with the applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), Bond Counsel are of the opinion that interest on the CFNs will continue to be excluded from the gross income of the owners thereof for federal income tax purposes. Bond Counsel are further of the opinion that the interest on the CFNs is not an item of tax preference for purposes of computing individual or corporate alternative minimum taxable income but is includable in corporate earnings and profits and, therefore, must be taken into account when computing, for example, corporate alternative minimum taxable income for purposes of the corporate alternative minimum tax. Interest on the CFNs is not exempt from Wisconsin income taxes. (See "TAX MATTERS" herein).

Redemption Feature: The CFNs are not subject to redemption prior to maturity.

Official Statement: The City will provide the original purchaser of the CFNs with an electronic copy and up to 100 copies of this Official Statement within seven business days following the award of the CFNs.

Professionals: Bond Counsel: Katten Muchin Rosenman LLP
Chicago, Illinois

Hurtado, S.C.
Wauwatosa, Wisconsin

Financial Advisor: Robert W. Baird & Co.
Milwaukee, Wisconsin

Paying Agent: City Official: City of Milwaukee, Comptroller's Office
Milwaukee, Wisconsin

Record Date: December 3, 2012 (whether or not a business day).

Delivery: Delivery of the CFNs will be on or about May 3, 2012 at the expense of the City, through the facilities of The Depository Trust Company, New York, New York.

Reoffering: The public reoffering price(s) or yield(s) of the CFNs will be set forth on the inside front cover page of the Final Official Statement.

Continuing Disclosure Certificate: In order to assist bidders in complying with the continuing disclosure requirements of SEC Rule 15c2-12 and as part of the City's contractual obligation arising from its acceptance of the successful bidder's proposal, at the time of the delivery of the Notes the City will provide an executed copy of its Continuing Disclosure Certificate. (See "CONTINUING DISCLOSURE" herein).

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SUMMARY STATEMENT-N2 NOTES

Issuer:	City of Milwaukee, Wisconsin	
Issue:	\$126,890,000* General Obligation Promissory Notes, Series 2012 N2	
Dated Date:	The Expected Date of Delivery, which is anticipated to be May 3, 2012	
Principal Due Date:	May 1 of the years 2013 through 2022.	
Interest Payment Date:	Interest on the N2 Notes is due each May 1 and November 1 commencing November 1, 2012. Interest is calculated on the basis of 30-day months and a 360-day year.	
Denominations:	\$5,000 or integral multiples thereof.	
Purpose:	The N2 Notes are issued pursuant to Chapters 65 and 67 of the Wisconsin Statutes for the public purpose of financing various public improvement projects, fiscal requirements of the City, and to refund certain outstanding obligations of the City.	
Security:	Principal and interest on the N2 Notes will be payable out of receipts from an irrevocable ad-valorem tax levied on all taxable property within the City.	
Authority for Issuance:	The Common Council of the City has authorized the issuance and sale of the N3 Notes in accordance with the provisions of Chapters 65 and 67 of the Wisconsin Statutes.	
Form of Issuance:	The N2 Notes will be issued in Book-Entry-Only form, fully registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York, New York, which will act as security depository for the Notes. (See "BOOK-ENTRY-ONLY SYSTEM" herein).	
Tax Status of Interest:	Bond Counsel are of the opinion that under existing law, interest on the Notes is not includable in the gross income of the owners thereof for federal income tax purposes. If there is continuing compliance with the applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), Bond Counsel are of the opinion that interest on the N2 Notes will continue to be excluded from the gross income of the owners thereof for federal income tax purposes. Bond Counsel are further of the opinion that the interest on the N2 Notes is not an item of tax preference for purposes of computing individual or corporate alternative minimum taxable income, but is includable in corporate earnings and profits and, therefore, must be taken into account when computing, for example, corporate alternative minimum taxable income for purposes of the corporate alternative minimum tax. Interest on the N2 Notes is not exempt from Wisconsin income taxes. (See "TAX MATTERS" herein).	
Redemption Feature:	The N2 Notes are <u>not</u> subject to redemption prior to maturity. (See "REDEMPTION PROVISIONS" herein.)	
Official Statement:	The City will provide the original purchaser of the N2 Notes with an electronic copy and up to 100 copies of this Official Statement within seven business days following the award of the N2 Notes.	
Professionals:	Bond Counsel:	Katten Muchin Rosenman LLP Chicago, Illinois Hurtado, S.C. Wauwatosa, Wisconsin

**Preliminary, subject to change.*

Financial Advisor: Robert W. Baird & Co.
Milwaukee, Wisconsin

Paying Agent: City of Milwaukee, Comptroller's Office
Milwaukee, Wisconsin

Escrow Agent: The Bank of New York Mellon Trust Company, N.A.
Milwaukee, Wisconsin

Record Date: April 15 and October 15 (whether or not a business day).

Delivery: Delivery of the N2 Notes will be on or about May 3, 2012 at the expense of the City, through the facilities of The Depository Trust Company, New York, New York.

Reoffering: The public reoffering price or yield of the N2 Notes will be set forth on the inside front cover page of the Final Official Statement.

Continuing Disclosure Certificate: In order to assist bidders in complying with the continuing disclosure requirements of SEC Rule 15c2-12 and as part of the City's contractual obligation arising from its acceptance of the successful bidder's proposal, at the time of the delivery of the N2 Notes the City will provide an executed copy of its Continuing Disclosure Certificate. (See "CONTINUING DISCLOSURE" herein).

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SUMMARY STATEMENT-B3 BONDS

Issuer:	City of Milwaukee, Wisconsin.
Issue:	\$8,455,000 General Obligation Corporate Purpose Bonds, Series 2012 B3.
Dated Date:	The Expected Date of Delivery, which is anticipated to be May 3, 2012.
Principal Due Dates:	May 1 of the years 2023 through 2027.
Interest Payment Dates:	Interest on the B3 Bonds is due each May 1 and November 1 commencing November 1, 2012 . Interest is calculated on the basis of 30-day months and a 360-day year.
Denominations:	\$5,000 or integral multiples thereof.
Purpose:	The B3 Bonds are issued pursuant to Chapters 65 and 67 of the Wisconsin Statutes for the public purpose of financing various public improvement projects and to current refund certain outstanding obligations of the City.
Security:	Principal and interest on the B3 Bonds will be payable out of receipts from an irrevocable ad-valorem tax levied on all taxable property within the City.
Authority for Issuance:	The Common Council of the City has authorized the issuance and sale of the Bonds in accordance with the provisions of Chapters 65 and 67 of the Wisconsin Statutes.
Form of Issuance:	The B3 Bonds will be issued in Book-Entry-Only form, fully registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York, New York, which will act as security depository for the B3 Bonds. (See "BOOK-ENTRY-ONLY SYSTEM" herein).
Tax Status of Interest:	Bond Counsel are of the opinion that under existing law, interest on the B3 Bonds is not includable in the gross income of the owners thereof for federal income tax purposes. If there is continuing compliance with the applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), Bond Counsel are of the opinion that interest on the B3 Bonds will continue to be excluded from the gross income of the owners thereof for federal income tax purposes. Bond Counsel are further of the opinion that the interest on the B3 Bonds is not an item of tax preference for purposes of computing individual or corporate alternative minimum taxable income but is includable in corporate earnings and profits and, therefore, must be taken into account when computing, for example, corporate alternative minimum taxable income for purposes of the corporate alternative minimum tax. Interest on the B3 Bonds is not exempt from Wisconsin income taxes. (See "TAX MATTERS" herein).
Redemption Feature:	The B3 Bonds are subject to optional redemption on any date on or after May 1, 2022. (See "REDEMPTION PROVISIONS" herein.)
Official Statement:	The City will provide the original purchaser of the B3 Bonds with an electronic copy and up to 100 copies of this Official Statement within seven business days following the award of the B3 Bonds.

Professionals: Bond Counsel: Katten Muchin Rosenman LLP
Chicago, Illinois

Hurtado, S.C.
Wauwatosa, Wisconsin

Financial Advisor: Robert W. Baird & Co.
Milwaukee, Wisconsin

Paying Agent: City of Milwaukee, Comptroller's Office
Milwaukee, Wisconsin

Record Date: April 15 and October 15 (whether or not a business day).

Delivery: Delivery of the B3 Bonds will be on or about May 3, 2012 at the expense of the City, through the facilities of The Depository Trust Company, New York, New York.

Reoffering: The public reoffering price(s) or yield(s) of the B3 Bonds will be set forth on the inside front cover page of the Final Official Statement.

Continuing Disclosure Certificate: In order to assist bidders in complying with the continuing disclosure requirements of SEC Rule 15c2-12 and as part of the City's contractual obligation arising from its acceptance of the successful bidder's proposal, at the time of the delivery of the B3 Bonds the City will provide an executed copy of its Continuing Disclosure Certificate. (See "CONTINUING DISCLOSURE" herein).

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SUMMARY STATEMENT-T4 NOTES

Issuer:	City of Milwaukee, Wisconsin.
Issue:	\$5,000,000 Taxable General Obligation Promissory Notes, Series 2012 T4
Dated Date:	The Expected Date of Delivery, which is anticipated to be May 3, 2012
Principal Due Dates:	May 1 of the years 2013 through 2022
Interest Payment Dates:	Interest on the T4 Notes is due each May 1 and November 1 commencing November 1, 2012. Interest is calculated on the basis of 30-day months and a 360-day year.
Denominations:	\$5,000 or integral multiples thereof.
Purpose:	The T4 Notes are issued pursuant to Chapters 65 and 67 of the Wisconsin Statutes for the public purpose of financing various public improvement projects of the City.
Security:	Principal and interest on the T4 Notes will be payable out of receipts from an irrevocable ad-valorem tax levied on all taxable property within the City.
Authority for Issuance:	The Common Council of the City has authorized the issuance and sale of the Bonds in accordance with the provisions of Chapters 65 and 67 of the Wisconsin Statutes.
Form of Issuance:	The T4 Notes will be issued in Book-Entry-Only form, fully registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York, New York, which will act as security depository for the T4 Notes. (See "BOOK-ENTRY-ONLY SYSTEM" herein).
Tax Status of Interest:	Interest on the T4 Notes <i>IS</i> includable in the gross income of the owners thereof for federal income tax purposes and is not exempt from State of Wisconsin income or franchise taxes. In addition, the Code contains a number of other provisions relating to the taxation of the T4 Notes (including, but not limited, to the treatment of and accounting for interest, premium, original issue discount and market discount thereon, gain from the disposition thereof and withholding tax on income therefrom) that may affect the taxation of certain owners, depending on their particular tax situations. PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS CONCERNING THE PARTICULAR FEDERAL INCOME TAX CONSEQUENCES OF THEIR OWNERSHIP OF THE T4 NOTES. (See "TAX MATTERS" herein.)
Redemption Feature:	The T4 Notes are <u>not</u> subject to redemption prior to maturity. (See "REDEMPTION PROVISIONS" herein.)
Official Statement:	The City will provide the original purchaser of the T4 Notes with an electronic copy and up to 100 copies of this Official Statement within seven business days following the award of the T4 Notes.

Professionals:	Bond Counsel:	Hurtado, S.C. Wauwatosa, Wisconsin
	Financial Advisor:	Robert W. Baird & Co. Milwaukee, Wisconsin
Paying Agent:	City Official:	City of Milwaukee, Comptroller's Office Milwaukee, Wisconsin
Record Date:	April 15 and October 15 (whether or not a business day).	
Delivery:	Delivery of the T4 Notes will be on or about May 3, 2012 at the expense of the City, through the facilities of The Depository Trust Company, New York, New York.	
Reoffering:	The public reoffering price(s) or yield(s) of the T4 Notes will be set forth on the inside front cover page of the Final Official Statement.	
Continuing Disclosure Certificate:	In order to assist bidders in complying with the continuing disclosure requirements of SEC Rule 15c2-12 and as part of the City's contractual obligation arising from its acceptance of the successful bidder's proposal, at the time of the delivery of the T4 Notes the City will provide an executed copy of its Continuing Disclosure Certificate. (See "CONTINUING DISCLOSURE" herein).	

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SUMMARY STATEMENT-T5 BONDS

Issuer:	City of Milwaukee, Wisconsin.
Issue:	\$0,000,000 Taxable General Obligation Corporate Purpose Bonds, Series 2012 T5
Dated Date:	The Expected Date of Delivery, which is anticipated to be May 3, 2012
Principal Due Dates:	May 1 of the years 2013 through 2029
Interest Payment Dates:	Interest on the T5 Bonds is due each May 1 and November 1 commencing November 1, 2012. Interest is calculated on the basis of 30-day months and a 360-day year.
Denominations:	\$5,000 or integral multiples thereof.
Purpose:	The T5 Bonds are issued pursuant to Chapters 65 and 67 of the Wisconsin Statutes for the public purpose of financing various public improvement projects of the City.
Security:	Principal and interest on the T5 Bonds will be payable out of receipts from an irrevocable ad-valorem tax levied on all taxable property within the City.
Authority for Issuance:	The Common Council of the City has authorized the issuance and sale of the Bonds in accordance with the provisions of Chapters 65 and 67 of the Wisconsin Statutes.
Form of Issuance:	The T5 Bonds will be issued in Book-Entry-Only form, fully registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York, New York, which will act as security depository for the T5 Bonds. (See "BOOK-ENTRY-ONLY SYSTEM" herein).
Tax Status of Interest:	Interest on the T5 Bonds IS includable in the gross income of the owners thereof for federal income tax purposes and is not exempt from State of Wisconsin income or franchise taxes. In addition, the Code contains a number of other provisions relating to the taxation of the T5 Bonds (including, but not limited, to the treatment of and accounting for interest, premium, original issue discount and market discount thereon, gain from the disposition thereof and withholding tax on income therefrom) that may affect the taxation of certain owners, depending on their particular tax situations. PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS CONCERNING THE PARTICULAR FEDERAL INCOME TAX CONSEQUENCES OF THEIR OWNERSHIP OF THE T5 BONDS. (See "TAX MATTERS" herein.)
Redemption Feature:	The T5 Bonds are subject to optional redemption on any date on or after May 1, 2022. (See "REDEMPTION PROVISIONS" herein.)
Official Statement:	The City will provide the original purchaser of the T5 Bonds with an electronic copy and up to 100 copies of this Official Statement within seven business days following the award of the T5 Bonds.

Professionals:	Bond Counsel:	Hurtado, S.C. Wauwatosa, Wisconsin
	Financial Advisor:	Robert W. Baird & Co. Milwaukee, Wisconsin
Paying Agent:	City Official:	City of Milwaukee, Comptroller's Office Milwaukee, Wisconsin
Record Date:	April 15 and October 15 (whether or not a business day).	
Delivery:	Delivery of the T5 Bonds will be on or about May 3, 2012 at the expense of the City, through the facilities of The Depository Trust Company, New York, New York.	
Reoffering:	The public reoffering price(s) or yield(s) of the T5 Bonds will be set forth on the inside front cover page of the Final Official Statement.	
Continuing Disclosure Certificate:	In order to assist bidders in complying with the continuing disclosure requirements of SEC Rule 15c2-12 and as part of the City's contractual obligation arising from its acceptance of the successful bidder's proposal, at the time of the delivery of the T5 Bonds the City will provide an executed copy of its Continuing Disclosure Certificate. (See "CONTINUING DISCLOSURE" herein).	

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THE CFNs

AUTHORITY AND PURPOSE

The Common Council of the City has authorized the issuance and sale of the CFNs for the public purpose of financing the City's operating budget on an interim basis in anticipation of the receipt of State shared revenue payments, by the adoption of an authorizing Resolution on December 20, 2011 in accordance with the provisions of Chapters 67.12(12) of the Wisconsin Statutes.

SECURITY FOR THE CFNS

The CFNs shall be general obligations of the City, and payment thereof is secured by a pledge of the full faith and credit of the City. The City is authorized and required to levy on all taxable property in the City such ad-valorem taxes, without limitation as to rate or amount, as may be necessary to meet the debt service requirements on the CFNs.

Under and by virtue of Sections 67.05(10) and 67.12(12) (7)(ee), Wisconsin Statutes, the City is obligated to levy a direct annual tax sufficient in amount to pay and for the express purpose of paying the interest on the CFNs as it falls due, and also to pay and discharge the principal thereof at maturity. The City is, and shall be, without power to repeal such levy or obstruct the collection of such tax until all such payments have been made or provided for.

Under Section 67.035, Wisconsin Statutes, all taxes levied for paying principal and interest on valid notes or bonds are declared to be without limitation. Under Section 65.06(18), Wisconsin Statutes, the omission from the budget of the payment of interest on or the principal of any bonded debt of the City when due shall not prevent the placing of the same on the tax roll for the levy and the collection of the tax and the payment of the money therefor.

The City also has pledged, and will irrevocably segregate upon receipt, State Aid Payments due in November, 2012 in an amount sufficient, with interest thereon, to pay, when due, the principal of and interest on the CFNs. The City has also pledged other General Fund Revenues included in the budget for the current calendar year which are due to the City, but which have not been received as of the date of delivery of the CFNs.

STATUTORY BORROWING LIMITATION

Wisconsin Statutes limit the amount of direct general obligation debt the City may issue. The CFNs are within these limitations. (See "DEBT STRUCTURE" herein for further details).

THE N2 NOTES, B3 BONDS, T4 NOTES and T5 BONDS

AUTHORITY AND PURPOSE

The N2 Notes, B3 Bonds, T4 Notes and T5 Bonds are being issued pursuant to Chapters 65 and 67 of the Wisconsin Statutes to finance various public improvement projects and fiscal requirements of the City, and to pay the associated financing costs. The Common Council of the City adopted Resolutions on December 12, 2006, January 15, 2008, January 16, 2009, January 20, 2010, January 19, 2011, November 2, 2011, December 20, 2011, February 28, 2012 and April 11, 2012 which authorize the issuance of the N2 Notes, B3 Bonds T4 Notes, and T5 Bonds. In addition, various initial Resolutions have been adopted authorizing purposes for the B3 Bonds and T5 Bonds that have been combined into the corporate purpose bond issues.

Proceeds of the sale of the N2 Notes, B3 Bonds, T4 Notes and T5 Bonds are anticipated to be used for various public improvements of the City as follows:

Purposes (including commercial paper to be refunded)

Renewal and Development	\$5,484,420
Library	923,400
Public Buildings	10,528,245
Harbor	207,810
Fire	664,680
Police	3,324,495
Bridges	3,844,470
Streets	198,870
Parks	138,060
Water	0
Parking	1,010,550
Financing Receivables	31,590,000
Tax Incremental Districts	2,825,000
Refunding of Long-Term Bonds	<u>79,605,000*</u>
Total	<u><u>\$140,345,000</u></u>

The purposes shown in the prior table reflect the refunding of \$14,000,000 of Commercial Paper.

* *Preliminary, subject to change*

PLAN OF REFUNDING

In addition to providing long-term financing for \$24,000,000 of outstanding Commercial Paper, the City is also refunding the following Bonds:

City Bonds to be Refunded*

<u>Dated Date</u>	<u>Series</u>	<u>Amount</u>	<u>Maturities</u>	<u>Redemption Date</u>
3/15/02	W	\$1,270,000	2018-2019	03/15/12 ⁽¹⁾
9/1/02	Y	5,750,000	2013-2014	09/01/12
9/1/02	Y	6,975,000	2016-2019	09/01/12
4/3/03	2003 B1	7,195,000	2014-2020	03/15/13
10/16/03	2003 B6	3,010,000	2014-2015	10/01/13
5/6/04	2004 B1	24,200,000	2015-2021	02/15/14
3/23/05	2005 B2	9,660,000	2018-2022	02/15/15
12/1/05	2005 B10	11,545,000	2018-2022	08/15/15
12/1/05	2005 V8	10,000,000	2021-2025	06/01/12

⁽¹⁾ The Series W Bonds were refunded on 3/15/2012 with a temporary borrowing, which, in turn, will be refunded with the N2 Notes.

* Preliminary, subject to change

The current refunding proceeds for the Commercial Paper, the Series W refunded temporary borrowing, and the Series 2005 V8 Bonds will be deposited in the City's General Obligation Debt Service Fund pending redemption of the refunded obligations.

The refunded Series Y, 2003 B1, 2003 B6, 2004 B1, 2005 B2, and 2005 B10 Bonds constitute the "Advanced Refunded Bonds." Upon delivery of the N2 Notes, the City will create and establish the 2012 Escrow Account with Bank of New York Mellon, Milwaukee, Wisconsin, for the payment of the Advanced Refunded Bonds, and a portion of the proceeds of sale of the N2 Notes shall be credited to such 2012 Escrow Account in the sums required for the payment of principal and interest on such Advanced Refunded Bonds until their redemption on their respective redemption dates, and payment of the redemption price of par plus accrued interest.

SECURITY FOR THE N2 NOTES, B3 BONDS, T4 NOTES AND T5 BONDS

The N2 Notes, B3 Bonds, T4 Notes and T5 Bonds shall be general obligations of the City, and payment thereof is secured by a pledge of the full faith and credit of the City. The City is authorized and required to levy on all taxable property in the City such ad-valorem taxes, without limitation as to rate or amount, as may be necessary to meet the debt service requirements on the N2 Notes, B3 Bonds, T4 Notes and T5 Bonds.

Under and by virtue of Sections 67.05(10) and 67.12(12)(7)(ee), Wisconsin Statutes, the City is obligated to levy a direct annual tax sufficient in amount to pay, and for the express purpose of paying, the interest on the N2 Notes, B3 Bonds, T4 Notes and T5 Bonds as it falls due, and also to pay and discharge the principal thereof at maturity. The City is, and shall be, without power to repeal such levy or obstruct the collection of such tax until all such payments have been made or provided for.

Under Section 67.035, Wisconsin Statutes, all taxes levied for paying principal and interest on valid notes or N2 Notes, B3 Bonds, T4 Notes and T5 Bonds are declared to be without limitation. Under Section 65.06(18), Wisconsin Statutes, the omission from the budget of the payment of interest on or the principal of any bonded debt of the City when due shall not prevent the placing of the same on the tax roll for the levy and the collection of the tax and the payment of the money therefor.

MATURITY AND INTEREST RATES

The N2 Notes, B3 Bonds, T4 Notes and T5 Bonds are to be dated the Expected Date of Delivery, and will bear interest from that date at the rates, and shall mature each May 1 in the amounts and on the dates as set forth on the inside front cover pages of this Preliminary Official Statement. Interest on the N2 Notes, B3 Bonds, T4 Notes and T5 Bonds will be payable commencing November 1, 2012 and thereafter semiannually on May 1 and November 1 of each year and is calculated on the basis of 30-day months and a 360-day year.

REDEMPTION PROVISIONS

The N2 Notes and T4 Notes are **not** subject to call and redemption prior to maturity. The B3 Bonds and T5 Bonds will be subject to redemption prior to their maturity, at the option of the City, on any date on or after May 1, 2022 at a price of par plus accrued interest to the date fixed for their redemption. If less than all outstanding B3 Bonds and T5 Bonds are called for redemption, the B3 Bonds and T5 Bonds shall be called in such order of maturity as shall be determined by the City. If less than all of the B3 Bonds and T5 Bonds of the same series and maturity are called for redemption, the particular B3 Bonds and T5 Bonds of such series and maturity to be redeemed shall be selected by lot. Notice of redemption shall be mailed, postage prepaid, to the owners of any B3 Bonds and T5 Bonds to be redeemed in whose name such B3 Bonds and T5 Bonds are registered as of a record date, which shall be 60 days prior to the redemption date. While in Book Entry Form, as the Registered Owner, DTC will receive the Redemption Notice. The City is not responsible for DTC's notification of redemption to Participants and Beneficial Owners.

STATUTORY BORROWING LIMITATION

Wisconsin Statutes limit direct general obligation debt the City may issue. The N2 Notes, B3 Bonds, T4 Notes and T5 Bonds do not cause these limitations to be exceeded. (See "DEBT STRUCTURE" herein for further details).

INVESTMENT POLICIES

The City may invest any of its funds not immediately needed in accordance with Section 66.0603 of the Wisconsin Statutes. The City, through Common Council Resolution 930358, adopted July 6, 1993, has instructed the City Treasurer to invest City funds, including Milwaukee Public Schools (MPS) funds, in: (a) Certificates of Time Deposit at approved public depositories limited to the equity capital or net worth of the financial institution with collateralization required when total deposits at any institution exceed \$500,000; (b) Repurchase Agreements with public depository institutions; (c) the State of Wisconsin Local Government Investment Pool; (d) U.S. Treasury and Agency instruments; and (e) commercial paper which has a rating in the highest or second highest rating category assigned by Standard & Poor's Ratings Group, Moody's Investors Service, Inc., or some other similar nationally recognized rating agency.

To the extent possible, the City Treasurer attempts to match investments with anticipated cash flow requirements. No limits have been placed on how much of the portfolio can be invested in any of the above investment categories.

The State of Wisconsin Investment Board ("SWIB") provides the Local Government Investment Pool ("LGIP") as a subset of the State Investment Fund (the "Fund"). The LGIP includes deposits from elective participants consisting of over 1,000 municipalities and other public entities. The Fund also consists of cash balances of participants required to keep their cash balances in the Fund. These required participants include the State General Fund, State agencies and departments and Wisconsin Retirement System reserves. The LGIP portion of the Fund is additionally secured as to credit risk.

The LGIP is a local option City depository. The City utilizes the LGIP in a manner similar to a "money market" account. When other investment options provide more favorable returns, such options are utilized. As of December 31, 2011, the City had approximately 44.59% (\$315,985,037) of its' and MPS investments deposited in the LGIP.

SWIB invests the assets of the Fund, which includes assets of the LGIP. Overall policy direction for SWIB is established by an independent, eight-member Board of Trustees (the "Trustees"). The Trustees establish long-term investment policies, set guidelines for each investment portfolio and monitor investment performance.

The objectives of the Fund are to provide (in order of priority) safety of principal, liquidity, and a reasonable rate of return. The Fund includes retirement trust funds cash balances pending longer-term investment by other investment divisions. The

Fund also acts as the State’s cash management fund and provides the State’s General Fund with liquidity for operating expenses. The Fund is strategically managed as a mutual fund with a longer average life than a money market fund. This strategic advantage is made possible by the mandatory investment of State funds for which the cash flow requirements can be determined significantly in advance. Given of the role played by the Fund, the cash balances available for investment vary daily as cash is accumulated or withdrawn from various funds.

A copy of SWIB’s annual report may be obtained by submitting a written request to the State of Wisconsin Investment Board, P.O. Box 7842, Madison, WI 53707-7842.

THE CITY

LOCATION, ORGANIZATION AND GOVERNMENT

GENERAL

The City is located on the western shore of Lake Michigan in southeastern Wisconsin. The City is the hub of the metropolitan area and a thriving place to live and work. The City is Wisconsin’s largest city with a population of approximately 595,525 and is the principal trade, service and financial center of southeastern Wisconsin. The surrounding Metropolitan Statistical Area (“MSA”) includes the principal cities of Milwaukee, Waukesha and West Allis, in the counties of Milwaukee, Ozaukee, Waukesha and Washington, counties, and has a population of nearly 1.6 million.

The Port of Milwaukee provides access to the sea lanes of the world. General Mitchell International Airport is served by domestic and international airlines. Five rail lines serve the City and provide transportation links throughout the United States. The City is also connected with the interstate highway system.

The City was incorporated as a city on January 31, 1846, pursuant to the laws of the Territory of Wisconsin. Wisconsin gained statehood in 1848. The City, operating under a Home Rule Charter since 1874, has a council-mayor form of government.

ELECTED OFFICIALS

The Mayor, City Attorney, Comptroller, Treasurer and Common Council members are elected officials of the City. Local elections are non-partisan. The Mayor, City Attorney, Comptroller and Treasurer are elected at-large for identical four-year terms.

The Common Council represents fifteen Aldermanic districts. Each Alderperson represents, and is elected from, an aldermanic district with a population of approximately 40,000.

CITY OFFICIALS As of April 15, 2010

(initial year in office follows name)

Mayor	Tom Barrett	(2004)
City Attorney	Grant F. Langley	(1984)
City Comptroller	W. Martin Morics	(1992)
City Treasurer	Wayne F. Whittow	(1976)

To be updated accordingly following the April elections

COMMON COUNCIL

Ashanti Hamilton	(2004)	Robert W. Puente	(2004)
Joe Davis, Sr.	(2003)	Michael J. Murphy	(1989)
Nik Kovac	(2008)	Joseph A. Dudzik	(2002)
Robert J. Bauman	(2004)	James N. Witkowiak	(2004)
James A. Bohl, Jr.	(2000)	Terry L. Witkowski	(2003)
Milele A. Coggs	(2008)	T. Anthony Zielinski	(2004)
Willie C. Wade	(2003)	Willie L. Hines, Jr.	(1996)
Robert G. Donovan	(2000)		

The terms of all the above elected positions expire in April, 2012.

PUBLIC SERVICES AND FACILITIES

The City, employing approximately 6,400 people on a full time basis plus others in a seasonal capacity, is charged with primary responsibility for public safety (via its police, fire and health departments); public works (including refuse removal and a City-owned water utility); various cultural and recreational services including a library system; and general municipal administration. City government also participates in housing and neighborhood programs through separate housing and redevelopment authorities. These two latter authorities have the ability to borrow directly and issue revenue backed financings.

Other major local governmental units and their related government services are the Milwaukee Public Schools (education); Milwaukee County (parks, airport/mass transit/highways, social services and court system); Milwaukee Metropolitan Sewerage District (wastewater treatment); and the Milwaukee Area Technical College (higher education). Wisconsin Statutes require the City to issue debt for Milwaukee Public Schools. The other governmental units listed each have the statutory authority to issue general obligation debt.

Two special purpose governmental units exist with the ability to borrow and tax on a limited revenue basis. The first is the Southeastern Wisconsin Professional Baseball Park District (the "SWPBP District"), a public entity created by State legislation, encompassing southeastern Wisconsin counties, including Milwaukee County, to finance construction/operations of a new baseball facility ("Miller Park") for the National League Milwaukee Brewers baseball club. Miller Park opened in March, 2001. The SWPBP District has issued \$199 million of revenue bonds supported by a five-county, one-tenth of one percent sales tax and other ancillary revenue streams. In addition, \$45 million of lease certificates of participation have been issued by the SWPBP District to finance acquisition and installation of facility equipment, scoreboards, etc.

The second special purpose governmental unit is the Wisconsin Center District ("WC District"), a public entity created by State legislation, which oversees construction/operation of the Frontier Airline Center (formerly, Midwest Airline Center), the City's major convention complex. This complex also includes the US Cellular Arena and the Milwaukee Auditorium facilities, formerly known as "MECCA." The Frontier Airline Center, was financed by \$185 million of revenue bonds issued by the WC District and secured by a pledge of dedicated sales tax revenues from lodging, restaurant, and vehicle rentals collected in the WC District. Phase One of the Frontier Airline Center was completed during 1998. Phase Two was completed in 1999. In 2001, the WC District issued \$30 million of bonds to renovate the Milwaukee Auditorium which was renamed the Milwaukee Theatre.

In addition to the facilities noted above, the City is home to a 17,000+ seat indoor sports and concert venue, the Bradley Center, located in the heart of downtown. This facility serves the National Basketball Association Milwaukee Bucks, the Marquette University Golden Eagles basketball team and the Milwaukee Admirals International Hockey League club. The City is home to the Milwaukee Art Museum, as well as major symphony, ballet and opera companies, and other theatre and performing arts.

On the lakefront is the Milwaukee Art Museum, which combines art, dramatic architecture and landscape design. The Quadracci Pavilion, the first Santiago Calatrava-designed building in the United States, features a 90-foot high glass-walled reception hall enclosed by the Burke Brise Soleil, a sunscreen that can be raised or lowered creating a unique moving sculpture.

Finally, the Milwaukee area is the site of a number of higher education institutions including Marquette University, the University of Wisconsin – Milwaukee, Alverno College, Mount Mary College and the Milwaukee School of Engineering.

EMPLOYEE RELATIONS

The City has approximately 6,400 full-time employees, 2,900 of which, in 5 bargaining units, are covered by labor agreements. One labor agreement covering 112 members expires on May 31, 2012, and another labor agreement covering 38 members expires on July 31, 2012. Those two agreements cover non-public safety officers, and pursuant to 2011 Act 10, the unions may only negotiate wages. Three other agreements, covering 2,700 public safety members, expires on December 31, 2012. 2011 Act 10 did not affect the ability of public safety unions to negotiate most issues.

GENERAL, DEMOGRAPHIC AND ECONOMIC INFORMATION

GENERAL

Based on 2010 census results, the City's population is 594,833. Population in the four county area surrounding the City is estimated at 1,619,429 and represents 28% of the population of the State of Wisconsin.

CITY OF MILWAUKEE SELECTED ECONOMIC DATA

Year	Population		Adjusted Gross Income Per Return
	Department of Administration	U.S. Census	
2011	595,525		Not Available
2010	580,500	594,833	\$32,753
2009	584,000		32,492
2008	590,870		33,144
2007	590,190		33,225
2000	605,572	596,974	32,370

Sources: U.S. Census and the Wisconsin Department of Administration, Demographic Service Center and the Wisconsin Department of Revenue, Division of Research and Analysis. The Division's population estimates are used in the distribution of State Shared Revenues.

BUILDING PERMITS

Another indicator of economic growth is the activity in the building industry. The following table indicates building permit activity during the period 2006 through December 2011.

General Total

<u>Year</u>	<u>Value</u>	<u>Permits Issued</u>
2007	\$336,748,300	2,405
2008	249,992,533	2,067
2009	290,326,431	1,723
2010	283,026,280	2,065
2011	269,386,167	2,340

Residential Building

<u>Year</u>	<u>Single Family</u>		<u>Multi-Family</u>		<u>Total</u>		<u>Permits Issued</u>
	<u>Value</u>	<u># Of Units</u>	<u>Value</u>	<u># Of Units</u>	<u>Value</u>	<u># Of Units</u>	
2007	\$24,940,117	160	\$123,505,408	677	\$148,445,525	837	187
2008	15,632,811	90	63,975,007	509	79,607,818	599	104
2009	7,269,207	59	37,354,152	409	44,623,359	468	72
2010	8,400,090	84	91,179,501	726	99,579,591	810	118
2011	17,892,282	139	42,327,598	364	60,219,880	503	222

Commercial Building

<u>Year</u>	<u>Value</u>	<u>Permits Issued</u>
2007	\$82,501,318	105
2008	59,502,236	74
2009	127,122,466	37
2010	53,319,884	67
2011	58,518,315	47

Public Building

<u>Year</u>	<u>Value</u>	<u>Permits Issued</u>
2007	\$19,791,921	140
2008	9,107,611	85
2009	10,808,648	107
2010	22,238,704	129
2011	49,456,901	256

Alterations and Additions

<u>Year</u>	<u>Value</u>	<u>Permits Issued</u>
2007	\$86,009,536	1,973
2008	101,774,868	1,804
2009	107,771,958	1,506
2010	107,888,101	1,751
2011	101,191,071	1,815

Sources: Development Center, Department of City Development. Data accumulated from monthly reports submitted to U.S. Department of Commerce, Bureau of the Census, Construction Statistics Division, Washington D.C.

LEADING BUSINESS AND INDUSTRIAL FIRMS LOCATED WITHIN MILWAUKEE COUNTY

The listing of large employers in the Milwaukee County area that follows reveals the diversity of Milwaukee County's economic base. The largest of these are shown in the following list, which includes only employers with the majority or all of their employment in Milwaukee County.

Employer	2011 Employment Estimates	Type of Business or Service
Aurora Health Care	22,000 ⁽¹⁾	Health Care
U.S. Government (Includes Zablocki V.A. Medical Center)	10,800 ⁽²⁾	Government
Milwaukee Public Schools	9,142	Education
Wheaton Franciscan Healthcare	8,356	Health Care
Froedtert Memorial Lutheran Hospital and Community Health	8,000	Health Care
Kohl's Corporation	7,700	Specialty department stores
Wal-Mart Stores	7,360	Discount retail stores and warehouse clubs
Roundy's Supermarket	6,800	Retail grocer
Quad Graphics	6,700	Commercial printing
City of Milwaukee	6,400	Government
Milwaukee County	5,457	Government
Northwestern Mutual Life	5,000	Insurance
GE Healthcare Technologies	3,000	Medical imaging, healthcare services
Medical College of Wisconsin	4,877	Medical school/academic/health care
Children's Hospital of Wisconsin	4,604	Health care
Pro Healthcare, Inc.	4,302	Health care provider
Columbia-St. Mary's	4,190	Health care provider
WE Energies	4,060	Electric/natural gas utility
BMO Financial Group ⁽³⁾	3,924	Holding company banking/finance and data services
University of Wisconsin-Milwaukee	3,881	Education
Walgreens Co.	3,521	Retail drugstore chain
U. S. Bank	3,467	Finance, banking
Briggs and Stratton	3,000	Manufacturer, small engines, automotive locks and keys
Target Corporation	3,000	Discount department store chain
Rockwell Automation	3,000	Industrial automation, power and control

⁽¹⁾ Aurora's employee number includes four hospitals, rehabilitation, homecare and hospice facilities and their corporate office within a six-county area in and around the City of Milwaukee.

⁽²⁾ Preliminary.

⁽³⁾ Formerly M&I Marshall & Ilsley Bank, acquired by Toronto-based BMO Financial Group. The acquisition was completed in July, 2011.

Source: The 2012 Business Journal Book of Lists, Employer contacts March 2012 and the U.S. Bureau of Labor Statistics February 2012.

EMPLOYMENT AND INDUSTRY

During 2011, the City's unemployment rate averaged approximately 10.6%. Presented below are unemployment rates for the City, as compared to the State of Wisconsin and the United States for the period 2007 through December 2011. The information below reflects revisions, corrections, and new inputs from the 2010 census, including the application of the changes to the prior years shown. For further information on the changes, please contact the U.S. Bureau of Labor Statistics, or visit their website at <http://www.bls.gov>.

ANNUAL UNEMPLOYMENT RATES

(Not Seasonally Adjusted)

<u>Year</u>	<u>City of Milwaukee</u>	<u>Milwaukee - Waukesha-West Allis Metropolitan Statistical Area</u>	<u>State of Wisconsin</u>	<u>United States</u>
2011	10.6%	7.9%	7.5%	8.9%
2010	11.5	8.7	8.3	9.6
2009	11.4	8.9	8.7	9.3
2008	6.6	4.8	4.7	5.8
2007	7.2	5.1	4.9	4.6

Source: U.S. Department of Labor, Bureau of Labor Statistics.

RECENT MONTHLY UNEMPLOYMENT RATES

(Not Seasonally Adjusted)

<u>Month</u>	<u>City of Milwaukee</u>	<u>Milwaukee - Waukesha-West Allis Metropolitan Statistical Area</u>	<u>State of Wisconsin</u>	<u>United States</u>
January, 2012	10.3% ⁽¹⁾	7.7% ⁽¹⁾	7.6% ⁽¹⁾	8.8%

⁽¹⁾ Preliminary.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

The City's economic structure reveals a diversified economy with strong service and manufacturing sectors. The service sector (service, finance, insurance, real estate and retail trade) employs over 69% of the workforce. Manufacturing firms employ 17% of the workforce. The area is not dominated by any large employers. Less than two percent of the manufacturers have employment levels greater than 500. Less than one percent of the employers in finance, insurance and services have more than 500 employees.

TEN LARGEST TAXPAYERS WITH 2011 ESTIMATED EQUALIZED VALUATIONS

US Bank Corporation	\$ 249,092,565
Northwestern Mutual Life Ins.	\$ 193,493,375
Mandel Group	\$ 106,732,616
Marcus Corp/Milw City Center/Pfister	\$ 97,387,873
Metropolitan Associates	\$ 94,846,441
NNN 411 East Wisconsin LLC	\$ 89,724,353
100 E. Wisconsin-CW Wisconsin Ave. LLC	\$ 79,822,218
Towne Realty	\$ 75,787,573
Flanders Westborough	\$ 56,704,469
875 East Wisconsin-875 East Sponsor LLC	\$ 54,442,335

Source: City of Milwaukee, Assessor's Office February 2012.

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DEBT STRUCTURE

The City of Milwaukee has never defaulted in the payment of the principal or interest on its debt obligations, nor has the City issued any refunding securities for the purpose of preventing default in principal or interest on its debt obligations.

LEGAL DEBT LIMITATIONS

Section 67.03 of the Wisconsin Statutes, as supplemented and amended, limits direct general obligation borrowing by the City to an amount equivalent to five percent of the equalized valuation of taxable property within the City. Section 119.49 of the Wisconsin Statutes, as supplemented and amended, further authorizes referendum approved-bonding in an additional amount equivalent to two percent of the equalized taxable property within the City for school capital purposes.

DEBT MARGIN

(Includes the Offered Obligations to be issued by the City)

2011 Equalized Value of Taxable Property in the City	\$27,954,669,900
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Legal Debt Limitation for City Borrowing

5% of Equalized Value	\$1,397,733,495
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General Obligation Debt Outstanding subject to 5% Limit as of 05/01/12	\$835,525,000	
Plus: 2012 R1, N2, B3, T4, T5	240,345,000*	
Less: Provision for current year maturities	(58,525,000)	
Less: Refunded Long-term Debt	(79,605,000)*	
Plus: 2012 Extendable Variable Rate	30,000,000*	
Less: Refunded Commercial Paper	(24,000,000)	
Net General Obligation Debt Outstanding subject to the 5% Limit as of 05/01/12		\$943,740,000

Total Debt Margin for City Borrowing (in Dollars)	\$453,993,495
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(As a percentage)	32.5%
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(As a percentage excluding Cash Flow Notes)	39.6%
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Legal Debt Limitation for School Purpose Borrowing

2% of Equalized Value	\$559,093,398
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General Obligation Debt Outstanding subject to 2% Limit as of 05/01/12	\$14,774,150	
Less: Provision for current year maturities	-	
Net General Obligation Debt Outstanding subject to the 2% Limit as of 05/01/12		\$14,774,150

Total Debt Margin for School Purpose Borrowing (in Dollars)	\$544,319,248
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(As a percentage)	97.4%
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* Preliminary, subject to change

DEBT REFUNDED

The City has issued the following series of general obligation refunding bonds that have outstanding escrow amounts:

\$45,240,000 General Obligation Refunding Bonds, Series 2005 A5, dated June 7, 2005, for the purpose of refunding portions of seven general obligation issues, with a final escrow payment in 2012, with Associated Trust Company, National Association as escrow trustee.

None of the refunded debt is reflected in the "DEBT MARGIN" presentation above.

ANALYSIS OF GENERAL OBLIGATION DEBT OUTSTANDING AS OF MAY 1, 2012

Tax Increment Districts	\$183,267,992
Public Buildings	149,129,478
Schools (5% City Borrowing)	111,469,469
Schools (2% School Purpose Borrowing)	14,774,150
Streets	108,399,833
Sewers	80,567,916
Finance Real & Personal Property Tax Receivables	41,451,000
Police	29,530,933
Bridges	26,618,345
Blight Elimination/Urban Renewal	25,475,758
Water	18,090,561
Fire	17,171,090
Library	12,249,720
Parking	10,842,602
Local Improvement Projects/Special Assessments	10,424,199
Playground/Recreational Facilities	7,554,494
Harbor	2,659,244
Grant & Aid Improvements (City Share)	611,908
Economic Development	4,572
Industrial Land Bank	3,207
Milwaukee Exposition and Convention Center	1,238
Resource Recovery	1,043
Lakefront Development	398
TOTAL	<u><u>\$850,299,150</u></u>

GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS

The following indicates the annual requirements of principal and interest on the general obligation debt of the City.

Year	Total G.O. Debt Service as of 5/1/12 (1) *		Series 2012 N2/B3/T4/T5				Extendable Variable Rate (7)	Total Requirements After Issuance
	Principal (2)	Interest (3)	New Money (4) Principal	Interest (5)	Refunding (6) Principal Interest (5)			
2012	\$56,525,000	\$104,611,426		\$1,312,783	\$0	\$1,724,775	\$1,687,500	\$165,861,485
2013	92,555,000	168,733,220	\$19,480,000	2,542,500	4,115,000	3,877,375	2,700,000	294,003,095
2014	77,555,000	145,894,022	9,690,000	1,813,250	7,010,000	3,599,250	2,700,000	248,261,522
2015	70,030,000	132,539,826	4,000,000	1,471,000	8,275,000	3,217,125	2,700,000	222,232,951
2016	66,125,000	123,388,080	3,530,000	1,282,750	9,750,000	2,766,500	2,700,000	209,542,330
2017	58,245,000	109,289,303	3,435,000	1,108,625	9,850,000	2,276,500	2,700,000	186,904,428
2018	90,690,000	154,711,463	3,285,000	940,625	12,855,000	1,708,875	2,700,000	266,890,963
2019	43,250,000	73,255,729	2,160,000	804,500	11,825,000	1,091,875	2,700,000	135,087,104
2020	41,200,000	62,947,848	2,170,000	696,250	7,735,000	602,875	2,700,000	118,051,973
2021	34,145,000	53,460,507	2,185,000	587,375	5,650,000	268,250	2,700,000	98,996,132
2022	23,330,000	36,659,137	2,200,000	477,750	2,540,000	63,500	2,700,000	67,970,387
2023	22,870,000	31,419,960	1,670,000	381,000	—	—	2,700,000	59,040,960
2024	18,755,000	25,326,221	1,680,000	297,250	—	—	2,700,000	48,758,471
2025	14,870,000	31,842,262	1,690,000	213,000	—	—	2,700,000	51,315,262
2026	7,815,000	9,213,075	1,700,000	128,250	—	—	2,700,000	21,556,325
2027	8,975,000	44,287,019	1,715,000	42,875	—	—	2,700,000	57,719,894
2028	2,985,000	3,126,788	—	—	—	—	2,700,000	8,811,788
2029	—	—	—	—	—	—	2,700,000	2,700,000
2030	—	—	—	—	—	—	2,700,000	2,700,000
2031	—	—	—	—	—	—	2,700,000	2,700,000
2032	—	—	—	—	—	—	32,700,000	32,700,000
	<u>\$729,920,000</u>	<u>\$1,310,705,886</u>	<u>\$60,590,000</u>	<u>\$14,099,783</u>	<u>\$79,605,000</u>	<u>\$21,196,900</u>	<u>\$85,687,500</u>	<u>\$2,301,805,069</u>

(1) Excludes debt to be refunded.

(2) Assumes Sinking Fund Deposits in year due.

(3) Assumes: the maximum interest rate of 12.0% on \$65,000,000 of variable rate debt (the tax levy requirement).

(4) Includes new money, and refunding of commercial paper.

(5) Assumes 5.00% on the 2011 N2/B3/T4/T5.

(6) Refunding of outstanding long-term debt.

(7) Assumes the maximum interest rate of 9.0%. Preliminary, subject to change.

* Preliminary, subject to change.

**TRENDS OF GENERAL OBLIGATION DEBT
(THOUSANDS OF DOLLARS)**

Year 12/31	Total GO Debt	Self-Sustaining GO Debt*	Levy Supported GO Debt
2007	\$747,298	\$294,952	\$452,346
2008	788,579	291,317	497,262
2009	804,474	293,039	511,435
2010	916,034	342,400	573,634
2011	934,004	373,059	560,945

**TRENDS OF SELF-SUSTAINING GENERAL OBLIGATION DEBT
(THOUSANDS OF DOLLARS)**

Year 12/31	TID Program	Parking Program	Special Assessments	Delinquent Taxes ⁽¹⁾	Water	Sewer ⁽²⁾	Total Self-Sustaining
2007	\$143,886	\$11,733	\$16,458	\$28,320	\$19,895	\$74,661	\$294,952
2008	165,217	10,743	14,631	34,136	17,049	49,541	291,317
2009	164,106	11,616	12,994	40,508	17,049	46,766	293,039
2010	167,944	11,753	11,623	47,575	13,453	90,052	342,400
2011	192,838	12,170	10,462	52,728	22,053	82,807	373,059

*General Obligation debt whose debt service requirements are paid by non-Citywide property tax revenues.

⁽¹⁾ Debt issued for Delinquent Tax Purposes is paid from collections of the delinquent taxes.

⁽²⁾ Amount reflects the portion of GO Sewer Debt paid by the Sewer Utility.
Beginning in 2007, the Sewer Utility paid the full amount of the GO Sewer Debt.
Also includes temporary borrowing pending refunding with revenue bonds.

**RATIO OF GENERAL OBLIGATION DEBT
To Equalized And Assessed Values And To Per Capita**

Year 12/31	Population ⁽¹⁾	Net Equalized Valuation	AV	Total GO Debt	GO Debt /Net EV	GO Debt /AV	GO Debt /capita
2007	\$590,190	\$31,887,192,100	\$29,374,372,962	\$747,298,112	2.34%	2.54%	1,266
2008	590,870	32,257,525,000	30,431,675,204	788,579,150	2.44	2.59%	1,335
2009	584,000	31,266,329,200	28,994,573,372	804,474,150	2.57	2.77%	1,378
2010	580,500	29,520,783,200	28,048,464,348	916,034,150	3.10	3.27%	1,578
2011	595,525	27,954,669,900	27,917,642,983	934,004,150	3.34	3.35%	1,568

⁽¹⁾ Population estimate from the Wisconsin Department of Revenue for use in the distribution of State Shared Revenues. It is anticipated that the 2011 population estimate will reflect the results of the 2010 US Census, which was 594,833.

The Public Debt Amortization Fund may be used to purchase and prepay City GO Debt. Assuming the unsegregated fund balance is used to prepay City GO Debt at year-end, the following results would have occurred:

Year 12/31	PDAF Unsegregated Balance	GO Debt /Net EV	GO Debt /capita
2007	\$50,824,739	2.18%	1,180
2008	50,916,679	2.29	1,248
2009	50,444,955	2.41	1,291
2010	55,453,164	2.92	1,482
2011 ⁽¹⁾	55,453,164	3.14	1,475

⁽¹⁾ 12/31/11 balance is unknown at this time. Assumes balance is unchanged for the year.

**COMPUTATION OF NET DIRECT AND OVERLAPPING DEBT
MAY 1, 2012**

<u>Governmental Unit</u>	<u>Debt Outstanding As of May 1, 2012</u>	<u>Percentage Applicable</u>	<u>Milwaukee's Share of Debt As of May 1, 2012</u>
City of Milwaukee ⁽¹⁾	\$962,774,150	100.00%	\$962,774,150
Area Board of Vocational, Technical and Adult Education, District No. 9	80,060,000	37.34	29,894,404
County of Milwaukee	614,819,152	45.75	281,279,762
Milwaukee Metropolitan Sewerage District ⁽²⁾	928,417,875	46.78	434,313,882
TOTAL NET DIRECT AND OVERLAPPING DEBT	<u><u>\$2,586,071,177</u></u>		<u><u>\$1,708,262,198</u></u>

⁽¹⁾ Includes \$126 million general obligation debt outstanding, which financed Milwaukee Public Schools improvements. Figure includes the new issue, and excludes debt to be refunded and provisions for current year maturities.

⁽²⁾ Includes approximately \$928,417,875 of low interest loans from the State of Wisconsin Clean Water Fund, supported by the full faith and credit of the MMSD.

FUTURE FINANCING

Prior to the issuance of the Offered Obligations, the City has \$470 million authorized unissued general obligation debt for various corporate and capital improvement purposes, which can be issued at any time. In addition, the City has \$400 million of authorized unissued revenue anticipation borrowing for City and School cash flow purposes.

The City is in the process of issuing \$30 million of long-term extendable variable rate debt for street purposes, and permanently financing approximately \$10 million of outstanding commercial paper issued for street purposes.

The authorized unissued general obligation debt includes \$67 million for sewer purposes. In addition, there is currently outstanding \$42 million of General Obligation Commercial Paper that was issued on a temporary basis for sewer purposes. Most of the sewer purpose debt will be financed on a revenue bond basis, including second lien revenue bonds sold to the State of Wisconsin Clean Water Fund Program. The remaining portion will be financed on a long-term basis with general obligation debt.

See “FINANCIAL INFORMATION — CITY CAPITAL IMPROVEMENTS PLAN” herein for information on potential future capital needs.

CITY CAPITAL IMPROVEMENTS PLAN

The City’s 2012-2017 Draft Capital Improvement Plan (“CIP”) outlines planned capital improvement projects and programs. Some school purpose improvements are financed by the City for Milwaukee Public School, but are not included in the CIP.

The six-year CIP plan totals \$988 million. About \$652 million, or 66% of the planned spending, is intended to preserve the City’s existing infrastructure facilities (streets, sewers, alleys, bridges, etc.). Approximately 66% (\$654 million) is anticipated to be borrowed with General Obligation debt, with the balance (\$334 million) being borrowed with revenue debt.

<u>Purpose</u>	<u>Amount (\$Millions)</u>
Transportation	\$323
Environment	334
Economic Development	179
Public Safety	64
Miscellaneous	<u>88</u>
Total	<u><u>\$988</u></u>

COMMERCIAL PAPER PROGRAM

The City has authorized the issuance of Commercial Paper (“CP”) with the General Obligation Commercial Paper Promissory Notes, 2008 Program Series C2, Series R3, and Series T4 (Taxable) (the “Series C2 Notes”, “Series R3 Notes”, and “Series T4 Notes” respectively, and together, the “CP Notes”). Any combination of Series C2 Notes, Series R3 Notes, and Series T4 Notes, up to an aggregate total of \$125,000,000, is authorized to be outstanding at any time. The CP Notes are general obligation debt of the City and are additionally secured by a direct pay letter of credit from State Street Bank that expires on December 1, 2012. The CP Notes are authorized to be outstanding until January 31, 2018.

The CP Notes may be issued at any time for any purpose, including the purposes described in Future Financing above. The primary purpose of the CP Note program is to provide interim financing for expenditures pending the City’s next long-term financing. As of December 31, 2011, the City had \$66,000,000 of Series C2 Notes outstanding.

The City is in the process of creating a new Extendable Commercial Paper Program to replace most of the 2008 Program CP Notes.

AUCTION RATE AND OTHER VARIABLE RATE EXPOSURE

The City has no outstanding Auction Rate securities. The City has no insured debt that has a put option. The City’s CP Notes are additionally secured by liquidity facilities provided by State Street Bank. The \$12,000,000 outstanding Series 2005 V8 is a 7-day variable rate demand bond secured by a Stand-By Bond Purchase Agreement that expires on December 1, 2012. The CP Notes are secured by a direct pay letter of credit that expires on December 1, 2012.

The \$12,000,000 of outstanding Series 2005 V8 will be refunded with the issuance of the N2 Notes. \$10 million will be refunded with fixed rate debt, and \$2,000,000 will be paid down from tax levy. The City is in the process of creating non-credit enhanced long-term extendable variable rate debt. It is anticipated that, over time, up to 15-25% of the tax levy supported long-term general obligation debt will be in the form of variable rate debt.

In 2003, the Redevelopment Authority of the City of Milwaukee, on behalf of the MPS, issued \$130,850,000 of Taxable Pension Funding Bonds, 2003 Series D in Auction Rate Mode and insured by MBIA. In 2005, the 2003 Series D bonds were converted to Index Bonds (“IB”) whose interest rate is reset monthly to 1-month LIBOR + 25 basis points. The IB bond owners do not have an option to put the bonds. The 2003 Series D bonds also have an interest rate swap that pays MPS 1-month LIBOR + 20 basis points in exchange for a fixed rate of 5.56% paid by MPS, effectively converting the IB to a fixed rate with no basis risk.

REVENUE BONDING

The City has issued revenue bonds for its Water and Sewerage Systems and has issued industrial revenue bonds on behalf of borrowers for eligible projects. Additionally, the Housing Authority of the City (the “Housing Authority”), the Redevelopment Authority of the City (the “Redevelopment Authority”), the Milwaukee Economic Development Corporation and related entities also have outstanding obligations. Collectively, the programs of the Housing and Redevelopment Authorities and Milwaukee Economic Development Corporation complement the City-financed economic development projects and foster the same development objectives.

Water System Revenue Bonds, Series 1998 — In 1998, the City and the State of Wisconsin entered into a loan agreement under the State of Wisconsin Safe Drinking Water Loan Program. Subsidized loans are available for certain projects, are secured by revenues of the Milwaukee Water Works, and are repayable over a period of 20 years. As of December 1, 2011, the outstanding balance was \$7.5 million.

Sewerage System Revenue Bonds — In 2001, the City created the Sewerage System with the issuance of \$29,095,000 of Sewerage System Revenue Bonds, and in 2003, the City issued an additional \$33,885,000 of Sewerage System Revenue Bonds. In 2011, the City issued \$52,565,000 of refunding and new money Sewerage System Revenue Bonds. As of December 31, 2011, total outstanding Sewerage System Revenue Bonds was \$62 million with a final maturity in 2031.

In 2006, the City created the Sewerage System Second Lien Revenue Bonds for the purpose of borrowing from the State of Wisconsin Clean Water Fund Program. As of December 31, 2011, the City had \$80.5 million outstanding under the Program.

The City hopes to satisfy as much as possible of its Sewerage System capital needs with borrowings under the Program. (See “FUTURE FINANCING”).

Industrial Revenue Bonding Program — The City has established guidelines relating to its Industrial Revenue Bonding Program. These guidelines establish criteria for IRB financing. The guidelines delineate that the primary goals of this program are to create additional tax base, additional jobs, or both.

Industrial land, buildings, and machinery and equipment used in the manufacturing process and pollution abatement equipment of new or expanding industries are eligible projects. Since the first IRB issue in 1973, the City has closed 125 issues amounting to approximately \$265 million. The City has no responsibility to either secure or redeem IRB debt, and thus neither guarantees nor lends its own credit to these obligations.

Housing Authority of the City of Milwaukee — Most of the Housing Authority bonds and notes are secured by a lien on all revenues of the Housing Authority Low Income Housing Program. The Housing Authority has also issued debt for “stand-alone” projects. The Housing Authority bonds and notes are limited obligations of the Housing Authority and are neither a general obligation of the City nor are they guaranteed by the City. As such, they are not backed by the general credit or taxing powers of the City.

Between 1983 and December 1, 2011, the Housing Authority issued revenue bonds of approximately \$149 million, of which approximately \$8.990 million are still outstanding.

Redevelopment Authority of the City of Milwaukee — The Redevelopment Authority is a public body corporate and politic formed in 1958 by action of the Common Council of the City pursuant to the Section 66.1333 (formerly Section 66.431) of the Wisconsin Statutes, as supplemented and amended (“Redevelopment Authority Act”).

The Redevelopment Authority has as its purpose the carrying out of blight elimination, slum clearance and urban renewal programs and projects as set forth in the Redevelopment Authority Act, and is authorized under the Redevelopment Authority Act to issue revenue bonds for the financing of such programs and projects, and to enter into revenue agreements to provide revenues for the payment of such revenue bonds.

Since its creation, the Redevelopment Authority has provided for the acquisition and improvement of a variety of industrial, commercial, housing and other revenue-producing projects, and, in some instances, has entered into revenue agreements for the financing thereof, pursuant to authorization contained in the Redevelopment Authority Act. In connection with the financing of a number of such projects, the Redevelopment Authority has issued revenue bonds under a number of authorizing resolutions and indentures, each of which contained separate terms and conditions relating to the respective issues of revenue bonds. In each instance, the bonds issued constitute limited obligations of the Redevelopment Authority, and do not constitute an indebtedness of the City or a charge against the City’s general credit or taxing power.

The majority of these issues are supported solely by the revenues of the various projects. While in each instance, the bonds issued constitute limited obligations of the Redevelopment Authority, and do not constitute an indebtedness of the City or a charge against the City’s general credit or taxing power, there are certain issues which involve contingent liabilities of the Redevelopment Authority and/or the City.

As of December 31, 2011, the Redevelopment Authority had outstanding: two bond issues with \$36,490,000 outstanding that have a Moral Obligation Pledge of the City; and \$253,939,122 in six bond issues for MPS, one secured by a lease, and five secured by loan agreement, with the Milwaukee Board of School Directors (“MBSD”). These bonds do not constitute general obligations of the City, or of MBSD, and shall not constitute or give rise to a charge against the City’s, or MBSD’s, taxing powers. These pledges create only financial obligations of the City, or MBSD, which are subject to annual appropriation. The loan agreement with MBSD includes a pledge of certain state aid payable to MBSD.

The Redevelopment Authority has also issued debt payable from tax increment revenues. (See “TAX INCREMENT DISTRICT FINANCING” herein).

Milwaukee Economic Development Corporation As of December 31, 2011, the Milwaukee Economic Development Corporation, itself, or through a related entity, funded loans for 1,080 small businesses and redevelopment projects utilizing \$260.9 million to leverage a total of \$1.299 billion in investment. 954 loans have been enrolled in the Capital Access Program with covered loan amounts totaling \$53.1 million.

The Milwaukee Economic Development Corporation had notes and debentures payable under the Small Business Administration’s Section 503 and 504 loan programs in the amount of \$9.5 million as of December 31, 2011.

TAX INCREMENT DISTRICT FINANCING

Five issues of the Redevelopment Authority and Housing Authority involving over \$60 million in bonds have financed projects located within tax increment districts (“TID”) of the City. The City has also financed public improvements and provided grants to the Redevelopment Authority for redevelopment purposes within such districts through the issuance of its general obligation bonds. As of December 31, 2011, \$193 million general obligation bonds for TID purposes were outstanding. Under current law, tax increments received by the City have been calculated based upon the assessed valuation and the applicable tax levy in the TID. The applicable tax levy includes the public school tax levy rate for Milwaukee Public Schools.

The Redevelopment Authority of the City has approximately \$42 million of debt secured by tax increment revenues. One of those issues, in the approximate amount of \$20 million, has the Moral Obligation Pledge of the City. The remaining debt is owed to developers of projects within the TID, with no recourse to the City in the event that tax increment revenues are insufficient to repay the obligations. In 1996, the Wisconsin Legislature passed a property tax relief measure which increased the portion of statewide school revenues funded by State equalization aid to two-thirds from approximately one-half of all funds’ budgets. The 2011 Assessed Tax Rate for Milwaukee Public Schools is \$11.11 per thousand dollars of assessed value, down from \$15.70 in 1995 (amounts are net of the school state tax credit). As a result, tax increment revenues for certain TIDs received by the City have been, and are expected to continue to be, reduced and therefore have the impact of either increasing the time needed to recover incurred project costs, including future debt service requirements; reducing the funding of active and proposed TIDs; or may require the City to fund TID cash flow deficiencies with other City revenues. In connection with the change in the School Aid formula, the State Legislature extended the allowable life of all TIDs established before October 1, 1995 from a maximum 23 years to a maximum 27 years to accommodate the lower school property tax rate. Pursuant to 2003 Wisconsin Acts 126, 127, 194 and 231 (enacted in February through April 2004), the allowable life of TIDs created between September 30, 1995 and October 1, 2004 for blight elimination and rehabilitation purposes is 27 years. The maximum lives for TIDs created after September 30, 2004 is 27 years for blighted and rehabilitation TIDs, and 20 years for mixed-use TIDs and industrial TIDs, which, for industrial TIDs represents a reduction from 23 years, though the new law also makes them eligible for a three-year extension under certain circumstances. In any year in which total TID debt service requirements for the ensuing year are greater than total tax increments received, the shortfall is funded by the City’s general property tax levy.

FINANCIAL INFORMATION

BUDGETING

Each department and agency prepares its own detailed estimate of needs for the ensuing fiscal year which is filed with the Mayor not later than the second Tuesday in May of each year, at which time the Comptroller submits a statement of anticipated non-property tax revenues in accordance with City Charter provisions. Under the City Charter, changes to these non-property tax revenue estimates can be made only by the Comptroller. The Mayor holds hearings on departmental spending requests during July and August at the times and places the Mayor or Common Council by ordinance directs. The Mayor submits a proposed budget to the Common Council on or before September 28th of each year. This budget includes the Comptroller’s anticipated non-property tax revenues. Subsequent to receipt of the budget by the Common Council, its Committee on Finance and Personnel reviews the Mayor’s proposed expenditure budget. The Mayor and Common Council hold a public hearing on the entire budget no later than the 30th day of October. The Common Council subsequently adopts a property tax levy, but cannot change the Comptroller’s anticipated revenues budget. The final budget must be adopted by the 14th of November. The City is under no State or local levy limits with respect to its General, Capital or Debt Service Funds.

ADOPTED BUDGET - COMBINED REVENUES - 2012

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Total
Taxes						
Property Tax - General	\$115,230,737	—	\$68,736,570	\$1,025,000	—	\$184,992,307
Provision for Empl Retirement ⁽¹⁾	58,016,150	—	—	—	—	58,016,150
Common Council Cont	5,000,000	—	—	—	—	5,000,000
Total Taxes	178,246,887	—	68,736,570	1,025,000	—	248,008,457
Revenues						
Taxes	16,147,300	—	—	—	—	16,147,300
Licenses and Permits	12,647,600	—	—	—	—	12,647,600
Intergovernmental Revenues	259,851,500	63,846,247	—	—	—	323,697,747
Charges for Service	133,120,514	—	—	—	—	133,120,514
Fines and Forfeitures	5,304,000	—	—	—	—	5,304,000
Miscellaneous Revenues	3,710,825	12,300,000	—	—	—	16,010,825
Fringe benefits ⁽²⁾	25,000,000	—	—	—	—	25,000,000
Parking	22,410,157	—	2,170,000	5,000,000	15,866,843	45,447,000
Water Works	—	—	5,870,907	630,000	78,356,093	84,857,000
Sewer Maintenance Fund	12,734,075	—	11,408,929	6,440,000	25,219,115	55,802,119
Retained Earnings	—	—	—	—	9,734,527	9,734,527
Sinking Fund	—	—	64,058,277	—	—	64,058,277
Cash Flow borrowings	—	—	125,000,000	—	—	125,000,000
Special Assessments	—	7,703,639	—	1,065,600	—	8,769,239
Capital Revenue	—	—	—	15,058,000	—	15,058,000
Total Revenues	490,925,971	83,849,886	208,508,113	28,193,600	129,176,578	940,654,148
Tax Stabilization						
Transfer from Reserves	13,767,000	—	—	—	—	13,767,000
Sale of Bonds and Notes						
General City	—	—	—	96,308,100	—	96,308,100
Enterprise Funds	—	—	—	46,990,000	—	46,990,000
Grand Total	\$682,939,858	\$83,849,886	\$277,244,683	\$172,516,700	\$129,176,578	\$1,345,727,705

⁽¹⁾ Includes employer and employee pension contributions and City employers' share of FICA.

⁽²⁾ For budgeting purposes, Fringe Benefits are used as an offset against expenditures since these costs are budgeted twice, both as a lump sum and as individual departmental expenditures.

ADOPTED BUDGET – COMBINED APPROPRIATIONS – 2012

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Total
Administration, Dept of	\$ 9,480,298	—	—	\$600,000	—	\$10,080,298
Assessor's Office	4,627,225	—	—	—	—	4,627,225
City Attorney	7,629,058	—	—	—	—	7,629,058
City Treasurer	3,063,379	—	—	—	—	3,063,379
Common Council - Clerk	8,555,215	—	—	40,000	—	8,595,215
Municipal Court	3,505,745	—	—	—	—	3,505,745
Comptroller	5,652,900	—	—	—	—	5,652,900
Dept of City Development	4,682,014	—	—	29,176,000	—	33,858,014
Election Commission	2,912,189	—	—	—	—	2,912,189
Employee Relations, Dept of	4,541,064	—	—	—	—	4,541,064
Fire and Police Commission	1,300,016	—	—	—	—	1,300,016
Fire Department	105,025,041	—	—	3,424,000	—	108,449,041
Health Department	13,161,487	—	—	450,000	—	13,611,487
Library Board	22,699,974	—	—	2,577,000	—	25,276,974
Mayor's Office	1,215,279	—	—	—	—	1,215,279
Neighborhood Services	17,236,668	—	—	—	—	17,236,668
Police Department	236,229,306	—	—	1,502,000	—	237,731,306
Port of Milwaukee	5,018,503	—	—	225,000	—	5,243,503
DPW-Administration	4,533,496	—	—	1,220,000	—	5,753,496
DPW-Infrastructure	39,508,604	—	—	52,981,700	—	92,490,304
DPW-Operations	79,476,499	—	—	10,239,000	—	89,715,499
Water Works	—	—	5,870,907	9,320,000	82,125,061	97,315,968
Sewer Maintenance Fund	—	—	11,408,929	43,950,000	26,592,120	81,951,049
Special Purpose Accounts	163,659,514	—	—	—	—	163,659,514
Pension Funds	87,566,061	—	—	—	—	87,566,061
Debt Service - City	—	—	132,794,847	—	—	132,794,847
Debt Service - Schools	—	—	—	—	—	—
Debt Service - Cash Flow	—	—	125,000,000	—	—	125,000,000
Contingency	5,000,000	—	—	—	—	5,000,000
Delinquent Tax Fund	—	12,300,000	—	—	—	12,300,000
Parking	—	—	2,170,000	5,790,000	20,459,397	28,419,397
Grant & Aid Fund	—	63,846,247	—	—	—	63,846,247
Special Capital Projects	—	—	—	11,022,000	—	11,022,000
Economic Development	—	7,703,639	—	—	—	7,703,639
Fringe Benefit Offset ⁽¹⁾	(153,339,677)	—	—	—	—	(153,339,677)
Grand Total	\$682,939,858	\$83,849,886	\$277,244,683	\$172,516,700	\$129,176,578	\$1,345,727,705

⁽¹⁾For budgeting purposes, Fringe Benefits are used as an offset against expenditures since these costs are budgeted twice, both as a lump sum and as individual departmental expenditures.

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2010
(Thousands of Dollars)

<u>Revenues:</u>	<u>2006</u>	<u>2007</u> ⁽¹⁾	<u>2008</u>	<u>2009</u>	<u>2010</u>
Property Taxes	141,102	137,253	141,573	156,410	168,031
Other Taxes	5,202	5,311	4,839	3,504	5,097
Licenses and Permits	13,729	13,704	12,918	12,186	12,948
Intergovernmental	272,417	272,539	271,100	272,337	270,939
Charges for Services	73,528	76,496	86,410	91,057	97,146
Fines and Forfeitures	5,541	5,800	5,277	4,802	5,422
Other	<u>17,353</u>	<u>18,883</u>	<u>12,864</u>	<u>19,967</u>	<u>20,323</u>
TOTAL GENERAL FUND REVENUES	<u>528,872</u>	<u>529,986</u>	<u>534,981</u>	<u>560,263</u>	<u>579,906</u>
Tax Stabilization Fund Withdrawals	16,328	23,175	29,457	22,379	13,070
Other Financing Sources and Equity					
Transfers (Net)	<u>37,761</u>	<u>43,224</u>	<u>40,234</u>	<u>46,896</u>	<u>49,640</u>
TOTAL GENERAL FUND REVENUES TAX STABILIZATION FUND WITHDRAWALS AND OTHER FINANCING SOURCES	<u>582,961</u>	<u>596,385</u>	<u>604,672</u>	<u>629,538</u>	<u>642,616</u>
<u>Expenditures:</u>					
General Government	178,004	201,021	199,004	202,066	253,328
Public Safety	250,672	257,137	266,370	276,060	264,067
Public Works	86,482	93,956	103,149	97,093	94,482
Health	10,428	10,359	10,118	10,446	9,996
Culture and Recreation	17,882	17,548	16,782	17,329	15,656
Conservation and Development	<u>3,217</u>	<u>3,279</u>	<u>3,456</u>	<u>4,230</u>	<u>3,747</u>
TOTAL EXPENDITURES	<u>546,685</u>	<u>583,300</u>	<u>598,879</u>	<u>607,224</u>	<u>641,276</u>
SOURCES OVER (UNDER) EXPENDITURES	36,276	13,085	5,793	22,314	1,340
Fund Balance - January 1 (excludes reserved for use during the year)	68,899	82,000	65,628	49,042	58,286
Fund Balance - December 31	<u>105,175</u>	<u>95,085</u>	<u>71,421</u>	<u>71,356</u>	<u>59,626</u>
Fund Balance Components:					
Reserved for Encumbrances & Carryovers	15,616	21,376	22,865	21,919	8,144
Reserved for Inventory	6,886	6,252	7,248	6,827	7,220
Reserved for Mortgage Trust	280	218	173	141	135
Reserved for Environmental Remediation	303	303	303	303	303
Reserved for Next Year's Budget	23,175	29,457	22,379	13,070	14,600
Reserved for Subsequent Years' Budget	<u>58,915</u>	<u>37,479</u>	<u>18,453</u>	<u>29,096</u>	<u>29,224</u>
TOTAL FUND BALANCE	<u>105,175</u>	<u>95,085</u>	<u>71,421</u>	<u>71,356</u>	<u>59,626</u>

⁽¹⁾ In 2007, balances presented on a Budget Basis do not match balances presented on a Generally Accepted Accounting Principles ("GAAP") basis due to borrowing for certain expenditures authorized in the current fiscal year but not completed until the subsequent fiscal year. Budget Basis recognizes the revenues and expenditures in the same fiscal year, whereas GAAP does not recognize the revenues until the year the borrowing actually occurs. On a GAAP basis, the balances for "Reserve for Subsequent Years' Budget" and "Total Fund Balance" in 2007 were \$33,247 and \$90,853, respectively.

**CITY OF MILWAUKEE
GENERAL FUND - PROJECTED CASHFLOW SUMMARY
(MILLIONS OF DOLLARS)
JANUARY 1, 2012 TO DECEMBER 31, 2012**

	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
BALANCE	81.374	118.797	21.050	(16.657)	5.872	82.196	16.041	39.470	9.133	10.852	(0.470)	136.679	
RECEIPTS													
Property Taxes	2.764	8.067	5.098	6.733	7.629	8.184	52.481	10.440	14.434	13.513	1.237	83.302	213.882
State Aids													
Shared Revenue	-	-	-	-	-	-	41.090	-	-	-	185.717	-	226.807
Highway Aids	6.176	-	-	6.170	-	-	6.960	-	-	6.170	-	-	25.476
Payment Muni. Services	-	1.912	-	-	-	-	-	-	-	-	-	-	1.912
Computer Exemption Aid	-	-	-	-	-	-	3.900	-	-	-	-	-	3.900
Other	9.550	5.674	14.152	7.474	10.236	13.117	13.005	15.185	9.282	14.076	9.477	9.580	130.808
Delinquent Taxes Transfer	31.404	-	-	-	-	-	-	-	-	-	-	-	31.404
Pension Fees	2.234	-	0.487	-	2.392	3.154	1.018	2.632	1.695	0.879	2.691	1.163	18.345
City Services Fees	3.075	2.340	2.432	1.846	2.376	1.805	2.147	2.556	2.128	3.093	4.927	3.180	31.905
City PILOTS (Major)	-	-	-	-	-	-	-	-	-	-	-	12.668	12.668
Parking Transfers	-	-	-	-	-	10.205	-	-	-	-	-	10.205	20.410
Summerfest Lease	-	-	-	-	-	-	-	-	-	-	-	1.351	1.351
Street Sweeping	-	-	-	-	-	6.070	-	-	-	-	-	6.070	12.140
Vehicle Registration Fee	0.378	0.630	0.378	0.378	0.630	0.630	0.630	0.567	0.567	0.567	0.567	0.378	6.300
Potawatomi PILOT	-	-	-	-	-	-	-	5.500	-	-	-	-	5.500
Year End Transfers	34.218	-	-	-	-	-	-	-	-	-	-	-	34.218
Note Proceeds	-	-	-	50.000	100.000	-	-	-	20.000	-	-	-	170.000
TOTAL RECEIPTS	89.799	18.623	22.547	72.601	123.263	43.165	121.231	36.880	48.106	38.298	204.616	127.897	947.026

Applicable footnote?

Maximum deficit occurs in July and November.

CITY OF MILWAUKEE
GENERAL FUND - PROJECTED CASHFLOW SUMMARY (MILLIONS OF DOLLARS)
(MILLIONS OF DOLLARS) (CONTINUED)
JANUARY 1, 2012 TO DECEMBER 31, 2012

	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
DISBURSEMENTS													
Salaries & Benefits	39.205	42.281	51.381	38.019	37.720	38.222	38.530	51.528	38.728	39.121	38.718	39.896	493.349
Services & Supplies	13.171	12.650	8.873	12.053	9.219	11.470	9.272	15.689	7.659	10.499	8.749	6.980	126.284
Employer Pension Contribution	-	25.000	-	-	-	-	-	-	-	-	-	-	25.000
Purchase Tax Delinquents	-	36.439	-	-	-	-	-	-	-	-	-	-	36.439
Contractual Tax Payment	-	-	-	-	-	59.628	-	-	-	-	-	-	59.628
Year End Transfers	-	-	-	-	-	-	-	-	-	-	-	29.300	29.300
Note Principal Repayment	-	-	-	-	-	-	50.000	-	-	-	20.000	100.000	170.000
TOTAL DISBURSEMENTS	52.376	116.370	60.254	50.072	46.939	109.320	97.802	67.217	46.387	49.620	67.467	176.176	940.000
BALANCE	118.797	21.050	(16.657)	5.872	82.196	16.041	39.470	9.133	10.852	(0.470)	136.679	88.400	

**CITY OF MILWAUKEE
GENERAL FUND
PROJECTED SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012
(MILLIONS OF DOLLARS)**

	Beginning Cash Balance (Deficit)	Receipts	Disbursements	Ending Cash Balance (Deficit)		Ending Cash Balance Excluding RAN and CP
January	\$81.374	\$89.799	\$52.376	\$118.797		\$118.797
February	118.797	18.623	116.370	21.050		\$21.050
March	21.050	22.547	60.254	(16.657)		(\$16.657)
April	(16.657)	72.601	50.072	5.872	(1)	(\$44.128)
May	5.872	123.263	46.939	82.196	(1)	(\$67.804)
June	82.196	43.165	109.320	16.041		(\$133.959)
July	16.041	121.231	97.802	39.470	(2)	(\$60.530)
August	39.470	36.880	67.217	9.133		(\$90.867)
September	9.133	48.106	46.387	10.852	(1)	(\$109.148)
October	10.852	38.298	49.620	(0.470)		(\$120.470)
November	(0.470)	204.616	67.467	136.679	(2)	\$36.679
December	136.679	127.897	176.176	88.400	(2)	\$88.400
		<u>\$947.026</u>	<u>\$940.000</u>			

(1) Balance includes RAN and CP principal receipts.

(2) Balance includes RAN and CP principal repayments.

**CITY OF MILWAUKEE
GENERAL FUND
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(MILLIONS OF DOLLARS)**

	Beginning Cash Balance <u>(Deficit)</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Cash Balance <u>(Deficit)</u>
January	\$56.982	\$102.292	\$54.588	\$104.686
February	104.686	17.354	94.906	27.134
March	27.134	40.496	64.999	2.631
April	2.631	25.228	51.376	(23.517)
May	(23.517)	68.323 ⁽¹⁾	48.413	(3.607)
June	(3.607)	142.293 ⁽¹⁾	157.288 ⁽²⁾	(18.602)
July	(18.602)	123.021	49.036	55.383
August	55.383	36.321	58.615	33.089
September	33.089	28.648	58.766	2.971
October	2.971	38.956	67.931	(26.004)
November	(26.004)	212.644	50.829	135.811
December ⁽³⁾	135.811	<u>130.275</u>	<u>184.712</u> ⁽²⁾	81.374
		<u>\$965.851</u>	<u>\$941.459</u>	

Notes:

⁽¹⁾ \$46 million of CP were issued in May, and \$100 million of RANs were issued in June

⁽²⁾ \$46 million of CP were repaid in June, and \$100 million of RANs were repaid in December

⁽³⁾ Estimated.

CITY OF MILWAUKEE
SCHEDULE OF CASH AND INVESTMENT
BALANCES - ALL FUNDS
2011
(MILLIONS OF DOLLARS)

	General Fund ⁽¹⁾	Other Governmental Funds	Enterprise Funds	Trust and Agency Funds ⁽²⁾	Total
January	\$104.686	\$261.005	\$40.899	\$145.688	\$552.278
February	27.134	192.825	41.305	106.365	367.629
March	2.631	173.592	41.746	203.221	421.190
April	(23.517)	170.602	42.270	95.520	284.875
May	(3.607)	162.758	42.606	10.568	212.325
June	(18.602)	227.212	43.105	95.736	347.451
July	55.383	224.261	43.493	58.282	381.419
August	33.089	218.555	43.910	40.074	335.628
September	2.971	209.228	44.372	46.374	302.945
October	(26.004)	257.359	44.866	47.378	323.599
November	135.811	235.933	45.315	137.465	554.524
December (estimate)	81.374	215.476	46.201	425.808	768.859

⁽¹⁾ Balances include proceeds from the sale of the RANs and subsequent principal payment.

⁽²⁾ Agency Funds includes Milwaukee Public Schools.

This schedule excludes Cash & Investment balances for Housing Authority, Redevelopment Authority, Milwaukee Economic Development Corp., and the Neighborhood Improvement Development Corp.

CITY OF MILWAUKEE
PROJECTED SCHEDULE OF CASH AND INVESTMENT
BALANCES - ALL FUNDS
2012
(MILLIONS OF DOLLARS)

	General Fund ⁽¹⁾	Other Governmental Funds	Enterprise Funds	Trust and Agency Funds ⁽²⁾	Total
January	\$118.797	\$220.975	\$43.080	\$148.072	\$530.924
February	21.050	207.381	53.858	99.887	382.176
March	(16.657)	200.944	54.183	189.090	427.560
April	5.872	211.513	55.729	87.572	360.686
May	82.196	194.319	55.415	8.381	340.311
June	16.041	196.103	66.941	89.786	368.871
July	39.470	197.283	73.891	55.994	366.638
August	9.133	181.864	73.549	37.707	302.253
September	10.852	150.006	71.826	43.631	276.315
October	(0.470)	176.555	65.039	44.578	285.702
November	136.679	169.426	55.195	129.630	490.930
December	88.400	182.420	50.034	414.060	734.914

⁽¹⁾ Balances include proceeds from the sale of the RANs and subsequent principal payment.

⁽²⁾ Agency Funds includes Milwaukee Public Schools.

This schedule excludes Cash & Investment balances for Housing Authority, Redevelopment Authority, Milwaukee Economic Development Corp., and the Neighborhood Improvement Development Corp.

**CITY OF MILWAUKEE
ASSESSED AND EQUALIZED VALUATIONS**

	Year 2007 For 2008 Purposes	Year 2008 For 2009 Purposes	Year 2009 For 2010 Purposes	Year 2010 For 2011 Purposes	Year 2011 For 2012 Purposes
Real Property					
Residential	\$18,753,914,925	\$19,173,232,823	\$17,743,825,065	\$17,156,626,561	\$17,069,535,250
Industrial (Manufacturing)	726,692,200	772,959,900	732,007,800	732,279,700	746,955,100
Mercantile (Commercial)	8,950,205,395	9,483,547,328	9,485,580,238	9,202,213,459	9,191,348,932
Total Real Property	<u>\$28,430,812,520</u>	<u>\$29,429,740,051</u>	<u>\$27,961,413,103</u>	<u>\$27,091,119,720</u>	<u>\$27,007,839,282</u>
Personal Property	943,560,442	1,001,936,153	983,160,269	957,344,628	909,803,701
Total Assessed Valuations	<u><u>\$29,374,372,962</u></u>	<u><u>\$30,431,676,204</u></u>	<u><u>\$28,944,573,372</u></u>	<u><u>\$28,048,464,348</u></u>	<u><u>\$27,917,642,983</u></u>
Equalized Valuation as determined by the State Department of Taxation is the basis used in computing the 7% statutory debt limitation of the City of Milwaukee	\$31,887,192,100	\$32,257,525,000	\$31,266,329,200	\$29,520,783,200	\$27,954,669,900
Ratio of Assessed to Equalized Valuation	92.12%	94.34%	92.57%	95.01%	99.87%

CITY OF MILWAUKEE
ASSESSED TAX RATES
(Per \$1,000 of Assessed Valuation)

	2008	2009	2010	2011	2012
Unit of Government					
City Government	\$8.01	\$8.09	\$9.12	\$9.25	\$9.25
Milwaukee Public Schools	8.84	9.82	10.85	11.11	11.11
Milwaukee County	4.41	4.38	4.87	4.89	4.89
Milwaukee Area Technical College	1.92	1.94	2.02	1.95	1.95
Milwaukee Metropolitan Sewerage District	1.39	1.37	1.52	1.51	1.51
Gross Tax Rate Per \$1,000	\$24.57	\$25.60	\$28.38	\$28.71	\$28.71
Less: State Tax Credit	(\$1.43)	(\$1.57)	(\$1.81)	(\$1.81)	(\$1.81)
Net Tax Rate	\$23.14	\$24.03	\$26.57	\$26.90	\$26.90

CITY OF MILWAUKEE
PROPERTY TAX LEVIES AND COLLECTIONS
(\$ Amounts in Thousands)

Budget Year	Taxes Levied for the Fiscal Year			Cumulative Collected in Subsequent Years	
	Levy	Collections	% of Levy	Amount	% Collected
2006	\$261,685	\$255,823	97.76%	\$5,566	99.89%
2007	265,319	257,350	97.00	7,433	99.80
2008	286,180	277,119	96.83	7,830	99.57
2009	276,186	265,691	96.20	5,300	98.12
2010	291,943	281,099	96.29	0	96.29

COLLECTION PROCEDURES

If no payment of property taxes is received in January, the taxes become delinquent as of February 1st. If the taxes are not paid when due under the 10-month installment plan, they become delinquent for legal purposes on November 15th.

A letter is mailed to the taxpayer shortly after February 1st, telling of the delinquency and suggesting partial payments if full payment cannot be made. As directed by Chapter 74 of the Wisconsin Statutes interest at the rate of 1 percent per month is charged from the preceding January 1st. Periodic follow-up letters continue to be mailed.

Taxpayers are given every opportunity to pay their delinquent taxes and satisfactory agreements are arranged to bring this about. If a property owner continues to remain delinquent and the Treasurer's Office is unable to reach an arrangement by which the owner will pay the taxes, the Treasurer's Office starts foreclosure proceedings. The City enforces its own delinquent tax collections.

Taxes are foreclosed under Section 75.521 of the Wisconsin Statutes, which permits a legal action to be commenced one year from the date of delinquency. An exception to this provision is that legal action on owner-occupied dwellings may be deferred up to two years if authorized by Common Council action.

The rate of current tax collections continues at an historically high level. Current collections for 2010 were approximately 96.3% percent of the total tax levied.

INSURANCE

The City has property insurance with the State of Wisconsin Local Government Property Insurance Fund. This insurance is subject to a \$25,000 deductible. The City is uninsured for liability. Under Wisconsin law, the City's exposure in tort liability is limited to \$50,000 in non-automobile cases and \$250,000 in automobile cases. The City does carry a wharfinger's liability policy on its port with coverage up to \$10 million and a deductible of \$500,000. The City follows a policy of requiring contract service providers to provide the City with indemnification and insurance as may be deemed appropriate by the City.

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PENSION SYSTEM SUMMARY

EMPLOYEES' RETIREMENT SYSTEM

The Employees' Retirement System (ERS) of the City is established pursuant to Section 36 of the Milwaukee City Charter. Membership in the ERS includes some classes of part-time employees, all full-time employees, and elected officials.

ERS Membership

As of December 31, 2010

<u>Class</u>	<u>Vested</u>	<u>Non-Vested</u>	<u>Inactive</u>	<u>Retired</u>
General & Elected	6,807	1,572		8,160
Police	1,711	275		2,182
Firefighters	793	89		1,200
Certain pre-1996				<u>26</u>
Total	<u>9,311</u>	<u>1,936</u>	<u>4,158</u>	<u>11,568</u>

Source: Table 5 of the Actuarial Valuation Report as of January 1, 2011.

The primary benefit of the ERS is a defined benefit plan with eligible employees earning a Retirement Allowance for each year of service. Funding for the ERS is derived from Member and actuarially required employer contributions. Current Retirement Allowance accrual rates and Member contributions to the system (expressed as a percentage of compensation) are as follows:

Basic Benefit Accrual Rates and Member Contributions

<u>Class</u>	<u>Retirement Allowance</u>	<u>Maximum Allowance</u>	<u>Member * Contribution</u>
General, and Mayor	2.0%	70%	5.5%
Elected Officials, excluding the Mayor	2.5%	None	7.0%
Police	2.5%	90%	7.0%
Firefighters	2.5%	90%	7.0%

* For employees hired prior to January 1, 2010, in addition to paying the actuarially-required employer contribution, the City makes the Member contribution on behalf of the employee. 2011 Wisconsin Act 10 provides that all state and local public employees make an employee contribution, except as otherwise provided under collective bargaining agreements. The City Attorney and independent outside counsel have advised the City that the City's Home Rule status, a 2000 Global Pension Settlement, and prior state statutes, create contractual pension rights for City employees which supersede the employee contribution requirement of 2011 Wisconsin Act 10. As a result, the City has continued to make the Member contribution on behalf of City employees hired prior to 2010.

Schedule of Funding Progress

(\$ amounts in thousands)

Valuation As of <u>Dec 31</u>	Actuarial Value of <u>Assets</u>	Actuarial Accrued Liability <u>(AAL)</u>	Unfunded AAL <u>(UAAL)</u>	Funded <u>Ratio</u>	Covered <u>Payroll</u>	UAAL as a Percentage of Covered <u>Payroll</u>
2010	\$4,641,425	\$4,447,548	\$ -	104.4%	\$538,218	0.0%
2009	4,814,402	4,269,324	-	112.8	553,846	0.0
2008	4,076,297	4,113,089	36,792	99.1	536,558	6.9
2007	5,192,000	3,958,061	-	131.2	532,412	0.0
2006	4,899,721	3,846,481	-	127.4	528,854	0.0

Schedule of Employer Contributions

(\$ amounts in thousands)

<u>Year Ended</u> <u>Dec 31</u>	<u>Annual Actuarially</u> <u>Required Contribution</u>	<u>Percentage</u> <u>Contributed</u>
2010	\$1,450	0%
2009	60,098	100%
2008	-	n/a
2007	-	n/a
2006	-	n/a

Source: Tables 11a and 11b of the Actuarial Valuation Report as of January 1, 2011.

Actuarial Assumptions and Methods include:

Actuarial Cost Method: Projected Unit Credit

Amortization Method: Closed; Level Percent of Pay; Pay assumed to grow 3% per year

Remaining Amortization Period: 23 years

Asset Valuation Method: 5-year smoothed market, 20% corridor

Investment Rate of Return: 8.5% average

Projected Salary Increases: General: 3.5-8.5%; Police and Fire: 4.0-15.4%

Inflation Assumption: 3.0%

Cost of Living Adjustments: Varies by Employee Class

For more information about the ERS, details on plan benefits, and for copies of their financial and actuarial reports, see <http://www.cmers.com>

FIREMEN'S ANNUITY AND BENEFIT FUND

The Firemen's Annuity and Benefit Fund was established in 1923 pursuant to Chapter 423 of the 1923 Laws of Wisconsin. In 1947, the Firemen's Annuity and Benefit Fund was closed to new entrants. The final pre-1947 member retired in 1989. There are approximately 60 members or their spouses currently receiving benefits under the Fund program.

The Principal Mutual Life Insurance Company made a proposal to provide annuities guaranteeing benefit payments to members and spouses, exclusive of duty disability benefits, beginning in February 1990 in consideration of a single premium payment on January 31, 1990 in the amount of \$20,419,207. The Retirement Board of the Firemen's Annuity and Benefit Fund and the Common Council authorized acceptance of the proposal and payment of the required premium on December 19, 1989. The Retirement Board ceased its activities and the Firemen's Annuity and Benefits Fund was dissolved. The City will be liable to pay retirement benefits if the insurance company defaults on its obligations under the annuity policy. The estimated value of those benefits is under \$3,000,000.

POLICEMEN'S ANNUITY AND BENEFIT FUND

Membership in the Policemen's Annuity and Benefit Fund consists of all Police Department employees whose service commenced prior to July 29, 1947. As of December 31, 2010, there were 25 members and 56 spouses receiving benefits under the fund program.

Current funding is derived from employer contributions. Chapter 35 of the City Charter provides that annual contributions consist of: 1) an amount sufficient to amortize the unfunded actuarial liability over a ten-year period with a series of level dollar payments; and 2) budgeted administrative expenses for the year.

Schedule of Funding and Contributions

<u>Dec 31</u>	Actuarial Value of <u>Assets</u>	Actuarial Accrued <u>Liability</u>	Unfunded AAL <u>(UAAL)</u>	Funded <u>Ratio</u>	Annual Required <u>Contribution</u>	Percent <u>Contributed</u>
2010	\$1,584,173	\$2,945,917	\$1,361,744	53.8%	\$268,667	100%
2009	1,935,745	3,686,621	1,750,876	52.5	329,672	100
2008	2,147,172	4,295,606	2,148,434	50.0	41,423	100
2007	4,779,417	5,049,363	269,946	94.7	56,972	100
2006	5,585,697	5,956,676	371,279	93.8	307,582	100

Source: Table 2 of the Actuarial Valuation Report as of January 1, 2011, and as of January 1, 2010.

OTHER POST-EMPLOYMENT BENEFITS

The City provides other post-employment benefits (OPEB) to its retirees for health and life insurance. A single-employer defined benefit healthcare plan and life insurance plan are sponsored by the City and administered by the Employees' Retirement System (ERS). The City provides medical insurance benefits for substantially all retirees. Retiree coverage begins at age 55 with at least 15 years of service for General City employees, at any age with at least 25 years of service for Police employees, and at age 49 with at least 22 years of service for Fire employees. In addition, the City allows employees to continue life insurance coverage under the Group Life Insurance Plan offered to active employees.

Until age 65, for retirees with at least 15 years of creditable service, the majority of the cost of the health benefit plan is paid by the City. After attaining the age of 65, and having completed a minimum of 15 years of creditable service, the City pays 25% of the applicable HMO premium, or 25% of the base rate (0% of the major medical rate) of the City's Basic Plan.

Eligible retirees are able to continue coverage under the City's Group Life Insurance Plan, and pay the same rate as active employees. The rates established are group rates applied consistently to all employees, without regard to age or health. Upon reaching age 65, their coverage will be reduced in accordance with a reduction schedule, with the City assuming all future premiums.

The required contribution for medical and life insurance for retirees is based upon pay-as-you-go financing. Medical benefits provided through the basic health care plan are self-insured. For 2010, the City paid approximately \$32.9 million and \$1.2 million, respectively, towards medical and life insurance for retirees.

The actuarial cost of health benefits and life insurance for retirees exceeds the average amount paid by retirees, therefore, the additional cost is paid by the City and is the basis for the OPEB obligation account for under GASB 45.

Funding Status and Funding Progress

Annual Required Contribution (ARC)	\$80,498,000
Interest on Net OPEB	5,373,000
Adjustment to ARC	<u>(4,560,000)</u>
Annual OPEB Cost	81,311,000
Contributions Made	<u>34,025,000</u>
Increase in net OPEB Obligation	47,286,000
Net OPEB Obligation – beginning of year	<u>127,074,000</u>
Net OPEB Obligation – end of year	<u>\$174,360,000</u>

Source: City's 2010 CAFR

Annual Cost and Net OPEB Liability

Year Ended <u>Dec 31</u>	Annual <u>OPEB Cost</u>	Percentage of Annual OPEB <u>Cost Contributed</u>	Net OPEB <u>Obligation</u>
2010	\$81,311,000	45.0%	\$174,360,000
2009	77,389,000	37.1	127,074,000
2008	73,100,000	45.0	78,400,000
2007	67,600,000	43.5	38,200,000

Source: City's 2010 and 2009 CAFRs

Schedule of Funding Progress

(\$ amounts in thousands)

Valuation As of <u>Dec 31</u>	Actuarial Value of <u>Assets</u>	Actuarial Accrued Liability <u>(AAL)</u>	Unfunded AAL <u>(UAAL)</u>	Funded <u>Ratio</u>	Covered <u>Payroll</u>	UAAL as a Percentage of Covered <u>Payroll</u>
2009	\$ 0	\$1,007,573	\$1,007,573	0.0%	\$413,648	244%
2008	0	959,562	959,562	0.0	419,811	229
July 2008	0	880,700	880,700	0.0	425,400	207
2006	0	806,300	806,300	0.0	412,700	195

Source: City's 2010, 2009, 2008, and 2007 CAFRs

Actuarial Assumptions and Methods include:

The retiree healthcare valuation was based on the projected unit credit (PUC) cost method. The PUC method produces an explicit normal cost and actuarial accrued liability. The normal cost and actuarial accrued liability are directly proportional to the employee's service. That is, the normal cost equals the present value of future benefits divided by projected service at retirement, and the actuarial accrued liability equals the present value of benefits multiplied by the ratio of service at valuation date to projected service at retirement. Depending on the demographic characteristics of the current group and new entrants in the future, this method could produce stable annual costs, in the aggregate, when expressed as a percentage of pay.

The OPEB valuation uses a discount rate assumption of 4.5% based on the City's projected short-term investment rate of return. The healthcare cost trends rate is 9% initially, and reduced by decrements to the ultimate rate of 4.5% after 10 years. The actuarial assumption for wage inflation is 3.5%. The amortization of the unfunded actuarial accrued liability is based on a level percentage of pay over a 30-year open amortization period.

LEGAL MATTERS

LITIGATION STATEMENT

The City, its boards, officers and employees, have been defendants in numerous lawsuits over the years. Experience has shown that a relatively small number of suits commenced are reduced to judgment. The City does not carry a blanket policy of insurance against tort liability. In addition, Section 893.80 of the Wisconsin Statutes limits the amount recoverable against a political corporation, its officers, officials or employees for acts done in their official capacity to \$50,000 in tort liability for non-automobile cases and \$250,000 in automobile cases.

The City Attorney's office has reviewed the status of pending or threatened litigation, claims and assessments to which the office has devoted substantive attention in the form of legal consultation or representation and which individually represent maximum potential loss exposure in excess of \$1 million, existing on March 26, 2012.

Amoco Oil, et al. v. City of Milwaukee. Amoco, BP, Marathon, and US Oil are contesting the property tax assessments of their contiguous oil terminals. They allege that the City's inclusion of the value of certain through-put contracts is contrary to law and that a tax refund is warranted. The City asserts that the inclusion of the value of these contracts in the assessments is consistent with the law because they run with the property. Following the June 2011 lifting of the stay imposed during the pendency of *Metropolitan Associates v. City of Milwaukee*, (plaintiff successfully challenged the validity of 2008 amendments to § 74.37 of the Wisconsin Statutes that would have been favorable to the City in future tax cases), four separate cases have been consolidated in Judge Moroney's court for trial on December 12, 2012. In addition, following the lifting of the stay, each of the terminals was permitted to add tax years 2009 and 2010 to the original claim for tax year 2008. Approximately \$3.9 million of property taxes are being disputed.

Section 74.37 Litigation. Several plaintiffs have brought a series of a dozen or so similar lawsuits against the City for the refund of allegedly excessive property taxes on various commercial properties such as apartment buildings and pharmacies. The first of these lawsuits was brought in 2009 for the 2008 tax year. All of these cases were stayed by the Chief Judge for Milwaukee County Circuit Court pending the Wisconsin Supreme Court's resolution of the case of *Metropolitan Associates v. City of Milwaukee*. With the resolution of that case, the stay was lifted in June of 2011. The 2009 and 2010 tax years have now been added to most of these cases. Circuit Court branches have begun to issue scheduling orders that will result in these cases progressing to adjudication beginning about the middle of 2012. In addition, a dozen new lawsuits were filed in the second half of 2011 for tax year 2010. These cases are also moving toward adjudication in 2012 and 2013. Appeals by the losing party are likely in many of these cases. The city estimates that up to \$7.3 million of property taxes are being disputed.

William Avery, et al. v. City of Milwaukee, et al. In this 2011 civil rights action, the plaintiffs claim that William Avery was wrongly convicted in 2005 of the 1998 murder of a woman. Avery spent six years in prison until DNA testing in 2010 linked the murder victim to another individual who has been convicted of murdering a number of other women. Avery claims that Milwaukee police officers unconstitutionally withheld exculpatory evidence and coerced false statements from witnesses. Avery also claims that supervisors in the police department permitted such alleged misconduct to occur as a matter of practice. The parties are in the early stages of discovery in the matter. The defendants plan to file a dispositive motion asking the court to dismiss the action.

Chaunte Ott v. City of Milwaukee, et al. In this 2009 civil rights action, Ott claims that he was wrongly convicted in 1996 of the 1995 murder of a girl. Ott spent 13 years in prison until recent DNA testing linked the murder victim to another individual. Ott claims that Milwaukee police officers unconstitutionally withheld exculpatory evidence and coerced false statements from witnesses. Ott also claims that supervisory individuals in the department permitted such alleged misconduct to occur as a matter of practice. The matter is still in the discovery stage. Defendants plan to file a dispositive motion asking the court to dismiss the case.

LEGAL OPINIONS

The legal opinions of Katten Muchin Rosenman LLP, Chicago, Illinois, and Hurtado, S.C., Wauwatosa, Wisconsin, Bond Counsel to the City, will be delivered to the purchasers of the Offered Obligations. Drafts of the legal opinions for the Offered Obligations are included herein as Appendix B.

RATINGS

The City has requested ratings on the Offered Obligations from Moody's Investors Service, Inc. and Standard & Poor's Ratings Group.

Moody's Investors Service, Inc. has assigned a rating of "____" on the CFNs and "____" on the N2 Notes, B3 Bonds, T4 Notes and T5 Bonds. Standard & Poor's Ratings Group has assigned a rating of "____" on the CFNs and "____" on the N2 Notes, B3 Bonds, T4 Notes and T5 Bonds.

The ratings, when issued, reflect only the views of the respective ratings agencies, and an explanation of the significance of such rating may be obtained therefrom. There is no assurance that the ratings will remain in effect for any given period of time or that they will not be revised, either upward or downward, or withdrawn entirely, by the respective agencies, if, in their judgment, circumstances so warrant. A revision or withdrawal of the credit rating could have an effect on the market price of the Offered Obligations.

TAX MATTERS

TAX-EXEMPT OBLIGATIONS

Summary of Bond Counsel Opinion in connection with the Tax-Exempt Obligations

Bond Counsel are of the opinion that, under existing law, interest on the Tax-Exempt Obligations is not includable in the gross income of the owners thereof for federal income tax purposes. If there is continuing compliance with the applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), Bond Counsel are of the opinion that interest on the Tax-Exempt Obligations will continue to be excluded from the gross income of the owners thereof for federal income tax purposes. Bond Counsel are further of the opinion that interest on the Tax-Exempt Obligations is not an item of tax preference for purposes of computing individual or corporate alternative minimum taxable income but is includable in corporate earnings and profits and, therefore, must be taken into account when computing, for example, corporate alternative minimum taxable income for purposes of the corporate alternative minimum tax. Interest on the Tax-Exempt Obligations is not exempt from Wisconsin income taxes.

The Code contains certain requirements that must be satisfied from and after the date of issuance of the Tax-Exempt Obligations in order to preserve the exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Obligations. These requirements relate to the use and investment of the proceeds of the Tax-Exempt Obligations, the payment of certain amounts to the United States, the security and source of payment of the Tax-Exempt Obligations and the use of the property financed with the proceeds of the Tax-Exempt Obligations.

Tax-Exempt Obligations Purchased at a Premium or at a Discount

The difference (if any) between the initial price at which a substantial amount of each maturity of the Tax-Exempt Obligations is sold to the public (the "Offering Price") and the principal amount payable at maturity of such Tax-Exempt Obligations is given special treatment for federal income tax purposes. If the Offering Price is higher than the maturity value of a Tax-Exempt Obligation, the difference between the two is known as "bond premium;" if the Offering Price is lower than the maturity value of a Tax-Exempt Obligation, the difference between the two is known as "original issue discount."

Bond premium and original issue discount are amortized over the term of a Tax-Exempt Obligation on the basis of the owner's yield from the date of purchase to the date of maturity, compounded at the end of each accrual period of one year or less with straight line interpolation between compounding dates, as provided more specifically in the Income Tax Regulations. The amount of bond premium accruing during each period is treated as a reduction in the amount of tax-exempt interest earned during such period. The amount of original issue discount accruing during each period is treated as interest that is excludable from the gross income of the owner of such Tax-Exempt Obligations for federal income tax purposes, to the same extent and with the same limitations as current interest.

Owners who purchase Tax-Exempt Obligations at a price other than the Offering Price after the termination of the initial public offering or at a market discount should consult their tax advisors with respect to the tax consequences of their ownership of the Tax-Exempt Obligations. In addition, owners of Tax-Exempt Obligations should consult their tax advisors with respect to the state and local tax consequences of owning the Tax-Exempt Obligations; under the applicable provisions

of state or local income tax law, bond premium and original issue discount may give rise to taxable income at different times and in different amounts than they do for federal income tax purposes.

Exclusion from Gross Income: Requirements

The Code sets forth certain requirements that must be satisfied on a continuing basis in order to preserve the exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Obligations. Among these requirements are the following:

Limitations on Private Use. The Code includes limitations on the amount of proceeds of the Tax-Exempt Obligations that may be used in the trade or business of, or used to make or finance loans to, persons other than governmental units.

Investment Restrictions. Except during certain “temporary periods,” proceeds of the Tax-Exempt Obligations and investment earnings thereon (other than amounts held in a reasonably required reserve or replacement fund, if any, or as part of a “minor portion”) may generally not be invested in investments having a yield that is “materially higher” (1/8 of one percent) than the yield on the Tax-Exempt Obligations.

Rebate of Arbitrage Profit. Unless the City qualifies for an exemption, earnings from the investment of the “gross proceeds” of the Tax-Exempt Obligations in excess of the earnings that would have been realized if such investments had been made at a yield equal to the yield on the Tax-Exempt Obligations are required to be paid to the United States at periodic intervals. For this purpose, the term “gross proceeds” includes the original proceeds of the Tax-Exempt Obligations, amounts received as a result of investing such proceeds and amounts to be used to pay debt service on the Tax-Exempt Obligations.

Covenants to Comply

The City has covenanted to comply with the requirements of the Code relating to the exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Obligations.

Risks of Non-Compliance

In the event that the City fails to comply with the requirements of the Code, interest on the Tax-Exempt Obligations may become includable in the gross income of the owners thereof for federal income tax purposes retroactively to the date of issue. In such event, the City’s agreements with the owners of the Tax-Exempt Obligations require neither acceleration of payment of principal of, or interest on, the Tax-Exempt Obligations, nor payment of any additional interest or penalties to the owners of the Tax-Exempt Obligations.

Federal Income Tax Consequences in connection with the Tax-Exempt Obligations

Pursuant to Section 103 of the Code, interest on the Tax-Exempt Obligations is not includable in the gross income of the owners thereof for federal income tax purposes. However, the Code contains a number of other provisions relating to the treatment of interest on the Tax-Exempt Obligations that may affect the taxation of certain types of owners, depending on their particular tax situations. Some of the potentially applicable federal income tax provisions are described in general terms below. **PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS CONCERNING THE PARTICULAR FEDERAL INCOME TAX CONSEQUENCES OF THEIR OWNERSHIP OF THE TAX-EXEMPT OBLIGATIONS.**

Cost of Carry. Owners of the Tax-Exempt Obligations will generally be denied a deduction for otherwise deductible interest on any debt which is treated for federal income tax purposes as incurred or continued to purchase or carry the Tax-Exempt Obligations. As discussed below, special allocation rules apply to financial institutions.

Corporate Owners. Interest on the Tax-Exempt Obligations is generally taken into account in computing the earnings and profits of a corporation and consequently may be subject to federal income taxes based thereon. Thus, for example, interest on the Tax-Exempt Obligations is taken into account in computing the branch profits tax imposed on certain foreign corporations, the passive investment income tax imposed on certain S corporations, and the accumulated earnings tax.

Individual Owners. Receipt of interest on the Tax-Exempt Obligations may increase the amount of social security and railroad retirement benefits included in the gross income of the recipients thereof for federal income tax purposes.

Certain Blue Cross or Blue Shield Organizations. Receipt of interest on the Tax-Exempt Obligations may reduce a special deduction otherwise available to certain Blue Cross or Blue Shield organizations.

Property or Casualty Insurance Companies. Receipt of interest on the Tax-Exempt Obligations may reduce otherwise deductible underwriting losses of a property or casualty insurance company.

Financial Institutions. Financial institutions may be denied a deduction for their otherwise allowable interest expense in an amount determined by reference, in part, to their adjusted basis in the Tax-Exempt Obligations.

Foreign Personal Holding Company Income. A United States shareholder of a foreign personal holding company may realize taxable income to the extent that interest on the Tax-Exempt Obligations held by such a company is properly allocable to the shareholder.

The opinions of Bond Counsel and the descriptions of the tax law contained in this Official Statement are based on statutes, judicial decisions, regulations, rulings and other official interpretations of law in existence on the date the Tax-Exempt Obligations are issued. There can be no assurance that such law or the interpretation thereof will not be changed or that new provisions of law will not be enacted or promulgated at any time while the Tax-Exempt Obligations are outstanding in a manner that would adversely affect the value or the tax treatment of ownership of the Tax-Exempt Obligations.

TAXABLE OBLIGATIONS

Interest on the Taxable Obligations will be **included** in gross income for federal income tax purposes.

STATE TAX MATTERS

Interest on the Tax-Exempt Obligations and the Taxable Obligations is not exempt from State of Wisconsin income tax or franchise tax.

NO DESIGNATION AS QUALIFIED TAX-EXEMPT OBLIGATIONS

The City will not designate the Offered Obligations as “qualified tax-exempt obligations” for purposes of Section 265 (b)(3) of the Code.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission (the “Commission”), pursuant to the Securities Exchange Act of 1934 (the “Rule”), the City shall covenant pursuant to a Resolution adopted by the Governing Body to enter into an undertaking (the “Undertaking”) for the benefit of holders including beneficial holders of the Offered Obligation to provide certain financial information and operating data relating to the City annually to a central repository designated by the Commission, currently the Municipal Securities Rulemaking Board (the “MSRB”), and to provide notices of the occurrence of certain events enumerated in the Rule electronically or in the manner otherwise prescribed by the MSRB to the MSRB. The MSRB has designated its Electronic Municipal Market Access (“EMMA”) system as the system to be used for continuing disclosures to investors. The details and terms of the Undertaking, as well as the information to be contained in the annual report or the notices of material events, are set forth in the Continuing Disclosure Certificate to be executed and delivered by the City at the time the Offered Obligations are delivered. Such Certificate will be in substantially the form attached hereto as Appendix C. The City intends to fully comply with the Undertaking relating to the Offered Obligations.

Continuing disclosure undertakings entered into prior to August of 2003 required that the City provide Annual Financial Information (AFI) within six months of the end of each fiscal year. Each of the City’s continuing disclosure undertakings since August of 2003 have required filing AFI within nine months of the end of the fiscal year. While the City has consistently filed AFI within nine months, it has not proven feasible to do so within six months. In each of the last five years, AFI was not available within the six-month requirement and the city filed notices to that effect as required under the pre-August 2003 continuing disclosure undertakings. In the future, the City anticipates continuing to file AFI subsequent to the six month deadline, and expects to file required notices of failure to file AFI before June 30 of each year. The City has complied in all material respects with all continuing disclosure undertakings entered into since August of 2003.

A failure by the City to comply with the Undertaking will not constitute an event of default on the Offered Obligations (although holders will have the right to obtain specific performance of the obligations under the Undertaking). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Offered Obligations in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Offered Obligations and their market price.

FINANCIAL ADVISOR

Robert W. Baird & Co. has been retained as Financial Advisor to the City in connection with the issuance of the Offered Obligations.

UNDERWRITING

The Offered Obligations will be purchased at competitive bidding conducted on April 18, 2012.

The award of the R1 Notes was made to _____ its co-managers and associates.

The award of the N2 Notes and B3 Bonds was made to _____, its co-managers and associates.

The award of the T4 Notes and T5 Bonds was made to _____, its co-managers and associates.

The public reoffering yields of the Offered Obligations will be detailed on the inside front cover of the Final Official Statement.

CLOSING DOCUMENTS AND CERTIFICATES

Simultaneously with the delivery of and payment for the Offered Obligations by the Underwriters thereof, the City will furnish to the Underwriters the following closing documents, in form satisfactory to Bond Counsel:

- (1) signature and no litigation certificates;
- (2) tax certificates;
- (3) certificates of delivery and payment;
- (4) the opinions as to the legality of the Offered Obligations under Wisconsin law and as to the tax-exempt status of the interest thereon for federal income tax purposes rendered by Katten Muchin Rosenman LLP, Chicago, Illinois, and Hurtado, S.C., Wauwatosa, Wisconsin, Bond Counsel to the City, in substantially the forms as set forth in Appendix B;
- (5) copies of this Official Statement issued in conjunction with the Offered Obligations within seven business days after the award of the Offered Obligations in accordance with SEC Rule 15c2-12(b)(3);
- (6) Continuing Disclosure Certificates; and
- (7) a statement to the effect that this Official Statement, to the best of its knowledge and belief as of the date of sale and the date of delivery, is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made herein, in light of the circumstances under which they were made, not misleading.

REPRESENTATIONS OF THE CITY

To the best of its knowledge, the information in this Official Statement does not include any untrue statement of a material fact, nor does the information omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

ADDITIONAL INFORMATION

Additional information may be obtained from the undersigned **Deputy** City Comptroller upon request.

Michael J. Daun, Deputy City Comptroller
City of Milwaukee, Public Debt Commission
City Hall, Room 404
200 East Wells Street
Milwaukee, Wisconsin 53202
(414) 286-3321

/s/

Michael J. Daun
Deputy City Comptroller and Secretary
City of Milwaukee, Wisconsin

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{PLACEHOLDER}

APPENDIX A

**Audited Annual Financial Report of
the City of Milwaukee, Wisconsin
for the Year Ended December 31, 2010**

Selected Sections

The complete Comprehensive Annual Financial Report
can be downloaded at the City Comptroller's web page at:

www.milwaukee.gov

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APPENDIX B

Draft Form of Legal Opinions

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APPENDIX C

Master Continuing Disclosure Certificate

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APPENDIX D

BOOK-ENTRY-ONLY SYSTEM

BOOK-ENTRY-ONLY SYSTEM

The information in this section concerning The Depository Trust Company ("DTC") and DTC's book-entry-only system has been obtained from DTC, and the City and the Underwriter take no responsibility for the accuracy thereof.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Offered Obligations. The Offered Obligations will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Note certificate will be issued for each maturity of the Offered Obligations, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U. S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Offered Obligations under the DTC system must be made by or through Direct Participants, which will receive a credit for the Offered Obligations on DTC's records. The ownership interest of each actual purchaser of each Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Offered Obligations are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Offered Obligations, except in the event that use of the book-entry system for the Offered Obligations is discontinued.

To facilitate subsequent transfers, all Offered Obligations deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Offered Obligations with DTC and their registration in the name of Cede & Co., or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Offered Obligations; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Offered Obligations within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Offered Obligations unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Offered Obligations are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Offered Obligations will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Offered Obligations purchased or tendered, through its Participant, to Agent, and shall effect delivery of such Offered Obligations by causing the Direct Participant to transfer the Participant's interest in the Offered Obligations, on DTC's records, to Agent. The requirement for physical delivery of Offered Obligations in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Offered Obligations are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Offered Obligations to Agent's DTC account.

DTC may discontinue providing its services as depository with respect to the Offered Obligations at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Note or Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

NEITHER THE CITY, THE PAYING AGENT NOR THE UNDERWRITERS WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT; (2) THE PAYMENT BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE OFFERED OBLIGATIONS; (3) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO HOLDERS OF THE OFFERED OBLIGATIONS; (4) ANY CONSENT GIVEN BY DTC OR OTHER ACTION TAKEN BY DTC AS THE HOLDER OF THE OFFERED OBLIGATIONS; OR (5) THE SELECTION BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY BENEFICIAL OWNER TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF OFFERED OBLIGATIONS.



City of Milwaukee Fiscal Impact Statement

A	Date <u>11/18/2011</u>	File Number <u>111078</u>	<input checked="" type="checkbox"/> Original	<input type="checkbox"/> Substitute
	Subject <u>Resolution approving the form of the Preliminary Official Statement used in connection with the sale of City of Milwaukee, Wisconsin, debt. (Comptroller).</u>			

B	Submitted By (Name/Title/Dept./Ext.) <u>Richard Li, Public Debt Specialist, Comptroller, x2319</u>
----------	---

C	This File	<input type="checkbox"/> Increases or decreases previously authorized expenditures.
		<input type="checkbox"/> Suspends expenditure authority.
		<input type="checkbox"/> Increases or decreases city services.
		<input checked="" type="checkbox"/> Authorizes a department to administer a program affecting the city's fiscal liability.
		<input type="checkbox"/> Increases or decreases revenue.
		<input type="checkbox"/> Requests an amendment to the salary or positions ordinance.
		<input type="checkbox"/> Authorizes borrowing and related debt service.
		<input type="checkbox"/> Authorizes contingent borrowing (authority only).
		<input type="checkbox"/> Authorizes the expenditure of funds not authorized in adopted City Budget.

D	Charge To	<input type="checkbox"/> Department Account	<input type="checkbox"/> Contingent Fund
		<input type="checkbox"/> Capital Projects Fund	<input type="checkbox"/> Special Purpose Accounts
		<input checked="" type="checkbox"/> Debt Service	<input type="checkbox"/> Grant & Aid Accounts
		<input type="checkbox"/> Other (Specify) _____	

E	Purpose	Specify Type/Use	Expenditure	Revenue
	Salaries/Wages		\$0.00	\$0.00
			\$0.00	\$0.00
	Supplies/Materials		\$0.00	\$0.00
			\$0.00	\$0.00
	Equipment		\$0.00	\$0.00
			\$0.00	\$0.00
	Services		\$0.00	\$0.00
			\$0.00	\$0.00
	Other		\$0.00	\$0.00
			\$0.00	\$0.00
	TOTALS		\$ 0.00	\$ 0.00

F

Assumptions used in arriving at fiscal estimate. _____

G

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

- 1-3 Years 3-5 Years _____
- 1-3 Years 3-5 Years _____
- 1-3 Years 3-5 Years _____

H

List any costs not included in Sections D and E above. _____

I

Additional information. This resolution has no fiscal impact.

J

This Note Was requested by committee chair.



Legislation Details (With Text)

File #: 111497 **Version:** 0
Type: Resolution **Status:** In Committee
File created: 3/20/2012 **In control:** FINANCE & PERSONNEL COMMITTEE
On agenda: **Final action:**
Effective date:

Title: Resolution authorizing the sale and issuance of General Obligation Refunding Notes and Bonds.

Sponsors: THE CHAIR

Indexes: BONDS, GENERAL OBLIGATION BONDS

Attachments: Cover Letter, Fiscal Impact Statement, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
3/20/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111497
Version
Original

Reference

Sponsor
THE CHAIR

Title
Resolution authorizing the sale and issuance of General Obligation Refunding Notes and Bonds.

Analysis
Resolution authorizes and requests the Commissioners of the Public Debt to issue and sell at a private or public sale General Obligation Refunding Bonds to refund portions of certain issues. The Commissioners will refund the debt whenever it makes economic sense to do so.

Body
Whereas, The City of Milwaukee (the "City") has issued the following General Obligation bonds (the "Outstanding Bonds"):

Dated Date	Series	Outstanding	1 st Redemption Date
3/23/2005	2005 B2	16,600,000	2/15/2015
12/1/2005	2005 B10	13,795,000	8/15/2015

12/1/2005	2005 V8	12,000,000	Any time
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; and

Whereas, The Series 2005 B2, and 2005 B10 Bonds may be able to be refinanced at a lower net interest cost to the City; and

Whereas, The Series 2005 V8 bonds are secured by a Standby Bond Purchase Agreement that expires in December, 2012, and the City desires to refinance the bonds with fixed rate bonds prior to the expiration date; and

Whereas, Other general obligation debt of the City is sold from time to time, and it is advantageous to combine the issuance of various general obligation debt into one offering; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee that it hereby and herewith authorizes the Commission to issue and sell at a private or public sale General Obligation Refunding Bonds and/or Promissory Notes (the "Bonds") under the provisions of § 67.04(3), § 67.05(15), § 67.08(2), and § 67.12(12), Stats., for the purpose of refunding all or parts of the Outstanding Bonds, subject, however, to the terms and conditions hereinafter enumerated; and, be it

Further Resolved, that the Bonds shall:

- (1) be in one or more series of bonds in an aggregate amount not to exceed \$42,395,000;
- (2) bear interest at a maximum coupon rate not to exceed 7.00% per annum;
- (3) have a maximum True Interest Cost Rate (TIC) not to exceed 6.00%;
- (4) be sold at a price of not less than 99% of the principal amount thereof plus accrued interest thereon from their date to the date of delivery and payment therefor; and
- (5) be issued on or before December 31, 2013; and, be it

Further Resolved, That the Outstanding Bonds to be considered for refunding, and if refunded, would be called for redemption on the first available redemption date at a redemption price of par plus accrued interest to the date fixed for redemption, are hereby designated as follows:

Dated Date	Series	Callable Bonds	1 st Redemption Date
3/23/2005	2005 B2	16,600,000	2/15/2015
12/1/2005	2005 B10	13,795,000	8/15/2015
12/1/2005	2005 V8	12,000,000	Any time

; and be it

Further Resolved, That the Commissioners of the Public Debt shall determine the series and maturities of the Outstanding Bonds to be refunded (the "Refunded Bonds"); and, be it

Further Resolved, That the Bonds, if sold at a private sale, shall be sold to the Public Debt Amortization Fund, and/or such underwriter(s) as is (are) selected by the Commissioners of the Public Debt in accordance with a

Bond Purchase Agreement approved by the Commissioners of the Public Debt. Such agreement, as required if a private sale is utilized, is hereby approved in the form as executed and delivered by the proper City officers who are hereby authorized and directed to execute the same; and, be it

Further Resolved, That the Bonds shall be designated, be dated, bear interest, payable semi-annually, at coupon rates as determined by the Commissioners of the Public Debt; that the Commissioners of the Public Debt shall specify the due dates for, and the amounts of, the payment of principal of said bonds, not to exceed 20 years, and interest thereon, the redemption provisions thereof, if any, the Bonds to be callable at par with the initial call date to be no later than ten years from the date of the Bonds and that such payment schedule shall be entered upon the permanent record of the Commissioners of the Public Debt and formally communicated to the City Clerk provided, however, that the payment of the Bonds does not extend beyond the period provided in § 67.07, Stats.; and, be it

Further Resolved, That a direct annual irrevocable tax shall be levied in each year that such Bonds are outstanding, in an amount sufficient to pay, and for the express purpose of paying the interest on the Bonds, as it falls due, and also to pay and discharge the principal thereof at maturity, and shall be extended upon the tax roll of the City of Milwaukee 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, the proceeds of said taxes shall be used solely for paying the principal and interest on the Bonds so long as any Bonds of said issue remain outstanding; and, be it

Further Resolved, That interest on or principal of the Bonds falling due at any time when there shall be on hand insufficient funds from proceeds of the tax levy for the payment of such interest or principal shall be paid promptly when due from other funds of the City, which funds shall be reimbursed thereof out of the proceeds of the taxes above levied when such taxes shall have been collected; and, be it

Further Resolved, For the purpose of assuring the payment of the principal of and interest on the Outstanding Bonds to be refunded, the proper City officials may, and are authorized to, execute an Escrow Agreement with respect to the proceeds of the Bonds. The City Comptroller is hereby authorized and to select an Escrow Agent and a Verification Accountant with respect to the proceeds of the Bonds and the deposit of securities purchased by the City of Milwaukee. The deposit of the proceeds of the Bonds into the Escrow Account to be established with the Escrow Agent is hereby authorized to be accomplished immediately upon receipt of payment for the Bonds at the closing thereof, and the subsequent use, investment and disbursement thereof by the Escrow Agent in the manner provided in an Escrow Agreement is hereby authorized and approved; and, be it

Further Resolved, That the City authorizes the giving of a notice of redemption for each Refunded Bond to be redeemed by mail, postage prepaid, not less than 30 days prior to the date fixed for redemption, to any registered owner of a Refunded Bond being redeemed as of a record date 45 days prior to the redemption date, and otherwise as may be required by any agreement with a securities depository therefor. Such election to redeem, and direction to the Escrow Agent to give such notice, shall be irrevocable upon issuance of the Refunding Bonds; and, be it

Further Resolved, That the Refunding Bonds shall be in a form approved by the City Attorney and the Commissioners of the Public Debt 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 a global certificate shall be issued for each stated maturity of the Bonds and registered only in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York, for delivery and immobilization by The Depository Trust Company following the closing. The Depository Trust

Company will act as securities depository for the Bonds. The City will make payment of principal, redemption premium, if any, and interest on the Bonds on the dates set forth herein to The Depository Trust Company, or its nominee, as registered owner of the Bonds, in same-day funds. Notices, if any, given by the City to the registered owner of the Bonds will be given to The Depository Trust Company. In the event that the securities depository relationship with The Depository Trust Company for the Bonds is terminated and the City does not appoint a successor securities depository, the City will prepare, authenticate and deliver at its expense fully-registered certificated Bonds, in the denominations of \$5,000 or any integral multiple thereof, in the aggregate principal amount by maturity then outstanding, as directed by the registered owner of the Bonds; provided however, that should any Bond be sold to the Public Debt Amortization fund, the bond may be registered in the name of the Public Debt Amortization Fund; and, be it

Further Resolved, That the City covenants, for Bonds that are issued on a tax-exempt basis, to take all actions necessary to preserve the exclusion of interest on the Refunding Bonds from gross income for federal income tax purposes. For such purpose, the City shall comply with the requirements of Sections 103 and 141 through 150 of the Internal Revenue Code of 1986 as amended and the regulations of the Internal Revenue Service adopted thereunder or otherwise applicable thereto. No use of the proceeds of the sale of the Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Bonds would have caused such Bonds to be "arbitrage bonds" as defined in Subsection (d)(2) of Section 103 and Section 148 of the U.S. Internal Revenue Code of 1986. The provisions of this section shall be a covenant with the owners of the Bonds issued on a tax-exempt basis; and, be it

Further Resolved, That the City Comptroller is authorized and directed to (i) transfer the balance in the Debt Service Fund for the Refunded Bonds to the Escrow Account to pay the debt service on the Refunded Bonds and (ii) to apply any such balance not needed to pay debt service on the Refunded Bonds to the Escrow Account to pay a portion of the costs of issuance of the Bonds; and, be it

Further Resolved, That the cost of issuing the Bonds, including the costs of the escrow and verification, and marketing same shall be deducted and paid from the proceeds of the Bond sale; and, be it

Further Resolved, That the Continuing Disclosure Certificate, in substantially the form of the Supplemental Certificate authorized by File Number 100846 adopted on November 23, 2010, is authorized to be executed and delivered by the Comptroller for the Bonds; and, be it

Further Resolved, That the City of Milwaukee authorizes and directs the appropriate officers and employees of the City to take all action necessary or appropriate to comply with and carry out all of the provisions of the Continuing Disclosure Certificate as amended from time to time. Notwithstanding any other provision of the resolution, failure of the City to perform in accordance with the Continuing Disclosure Certificate shall not constitute a default under the resolution and the Continuing Disclosure Certificate may be enforced only as provided therein; and, be it

Further Resolved, That the City hereby authorizes and directs the appropriate officers and employees of the City to take all action necessary or appropriate to the issuance, sale and delivery of the Bonds and to comply with and carry out all of the provisions of the Continuing Disclosure Certificate, as amended from time to time. Notwithstanding any other provision of this resolution, failure of the City to perform in accordance with the Continuing Disclosure Certificate shall not constitute a default under this resolution and the Continuing Disclosure Certificate may be enforced only as provided therein; and be it

Further Resolved, That the Bonds may be sold as bonds or promissory notes, and be sold, with or without a separate series designation, in combination with any other general obligation debt sold from time to time.

Requestor
Comptroller
Drafter
RSL
PD-7905R.rtf
2/24/12



Office of the Comptroller

February 24, 2012

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

Michael J. Daun
Deputy Comptroller

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

Craig D. Kammholz
Special Deputy Comptroller

To the Honorable
the Common Council
City of Milwaukee
City Hall - Room 205
Milwaukee, WI 53202

Dear Council Members:

I would like to request the introduction of the enclosed resolutions that relate to the issuance of Sewerage bonds of the City, and the refunding of General Obligation Debt of the City.

These resolutions are typically referred to the Finance and Personnel Committee. If we may be of any additional assistance, please contact Richard Li (x-2319) of my staff.

Sincerely,


Michael J. Daun
Deputy Comptroller

MJD:RL

REF: PD-7862W.DOC



City of Milwaukee Fiscal Impact Statement

A	Date <u>2/24/2012</u> File Number _____ <input checked="" type="checkbox"/> Original <input type="checkbox"/> Substitute
	Subject <u>Resolution authorizing the Sale and Issuance of General Obligation Refunding Notes and Bonds.</u>

B	Submitted By (Name/Title/Dept./Ext.) <u>Richard Li, Public Debt Specialist, Comptroller, x2319</u>
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C	This File	<input type="checkbox"/> Increases or decreases previously authorized expenditures.
		<input type="checkbox"/> Suspends expenditure authority.
		<input type="checkbox"/> Increases or decreases city services.
		<input type="checkbox"/> Authorizes a department to administer a program affecting the city's fiscal liability.
		<input type="checkbox"/> Increases or decreases revenue.
		<input type="checkbox"/> Requests an amendment to the salary or positions ordinance.
		<input checked="" type="checkbox"/> Authorizes borrowing and related debt service.
		<input type="checkbox"/> Authorizes contingent borrowing (authority only).
		<input type="checkbox"/> Authorizes the expenditure of funds not authorized in adopted City Budget.

D	Charge To	<input type="checkbox"/> Department Account	<input type="checkbox"/> Contingent Fund
		<input type="checkbox"/> Capital Projects Fund	<input type="checkbox"/> Special Purpose Accounts
		<input checked="" type="checkbox"/> Debt Service	<input type="checkbox"/> Grant & Aid Accounts
		<input type="checkbox"/> Other (Specify) _____	

E	Purpose	Specify Type/Use	Expenditure	Revenue
	Salaries/Wages		\$0.00	\$0.00
			\$0.00	\$0.00
	Supplies/Materials		\$0.00	\$0.00
			\$0.00	\$0.00
	Equipment		\$0.00	\$0.00
			\$0.00	\$0.00
	Services		\$0.00	\$0.00
			\$0.00	\$0.00
	Other		\$0.00	\$0.00
			\$0.00	\$0.00
	TOTALS		\$ 0.00	\$ 0.00

F

Assumptions used in arriving at fiscal estimate. Refunding bonds are issued at interest rates in effect on 2/24/2012.

G

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

- 1-3 Years 3-5 Years Saves \$100,000 per year
- 1-3 Years 3-5 Years _____
- 1-3 Years 3-5 Years _____

H

List any costs not included in Sections D and E above. Debt service on the Refunding Bonds will replace the debt service on the Outstanding Bonds

I

Additional information. _____

J

This Note Was requested by committee chair.



Legislation Details (With Text)

File #: 111518 **Version:** 0

Type: Resolution **Status:** In Committee

File created: 3/20/2012 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Resolution amending an intergovernmental agreement with Milwaukee Public Schools to authorize the expenditure of bond proceeds on additional projects.

Sponsors: THE CHAIR

Indexes: AGREEMENTS, BONDS, INTERGOVERNMENTAL AGREEMENTS, MILWAUKEE PUBLIC SCHOOLS

Attachments: Cover Letter, Exhibit 2, Fiscal Impact Statement, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
3/20/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111518
Version
Original

Reference
090777

Sponsor
THE CHAIR

Title
Resolution amending an intergovernmental agreement with Milwaukee Public Schools to authorize the expenditure of bond proceeds on additional projects.

Analysis
In 2009 and 2010, the City borrowed on behalf of Milwaukee Public Schools using ARRA borrowing. This file amends the list of Approved Projects.

Body
Whereas, File 090777 authorized entering into an Intergovernmental Agreement (the "Agreement") with Milwaukee Public Schools (the "MPS") relating to the issuance of Qualified School Construction Bonds for MPS; and

Whereas, In 2009, \$12,000,000 of bonds, and in 2010 \$37,300,000 of bonds were issued pursuant to the

Agreement; and

Whereas, The Agreement specified Approved Projects, and permitted modifying of the list by an amendment to the Agreement; and

Whereas, MPS desires additions to the list of Approved Projects; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee that it hereby and herewith authorizes an amendment to the Agreement to add the projects in the attached Exhibit 2 to the list of Approved Projects; and, be it

Further Resolved, That the City hereby authorizes and directs the appropriate officers and employees of the City to take all action necessary or appropriate to effect the amendment, with such limitations as may be necessary for Qualified School Construction Bonds.

Requestor
Comptroller
Drafter
RSL
PD-7907R.rtf



Office of the Comptroller

February 29, 2012

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

Michael J. Daun
Deputy Comptroller

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

Craig D. Kammholz
Special Deputy Comptroller

To the Honorable
the Common Council
City of Milwaukee
City Hall - Room 205
Milwaukee, WI 53202

Dear Council Members:

I would like to request the introduction of the enclosed resolutions that relate to the approval of additional projects for bonds already issued for Milwaukee Public Schools.

These resolutions are typically referred to the Finance and Personnel Committee. If we may be of any additional assistance, please contact Richard Li (x-2319) of my staff.

Sincerely,


Michael J. Daun
Deputy Comptroller

MJD:RL

REF: PD-7907W.DOC

(ITEM 12) ACTION ON CONSTRUCTION FUND PROJECTS TO BE FUNDED BY PREVIOUSLY ISSUED QUALIFIED SCHOOL CONSTRUCTION BONDS

This item initiated by the Administration

BACKGROUND

1. On June 4, 2009, the Board approved a capital plan as part of the approval of the district's FY10 budget. On June 4, 2009, the Board also approved funding the FY10 capital projects through American Recovery and Reinvestment Act (ARRA) Qualified School Construction Bonds (QSCB), pending the City's approval of borrowing.
2. The Common Council acted on December 1, 2009, to approve an MPS bond issue to finance \$48 million of projects under ARRA.
3. The projects are 85% complete, and there is \$8.3 million available to reinvest in major maintenance projects. The \$8.3 million is available through project savings and projects that were not completed due to building and program closures.
4. The ARRA's QSCB funds are available now and must be expended by June 2013.

ADMINISTRATION'S ANALYSIS

5. The district's cyclic major maintenance program is a managed-component-replacement program that identifies the projected replacement of major building systems and components necessary for the proper functioning of district facilities.
6. The district's FY12 capital budget significantly reduced the funding for major maintenance (currently funded at \$2.4 million, with another \$3.1 million being contingent upon the future sale of property) to address major maintenance needs.
7. The district has approximately \$44.1 million identified in deferred major maintenance needs. A list of maintenance projects is included in the recommendation. This list may include sites that have been identified for closure. Projects at a site identified to be closed will not be completed unless the building is reprogrammed for MPS use or MPS enters into a lease. The Administration will monitor building usage and projects scheduled to move forward to ensure that projects are completed at only those sites that are occupied and operational.
8. The Administration has had discussions with City representatives. The City of Milwaukee must also approve the recommended list of projects.

STRATEGIC PLAN COMPATIBILITY STATEMENT

9. The recommendation supports the MPS Strategic Plan, Goal 7, that the district's Central Services departments support student learning.
 WTAM Strategy: Schools are welcoming, well maintained and accessible for students, families, staff and the community.
 WTAM applicable measurable objective: 100% of MPS buildings will receive a rating of good or better (6-10) on the building conditions report.
10. The project list is consistent with the Facilities Master Plan presented to the MBSD in November 2011.

STATUTE, ADMINISTRATIVE POLICY OR BOARD RULES STATEMENT

11. This item is consistent with Administrative Policy 501.1(1), Facility Planning.

FISCAL IMPACT STATEMENT

12. This item authorizes expenditures for specific projects as determined by the Division of Facilities and Maintenance Services. The Board has previously granted authority to issue and use QSCB.

IMPLEMENTATION AND ASSESSMENT PLAN

13. The Administration will take the necessary steps for approval by the City.
14. The Division of Facilities and Maintenance Services will proceed with authorized projects, bringing contract approvals to the Board as required under Administrative Policy 3.09, Purchasing and Bidding Requirements.

ADMINISTRATION'S RECOMMENDATION

The Administration recommends that the Board approve the following list of projects from which the Division of Facilities and Maintenance Services will select those to be funded by Qualified School Construction Bonds.

Major Maintenance Qualified School Construction Bonds – Projects by Type and Site

SCHOOL NAME	PROJECT NAME	TOTAL COST
ALLIANCE	AIR BALANCING	39,892
AUER AVENUE SCHOOL	AIR BALANCING	70,439
BAY VIEW HIGH SCHOOL	PARAPET WALLS — MASONRY	392,089
BAY VIEW HIGH SCHOOL	STAGE LIGHTING & RIGGING	485,160
BAY VIEW HIGH SCHOOL	REPAIR AUDITORIUM CEILING	198,380
BRUCE SCHOOL	PAINTING EXTERIOR	58,440
BURBANK SCHOOL	INSTALL FIRE DETECTION SYSTEM	77,481
BURDICK SCHOOL	CHIMNEYS — MASONRY	53,323
CLARKE STREET SCHOOL	INSTALL EGRESS LIGHTING SYSTEM	153,805
CLEMENT AVE SCHOOL	AIR BALANCING	47,135
CONGRESS SCHOOL	AIR BALANCING	52,712
COOPER SCHOOL	PAINTING EXTERIOR	38,620
CRAIG MONTESSORI SCHOOL	CHIMNEYS — MASONRY	73,905
CUSTER HIGH SCHOOL	ROOF	593,740
EIGHTY-FIRST STREET SCHOOL	AIR BALANCING	46,010
FERNWOOD MONTESSORI SCHOOL	AIR BALANCING	64,628
FRITSCHER CAMPUS	ASPHALT with tot lot	162,800
GAENSLER SCHOOL	PAINTING EXTERIOR	36,850
GAENSLER SCHOOL	POOL PIPING	276,712
GAENSLER SCHOOL	ROOF	353,000
GARLAND SCHOOL	DOOR HARDWARE	75,885
GRANT SCHOOL	ROOF	681,266
HAMILTON HS	EMERGENCY GENERATOR	140,560
HAMILTON HS	STAGE LIGHTING & RIGGING	249,580
JUNEAU HIGH SCHOOL	ASPHALT with tot lot	162,800
JUNEAU HIGH SCHOOL	ROOF	184,452
JUNEAU HIGH SCHOOL	TOILET ROOMS AND SINKS	398,000

Major Maintenance
Qualified School Construction Bonds – Projects by Type and Site

SCHOOL NAME	PROJECT NAME	TOTAL COST
JUNEAU HIGH SCHOOL	STAGE LIGHTING & RIGGING	233,600
KING HIGH SCHOOL	PAINTING EXTERIOR	27,800
KING HIGH SCHOOL	SECURITY SCREENS	75,000
KING HIGH SCHOOL	STAGE LIGHTING & RIGGING	568,900
KING MIDDLE YEARS	LOCKERS — CORRIDOR	143,000
LINCOLN MIDDLE SCHOOL	ROOF	948,585
MADISON HIGH SCHOOL	STAGE LIGHTING & RIGGING	233,080
MADISON HIGH SCHOOL	ROOF	545,219
MEC	REPLACE DRAIN TILE	200,000
MEC	AIR BALANCING	235,000
MEC	PARAPET WALLS	353,000
MEC	REPLACE EMS SYSTEM	45,000
MILW CAMPUS FOR CAREER AND TECH ED	ROOF	1,053,271
MILW CAMPUS FOR CAREER AND TECH ED	STAGE LIGHTING & RIGGING	293,740
MILW. HIGH SCHOOL OF THE ARTS	STAGE LIGHTING & RIGGING	293,400
MILWAUKEE SPANISH IMMERSION SCHOOL	AIR BALANCING	55,490
MORGANDALE SCHOOL	ASPHALT	113,230
MORSE MARSHALL	STAGE LIGHTING & RIGGING	146,640
NORTH DIVISION HS	PAINTING EXTERIOR	39,477
NORTH DIVISION HS	STAGE LIGHTING & RIGGING	559,000
OBAMA ELEMENTARY	ASPHALT with tot lot	162,800
PROJECT STAY	PAINTING EXTERIOR	257,290
PULASKI	ROOF	1,337,824
PULASKI	STAGE LIGHTING & RIGGING	569,000
RIVER TRAIL SCHOOL	MODIFY DRAIN SYSTEM	38,840
RIVERSIDE HIGH SCHOOL	STAGE LIGHTING & RIGGING	585,000
RIVERSIDE HIGH SCHOOL	PAINTING EXTERIOR	75,500
ROOSEVELT MIDDLE SCHOOL	PARAPET WALLS — MASONRY	289,002
SCHOOL SUPPORT CENTER	CHIMNEY	82,127
SHOLES CAMPUS	PAINTING EXTERIOR	83,420
SIXTY - FIFTH STREET SCHOOL	PAINTING EXTERIOR	30,092
SOUTH DIVISION HIGH SCHOOL	STAGE LIGHTING & RIGGING	77,500
STEBEN CAMPUS	EMERGENCY GENERATOR	190,319
THURSTON WOODS ACADEMY	AIR BALANCING	63,842
VICTORY SCHOOL	PAINTING EXTERIOR	49,030
VINCENT HIGH SCHOOL	STAGE	78,000
VINCENT HS	PAINTING EXTERIOR	80,781
WASHINGTON HIGH SCHOOL	ROOF	857,739
WASHINGTON HS	STAGE LIGHTING & RIGGING	577,100
WCLL	ROOF	660,178
WCLL @ S. SCOTT	ASPHALT with tot lot	162,800
WCLL @ S. SCOTT	SECURITY SYSTEM	53,000
WESTSIDE ACAD. II	PAINTING EXTERIOR	234,045
Sub total		17,925,325

Curriculum Enhancement

Qualified School Construction Bonds – Projects by Site

SCHOOL NAME	CURRICULUM ENHANCEMENT	TOTAL COST
CARVER ACADEMY	PROJECT LEAD THE WAY LAB (PLTW)	25,000
COOPER SCHOOL	PLTW LAB	60,000
FAIRVIEW ELEMENTARY	PLTW LAB	10,000
GAENSLER SCHOOL	KILN ROOM REMODEL	15,000
HOLMES SCHOOL	PLTW LAB	10,000
PULASKI HIGH SCHOOL	AUTO LAB — AIR COMPRESSOR	50,000
PULASKI HIGH SCHOOL	AUTO LAB — RELOCATE EQUIPMENT	25,000
VINCENT HIGH SCHOOL	PLTW LAB	15,000
WASH. HS OF IT	PRINCIPLES OF ENGINEERING REMODEL	10,000
WCLL @ S. SCOTT	PLTW LAB	309,000
Sub-total		529,000

* * * * *



City of Milwaukee Fiscal Impact Statement

A **Date** 2/28/2012 **File Number** _____ **Original** **Substitute**

Subject Resolution amending an intergovernmental agreement with Milwaukee Public Schools to authorize the expenditure of bond proceeds on additional projects.

B **Submitted By (Name/Title/Dept./Ext.)** Richard Li, Public Debt Specialist, Comptroller, x2319

C **This File**

- Increases or decreases previously authorized expenditures.
- Suspends expenditure authority.
- Increases or decreases city services.
- Authorizes a department to administer a program affecting the city's fiscal liability.
- Increases or decreases revenue.
- Requests an amendment to the salary or positions ordinance.
- Authorizes borrowing and related debt service.
- Authorizes contingent borrowing (authority only).
- Authorizes the expenditure of funds not authorized in adopted City Budget.

D **Charge To**

- Department Account
- Capital Projects Fund
- Debt Service
- Other (Specify) Milwaukee Public Schools
- Contingent Fund
- Special Purpose Accounts
- Grant & Aid Accounts

	Purpose	Specify Type/Use	Expenditure	Revenue
E	Salaries/Wages		\$0.00	\$0.00
			\$0.00	\$0.00
	Supplies/Materials		\$0.00	\$0.00
			\$0.00	\$0.00
	Equipment		\$0.00	\$0.00
			\$0.00	\$0.00
	Services		\$0.00	\$0.00
			\$0.00	\$0.00
	Other		\$0.00	\$0.00
			\$0.00	\$0.00
	TOTALS		\$ 0.00	\$ 0.00

F Assumptions used in arriving at fiscal estimate. _____

G For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

<input type="checkbox"/> 1-3 Years	<input type="checkbox"/> 3-5 Years	_____
<input type="checkbox"/> 1-3 Years	<input type="checkbox"/> 3-5 Years	_____
<input type="checkbox"/> 1-3 Years	<input type="checkbox"/> 3-5 Years	_____

H List any costs not included in Sections D and E above. _____

I Additional information. In 2009 and 2010, the City borrowed on behalf of Milwaukee Public Schools using ARRA borrowing. This file amends the list of Approved Projects. _____

J This Note Was requested by committee chair.



Legislation Details (With Text)

File #: 111565 **Version:** 1

Type: Resolution **Status:** In Committee

File created: 3/20/2012 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Substitute resolution authorizing a Commercial Paper Program, the issuance of Note Anticipation Commercial Paper Notes, and related agreements.

Sponsors: THE CHAIR

Indexes: AGREEMENTS, PROMISSORY NOTES

Attachments: Cover Letter, Trust Indenture-April 3, Fiscal Impact Statement, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
3/20/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111565

Version
Substitute 1

Reference

Sponsor
The Chair

Title
Substitute resolution authorizing a Commercial Paper Program, the issuance of Note Anticipation Commercial Paper Notes, and related agreements.

Analysis

Resolution 070880 authorized the 2008 Commercial Paper program. Since then, the Commercial Paper program has been valuable to reduce the borrowing costs, and improved borrowing flexibility of the City. The 2008 Commercial Paper program is secured by a letter of credit from State Street Bank that expires in December, 2012. This file authorizes a commercial paper program that is not secured by 3rd party credit enhancement.

Body

Whereas, Common Council Resolution File Number 111075 adopted on February 28, 2012 authorizes the

issuance of fixed rate General Obligation Promissory Notes pursuant to certain terms and conditions; and

Whereas, the City offers debt issues once or twice a year, but has financing needs throughout the year; and

Whereas, the City desires, pursuant to 67.12(1)(b)(1) of the Wisconsin Statutes, to issue commercial paper in anticipation of general obligation notes authorized by file number 111075 and other general obligation notes and bond purposes that may be authorized from time to time; and

Whereas, the City desires to issue the commercial paper as Extendable Municipal Commercial Paper in order to avoid the need for a third party liquidity facility; and

Whereas, it is desirable to enter into a trust indenture, issue and paying agent agreement, and commercial paper dealer agreements to provide for and to support the issuance of the Extendable Municipal Commercial Paper;

Now, Therefore, be it

Resolved, By the Common Council of the City of Milwaukee in accordance with Section 67.12(1)(b)(1) of Wisconsin Statutes, that the Commissioners of the Public Debt are authorized and requested to issue and sell extendable municipal commercial paper, note anticipation notes (the "Commercial Paper Notes") at public or private sale, in anticipation of the issuance of general obligation notes and bonds; and, be it

Further Resolved that the Commercial Paper Notes may be issued for the purposes set forth in Resolution File Number 111075, and for other purposes as may be determined by the Common Council from time to time, provided that debt for those purposes have not yet been issued; and, be it

Further Resolved, that the Trust Indenture for the Extendable Municipal Commercial Paper, Note Anticipation Notes (the "Indenture"), a form of which is attached to this resolution, is approved and authorizes and directs the appropriate officers to execute and deliver the Indenture with such changes as may be recommended and approved by the City Attorney in consultation with the Comptroller; and, be it

Further Resolved, that Commercial Paper Notes may be issued, reissued, and redeemed from time to time pursuant to the Commercial Paper Program provided that the aggregate amount of Commercial Paper Notes outstanding at any time shall not exceed \$200,000,000; and be it

Further Resolved, that the Commercial Paper Notes shall:

- (1) bear interest at a maximum coupon rate not to exceed 12.00% per annum;
- (2) have a program maturity date no later than 5 years from the first date of issuance;
- (3) be sold at a price of not less than 99% of the principal amount thereof plus accrued interest thereon from their date to the date of delivery and payment therefor; and, be it

Further Resolved, that in order to maintain marketability of the Commercial Paper Notes, the Comptroller is authorized to change parameters pursuant to Section 2.13 of the Indenture, subject to the limitations of this resolution; and, be it

Further Resolved, that surplus revenues in the Debt Service Fund be and hereby are pledged to the payment, when due, of interest on the Commercial Paper Notes, and that the proper City officers be and hereby are authorized and directed to create a separate account in the Debt Service Fund from surplus revenues within the fund in the amount of interest due on the Commercial Paper Notes when due; and, be it

Further Resolved, that the City directs the Commissioners of the Public Debt to sell and issue General Obligation Refunding Notes, as authorized by File Number 111568 or other resolutions, in order to pay the interest and principal on the Commercial Paper Notes; and, be it

Further Resolved, that revenues in the Debt Service Fund intended to repay general obligation debt issued for purposes for which Commercial Paper Notes are issued, may be used to pay principal of such Commercial Paper Notes when due; and, be it

Further Resolved, that appropriate officers of the City are authorized and directed to execute and deliver documents approved by the Commissioners of the Public Debt in order to support the Commercial Paper Program, including: issue and paying agent agreement, and commercial paper dealer agreements in substantially the form as attached to this file, with such changes as may be recommended and approved by the City Attorney in consultation with the Comptroller; and, be it

Further Resolved, that the Commissioners of the Public Debt are authorized to approve, and the appropriate officers of the City are authorized and directed to execute and deliver such other documents to support the Commercial Paper Program as may be recommended and approved by the City Attorney in consultation with the Comptroller; and, be it

Further Resolved, that the City covenants to take all actions necessary to preserve the exclusion of interest on the Refunding Bonds from gross income for federal income tax purposes. For such purpose, the City shall comply with the requirements of Sections 103 and 141 through 150 of the Internal Revenue Code of 1986 as amended and the regulations of the Internal Revenue Service adopted thereunder or otherwise applicable thereto. No use of the proceeds of the sale of the Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Bonds would have caused such Bonds to be "arbitrage bonds" as defined in Subsection (d)(2) of Section 103 and Section 148 of the U.S. Internal Revenue Code of 1986. The provisions of this section shall be a covenant with the owners of the Bonds; and, be it

Further Resolved, that the Continuing Disclosure Certificate, in substantially the form of the Supplemental Certificate authorized by File Number 100846 adopted on November 23, 2010, is authorized to be executed and delivered by the Comptroller for Commercial Paper Notes; and, be it

Further Resolved, that the City hereby authorizes and directs the appropriate officers and employees of the City to take all action necessary or appropriate to the issuance, sale and delivery of the Commercial Paper Notes and to comply with and carry out all of the provisions of the Continuing Disclosure Certificate, as amended from time to time. Notwithstanding any other provision of this resolution, failure of the City to perform in accordance with the Continuing Disclosure Certificate shall not constitute a default under this resolution and the Continuing Disclosure Certificate may be enforced only as provided therein.

Requestor
Comptroller

Drafter
RSL
PD-7350a3W.doc



Office of the Comptroller

March 9, 2012

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

Michael J. Daun
Deputy Comptroller

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

Craig D. Kammholz
Special Deputy Comptroller

To the Honorable
the Common Council
City of Milwaukee
City Hall - Room 205
Milwaukee, WI 53202

Dear Council Members:

I would like to request the in-title introduction of the accompanying resolutions that relate to variable rate borrowing for the City.

These resolutions are typically referred to the Finance and Personnel Committee. If we may be of any additional assistance, please contact Richard Li (x-2319) of my staff.

Sincerely,


MICHAEL J. DAUN
Deputy Comptroller

MJD:RL
REF: PD-7912W.DOC

TRUST INDENTURE

Between

CITY OF MILWAUKEE

and

U.S. BANK NATIONAL ASSOCIATION
as Trustee

Dated as of April 1, 2012

**RELATING TO
CITY OF MILWAUKEE
EXTENDABLE MUNICIPAL
COMMERCIAL PAPER NOTES
2012 PROGRAM
SERIES C___, R___ AND T___**

TABLE OF CONTENTS

Page

ARTICLE I

Definitions; General Authorization; Ratification

Section 1.01. Definitions.....	2
Section 1.02. General Authorization.....	11
Section 1.03. Interpretation.....	11

ARTICLE II

The Commercial Paper Notes

Section 2.01. Authorized Amount of Commercial Paper Notes; Terms and Description of Commercial Paper Notes.....	12
Section 2.02. Payment.....	14
Section 2.03. Execution and Authentication of Commercial Paper Notes	15
Section 2.04. Forms of Commercial Paper Notes and Authentication Certificate	15
Section 2.05. Book-Entry System.....	16
Section 2.06. Conditions Precedent to Delivery of Commercial Paper Notes.....	18
Section 2.07. Ownership of Commercial Paper Notes	20
Section 2.08. Mutilated, Lost, Stolen or Destroyed Notes.....	21
Section 2.09. Transfer or Exchange of Notes	21
Section 2.10. Destruction of Notes	22
Section 2.11. Temporary Notes	22
Section 2.12. Nonpresentment of Notes	22
Section 2.13. Change in Maximum Rates.....	23

ARTICLE III

Limited Obligations

Section 3.01. Source of Payment	23
Section 3.02. Covenant to Refinance	23

ARTICLE IV

Application of Commercial Paper Note Proceeds

Section 4.01. Creation of Funds and Accounts.....	23
Section 4.02. Deposit of Proceeds of Commercial Paper Notes.....	24
Section 4.03. Application of Moneys in the Proceeds Fund.....	24
Section 4.04. Deposits Into and Uses of the Commercial Paper Debt Service Account and the Payment Account	25

ARTICLE V

Redemption

Section 5.01. No Redemption Prior to Original Maturity Date 26
Section 5.02. Redemption following Original Maturity Date..... 26

ARTICLE VI

Tax Covenants

Section 6.01. Tax Covenants 26
Section 6.02. Taxable Notes 26

ARTICLE VII

Issuing and Paying Agent; Dealer

Section 7.01. Appointment of Issuing and Paying Agent..... 26
Section 7.02. Reports and Records 27
Section 7.03. Resignation and Replacement of Issuing and Paying Agent 27
Section 7.04. Dealer 28

ARTICLE VIII

Trustee

Section 8.01. Acceptance of Trusts..... 28
Section 8.02. Duties of Trustee..... 28
Section 8.03. Rights of Trustee..... 29
Section 8.04. Individual Rights of Trustee 29
Section 8.05. Trustee’s Disclaimer 30
Section 8.06. Notice of Defaults..... 30
Section 8.07. Compensation of Trustee 30
Section 8.08. Eligibility of Trustee 30
Section 8.09. Replacement of Trustee 30
Section 8.10. Successor Trustee or Agent by Merger..... 31
Section 8.11. Other Agents 31
Section 8.12. Several Capacities..... 31
Section 8.13. Accounting Records and Reports of the Trustee 31

ARTICLE IX

Events of Default and Remedies of Noteholders

Section 9.01. Events of Default 32
Section 9.02. Remedies..... 33

Section 9.03. Restoration to Former Position	33
Section 9.04. Noteholders' Right To Direct Proceedings.....	33
Section 9.05. Limitation on Right To Institute Proceedings.....	33
Section 9.06. No Impairment of Right To Enforce Payment.....	34
Section 9.07. Proceedings by Trustee Without Possession of Commercial Paper Notes	34
Section 9.08. No Remedy Exclusive.....	34
Section 9.09. No Waiver of Remedies	34
Section 9.10. Application of Moneys	34
Section 9.11. Severability of Remedies	35
Section 9.12. Additional Events of Default and Remedies.....	35

ARTICLE X

Miscellaneous

Section 10.01. Timeliness of Deposits.....	36
Section 10.02. Defeasance of Commercial Paper Notes.....	36
Section 10.03. Eligible Accounts.....	36
Section 10.04. Payments or Actions Occurring on Non-Business Days	36
Section 10.05. Notices to Rating Agencies.....	36
Section 10.06. Parties in Interest.....	37

ARTICLE XI

Supplemental Indentures

Section 11.01. Limitations	37
Section 11.02. Supplemental Indentures Not Requiring Consent of Noteholders.....	37
Section 11.03. Supplemental Indentures Requiring Consent of Noteholders.....	38
Section 11.04. Effect of Supplemental Indenture	40
Section 11.05. Supplemental Indentures to be Part of this Indenture.....	40

EXHIBITS

Exhibit A	Form of Master Note
Exhibit B	Proceeds Fund Requisition

TRUST INDENTURE

THIS TRUST INDENTURE, dated as of April 1, 2012 (this “Indenture”), is between the City of Milwaukee (the “City”), a municipal corporation of the State of Wisconsin, and U.S. Bank National Association (the “Trustee”), a national banking association duly organized, validly existing and authorized to accept the duties and obligations set out by virtue of the laws of the United States and having a corporate trust office located in the City of Chicago, Illinois, as trustee,

WITNESSETH:

WHEREAS, pursuant to Section 67.12(1)(b)(1) of the Wisconsin Statutes the City is authorized to issue municipal obligations in anticipation of receiving proceeds from bonds or notes the City has authorized to issue under Chapter 67 of the Wisconsin Statutes; and

WHEREAS, pursuant to Resolution File Number _____ adopted on _____ (the “Refunding Resolution”), the Common Council of the City has authorized the issuance of general obligation refunding promissory notes (the “GO Refunding Notes”) in an aggregate principal amount not to exceed [AUTHORIZED AMOUNT]; and

WHEREAS, pursuant to Resolution File Number _____ adopted on _____ (the “CP Note Resolution”), the Common Council of the City has authorized the issuance of note anticipation promissory notes in the form of extendable commercial paper notes (the “Extendable CP”) in an aggregate principal amount outstanding at any time of not to exceed [AUTHORIZED AMOUNT] in anticipation of receiving proceeds from the GO Refunding Notes; and

WHEREAS, on _____ the Commissioners of the Public Debt of the City adopted a resolution (the “PDC Extendable CP Resolution”) approving the sale of the Extendable CP in accordance with the CP Note Resolution; and

WHEREAS, the City wishes to provide in this Indenture for the issuance, from time to time, of its Extendable CP in an aggregate principal amount outstanding at any one time not exceeding \$200,000,000 (the “Authorized Amount”), as authorized by the CP Note Resolution, and designated as “City of Milwaukee, Extendable Municipal Commercial Paper Notes, 2012 Program Series C__” (Capital Projects), “City of Milwaukee, Extendable Municipal Commercial Paper Notes, 2012 Program Series R__” (Cash Flow) and “City of Milwaukee, Extendable Municipal Commercial Paper Notes, 2012 Program Series T__” (Taxable) (collectively, the “Notes”); and

WHEREAS, although the City has the option to extend the maturity of a Note, the City intends, but is not obligated, to pay each Note on its Original Maturity Date from the proceeds of newly issued Notes of the same series, from the proceeds of GO Refunding Notes, or from other funds available to the City for such purpose. The option to extend the maturity exists solely in case there is a disruption in liquidity and not for the purpose of gaining an interest rate advantage; and

WHEREAS, the City wishes to provide in this Indenture that such Notes be limited obligations of the City issued in anticipation of receiving proceeds from GO Refunding Notes

that in this Indenture the City has covenanted to issue pursuant to the Refunding Resolution to repay the Notes and the Trustee is willing to accept the trusts provided in this Indenture;

NOW, THEREFORE, the City and the Trustee agree as follows each for the benefit of the other and/or the benefit of holders of the Commercial Paper Notes secured by this Indenture:

ARTICLE I

Definitions; General Authorization; Ratification

Section 1.01. Definitions. The following definitions shall, for all purposes of this Indenture and Supplemental Indentures, have the meanings herein specified unless the context clearly requires otherwise:

“Authenticating Agent” means, with respect to any Series, each person or entity, if any, designated by the City herein or in any Supplemental Indenture to manually sign the certificate of authentication on the Commercial Paper Notes, and its successors and assigns, and any other person or entity which may at any time be substituted for it pursuant hereto. Initially, the Authenticating Agent shall be the Issuing and Paying Agent.

“Authorized Amount” means \$200,000,000; provided that such amount may be issued in one or more Series; and provided, further, that the aggregate amount outstanding under this Indenture at any one time among all Series may not exceed such amount.

“Authorized City Representative” means the Comptroller or such other officer or employee of the City or other person, which other officer, employee or person has been designated by the Comptroller as an Authorized City Representative by written notice delivered by the Comptroller to the Trustee and the Issuing and Paying Agent.

“Beneficial Owner” means the Person in whose name a Note is recorded as beneficial owner of such Note by the Note Depository, Participant, or Indirect Participant, as the case maybe.

“Bond Counsel” means an attorney or firm or firms of attorneys of national recognition selected or employed by the City with knowledge and experience in the field of municipal finance.

“Business Day” means any day other than (i) a Saturday, Sunday or other day on which commercial banks in New York, New York, Milwaukee, Wisconsin or the city in which is located the office of the Issuing and Paying Agent, are authorized or required by law to close, or (ii) a day on which the New York Stock Exchange is closed.

“City” means the City of Milwaukee, a municipal corporation of the State of Wisconsin.

“Closing Date” means the date on which the initial series of Notes are issued hereunder.

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable United States Treasury Regulations proposed or in effect with respect thereto.

“Comptroller” means the Comptroller of the City.

“Commercial Paper Debt Service Account” or “Debt Service Account” means the account by that name established pursuant to Section 4.01(b)(1) hereof.

“Commercial Paper Notes” or “Notes” means notes of the City with a final maturity of not more than 180 days from the Issue Date, and which are authorized to be issued and reissued from time to time under Article II of this Indenture (in the case of the Series C___ Notes, the Series R___ Notes and the Series T___ Notes).

“Costs of Issuance” means all reasonable costs incurred by the City in connection with the issuance of a Series, including, but not limited to: (a) counsel fees related to the issuance of such Series (including, but not limited to, bond counsel and the Trustee’s counsel); (b) financial advisor fees incurred in connection with the issuance of such Series; (c) rating agency fees; (d) the initial fees and expenses of the Trustee and the Issuing and Paying Agent; (e) accountant fees related to the issuance of such Series; (f) printing and publication costs; and (g) any other fee or cost incurred in connection with the issuance of such Series that constitutes an “issuance cost” within the meaning of Section 147(g) of the Code.

“CP Note Resolution” means Resolution File Number _____ adopted by the Common Council of the City on _____, 2012.

“Dealer” means collectively, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley, and Loop Capital Markets for as long as such firm is acting as a dealer for the City with respect to the Notes, or any successor Dealer appointed pursuant to the Dealer Agreement, as approved by the City.

“Dealer Agreement” means the Commercial Paper Dealer Agreement, dated as of April 1, 2012, between the City and a Dealer, as amended and supplemented from time to time, and any such agreement with any successor Dealer.

“Debt Service Fund” means the fund by that name established pursuant to Section 4.01(b) hereof.

“Designated Representative” means the Comptroller, and any additional individuals designated to complete and deliver Issuance Requests who have been identified and whose signatures have been certified in a certificate of an Authorized City Representative delivered to the Issuing and Paying Agent.

“DTC” means The Depository Trust Company, as Note Depository for one or more Series of Commercial Paper Notes, and its successors and assigns.

“EMMA” means the Electronic Municipal Market Access website of the Municipal Securities Rulemaking Board.

“Event of Default” means any one or more of those events set forth in Section 9.01 hereof, which Event of Default has not been cured.

“Extended Maturity Date” means, for each Note, the date (which shall be specified in the confirmation sent to the Holder of the Note) that is the earlier of: 1) Extended Maturity Days after its Issue Date; and 2) the Final Maturity Date.

“Extended Maturity Days” means, 180 days.

“Final Maturity Date” means April __, 2017 [**Five years from initial issue**].

“Fiscal Year” shall mean the period of time beginning on January 1 and ending on December 31 of each year, or such other similar period as the City designates as the fiscal year of the City.

“Fitch” means Fitch Ratings Inc., a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall no longer perform the functions of a securities rating agency, any other rating agency designated by the City.

“GO Refunding Notes” means general obligation refunding promissory notes of the City authorized to be issued pursuant to the Refunding Resolution.

“Government Obligations” means (1) United States Obligations (including obligations issued or held in book-entry form), and (2) prerefunded municipal obligations meeting the following conditions: (a) the municipal obligations are not subject to redemption prior to maturity, or the trustee therefor has been given irrevocable instructions concerning their calling and redemption and the issuer thereof has covenanted not to redeem such obligations other than as set forth in such instructions; (b) the municipal obligations are secured by cash and/or United States Obligations, which United States Obligations may be applied only to interest, principal and premium payments of such municipal obligations; (c) the principal of and interest on the United States Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the municipal obligations; (d) the United States Obligations serving as security for the municipal obligations are held by an escrow agent or trustee; (e) the United States Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and (f) the municipal obligations are rated at least as high as investments described in (1) above by Moody’s, if Moody’s then maintains a rating on such obligations, and by S&P, if S&P then maintains a rating on such obligations.

“Indirect Participant” means a broker-dealer, bank, or other financial institution for which the Note Depository holds Notes as a securities depository through a Participant.

“Indenture” means this Trust Indenture, dated as of April 1, 2012, between the City and the Trustee, as supplemented and amended from time to time.

“Insolvent” shall be used to describe the Trustee, the Issuing and Paying Agent if (a) such person shall have instituted proceedings to be adjudicated a bankrupt or insolvent, shall have consented to the institution of bankruptcy or insolvency proceedings against it, shall have filed a

petition or answer or consent seeking reorganization or relief under the Federal Bankruptcy Code or any other similar applicable Federal or state law, or shall have consented to the filing of any such petition or to the appointment of a receiver, liquidator, assignee, trustee or sequestrator or other similar official of itself or of any substantial part of its property, or shall fail to timely controvert an involuntary petition filed against it under the Federal Bankruptcy Code, or shall consent to the entry of an order for relief under the Federal Bankruptcy Code or shall make an assignment for the benefit of creditors or shall admit in writing its inability to pay its debts generally as they become due; or (b) a decree or order by a court having jurisdiction in the premises adjudging such person as bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of such person under the Federal Bankruptcy Code or any other similar applicable Federal or state law or for relief under the Federal Bankruptcy Code after an involuntary petition has been filed against such person, or appointing a receiver, liquidator, assignee, trustee or sequestrator or other similar official of such person or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, shall have been entered and shall have continued unabated and in effect for a period of 90 consecutive days.

“Investment Agreement” means an investment agreement or guaranteed investment contract with entities which maintain the following credit and collateral requirements: (a) if a corporation, they are initially rated “Aaa” by Moody’s and “AAA” by S&P, if a domestic bank, they are initially rated Thomson “B/C” or better, and if a foreign bank, they are initially rated Thomson “B” or better, (b) if credit quality reaches Moody’s “Aa3” or S&P “AA” for corporations, Thomson “B/C” for domestic banks, and Thomson “B” for foreign banks, the provider thereof (1) will respond with adequate collateralization within ten (10) business days, (2) will value assets weekly, and (3) will present collateral at 102% on Government Obligations and 105% on obligations described in item (2) of the definition of Permitted Investments; (c) the provider thereof must maintain minimum credit quality of Moody’s “A2” or S&P “A” for corporations, Thomson “C” for domestic banks, or Thomson “B/C” for foreign banks; and (d) the investment agreement will be terminated if credit ratings reach Moody’s “A3” or S&P “A-” for corporations, Thomson “C/D” for domestic banks and Thomson “C” for foreign banks.

“Issuance Request” means a request made by the City, acting through a Designated Representative, to the Issuing and Paying Agent for the delivery of a Commercial Paper Note or Commercial Paper Notes.

“Issue Date” means, for each Note, the date on which beneficial ownership is transferred to the original purchaser thereof.

“Issuing and Paying Agent” means U.S. Bank National Association, or any successor or assigns permitted under the Issuing and Paying Agent Agreement or any other Issuing and Paying Agent which is appointed by the City and has entered into an Issuing and Paying Agent Agreement. When there is a co-Issuing and Paying Agent, either may perform the functions and duties of the Issuing and Paying Agent hereunder and under the Issuing and Paying Agent Agreement.

“Issuing and Paying Agent Agreement” means the Issuing and Paying Agent Agreement, dated as of April 1, 2012, between the City and the Issuing and Paying Agent, and any and all

modifications, alterations, amendments and supplements thereto, or any other Issuing and Paying Agent Agreement entered into by the City and the Issuing and Paying Agent with respect to the Commercial Paper Notes.

“Maximum Original Maturity Days” means, except with respect to City Notes issued under 2.01(a) hereof, 90 days.

“Maximum Rate” means with respect to any Series of Notes, the least of: (i) nine percent (9%) per annum or as otherwise provided pursuant to Section 2.13 hereof, and (ii) the maximum rate of interest permitted by applicable law.

“Moody’s” means Moody’s Investors Service, a corporation existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall no longer perform the functions of a securities rating agency, any other nationally recognized rating agency designated by the City.

“Nominee” means the nominee of the Note Depository as determined from time to time in accordance with this Indenture or any Supplemental Indenture for any one or more Series of Commercial Paper Notes.

“Note Depository” means the securities depository for a Series of Commercial Paper Notes appointed as such pursuant to Section 2.05 hereof, and its successors and assigns.

“Note Proceeds” means proceeds of the sale of the Commercial Paper Notes or any moneys, securities or other obligations that may be deemed to be proceeds of the Commercial Paper Notes within the meaning of the Code.

“Noteholder,” “holder,” “owner” or “registered owner” means the person in whose name any Note or Notes are registered on the books maintained by the Registrar or Trustee.

“One Month LIBOR Index” means (i) the rate for deposits in U.S. dollars for the 1-month period which appears on Bloomberg Page BBAM1 (as defined below) at approximately 11:00 a.m., London time, on the applicable Interest Determination Date. “Bloomberg Page BBAM1” means the display designated on page “BBAM1” on the Bloomberg Service (or such other page as may replace the BBAM1 page on that service, any successor service or such other service or services as may be nominated by the British Bankers’ Association for the purpose of displaying London interbank offered rates for U.S. dollar deposits), or (ii) the inter-bank US Dollar loan rate in London for a period of one month which appears on Telerate Page 3750 as of 11:00 a.m., London Time, or (iii) if such index is not published, such other publicly available rate as the Dealer (or if the Dealer fails to do so, the City) shall deem most nearly equivalent thereto. Such index may be expressed as a percentage (more or less than 100%) and/or a fixed spread to another index.

“Original Maturity Date” means, for each Note, the date not less than 1 day and not greater than: i) Maximum Original Maturity Days after the Issue Date, or ii) the Final Maturity Date, and specified as such in the confirmation sent to the Holder of the Note.

“Original Rate” means, for each Note, the rate of interest per annum borne by such Note to the Original Maturity Date.

“Outstanding” when used with respect to Notes shall mean all Notes which have been authenticated and delivered under this Indenture, except: (a) Notes cancelled or purchased by the Issuing and Paying Agent for cancellation or delivered to or acquired by the Issuing and Paying Agent for cancellation and, in all cases, with the intent to extinguish the debt represented thereby; (b) Notes in lieu of which other Notes have been authenticated under Section 2.08, 2.09 or 2.11 hereof; (c) Notes that have become due (at maturity or on redemption, acceleration or otherwise) and for the payment of which sufficient moneys, including interest accrued to the due date, are held by the Issuing and Paying Agent or Trustee; (d) Notes which, under the terms of this Indenture, are deemed to be no longer Outstanding; and (e) for purposes of any consent or other action to be taken by the holders of a specified percentage of Notes under this Indenture, Notes held by or for the account of the City or by any person controlling, controlled by or under common control with the City.

“Participant” means a broker-dealer, bank, or other financial institution for which the Note Depository holds Notes as a securities depository.

“Payment Instructions” means the payment instructions provided by the City to the Trustee pursuant to each Proceeds Fund Requisition as described in Exhibit B attached hereto.

“Permitted Investments” shall mean any of the following:

- (1) Government Obligations;
- (2) obligations, debentures, notes or other evidences of indebtedness issued or guaranteed by any of the following instrumentalities or agencies of the United States of America: Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Financing Bank; Government National Mortgage Association; Federal National Mortgage Association; Student Loan Marketing Association; Federal Farm Credit Bureau; Farmers Home Administration; Federal Home Loan Mortgage Corporation; and Federal Housing Administration;
- (3) direct and general long-term obligations of any state, which obligations are rated in either of the two highest rating categories by Moody’s and by S&P, if S&P then maintains a rating on such obligations;
- (4) direct and general short-term obligations of any state which obligations are rated in the highest rating category by Moody’s and by S&P, if S&P then maintains a rating on such obligations;
- (5) interest-bearing demand or time deposits (including certificates of deposit) or interests in money market portfolios issued by state banks or trust companies or national banking associations that are members of the Federal Deposit Insurance Corporation (“FDIC”), which deposits or interests must either be (a) continuously and fully insured by FDIC and with banks that are rated at least “P-1” or “Aa” by Moody’s and at least “A-1” or “AA” by S&P, if such banks are then rated by S&P, or (b) fully

secured by United States Obligations (i) which are valued not less frequently than monthly and have a fair market value, exclusive of accrued interest, at least equal to the principal amount of the deposits or interests, (ii) held by the Trustee (who shall not be the provider of the collateral) or by any Federal Reserve Bank or depository acceptable to the Trustee, (iii) subject to a perfected first lien in the Trustee, and (iv) free and clear from all third-party liens;

(6) long-term or medium-term corporate debt guaranteed by any corporation that is rated by both Moody's and S&P in either of their two highest rating categories;

(7) repurchase agreements which are (a) entered into with banks or trust companies organized under state law, national banking associations, insurance companies or government bond dealers reporting to, trading with and recognized as a primary dealer by the Federal Reserve Bank of New York, and which either are members of the Security Investors Protection Corporation or with a dealer or parent holding company that has an investment grade rating from Moody's and S&P, if S&P then maintains a rating of such institution, and (b) fully secured by investments specified in Section (1) or (2) of this definition of Permitted Investments (i) which are valued not less frequently than monthly and have a fair market value, exclusive of accrued interest, at least equal to the amount invested in the repurchase agreements, (ii) held by the Trustee (who shall not be the provider of the collateral) or by any Federal Reserve Bank or a depository acceptable to the Trustee, (iii) subject to a perfected first lien in the Trustee, and (iv) free and clear from all third-party liens;

(8) prime commercial paper of a United States corporation, finance company or banking institution rated at least "P-1" by Moody's and at least "A-1" by S&P, if S&P then maintains a rating on such paper;

(9) shares of a diversified open-end management investment company (as defined in the Investment Company Act of 1940, as amended) or shares in a regulated investment company (as defined in Section 851(a) of the Code) that is (a) a money market fund that has been rated in the highest rating category by each Rating Agency, or (b) a money market fund or account of the Trustee or any state or Federal bank that is rated in the highest rating category by each Rating Agency;

(10) Investment Agreements; and

(11) any other type of investment in which the City directs the Trustee to invest, provided that there is delivered to the Trustee a certificate of an Authorized City Representative stating that each of the Rating Agencies then maintaining a rating on the Series has been informed of the proposal to invest in such investment and each of such Rating Agencies has confirmed that such investment will not adversely affect the rating then assigned by such Rating Agency to any Series.

"Person" means an individual, a corporation (including a limited liability company), a partnership (including a limited partnership), an association, a trust or any other entity or

organization, including a government or political subdivision or an agency or instrumentality thereof.

“Prevailing Rating” means, at the time of determination and with respect to a Rating Agency, the rating assigned to the Notes by the Rating Agency or any comparable future designation by the Rating Agency.

“Principal Office” means the principal office of the Issuing and Paying Agent for purposes of performing its duties under this Indenture, which principal office has been designated in writing by the Issuing and Paying Agent to an Authorized City Representative.

“Proceeds Fund” means the fund by that name established pursuant to Section 4.01(a).

“Project” means any undertaking, facility or item which is listed or otherwise described in a Tax Certificate of the City, as from time to time amended, as being financed in whole or in part with the proceeds of the Notes, which is acquired, constructed, reconstructed, improved, expanded or otherwise financed or refinanced with proceeds of the sale of the Notes, which may include the refunding of outstanding indebtedness of the City.

“Rating Agency” means, any of the following: (i) Fitch, (ii) Moody’s, (iii) Standard & Poor’s, or (iv) any other nationally recognized credit rating agency specified in a Supplemental Indenture that maintains a rating on the Notes at the request of the City.

“Rebate Fund” means any fund required to be maintained by the City pursuant to a Tax Certificate in connection with the issuance of the Notes or any Series of Notes for the purpose of complying with the Code, and providing for the collection and holding for and payment of amounts to the United States of America.

“Refunding Resolution” means Resolution File Number _____ adopted on _____, 2012 by the Common Council of the City, authorizing the issuance of the GO Refunding Notes.

“Registrar” means, with respect to any Series, each person or entity, if any, designated by the City herein or in a Supplemental Indenture to keep a register of any Series and of the transfer and exchange of the Notes comprising such Series, and its successors and assigns, and any other person or entity which may at any time be substituted for it pursuant hereto. Initially, the Registrar shall be the Issuing and Paying Agent.

“Representation Letter” means the Blanket Issuer Letter of Representations from the City to DTC with respect to a Series.

“Reset Rate” means, for each Note, the rate of interest per annum established under Section 2.01(e) for each weekly period from and after the Original Maturity Date.

“Responsible Officer” means an officer or assistant officer of the Trustee assigned by the Trustee to administer this Indenture.

“*SIFMA*” means the Securities Industry and Financial Markets Association (formerly the Bond Market Association) or any successor thereto.

“*SIFMA Index*” means (i) the seven-day high grade market index of tax-exempt variable rate demand obligations, as produced by Municipal Market Data and published or made available by SIFMA or any Person acting in cooperation with or under the sponsorship of SIFMA or (ii) if such index is not published, such other publicly available rate as the Dealer (or if the Dealer fails to do so, the City) shall deem most nearly equivalent thereto. Such index may be expressed as a percentage (more or less than 100%) and/or a fixed spread to another Index.

“Series” means a series of Commercial Paper Notes issued pursuant to this Indenture (e.g., Series C___ Notes, Series R___ Notes or Series T___ Notes); each series of Commercial Paper Notes, when aggregated with all Outstanding Commercial Paper Notes of other series, may be in an aggregate amount up to the full Authorized Amount regardless of when or whether issued.

“Series C___ Notes” means the City of Milwaukee, Extendable Municipal Commercial Paper Notes, 2012 Program Series C___ (Capital Projects), issued under and secured by this Indenture.

“Series C___ Project” means any capital item financed or refinanced in whole or in part with the proceeds of Series C___ Notes, which is acquired, constructed, reconstructed, improved, expanded or otherwise financed or refinanced with proceeds of the sale of Series C___ Notes and which may include the refunding of City indebtedness issued for such purposes by providing for the payment of the principal amount to be refunded prior to maturity, any redemption premium and the interest due thereon to the date fixed for redemption.

“Series R___ Notes” means the City of Milwaukee, Extendable Municipal Commercial Paper Notes, 2012 Program Series R___ (Cash Flow), issued under and secured by this Indenture.

“Series R___ Project” means any cash flow borrowing financed or refinanced with proceeds of the sale of Series R___ Notes and which may include the refunding of City indebtedness issued for such purpose by providing for the payment of the principal amount to be refunded prior to maturity, any redemption premium and the interest due thereon to the date fixed for redemption.

“Series T___ Notes” means the City of Milwaukee, Extendable Municipal Commercial Paper Notes, 2012 Program Series T___ (Taxable), issued under and secured by this Indenture.

“Series T___ Project” means any undertaking, facility, cost, expense or item, being financed or refinanced in whole or in part with the proceeds of the Series T___ Notes, which is acquired, constructed, reconstructed, improved, expanded or otherwise financed or refinanced with proceeds of the sale of Series T___ Notes and which may include the refunding of City indebtedness by providing for the payment of the principal amount to be refunded prior to maturity, any redemption premium and the interest due thereon to the date fixed for redemption.

“Standard & Poor’s” or “S&P” means Standard & Poor’s, A Division of The McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall no longer perform the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the City.

“State” means the State of Wisconsin.

“Supplemental Indenture” means any document supplementing or amending this Indenture entered into as provided in Article XI of this Indenture.

“Tax Certificate” means a certificate, as amended from time to time, executed and delivered on behalf of the City by a Designated Representative on the date upon which a Series is initially issued and delivered, or any functionally equivalent certificate subsequently executed and delivered on behalf of the City by a Designated Representative with respect to the requirements of Section 148 (or any successor section) of the Code relating to a Series.

“Trustee” shall mean the entity named as such in the heading of this Indenture until a successor replaces it and, thereafter, means such successor.

“United States Obligations” means direct and general obligations of the United States of America, or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, including, with respect only to direct and general obligations and not to guaranteed obligations, evidences of ownership of proportionate interests in future interest and/or principal payments of such obligations, provided that investments in such proportionate interests must be limited to circumstances wherein (1) a bank or trust company acts as custodian and holds the underlying United States Obligations; (2) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States Obligations; and (3) the underlying United States Obligations are held in a special account separate from the custodian’s general assets and are not available to satisfy any claim of the custodian, any person claiming through the custodian or any person to whom the custodian may be obligated.

Section 1.02. General Authorization. The appropriate officers, agents and employees of the City are each hereby authorized and directed, for and in the name and on behalf of the City, to take all actions and to make and execute any and all certificates, requisitions, agreements, notices, consents, warrants and other documents, which they, or any of them, deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of one or more Series of Commercial Paper Notes in accordance with the provisions hereof.

Section 1.03. Interpretation. All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture, and the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

The Commercial Paper Notes

Section 2.01. Authorized Amount of Commercial Paper Notes; Terms and Description of Commercial Paper Notes. No Commercial Paper Notes may be issued under the provisions of this Indenture except in accordance with this Article.

(a) *Authorization.* The City hereby authorizes the issuance of its Notes to be designated (i) “City of Milwaukee, Extendable Municipal Commercial Paper Notes, 2012 Program Series C___” (Capital Projects), (ii) “City of Milwaukee, Extendable Municipal Commercial Paper Notes, 2012 Program Series R___” (Cash Flow), and (iii) “City of Milwaukee, Extendable Municipal Commercial Paper Notes, 2012 Program Series T___” (Taxable), subject to the provisions of this Section and as hereinafter provided. Any of the Notes may contain additional designations as determined from time to time by the City. The Series C___ Notes shall be issued from time to time as provided herein to finance and refinance the cost of Series C___ Projects; the Series R___ Notes shall be issued from time to time as provided herein to finance and refinance the cost of Series R___ Projects; and the Series T___ Notes shall be issued from time to time as provided herein to finance and refinance the cost of Series T___ Projects. The aggregate amount of Commercial Paper Notes that may be Outstanding at any one time hereafter shall not exceed the Authorized Amount.

Notwithstanding anything herein to the contrary, there is hereby authorized as a subseries of the Series T___ Notes, a City Series T___ Note that is non-transferrable and registered in the name of the City (the “City Note”). The City Note: 1) is subject to optional redemption at any time without notice, 2) shall be sold only to the City without the need for a Dealer, with an Original Maturity Date of the last business day of the 3rd month following the Issue Date but no later than the Final Maturity Date, in the principal amount and at a rate as determined by the City, but in no event in excess of the Maximum Rate; and 3) until redeemed, but not past the Final Maturity Date, shall automatically be refunded on each Original Maturity Date with a City Note with the same rate.

(b) *Dated Date; Maturity Dates.* The Commercial Paper Notes shall be dated the Issue Date, shall be issued in registered form, and shall be issued in denominations of \$100,000 and integral multiples of \$1,000 in excess thereof. Commercial Paper Notes shall bear interest from their respective Issue Dates, payable on their respective maturity dates; provided that (a) the Original Maturity Date for each Note shall be not less than 1 day nor greater than the Maximum Original Maturity Days after its Issue Date and (b) the Extended Maturity Date for each Note shall be Extended Maturity Days after its Issue Date. No Commercial Paper Notes shall mature later than the Final Maturity Date.

(c) *Interest Calculation; Maturity; Sale Price.* Series C___ and Series R___ Notes (i) except as provided in paragraph (d) below, shall bear interest payable at maturity at an annual rate (calculated on the basis of a year consisting of 365/366 days and actual number of days elapsed), which shall not in any event exceed the Maximum Rate, (ii) shall mature on its Original Maturity Date, unless the City exercises its option to extend the maturity date, in which case the

Note shall mature on its Extended Maturity Date, and (iii) shall be sold by the Dealer pursuant to a Dealer Agreement at a price of not less than 100% of the principal amount thereof.

Series T___ Notes (i) shall bear interest payable at maturity at an annual rate (calculated on the basis of a year consisting of 360 days and actual number of days elapsed), which shall not in any event exceed the Maximum Rate, (ii) shall mature on its Original Maturity Date, unless the City exercises its option to extend the maturity date, in which case the Note shall mature on its Extended Maturity Date, and (iii) shall be sold by the Dealer pursuant to a Dealer Agreement at a price of not less than 99% of the principal amount thereof.

(d) *Interest Rate.* Each Note shall bear interest at the Original Rate from its Issue Date to its Original Maturity Date and, unless the City exercises its option to extend the maturity date, be payable as to principal and interest on its Original Maturity Date. The stated interest rate or yield, maturity date and other terms of the Commercial Paper Notes, as long as not inconsistent with the terms of this Indenture, shall be as set forth in the Issuance Request required by Section 2.06 hereof directing the issuance of Commercial Paper Notes. If the City exercises its option to extend the maturity date of a Note, neither principal nor interest shall be paid on its Original Maturity Date, the Note shall bear interest from its Original Maturity Date at the Reset Rate, the accrued but unpaid interest shall be paid on the next interest payment date (as provided herein), and no additional interest shall accrue on the accrued but unpaid interest. If the Original Maturity Date is before the 15th day of the month, interest shall be payable on the first Business Day of the next month and on the first Business Day of each month thereafter and on the Extended Maturity Date for such Note. If the Original Maturity Date is on or after the 15th day of the month, interest shall be payable on the first Business Day of the second succeeding month and on the first Business Day of each month thereafter and on the Extended Maturity Date for such Note.

(e) *Reset Rate.* The Reset Rate shall be the rate of interest per annum determined by the following formula; provided that such Reset Rate shall not exceed the Maximum Rate:

The greater of (SIFMA Index + *E*) or *F*

The Reset Rate applicable to a Note will be determined by the Issuing and Paying Agent based on the Prevailing Ratings and other information available as of 11:00 a.m., New York, New York time, on the Original Maturity Date of the Note and each Thursday thereafter and will apply from that date through the following Wednesday. As used in the formula, the *E* and *F* variables shall be the fixed percentage rates, expressed in basis points and yields, respectively, determined based on the Prevailing Ratings of the Rating Agencies then rating the Notes, as follows:

Prevailing Rating				
Fitch	Moody's	S&P	<i>E</i> Variable	<i>F</i> Variable
F-1+	P-1	A-1+	250 basis points	6.00%
F-1	–	A-1	350	7.00%
F-2	P-2	A-2	550	8.00%
Lower than F-2 (or rating withdrawn for credit reasons)	Lower than P-2 (or rating withdrawn for credit reasons)	Lower than A-2 (or rating withdrawn for credit reasons)	Maximum Rate	Maximum Rate

If the individual Prevailing Ratings indicate different *E* or *F* variables as a result of split ratings assigned to the City, the *E* or *F* variable shall be the arithmetic average of those indicated by the Prevailing Ratings. If another agency becomes a Rating Agency, the Issuing and Paying Agent shall, following consultation with the City and each Dealer, determine how the agency's rating categories shall be treated for the purpose of indicating an *E* or *F* variable.

Notwithstanding the foregoing, the Reset Rate with respect to any Series T__ Notes shall be determined by substituting "One Month LIBOR Index" for the SIFMA Index in the formula above.

(f) *Notice of Extension.* The City shall notify the Issuing and Paying Agent and Dealer by 11:30 a.m., New York, New York time, on the Original Maturity Date if it is exercising its option to extend the maturity of a Note. The Issuing and Paying Agent shall correspondingly notify (i) DTC by 12:00 p.m., New York, New York time on the Original Maturity Date and (ii) each Rating Agency then maintaining a rating on the Commercial Paper Notes and EMMA by the close of business in New York, New York on the Original Maturity Date, that the maturity is being extended. Even if the requisite notices are not given, if payment of the principal of and interest on a Note does not occur on the Original Maturity Date, the maturity of the Note shall be extended automatically. With the consent of the Issuing and Paying Agent and each Dealers, the City may modify the notification provisions contained in this Section 2.01 if deemed appropriate to conform to DTC's rules and procedures.

(g) In no event shall an extension of the Original Maturity Date constitute a default or a breach of any covenant under this Indenture.

(h) *Numbering.* The Series C__ Notes, the Series R__ Notes and the Series T__ Notes shall be numbered in such manner as the Issuing and Paying Agent may deem appropriate.

Section 2.02. Payment. The City's obligation to pay or cause to be paid the principal of and interest on each and every Commercial Paper Note when due is a limited obligation of the City payable solely from proceeds of the sale of Commercial Paper Notes or GO Refunding Notes issued to refinance the maturing Commercial Paper Notes and any funds held under this Indenture and available for such purpose. The Notes do not constitute an indebtedness for the purpose of determining the City's constitutional debt limitation. The City will make all payments of principal and interest directly to the Issuing and Paying Agent in immediately available funds on or prior to 2:00 p.m., New York, New York time, on the date payment is due on any Commercial Paper Note. The principal of and the interest on the Commercial Paper

Notes shall be paid in Federal or other immediately available funds in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for the payment of public and private debts.

The principal of and the interest on the Commercial Paper Notes shall be payable at the Principal Office of the Issuing and Paying Agent on or before the close of business on any Extended Maturity Date upon which such Commercial Paper Notes have become due and payable, provided that such Commercial Paper Notes are presented and surrendered on a timely basis. Upon presentation of such a Commercial Paper Note to the Issuing and Paying Agent no later than 3:00 p.m. (New York, New York time) on a Business Day, payment for such Commercial Paper Note shall be made by the Issuing and Paying Agent in immediately available funds on such Business Day. If a Commercial Paper Note is presented for payment after 3:00 p.m. (New York, New York time) on a Business Day, payment therefor may be made by the Issuing and Paying Agent on the next succeeding Business Day without the accrual of additional interest thereon.

Notwithstanding the provisions of the previous paragraph, in the event the Notes are issued as a master note or master notes in book-entry form, they shall be payable at maturity without physical presentation or surrender in accordance with the procedures of the Note Depository.

Section 2.03. Execution and Authentication of Commercial Paper Notes. The Notes, in certificated form, will be executed in the name of and for the City as provided in Section 67.08 of the Wisconsin Statutes, the City Charter of the City and the CP Note Resolution. Each Note shall be executed in the name of the City by the manual or facsimile signature of the Mayor of the City, countersigned by the manual or facsimile signature of the Comptroller and attested by the manual or facsimile signatures of the Commissioners of the Public Debt of the City. The seal of the City shall be imprinted or impressed on each Note and attested by the manual or facsimile signature of the City Clerk. In case any officer whose signature or whose facsimile signature shall appear on any Notes shall cease to be such officer before the authentication of such Notes, such signature or the facsimile signature thereof shall, nevertheless, be valid and sufficient for all purposes the same as if he or she had remained in office until authentication. Also, if a person signing a Note is the proper officer on the actual date of execution, the Note will be valid even if that person is not the proper officer on the nominal date of action and even though, at the date of this Indenture, such person was not such officer.

The Issuing and Paying Agent is, by this Indenture, designated by the City as the Authenticating Agent and Registrar for the Commercial Paper Notes in accordance with the terms of Section 7.01 hereof and the fiscal agent of the City in accordance with Section 67.10(2) of the Wisconsin Statutes. Notwithstanding anything herein to the contrary, the Issuing and Paying Agent shall not authenticate Commercial Paper Notes (i) which mature later than the Final Maturity Date or (ii) if an Event of Default then exists of which it has actual knowledge except if such authentication will cure the Event of Default.

Section 2.04. Forms of Commercial Paper Notes and Authentication Certificate. The definitive Series C___ Notes, Series R___ Notes and Series T___ Notes and the Certificate of Authentication endorsed thereon shall be substantially in the form set forth in Exhibit A

attached hereto and made a part hereof, with such appropriate variations, omissions and insertions as shall be required or appropriate in order to accomplish the purposes of the transactions authorized by this Indenture.

Section 2.05. Book-Entry System. Unless an Authorized City Representative or his designee determines that a Series of Commercial Paper Notes shall be issued in registered form other than in book-entry form, the Commercial Paper Notes shall initially be issued in book-entry form as further provided in this Section.

(a) The Notes issued pursuant to this Indenture shall initially be issued in the form of a separate single fully-registered Note for each Series of the Commercial Paper Notes. Except as provided in subsection (c) of this Section, all of the Commercial Paper Notes shall be registered in the name of the Nominee. Notwithstanding any provision to the contrary in Section 2.06, as long as the Notes remain in the form of one or more master notes in book-entry form, the issuance of Notes pursuant to an Issuance Request against payment therefor shall not require the physical delivery of note certificates.

The Trustee, the Issuing and Paying Agent and the City may treat the registered owner of each Note as the sole and exclusive owner thereof for the purposes of payment of the principal of or interest on the Series of Notes to which such Note belongs, giving any notice permitted or required to be given to Noteholders hereunder, registering the transfer of Notes, obtaining any consent or other action to be taken by Noteholders, and for all other purposes whatsoever, and neither the Trustee, the Issuing and Paying Agent nor the City shall be affected by any notice to the contrary.

Neither the Trustee, the Issuing and Paying Agent nor the City shall have any responsibility or obligation to any participant in the Note Depository (a "Participant"), any Person claiming a beneficial ownership interest in the Commercial Paper Notes under or through the Note Depository or any Participant, or any other Person who is not shown on the registration books as being a Noteholder, with respect to (i) the accuracy of any records maintained by the Note Depository or any Participant; (ii) the payment by the Note Depository or any Participant of any amount in respect of the principal of or interest on the Commercial Paper Notes; (iii) the delivery of any notice which is permitted or required to be given to Noteholders hereunder; (iv) any consent given or other action taken by the Note Depository as Noteholder; or (v) any other purpose.

The Issuing and Paying Agent shall pay all principal of and interest on the Commercial Paper Notes only to or upon the order of the Note Depository, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the payment of the principal of and interest on the Commercial Paper Notes to the extent of the sum or sums so paid. Upon delivery by the Note Depository to the Issuing and Paying Agent of written notice to the effect that the Note Depository has determined to substitute a new Nominee in place of the current Nominee, and subject to the provisions herein with respect to record dates, the word Nominee in this Article shall refer to such new Nominee.

(b) In order to qualify each Series of Commercial Paper Notes for the Note Depository's book-entry system, an Authorized City Representative is hereby authorized to

execute, seal, countersign and deliver on behalf of the City to the Note Depository for each Series of Commercial Paper Notes, a Representation Letter from an Authorized City Representative representing such matters as shall be necessary to so qualify the Commercial Paper Notes. The execution and delivery of the Representation Letter shall not in any way limit the provisions of this Section or in any other way impose upon the City any obligation whatsoever with respect to Persons having beneficial ownership interests in the Commercial Paper Notes other than the Noteholders.

(c) (1) The Note Depository may determine to discontinue providing its services with respect to a Series of Commercial Paper Notes at any time by giving reasonable written notice to an Authorized City Representative, the Trustee and the Issuing and Paying Agent, and by discharging its responsibilities with respect thereto under applicable law.

(2) An Authorized City Representative, exercising the sole discretion of the City and without the consent of any other person, may terminate, upon provision of notice to the Note Depository, the Trustee and the Issuing and Paying Agent, the services of the Note Depository with respect to a Series of Commercial Paper Notes if the Authorized City Representative determines, on behalf of the City, that the continuation of the system of book-entry only transfers through the Note Depository (or a successor securities depository) is not in the best interests of the owners of a Series of Commercial Paper Notes or is burdensome to the City, and shall terminate the services of the Note Depository with respect to a Series of Commercial Paper Notes upon receipt by the City, the Trustee and the Issuing and Paying Agent of written notice from the Note Depository to the effect that the Note Depository has received written notice from Direct Participants (as defined in the Representation Letter) having interests, as shown in the records of the Note Depository, in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount of the then outstanding Commercial Paper Notes to the effect that: (i) the Note Depository is unable to discharge its responsibilities with respect to such Series of Commercial Paper Notes, or (ii) a continuation of the requirement that all of the outstanding Notes be registered in the registration books kept by the Issuing and Paying Agent in the name of the Nominee of the Note Depository, is not in the best interest of the Noteholders of such Series of Commercial Paper Notes.

(3) Upon the termination of the services of the Note Depository with respect to a Series of Commercial Paper Notes pursuant to subsection (c)(1) or (c)(2) hereof, after which no substitute Note Depository willing to undertake the functions of the Note Depository hereunder can be found or which, in the opinion of the City, is willing and able to undertake such functions upon reasonable and customary terms, a Series of Commercial Paper Notes shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of the Nominee of the Note Depository. In such event, the City shall issue and the Issuing and Paying Agent shall transfer and exchange Note certificates as requested by the Note Depository or Direct Participants of like principal amount, Series and maturity, in denominations of \$100,000 and integral multiples of \$1,000 in excess thereof, to the identifiable Noteholder in replacement of such Noteholder's beneficial interests in a Series of Commercial Paper Notes.

(d) Notwithstanding any provision hereof to the contrary, as long as the Commercial Paper Notes of any Series are registered in the name of the Nominee, all payments with respect to principal of and interest on the Commercial Paper Notes of such Series and all notices with respect to the Commercial Paper Notes of such Series shall be made and given, respectively, as provided in the Representation Letter for the related Series of Notes or as otherwise instructed by the Note Depository.

(e) The initial Note Depository with respect to each Series of Commercial Paper Notes shall be DTC. The initial Nominee with respect to each Series of Commercial Paper Notes shall be CEDE & CO., as nominee of DTC.

(f) Each Note Depository and the Participants, the Indirect Participants, and the Beneficial Owners of the Notes, by their acceptance of the Notes, agree that the City, the Dealer and the Issuing and Paying Agent shall have no liability for the failure of any Note Depository to perform its obligation to any Participant, any Indirect Participant, or any Beneficial Owner of any Notes, nor shall the City, the Dealer or the Issuing and Paying Agent be liable for the failure of any Participant, Indirect Participant, or other nominee of any Beneficial Owner of any Notes to perform any obligation that such Participant, Indirect Participant, or other nominee may incur to any Beneficial Owner of the Notes.

Section 2.06. Conditions Precedent to Delivery of Commercial Paper Notes.

(a) Prior to the issuance of the first Commercial Paper Notes hereunder, Commercial Paper Notes of each initial Series shall be executed on behalf of the City and delivered to the Issuing and Paying Agent, who shall hold such Commercial Paper Notes unauthenticated in safekeeping for the City. Subject to the provisions of Sections 2.01 and 2.05 hereof, and paragraphs (f) and (g) of this Section, at any time and from time to time prior to the Final Maturity Date, Commercial Paper Notes shall be manually authenticated and delivered by the Issuing and Paying Agent for the consideration and in the manner hereinafter provided, but only upon receipt by the Issuing and Paying Agent of an Issuance Request, no later than 12:00 Noon (New York, New York time) on the Business Day on which Commercial Paper Notes are to be delivered, directing the Issuing and Paying Agent to authenticate the Commercial Paper Notes referred to therein and to deliver the same to or upon the order of the Dealer. Each Issuance Request shall include: (i) the aggregate principal amount of Notes of each Series then to be issued, and the respective denominations in which they are to be issued, (ii) the Original Rate with respect to each Note, (iii) the Issue Date, the Original Maturity Date, and the Extended Maturity Date of each Note and (iv) the Series designation thereof. No later than 2:30 p.m. (New York, New York time) on each Business Day on which the City proposes to issue Commercial Paper Notes, the Dealer shall report to the City each transaction made with or arranged by it or shall notify the City and the Issuing and Paying Agent of the difference, if any, between the amount of maturing Notes of a Series and the amount of Notes of a Series which the Dealer has arranged to sell or has agreed to purchase. The City may deliver an Issuance Request for the issuance of Notes on multiple roll-over dates in the future, but shall have the right to rescind such notice with respect to Notes to be issued, no later than 11:00 a.m. (New York, New York time) on any date Notes are to be issued.

(b) Upon receipt of such Issuance Request (which may be transmitted by mail, telecopy or other electronic communications method, or by telephone, promptly confirmed in writing by 2:00 p.m. New York, New York time), the Issuing and Paying Agent shall, by 3:00 p.m. (New York, New York time) on such day, complete each Series C___ Note, each Series R___ Note and each Series T___ Note as to amount, Issue Date, Original Maturity Date, Extended Maturity Date and Original Rate specified in such Issuance Request, and deliver each such Commercial Paper Note to or upon the order of the Dealer upon receipt of payment therefor; provided, however, that no such Commercial Paper Notes shall be delivered by the Issuing and Paying Agent if such delivery would cause the sum of the aggregate principal amount of Commercial Paper Notes Outstanding to exceed the Authorized Amount. Notwithstanding any provision herein to the contrary, no such Commercial Paper Notes of any Series shall be delivered by the Issuing and Paying Agent if (A) it shall have received notice from an Authorized City Representative directing the Issuing and Paying Agent to cease authenticating and delivering Commercial Paper Notes until such time as such direction is withdrawn by similar notice, (B) it shall have actual knowledge that an Event of Default shall have occurred and be continuing, (C) it shall have received notice from Bond Counsel that its opinion regarding the exclusion of interest on the Notes of such issue or Series (issued as tax-exempt Notes) from gross income for Federal income tax purposes of the holders thereof is being withdrawn or (D) the maturity date of such Commercial Paper Notes would extend beyond the related Final Maturity Date. If an Issuance Request is received after 12:00 Noon (New York, New York time) on a given day, the Issuing and Paying Agent shall not be obligated to deliver the requested Commercial Paper Notes until the next succeeding Business Day.

(c) The City shall, upon a change in the identity of any Designated Representative, provide a Certificate for each new Designated Representative to the Issuing and Paying Agent.

(d) In addition to the Issuance Request described above in this Section, and as a further condition to the issuance of any Commercial Paper Notes, the Designated Representative shall certify to or instruct, for and on behalf of the City, the Issuing and Paying Agent that, as of the date of delivery of such Commercial Paper Notes, (i) after the issuance of such Commercial Paper Notes and the application of the proceeds thereof, the sum of the aggregate principal amount of Commercial Paper Notes Outstanding will not exceed the Authorized Amount; (ii) unless interest on the Commercial Paper Notes to be issued is to be taxable, to the City's knowledge there has been no change in the facts, estimates, circumstances and representations of the City set forth or made (as the case may be) in the Tax Certificate (applicable to such Commercial Paper Notes); (iii) the Original Maturity Date of the Commercial Paper Notes is no longer than the Maximum Original Maturity Days and the Extended Maturity Date of such Commercial Paper Notes set forth in the Issuance Request does not extend beyond the related Final Maturity Date; (iv) the City, has not been notified by Bond Counsel that its opinion with respect to the validity of the Commercial Paper Notes and, unless interest on the Notes is to be taxable, the tax treatment of the interest thereon has been revised or withdrawn or, if any such revision or withdrawal has occurred, the revised opinion or a substitute opinion acceptable to the Dealer has been delivered; (v) to the actual knowledge of the City, no Event of Default has occurred and is then continuing; (vi) the Note Proceeds shall be deposited into the Payment Account or into the Proceeds Fund pursuant to Section 4.02 hereof in the amounts specified by the Designated Representative; and (vii) all of the conditions precedent to the issuance of such Commercial Paper Notes set forth in this Section of this Indenture have been satisfied.

(e) The delivery of any Issuance Request under subsection (2) hereof to the Issuing and Paying Agent by a Designated Representative in the manner provided in this Section shall constitute the certification and representation of the City as of the date of such Issuance Request as to the matters set forth in paragraph (d) of this Section.

(f) Any Issuance Request made by telephone pursuant to this Section may be recorded by the Issuing and Paying Agent and shall be confirmed promptly in writing by a Designated Representative; provided, however, that any conflict between any recorded oral Issuance Request and the written confirmation thereof, shall not affect the validity of any recorded oral Issuance Request received by the Issuing and Paying Agent as provided herein. If the Issuing and Paying Agent does not record an oral Issuance Request, and a conflict exists between such oral Issuance Request and the written confirmation thereof, the terms of the written confirmation shall control.

(g) Prior to the initial delivery of Commercial Paper Notes under this Indenture and as a condition to such initial issuance, the Trustee and the City shall be notified by the Issuing and Paying Agent that the Issuing and Paying Agent has received:

(1) Certified copies of the CP Note Resolution, the PDC Extendable CP Resolution and the Refunding Resolution;

(2) a fully executed counterpart of each Dealer Agreement;

(3) a fully executed counterpart of the Issuing and Paying Agency Agreement;

(4) original, fully-executed Notes for the Series or an original, fully-executed Master Note covering the Series; and

(5) an opinion of Bond Counsel to the effect that the Notes of that Series have been duly and validly authorized and, when duly executed in the form and manner provided in this Indenture, duly authenticated by the Issuing and Paying Agent, delivered, and paid for, will constitute valid limited obligations of the City, issued pursuant to Section 67.12(1)(b)(1) of the Wisconsin Statutes and payable from Refunding Note proceeds and funds held under the Indenture, and that (except with respect to the Series T___ Notes and based upon assumptions stated therein and only to the extent the Notes are offered on such basis) the interest on the Notes of that Series is excluded from gross income of the owners for federal income tax purposes pursuant to the Code. The opinion of Bond Counsel may be qualified as to such matters as are acceptable to the Dealer.

(h) The purchase price of each Note shall be 100% of the principal amount thereof in the case of the tax-exempt Notes and at least 99% in the case of taxable Notes, and no Note shall be deemed to be issued until payment for its purchase has been made in lawful money of the United States of America.

Section 2.07. Ownership of Commercial Paper Notes. The City and the Issuing and Paying Agent may deem and treat the registered owner of Notes as the absolute owner thereof (whether or not such Commercial Paper Note shall be overdue and notwithstanding any notation of ownership or other writing thereon made by anyone other than the Issuing and Paying Agent)

for the purpose of receiving payment thereof or on account thereof and for all other purposes, and neither the City nor the Issuing and Paying Agent shall be affected by any notice to the contrary.

Section 2.08. Mutilated, Lost, Stolen or Destroyed Notes. In the event any Commercial Paper Note is mutilated or defaced but identifiable by number and description, the City shall execute and the Authenticating Agent shall authenticate and deliver a new Note of like Series, date, maturity and denomination as such Note, upon surrender thereof to the Issuing and Paying Agent; provided that there shall first be furnished to the Issuing and Paying Agent clear and unequivocal proof satisfactory to the Issuing and Paying Agent that the Note is mutilated or defaced to such an extent as to impair its value to the Noteholder. The Noteholder shall accompany the above with a deposit of money required by the Issuing and Paying Agent for the cost of preparing the substitute Note and all other expenses connected with the issuance of such substitute. The Issuing and Paying Agent shall then cause proper record to be made of the cancellation of the original, and thereafter the substitute shall have the validity of the original.

(a) In the event any Note is lost, stolen or destroyed, the City may execute and the Authenticating Agent may authenticate and deliver a new Note of like Series, date, maturity and denomination as that Note lost, stolen or destroyed, provided that there shall first be furnished to the Issuing and Paying Agent evidence of such loss, theft or destruction satisfactory to the Issuing and Paying Agent, together with indemnity satisfactory to it and the City.

(b) Except as limited by any Supplemental Indenture, the Issuing and Paying Agent may charge the holder of any such Note all governmental charges and transfer taxes, if any, and its reasonable fees and expenses in this connection. All substitute Notes issued and authenticated pursuant to this Section shall be issued as a substitute and numbered, as determined by the Issuing and Paying Agent. In the event any such Note has matured or been called for redemption, instead of issuing a substitute Note, the Issuing and Paying Agent may pay the same at its maturity or redemption without surrender thereof upon receipt of indemnity satisfactory to it and the City.

Section 2.09. Transfer or Exchange of Notes. Upon surrender for transfer of any Note at the designated corporate trust office of the Registrar, the Registrar shall deliver in the name of the transferee or transferees a new fully authenticated and registered Note or Notes of authorized denominations of the same Series, and maturity for the same aggregate principal amount.

Noteholders may present Notes at the designated corporate trust office of the Registrar for exchange for Notes of different authorized denominations and, upon such presentation, the Registrar shall deliver to the Noteholder a new fully authenticated and registered Note or Notes of the same Series and maturity for the same aggregate principal amount. All Notes presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Registrar, duly executed by the Noteholder or by his duly authorized attorney.

Except as limited by any Supplemental Indenture, the Registrar also may require payment from the Noteholder of a sum sufficient to cover any tax, or other governmental fee or charge

that may be imposed in relation thereto. Such taxes, fees and charges shall be paid before any such new Note shall be delivered.

Supplemental Indentures may designate certain limited periods during which Notes will not be exchanged or transferred.

Notes delivered upon any exchange or transfer as provided herein, or as provided in Section 2.08 hereof, shall be valid limited obligations of the City, evidencing the same debt as the Note or Notes surrendered, shall be secured by this Indenture and shall be entitled to all of the security and benefits hereof to the same extent as the Note or Notes surrendered.

Section 2.10. Destruction of Notes. Whenever any Notes shall be delivered to the Issuing and Paying Agent for cancellation pursuant to this Indenture, upon payment of the principal amount and interest represented thereby or for replacement pursuant to Section 2.08 or exchange or transfer pursuant to Section 2.09, such Note shall be cancelled and destroyed by the Issuing and Paying Agent or the Registrar and counterparts of a certificate of destruction evidencing such destruction shall be furnished by the Issuing and Paying Agent to the City.

Section 2.11. Temporary Notes. Pending preparation of definitive Notes of any Series, the City may execute and the Issuing and Paying Agent shall authenticate and deliver, in lieu of definitive Notes and subject to the same limitations and conditions, interim receipts, certificates or temporary Notes which shall be exchanged for the Notes.

If temporary Notes shall be issued, the City shall cause the definitive Notes to be prepared and to be executed, authenticated and delivered to the Issuing and Paying Agent, and the Issuing and Paying Agent, upon presentation to it of any temporary Note, shall cancel the same and deliver in exchange therefor at the place designated by the holder, without charge to the holder thereof, definitive Notes of an equal aggregate principal amount of the same Series issue date, maturity and bearing interest the same as the temporary Notes surrendered. Until so exchanged, the temporary Notes shall in all respects be entitled to the same benefit and security of this Indenture as the definitive Notes to be issued and authenticated hereunder.

Section 2.12. Nonpresentment of Notes. In the event any Note shall not be presented for payment when the principal thereof becomes due, if moneys sufficient to pay such Note shall have been deposited with the Trustee for the benefit of the owner thereof, all liability of the City to the owner thereof for the payment of such Note shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys, without liability to the City, any owner of any Note or any other Person for interest thereon, for the benefit of the owner of such Note, who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature on his or her part under this Indenture or on, or with respect to, said Note.

Any moneys so deposited with and held by the Trustee and not so applied to the payment of Notes within two years after the date on which the same shall have become due shall be paid by the Trustee to the City, free from the trusts created by this Indenture. Thereafter, the owners of the Notes shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid by the Trustee. The City shall apply the sums paid to it pursuant to this

Section in accordance with applicable law, but shall not be liable for any interest on such sums paid to it pursuant to this Section and shall not be regarded as a trustee of such money.

Section 2.13. Change in Maximum Rates. From time to time, the City may change the Maximum Rate applicable to the Notes. The City shall promptly notify the Issuing and Paying Agent, the Dealer and the Trustee of such change in writing prior to the effective date of such Maximum Rate. Such change shall not be effective until 30 days after such notice is given. The change shall be effective only for Notes issued after the effective date of such change. The Trustee shall notify the Rating Agencies and EMMA of all changes to the Maximum Rate.

ARTICLE III

Limited Obligations

Section 3.01. Source of Payment. The Commercial Paper Notes and the interest payable thereon are limited obligations of the City payable from any funds held under this Indenture, the proceeds from the sale of Commercial Paper Notes to refinance maturing Commercial Paper Notes and the proceeds of GO Refunding Notes to be issued by the City pursuant to Section 3.02 hereof. The Notes do not represent or constitute a debt of the City within the meaning of any constitutional or any statutory limitation.

Section 3.02. Covenant to Refinance. The City covenants that commencing not later than: (i) 90 days prior to any Extended Maturity Date the City will begin the process to offer for sale GO Refunding Notes of the City to refinance the Notes that are maturing on the applicable Extended Maturity Date and apply the proceeds of such sale thereof to the payment of such maturing Notes; (ii) 30 days prior to any Extended Maturity Date to sell upon reasonable and customary terms and conditions, such GO Refunding Notes; and (iii) 10 days prior to the applicable Extended Maturity Date to issue, if sold, the GO Refunding Notes.

The receipts derived from the refinancing of the Commercial Paper Notes and all amounts in the funds and accounts created or maintained pursuant to this Indenture, the Issuing and Paying Agent Agreement or any Tax Certificate (except the Rebate Fund), including earnings on such amounts, are hereby pledged as security for the payment of the Commercial Paper Notes and constitute trust funds held for that purpose, subject only to the provisions of this Indenture and the Issuing and Paying Agent Agreement permitting the application thereof for the purposes and on the terms and conditions set forth herein and therein. The pledge herein made shall be irrevocable until all of the Commercial Paper Notes have been paid and retired. The granting of this pledge by the City does not limit in any manner the rights of the City to issue any additional debt or incur any other obligations.

ARTICLE IV

Application of Commercial Paper Note Proceeds

Section 4.01. Creation of Funds and Accounts. (a) The Proceeds Fund is hereby created as a separate trust fund and shall be held, maintained and accounted for by the Trustee,

and the moneys in the Proceeds Fund shall be used for the purposes for which the Notes of any Series are authorized to be issued, including, but not limited to, costs of the Project for such Series, the payment of principal of and interest on the Notes, Costs of Issuance and administrative costs of the commercial paper program. If so specified in a Tax Certificate, or at the written direction of the City, the City shall establish one or more accounts and subaccounts within the Proceeds Fund. The Proceeds Fund is designated as the “Commercial Paper Proceeds Fund” and herein called the “Proceeds Fund.”

(b) The Debt Service Fund is hereby created as a separate trust fund and shall be held by the Issuing and Paying Agent and shall be subject to the lien of this Indenture. The City may direct the Issuing and Paying Agent to establish and maintain a separate account or accounts in the Debt Service Fund with respect to any or all of the Notes of one or more Series. Moneys in the Debt Service Fund and the accounts therein shall be held in trust separate and apart from all other moneys, funds and accounts held by the Issuing and Paying Agent, and shall be applied to pay the principal of and interest on Outstanding Notes in the amounts, at the times and in the manner set forth herein and in any Supplemental Indenture. The following accounts are hereby established within the Debt Service Fund, and the Issuing and Paying Agent shall hold such accounts in trust in accordance herewith and with the Issuing and Paying Agent Agreement:

(1) “Commercial Paper Debt Service Account,” (including such sub-accounts as the Trustee shall be directed to create by the written direction of the City) and herein called the “Debt Service Account”; and

(2) three “Commercial Paper Payment Accounts,” and herein called the “Payment Accounts” for the deposit of the proceeds of renewal Notes and are designated as

(i) the “Series C ___ Payment Account,”

(ii) the “Series R ___ Payment Account,” and

(iii) the “Series T ___ Payment Account.”

Section 4.02. Deposit of Proceeds of Commercial Paper Notes. The proceeds of the initial sale of any Notes (that is, any Note that is not issued to redeem or pay the principal of another Note of the same Series) shall be deposited into the Proceeds Fund. Thereafter, immediately upon receipt of proceeds of Notes, the Issuing and Paying Agent shall, if instructed by an Authorized City Representative, first deposit the proceeds of the sale of Commercial Paper Notes into the applicable Commercial Paper Payment Account in an amount equal to the principal of or interest on Commercial Paper Notes of such Series. Proceeds so deposited shall be held separate and apart from all other funds and accounts and shall not commingled with any other moneys.

Section 4.03. Application of Moneys in the Proceeds Fund. (a) Moneys in the Proceeds Fund attributable to each Series shall be applied to the payment of the costs of the Project for such Series, Costs of Issuance of such Series and administrative costs of the commercial paper program. An Authorized City Representative may from time to time amend

the list of Projects in a Tax Certificate; provided, however, that the Authorized City Representative shall not amend the list of Projects in such a way as to change the tax status of the related Series of Commercial Paper Notes. An Authorized City Representative is hereby authorized to execute one or more supplemental Tax Certificates in connection with any Series of Notes.

(b) The Trustee shall make payments or disbursements from the Proceeds Fund upon receipt from the City of a written requisition, in substantially the form attached as Exhibit B to this Indenture, executed by an Authorized City Representative, which requisition shall state, with respect to each amount requested thereby, (i) the account, if any, within the Proceeds Fund from which such amount is to be paid, (ii) the number of the requisition from such account, (iii) the amount to be paid, the Payment Instructions, (iv) that the amount to be paid represents a cost of a qualifying Project as described in a Tax Certificate of the City, or is related to a Series T___ Project, as applicable, and (v) unless related to a Series T___ Project, that the amounts requisitioned will be expended only in accordance with and subject to the limitations set forth in the applicable Tax Certificate. The City may request disbursements in advance of actual expenditures, and need not provide the Trustee with evidence of expenditures.

(c) Moneys held in the Proceeds Fund shall be invested and reinvested by the Trustee in Permitted Investments as directed by an Authorized City Representative.

Section 4.04. Deposits Into and Uses of the Commercial Paper Debt Service Account and the Payment Account. (a) At or before 2:00 p.m., New York, New York time, on an interest payment date as provided in Section 2.01(d) hereof, the Original Maturity Date or Extended Maturity Date of each Note, the City shall deposit or cause to be deposited into the Commercial Paper Debt Service Account, solely from Commercial Paper Note Proceeds or proceeds from the sale of the GO Refunding Notes, an amount sufficient, together with other available moneys including the moneys in the Payment Accounts, to pay principal of and interest due on all Notes maturing on such interest payment date, Original Maturity Date or the Extended Maturity Date, as applicable. The Issuing and Paying Agent shall notify the City on or before 5:00 p.m., New York, New York time, on the Business Day prior to such interest payment date, Original Maturity Date, of the total amount due on such maturity date.

(b) The City may, but is not obligated to, deposit other funds of the City into the Commercial Paper Debt Service Account. The City may direct the deposit into accounts for principal and/or interest. City deposits directed to pay interest may only be used to pay interest, unless: 1) there are no outstanding Commercial Paper Notes after the payment; or 2) the City approves such other use.

(c) Moneys in the Debt Service Fund shall be invested and reinvested by the Issuing and Paying Agent, as directed by an Authorized City Representative, in United States Obligations or in Permitted Investments described in subparagraph (9) of the definition thereof.

ARTICLE V

Redemption

Section 5.01. No Redemption Prior to Original Maturity Date. The Commercial Paper Notes shall not be subject to redemption prior to their Original Maturity Date except with respect to the City Note.

Section 5.02. Redemption following Original Maturity Date. In the event the City exercises its option to extend the maturity of a Note, that Note may be redeemed on any date after its Original Maturity Date, at the option of the City at a redemption price equal to par (100%), plus accrued and unpaid interest to the redemption date; provided the City must redeem all Commercial Paper Notes that have Extended Maturity Dates.

To exercise its redemption option, the City shall provide not less than 5 nor more than 25 calendar days' notice to the Issuing and Paying Agent. The Issuing and Paying Agent will notify DTC of the Notes to be redeemed within one Business Day of receipt of such notice.

ARTICLE VI

Tax Covenants

Section 6.01. Tax Covenants. In order to maintain the exclusion from gross income of the interest on the Series C___ Notes and the Series R___ Notes for Federal income tax purposes, the City covenants to comply with each applicable requirement of Section 103 and Sections 141 through 150 of the Code, and further agrees to comply with the covenants contained in, and the instructions given pursuant to, each Tax Certificate, which by this reference is incorporated herein, as a source of guidance for compliance with such provisions.

Section 6.02. Taxable Notes. Notwithstanding anything in this Indenture to the contrary, in the event an Authorized City Representative designates a Series as obligations not described in Section 103(a) of the Code, including the Series T___ Notes issued hereunder, the provisions of Section 6.01 shall not apply to such Series.

ARTICLE VII

Issuing and Paying Agent; Dealer

Section 7.01. Appointment of Issuing and Paying Agent. The City hereby appoints the Issuing and Paying Agent, Authenticating Agent and Registrar and agrees that, at or prior to the time of issuance of the initial Commercial Paper Notes, the City will enter into the Issuing and Paying Agent Agreement and will at all times, prior to the Termination Date, maintain in effect an Issuing and Paying Agent Agreement, pursuant to which the Issuing and Paying Agent will agree to hold funds and fulfill the duties and obligations of the Issuing and Paying Agent, as provided for in this Indenture.

The Issuing and Paying Agent and the Authenticating Agent and Registrar shall (i) designate to the Trustee its principal office, and (ii) signify its acceptance of the duties and obligations imposed upon it hereunder and under any Supplemental Indenture by written instrument of acceptance delivered to the City and the Trustee.

Section 7.02. Reports and Records. The Issuing and Paying Agent shall at all times keep or cause to be kept proper records in which complete and accurate entries shall be made of all transactions made by it relating to the proceeds of the Notes and any funds and accounts established and maintained by the Issuing and Paying Agent pursuant to this Indenture and any Supplemental Indenture. Such records shall be available for inspection by the City on each Business Day upon reasonable notice during reasonable business hours, and by any Owner or its agent or representative duly authorized in writing at reasonable hours and under reasonable circumstances. The Issuing and Paying Agent shall not be required to maintain records with respect to transactions made by the Trustee or an Authorized City Representative, or with respect to funds established and maintained by the Trustee.

(a) The Issuing and Paying Agent shall provide to the Authorized City Representative each month a report of the amounts deposited in each fund and account held by it under this Indenture, and the amount disbursed from such funds and accounts, the earnings thereon, the ending balance in each of such funds and accounts, the investments in each such fund and account, and the yield on each investment calculated in accordance with the directions of an Authorized City Representative. Such report shall also include such information regarding the issuance of Commercial Paper Notes during the subject month as the City shall request.

(b) The Issuing and Paying Agent shall maintain such books, records and accounts as may be necessary to evidence the obligations of the City resulting from the Commercial Paper Notes, the principal amounts owing thereunder, the maturity schedule therefor, the respective rates of interest thereon, and the principal and interest paid from time to time thereunder. As long as the Commercial Paper Notes are in book-entry form, in any legal action or proceeding with respect to a master note, the entries made in such books, records or accounts shall be, absent manifest error, conclusive evidence of the existence and the amounts of the obligations of the City therein recorded.

Section 7.03. Resignation and Replacement of Issuing and Paying Agent. The Issuing and Paying Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' written notice to the Trustee, Dealer and the City. The Issuing and Paying Agent may be removed, at any time by an instrument signed by an Authorized City Representative and filed with the Issuing and Paying Agent and the Trustee. No such resignation or removal shall become effective, however, until a successor Issuing and Paying Agent has been selected and assumed the duties of the Issuing and Paying Agent hereunder.

In the event of the resignation or removal of the Issuing and Paying Agent, the Issuing and Paying Agent shall pay over, assign and deliver any moneys held by it in such capacity to its successor. The Issuing and Paying Agent shall make any representations and warranties to the City as may be reasonably requested by the City in connection with any such assignment.

The Issuing and Paying Agent shall, at all times, be a bank, trust company or a national banking association organized and doing business under the laws of the United States of America or of any state with a combined capital and surplus of at least \$20,000,000 duly qualified and appointed as a fiscal agent of the City and authorized under such laws to exercise corporate trust powers and be subject to supervision or examination by Federal or state authority. If such corporation or national banking association publishes reports of condition at least annually pursuant to law or the requirements of such authority, then for the purposes of this Section, the combined capital and surplus of such corporation or national banking association shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

Any corporation or national banking association into which any Issuing and Paying Agent may be merged or converted or with which it may be consolidated, or any corporation or national banking association resulting from any merger, consolidation or conversion to which any Issuing and Paying Agent shall be a party, or any corporation or national banking association succeeding to the corporate trust business of any Issuing and Paying Agent shall be the successor of the Issuing and Paying Agent if such successor corporation or national banking association is otherwise eligible under this Section, without the execution or filing of any document or further act on the part of the Issuing and Paying Agent or such successor corporation or national banking association.

Section 7.04. Dealer. The City confirms the appointment of Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley, and Loop Capital Markets, each as a Dealer, and agrees that, at or prior to the time of issuance of the initial Commercial Paper Notes, the City will enter into a Dealer Agreement with each Dealer. The City covenants that at all times while any Notes shall be outstanding, it will maintain in effect one or more Dealer Agreements, pursuant to which each Dealer will agree to fulfill the duties and obligations of the Dealer as set forth in this Indenture and its Dealer Agreement.

ARTICLE VIII

Trustee

Section 8.01. Acceptance of Trusts. The Trustee hereby accepts and agrees to execute the trusts specifically imposed upon it by this Indenture, but only upon the additional terms set forth in this Article, to all of which the City agrees and the respective holders agree by their acceptance of delivery of any of the Notes.

Section 8.02. Duties of Trustee. (a) If an Event of Default has occurred and is continuing, the Trustee shall exercise its rights and powers and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) The Trustee shall perform the duties set forth in this Indenture; no implied duties or obligations shall be read into this Indenture against the Trustee.

(c) Except during the continuance of an Event of Default, in the absence of any negligence on its part or any knowledge to the contrary, the Trustee may conclusively rely upon certificates or opinions furnished to the Trustee conforming to the requirements of this Indenture, as to the truth of the statements and the correctness of the opinions expressed. The Trustee shall examine the certificates and opinions, however, to determine whether they conform to the requirements of this Indenture.

(d) The Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that: (1) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer unless the Trustee was negligent in ascertaining the pertinent facts; and (2) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it from holders or the City in the manner provided in this Indenture.

(e) The Trustee shall not, by any provision of this Indenture, be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it. The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the holders of the Notes, unless such holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it to comply with such request or direction.

(f) Every provision of this Indenture that in any way relates to the Trustee is subject to this Section.

(g) The Trustee shall not be deemed to have knowledge of an Event of Default unless it has received actual knowledge at the corporate trust office of the Trustee located in Chicago, Illinois.

Section 8.03. Rights of Trustee. Subject to the foregoing Section, the Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine and to have been passed or signed by the proper person or to have been prepared and furnished pursuant to any of the provisions of this Indenture, and the Trustee shall be under no duty to make investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements.

The Trustee may consult with counsel with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in good faith in accordance therewith.

Section 8.04. Individual Rights of Trustee. The Trustee in its individual or any other capacity may become the owner or pledgee of Notes, and may otherwise deal with the City with

the same rights it would have if it were not Trustee. The Issuing and Paying Agent or any other agent may do the same with like rights.

Section 8.05. Trustee's Disclaimer. The Trustee shall not be accountable for the City's use of the proceeds from the Notes paid to the City and it shall not be responsible for any statement in the Notes.

Section 8.06. Notice of Defaults. If (i) an Event of Default has occurred, or (ii) an event has occurred which with the giving of notice and/or the lapse of time would be an Event of Default, and, with respect to such events for which notice to the City is required before such events will become Events of Default, such notice has been given, then the Trustee shall promptly, after obtaining actual notice of such Event of Default or event described in clause (ii) above, give notice thereof to each holder, EMMA and to the Issuing and Paying Agent. Except in the case of a default in payment on any Notes, the Trustee may withhold the notice if and as long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the holders.

Section 8.07. Compensation of Trustee. For acting under this Indenture, the Trustee shall be entitled to payment of fees for its services and reimbursement of advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with its services under this Indenture and the City agrees to pay such amounts to the Trustee. The City agrees to indemnify and hold the Trustee harmless against costs, claims, expenses and liabilities not arising from the Trustee's own negligence, misconduct or breach of duty, which the Trustee may incur in the exercise and performance of its rights and obligations hereunder. Such obligation shall survive the discharge of this Indenture or the resignation or removal of the Trustee.

Section 8.08. Eligibility of Trustee. This Indenture shall always have a Trustee that is a trust company or a bank having the powers of a trust company and is organized and doing business under the laws of the United States or any state or the District of Columbia, is authorized to conduct trust business under the laws of such jurisdiction, is subject to supervision or examination by United States, state or District of Columbia authority, and has a combined capital and surplus of at least \$20,000,000 as set forth in its most recent published annual report of condition.

Section 8.09. Replacement of Trustee. The Trustee may resign by notifying the City in writing at least 60 days prior to the proposed effective date of the resignation. The holders of a majority in Outstanding principal amount of the Notes may remove the Trustee by notifying the removed Trustee and may appoint a successor Trustee with the City's consent. The City may remove the Trustee, by notice in writing delivered to the Trustee 60 days prior to the proposed removal date; provided, however, that the City shall have no right to remove the Trustee during any time when an Event of Default has occurred and is continuing, or when an event has occurred and is continuing, or condition exists, which with the giving of notice or the passage of time or both would be an Event of Default.

No resignation or removal of the Trustee under this Section shall be effective until a new Trustee has taken office and delivered a written acceptance of its appointment to the retiring

Trustee and to the City. Immediately thereafter, the retiring Trustee shall transfer all property held by it as Trustee to the successor Trustee, the resignation or removal of the retiring Trustee shall then (but only then) become effective and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture.

If the Trustee resigns or is removed, or for any reason is unable or unwilling to perform its duties under this Indenture, the City shall promptly appoint a successor Trustee.

If a Trustee is not performing its duties hereunder and a successor Trustee does not take office within 60 days after the retiring Trustee delivers notice of resignation or the City delivers notice of removal, the retiring Trustee, the City or the holders of a majority in aggregate principal amount of the outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee.

Section 8.10. Successor Trustee or Agent by Merger. If the Trustee consolidates with, merges or converts into, or transfers all or substantially all its assets (or, in the case of a bank or trust company, its corporate trust assets) to another corporation which meets the qualifications set forth in this Indenture, the resulting, surviving or transferee corporation, without any further act, shall be the successor Trustee.

Section 8.11. Other Agents. The City, or the Trustee with the consent of the City, may from time to time appoint other agents as may be appropriate at the time to perform duties and obligations under this Indenture or under a Supplemental Indenture all as provided by Supplemental Indenture or resolution or ordinance of the City.

Section 8.12. Several Capacities. Anything in this Indenture to the contrary notwithstanding, with the written consent of the City, the same entity may serve hereunder as the Trustee and any other agent as appointed to perform duties or obligations under this Indenture, under a Supplemental Indenture or an escrow agreement, or in any combination of such capacities, to the extent permitted by law.

Section 8.13. Accounting Records and Reports of the Trustee. The Trustee shall at all times keep, or cause to be kept, proper records in which complete and accurate entries shall be made of all transactions made by it relating to the Note Proceeds and all funds and accounts established pursuant to this Indenture. Such records shall be available for inspection by the City on each Business Day during reasonable business hours and by any holder, or his agent or representative duly authorized in writing, at reasonable hours and under reasonable circumstances.

(a) The Trustee shall provide to the City each month a report of any Note Proceeds received during that month, if any, and the amounts deposited into each fund and account held by it under this Indenture and the amount disbursed from such funds and accounts, the earnings thereon, the ending balance in each of such funds and accounts and the investments of each such fund and account.

(b) The Trustee shall annually, within a reasonable period after the end of the Fiscal Year, furnish to the City a statement (which need not be audited) covering receipts,

disbursements, allocation and application of Note Proceeds, and any other moneys in any of the funds and accounts held by it established pursuant to this Indenture or any Supplemental Indenture for the preceding year.

ARTICLE IX

Events of Default and Remedies of Noteholders

Section 9.01. Events of Default. Each of the following events shall constitute and is referred to in this Indenture as an “Event of Default”:

(a) a failure by the City to pay the principal of any Commercial Paper Note for five Business Days after the date the same shall have become due and payable on an Extended Maturity Date;

(b) a failure by the City to pay any installment of interest on any Commercial Paper Note for five Business Days after the date such interest shall have become due and payable on an Extended Maturity Date or in accordance with Section 2.01(d) hereof;

(c) a failure by the City to offer the GO Refunding Notes; a failure by the City if the GO Refunding Notes are sold, to issue the GO Refunding Notes, or to apply the proceeds therefrom in accordance with Section 3.02 hereof;

(d) a failure by the City to observe and perform any covenant, condition, agreement or provision (other than as specified in paragraphs (a) and (b) of this Section) contained in the Commercial Paper Notes or in this Indenture on the part of the City to be observed or performed, which failure shall continue for a period of 60 days after written notice, specifying such failure and requesting that it be remedied, shall have been given to the City by the Trustee, which notice may be given at the discretion of the Trustee and shall be given at the written request of holders of 25% or more in aggregate principal amount of the Commercial Paper Notes then Outstanding, unless the Trustee, or the Trustee and holders of Commercial Paper Notes in an amount not less than the Outstanding principal amount of Commercial Paper Notes the holders of which requested such notice, shall agree in writing to an extension of such period prior to its expiration; provided, however, that the Trustee, or the Trustee and the holders of such principal amount of Commercial Paper Notes, shall be deemed to have agreed to an extension of such period if such failure can be remedied, and corrective action is initiated by the City within such period and is being diligently pursued;

(e) bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, including, without limitation, proceedings under the United States Bankruptcy Code (as the same may from time to time be hereafter amended), or other proceedings for relief under any Federal or state bankruptcy law or similar law for the relief of debtors are instituted by or against the City, and, if instituted against the City, said proceedings are consented to or are not dismissed within 60 days after such institution; or

(f) the occurrence of any other Event of Default as is provided in a Supplemental Indenture.

If any Event of Default has occurred, but is subsequently cured or waived, then such Event of Default shall no longer constitute an Event of Default hereunder.

Section 9.02. Remedies. (a) Upon the occurrence and continuance of any Event of Default, the Trustee in its discretion may, and upon the written direction of the holders of 25% or more in aggregate principal amount of the Commercial Paper Notes then Outstanding and receipt of indemnity to its satisfaction, shall, in its own name and as the Trustee of an express trust: (i) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Commercial Paper Noteholders, and require the City to carry out any agreements with or for the benefit of the Commercial Paper Noteholders and to perform its or their duties under any law to which it is subject and this Indenture, provided that any such remedy may be taken only to the extent permitted under the applicable provisions of this Indenture; (ii) bring suit upon the Commercial Paper Notes; (iii) commence an action or suit in equity to require the City to account as if it were the trustee of an express trust for the Commercial Paper Noteholders; or (iv) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Commercial Paper Noteholders.

(b) The Trustee shall be under no obligation to take any action with respect to any Event of Default unless the Trustee has actual knowledge of the occurrence of such Event of Default.

Section 9.03. Restoration to Former Position. In the event that any proceeding taken by the Trustee to enforce any right under this Indenture shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then the City, the Trustee, and the Commercial Paper Noteholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Section 9.04. Noteholders' Right To Direct Proceedings. Subject to Section 9.05 hereof, anything else in this Indenture to the contrary notwithstanding, the holders of a majority in aggregate principal amount of the Commercial Paper Notes then Outstanding shall have the right, at any time, by an instrument in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all remedial proceedings available to the Trustee under this Indenture to be taken in connection with the enforcement of the terms of this Indenture or exercising any trust or power conferred on the Trustee by this Indenture; provided that such direction shall not be otherwise than in accordance with the provisions of the law and this Indenture; and provided, further, that with respect to any such direction by the holders of Commercial Paper Notes there shall have been provided to the Trustee security and indemnity satisfactory to the Trustee against the costs, expenses and liabilities to be incurred as a result thereof by the Trustee.

Section 9.05. Limitation on Right To Institute Proceedings. No Noteholder shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust or power hereunder, or any other remedy hereunder or on such Commercial Paper Note, unless such Commercial Paper Noteholder or Commercial Paper Noteholders previously shall have given to the Trustee written notice of an Event of Default as hereinabove provided, and unless also holders of 25% or more in aggregate principal amount of the Commercial Paper

Notes then Outstanding shall have made written request of the Trustee so to do, after the right to institute such suit, action or proceeding under Section 9.02 hereof shall have accrued, and shall have afforded the Trustee a reasonable opportunity to proceed to institute the same in either its or their name, and unless there also shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall not have complied with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the institution of such suit, action or proceeding; it being understood and intended that no one or more of the Commercial Paper Noteholders shall have any right in any manner whatever by his, her or their action to affect, disturb or prejudice the security of this Indenture, or to enforce any right hereunder or under the Commercial Paper Notes, except in the manner herein provided, and that all suits, actions and proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Commercial Paper Noteholders.

Section 9.06. No Impairment of Right To Enforce Payment. The right of any Commercial Paper Noteholder to receive payment of the principal of and interest on such Noteholder's Commercial Paper Notes, on or after the respective due dates expressed therein, or to institute suit for the enforcement of any such payment on or after such respective date, shall not be impaired or affected without the consent of such Commercial Paper Noteholder.

Section 9.07. Proceedings by Trustee Without Possession of Commercial Paper Notes. All rights of action under this Indenture or under any of the Commercial Paper Notes secured hereby which are enforceable by the Trustee may be enforced by it without the possession of any of the Commercial Paper Notes, or the production thereof at the trial or other proceedings relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the equal and ratable benefit of the Commercial Paper Noteholders, subject to the provisions of this Indenture.

Section 9.08. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Trustee or to Commercial Paper Noteholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity or by statute; provided, however, that any conditions set forth herein to the taking of any remedy to enforce the provisions of this Indenture or the Commercial Paper Notes shall also be conditions to seeking any remedies under any of the foregoing pursuant to this Section.

Section 9.09. No Waiver of Remedies. No delay or omission of the Trustee or of any Commercial Paper Noteholder to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by this Article to the Trustee and to the Commercial Paper Noteholders, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 9.10. Application of Moneys. Any moneys received by the Trustee, by any receiver or by any Commercial Paper Noteholder pursuant to any right given or action taken under the provisions of this Article after payment of the costs and expenses of the proceedings

resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee (including attorneys' fees), shall be applied as follows:

(a) first, to the payment to the persons entitled thereto of all installments of interest then due on the Commercial Paper Notes, with interest on overdue installments, if lawful, at the rate per annum borne by the Commercial Paper Notes in the order of maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment of interest, then to the payment ratably, according to the amounts due on such installment, and

(b) second, to the payment to the Persons entitled thereto of the unpaid principal amount of any of the Commercial Paper Notes which shall have become due with interest on such Commercial Paper Notes at their respective rate from the respective dates upon which they became due, and, if the amount available shall not be sufficient to pay in full Commercial Paper Notes due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal and interest due on such date, in each case to the Persons entitled thereto, without any discrimination or privilege.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date upon which such application is to be made and upon such date interest on the amounts of principal and interest to be paid on such date shall cease to accrue. The Trustee shall give notice of the deposit with it of any such moneys and of the fixing of any such date by first-class United States mail, postage prepaid, to all Commercial Paper Noteholders, and shall not be required to make payment to any Commercial Paper Noteholder until such Commercial Paper Notes shall be presented to the Trustee for appropriate endorsement, or for cancellation if fully paid.

Section 9.11. Severability of Remedies. It is the purpose and intention of this Article to provide rights and remedies to the Trustee and the Commercial Paper Noteholders, which may be lawfully granted under the provisions of applicable law, but should any right or remedy herein granted be held to be unlawful, the Trustee and the Noteholders shall be entitled, as above set forth, to every other right and remedy provided in this Indenture or by applicable law.

Section 9.12. Additional Events of Default and Remedies. As long as any particular Series of Commercial Paper Notes is Outstanding, the remedies as set forth in this Article may be supplemented with additional remedies as set forth in a Supplemental Indenture.

ARTICLE X

Miscellaneous

Section 10.01. Timeliness of Deposits. Funds shall be deemed transferred for purposes of timeliness of receipt under this Indenture when transfer instructions for transfer by Federal reserve wire have been given and a Federal wire number confirmation has been received; provided that the party to receive such funds shall not be required to take any action required to be taken hereunder with respect to such funds until it has confirmation of actual receipt of such funds.

Section 10.02. Defeasance of Commercial Paper Notes. Commercial Paper Notes shall not be deemed to have been paid in full unless payment of the principal of and interest on the Commercial Paper Notes either (a) shall have been made or caused to be made in accordance with the terms of the Commercial Paper Notes and this Indenture, or (b) shall have been provided for by irrevocably depositing with the Trustee in trust and irrevocably setting aside exclusively for such payment (i) moneys sufficient to make such payment, and/or (ii) noncallable Government Obligations purchased with moneys, maturing as to principal and interest in such amounts and at such times as will insure the availability of sufficient moneys to make such payment.

Section 10.03. Eligible Accounts. All moneys held under the Indenture shall be deposited in an account that is either (a) maintained with a federal or state-chartered depository institution or trust company that has a Standard & Poor's short-term debt rating of at least 'A-2' (or, if no short-term debt rating, a long-term debt rating of 'BBB+'); or (b) maintained with the corporate trust department of a federal depository institution or state-chartered depository institution subject to regulations regarding fiduciary funds on deposit similar to Title 12 of the Code of Federal Regulations Section 9.10(b), which, in either case, has corporate trust powers and is acting in its fiduciary capacity.

Section 10.04. Payments or Actions Occurring on Non-Business Days. If a payment date is not a Business Day at the place of payment, or if any action required hereunder is required on a date that is not a Business Day, then payment may be made at that place on the next Business Day, or such action may be taken on the next Business Day, with the same effect as if payment were made, or the action taken, on the stated date, and no interest shall accrue for the intervening period.

Section 10.05. Notices to Rating Agencies. (a) The Authorized City Representative shall provide the Rating Agencies with written notice of the occurrence of the following events: (i) changes in the Dealer or the Trustee, (ii) the appointment of a successor Issuing and Paying Agent, (iii) amendments to the Indenture or the Issuing and Paying Agent Agreement, (iv) the defeasance of all Outstanding Commercial Paper Notes and (v) the termination of the commercial paper program.

(b) Any notice under paragraph (a) shall be sent to the Rating Agencies at the following addresses, as applicable:

Standard & Poor's: Attention: Muni Structured Finance
55 Water Street, 38th Floor
New York, New York 10041
phone: 212-438-2000
fax: 212-438-2157
email: pubfin_structured@sandp.com

Fitch: Attention: Public Finance Department
Fitch
One State Street Plaza
New York, New York 10004-1505
phone: 212-908-0500
fax: 212-480-4435

Moody's: Attention: Public Finance Department – Rating Desk/CP
Moody's Investors Service, Inc.
99 Church Street
New York, New York 10007
phone: 212-553-0300
fax: 212-964-5082

Section 10.06. Parties in Interest. Except as herein otherwise specifically provided, nothing in this Indenture expressed or implied is intended or shall be construed to confer upon any Person other than the City, the Trustee, the Paying Agent, other agents from time to time hereunder and the holders of the Notes, any right, remedy or claim under or by reason of this Indenture, this Indenture being intended to be for the sole and exclusive benefit of the City, the Trustee, the Paying Agent, such other agents and the holders of the Notes.

ARTICLE XI

Supplemental Indentures

Section 11.01. Limitations. This Indenture shall not be modified or amended in any respect subsequent to the first delivery of fully executed and authenticated Notes except as provided in, and in accordance with and subject to the provisions of, this Article.

Section 11.02. Supplemental Indentures Not Requiring Consent of Noteholders. The City may from time to time and at any time, without the consent of or notice to the Noteholders, execute and deliver Supplemental Indentures supplementing and/or amending this Indenture or any Supplemental Indenture as follows:

(a) to cure any formal defect, omission, inconsistency or ambiguity in, or answer any questions arising under, this Indenture or any Supplemental Indenture, provided that such supplement or amendment is not materially adverse to the Noteholders;

(b) to add to the covenants and agreements of the City in this Indenture or any Supplemental Indenture other covenants and agreements, or to surrender any right or power reserved or conferred upon the City, provided that such supplement or amendment is not materially adverse to the Noteholders;

(c) to confirm, as further assurance, any interest of the Issuing and Paying Agent in and to the funds and accounts held by the Trustee or the Issuing and Paying Agent, or in and to any other moneys, securities or funds of the City provided pursuant to this Indenture, or to otherwise add additional security for the Noteholders;

(d) to evidence any change made in the terms of any Series of Notes if such changes are authorized by the Supplemental Indenture at the time the Series of Notes is issued and such change is made in accordance with the terms of such Supplemental Indenture;

(e) to comply with the requirements of the Trust Indenture Act of 1939, as from time to time amended;

(f) to modify, alter, amend or supplement this Indenture or any Supplemental Indenture in any other respect which is not materially adverse to the Noteholders;

(g) to qualify the Notes or a Series of Notes for a rating or ratings by Moody's, S&P and/or Fitch;

(h) to accommodate the technical, operational and structural features of Notes which are issued or are proposed to be issued, including, but not limited to, changes needed to accommodate other forms of commercial paper, or other forms of indebtedness which the City from time to time deems appropriate to incur;

(i) to comply with the requirements of the Code as are necessary, in the opinion of Bond Counsel, to preserve the exclusion from gross income for Federal income taxation of the interest on Notes issued as tax-exempt Notes, as appropriate; or

(j) to take effect only with respect to Notes issued on or after the effective date of the Supplemental Indenture accompanied by appropriate disclosure of the amendment or supplement.

Before the City shall, pursuant to this Section, execute any Supplemental Indenture, there shall have been delivered to the City an opinion of Bond Counsel to the effect that such Supplemental Indenture is authorized or permitted by this Indenture and applicable law, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the City in accordance with its terms, and will not cause interest on any of the Notes which is then excluded from gross income of the recipient thereof for Federal income tax purposes to be included in gross income for Federal income tax purposes.

Section 11.03. Supplemental Indentures Requiring Consent of Noteholders. (a) Except for any Supplemental Indenture entered into pursuant to Section 11.02 hereof and any Supplemental Indenture entered into pursuant to subsection (b) below, subject to the terms and

provisions contained in this Section and not otherwise, the holders of not less than a majority in aggregate principal amount of the Notes then Outstanding shall have the right from time to time, to consent to and approve the execution by the City of any Supplemental Indenture deemed necessary or desirable by the City for the purposes of modifying, altering, amending, supplementing or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided, however, that, unless approved in writing by the holders of all the Notes then Outstanding, or unless such change affects less than all Series of Notes and subsection (b) below is applicable, nothing herein contained shall permit, or be construed as permitting, (i) an extension in the stated maturity of any Outstanding Notes, or a change in the amounts or currency of payment of the principal of or interest on any Outstanding Notes, or (ii) a reduction in the principal amount or redemption price of any Outstanding Notes, or the rate of interest thereon; and provided that nothing herein contained, including the provisions of subsection (b) below, shall, unless approved in writing by the holders of all the Notes then Outstanding, permit or be construed as permitting (iii) except with respect to additional security which may be provided for a particular Series of Notes, a preference or priority of any Note or Notes over any other Note or Notes with respect to the security granted therefor under this Indenture, or (iv) a reduction in the aggregate principal amount of Notes the consent of the Noteholders of which is required for any such Supplemental Indenture.

(b) Subject to the provisions of Section 11.02 and 11.03(a) hereof, the City may, from time to time and at any time, execute a Supplemental Indenture which amends the provisions of an earlier Supplemental Indenture. If such Supplemental Indenture is executed for one of the purposes set forth in Section 11.02 hereof, no notice to or consent of the Noteholders shall be required. If such Supplemental Indenture contains provisions which affect the rights and interests of less than all Series of Notes Outstanding and Section 11.02 hereof is not applicable, then this subsection (b) rather than subsection (a) above shall control, and, subject to the terms and provisions contained in this Section and not otherwise, the holders of not less than a majority in aggregate principal amount of the Notes of all Series which are affected by such changes shall have the right from time to time to consent to any Supplemental Indenture deemed necessary or desirable by the City for the purposes of modifying, altering, amending, supplementing or rescinding, in any particular, any of the terms or provisions contained in such Supplemental Indenture and affecting only the Notes of such Series; provided, however, that, unless approved in writing by the holders of all the Notes of all the affected Series then Outstanding, nothing herein contained shall permit, or be construed as permitting, (i) a change in the scheduled times, amounts or currency of payment of the principal of or interest on any Outstanding Notes of such Series, or (ii) a reduction in the principal amount or redemption price of any Outstanding Notes of such Series or the rate of interest thereon. Nothing herein contained, however, shall be construed as making necessary the approval by Noteholders of the adoption of any Supplemental Indenture as authorized in Section 11.02 hereof.

(c) If at any time the City shall desire to enter into any Supplemental Indenture for any of the purposes of this Section, the City shall cause notice of the proposed execution of the Supplemental Indenture to be given by first-class United States mail to all Noteholders or, under subsection (b) above, all Noteholders of the Series. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that a copy thereof is on file at the office of the City for inspection by all Noteholders, and it shall not be required that the Noteholders

approve the final form of such Supplemental Indenture but it shall be sufficient if such Noteholders approve the substance thereof.

(d) The City may execute and deliver such Supplemental Indenture in substantially the form described in such notice, but only if there shall have first been delivered to the City (i) any required consents, in writing, of the Noteholders, and (ii) the opinion of Bond Counsel required by the last paragraph of Section 11.02 hereof.

(e) If Noteholders of not less than the percentage of Notes required by this Section shall have consented to and approved the execution and delivery thereof as herein provided, no Noteholders shall have any right to object to the adoption of such Supplemental Indenture, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution and delivery thereof, or to enjoin or restrain the City from executing the same or from taking any action pursuant to the provisions thereof.

Section 11.04. Effect of Supplemental Indenture. Upon execution and delivery of any Supplemental Indenture pursuant to the provisions of this Article, this Indenture or the Supplemental Indenture shall be, and shall be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture and the Supplemental Indenture of the City, the Trustee, the Issuing and Paying Agent and all Noteholders shall thereafter be determined, exercised and enforced under this Indenture and the Supplemental Indenture, if applicable, subject in all respects to such modifications and amendments.

Section 11.05. Supplemental Indentures to be Part of this Indenture. Any Supplemental Indenture adopted in accordance with the provisions of this Article shall thereafter form a part of this Indenture or the Supplemental Indenture which they supplement or amend, and all of the terms and conditions contained in any such Supplemental Indenture as to any provision authorized to be contained therein shall be and shall be deemed to be part of the terms and conditions of this Indenture or the Supplemental Indenture which they supplement or amend for any and all purposes.

[Signatures Appear on Following Page]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, all as of the date first above written.

CITY OF MILWAUKEE

Mayor

City Clerk

COUNTERSIGNED:

_____, Comptroller

Approved as to
form, content, and execution this
_____ day of _____, 2012

City Attorney

**U.S. BANK NATIONAL
ASSOCIATION, as Trustee**

By: _____
Its: _____

By: _____
Its: _____

[SEAL]

EXHIBIT A

(Form of Master Note)

United States of America
State of Wisconsin
County of Milwaukee

CITY OF MILWAUKEE EXTENDABLE MUNICIPAL COMMERCIAL PAPER NOTE 2012 PROGRAM SERIES __

Registered Owner: CEDE & CO.

Principal Sum: Not to Exceed the Authorized Amount set forth below.

The City of Milwaukee (the “City”), a municipal corporation of the State of Wisconsin, for value received, hereby promises to pay to the registered owner hereinabove named or registered assigns, the principal amount, together with unpaid accrued interest thereon, if any, on the maturity date of each obligation identified on the records of the City (the “Underlying Records”) as being evidenced by this Master Note, which Underlying Records are maintained by U.S. Bank National Association, (the “Trustee”) as Issuing and Paying Agent (the “Issuing and Paying Agent”) under that certain Issuing and Paying Agent Agreement, dated as of April 1, 2012, between the City and the Issuing and Paying Agent (the “Issuing and Paying Agent Agreement”) at the principal office of the Issuing and Paying Agent, in the manner and subject to the terms of the hereinafter defined Indenture. Interest on Series C__ Notes and Series R__ Notes shall be calculated on the basis of actual days elapsed in a 365- or 366-day year, as the case may be, at the rate specified on the Underlying Records. Interest on Series T__ Notes shall be calculated on the basis of a 360-day year and actual number of days elapsed, at the rate or yield specified on the Underlying Records. Payments of this Note may also be made by wire transfer to the registered owner stated hereinabove from the Issuing and Paying Agent without the necessity of presentation and surrender of this Master Note.

This Master Note is one of a duly authorized issue of Commercial Paper Notes of the City (hereinafter called the “Notes”) of the series and designation indicated on the face hereof. Said authorized issue of Notes consists of multiple series of varying denominations, dates, maturities, interest rates and other provisions, as in the Indenture hereinafter mentioned provided, all issued and to be issued pursuant to the provisions of the Constitution and Statutes of the State of Wisconsin, including particularly Chapters 65 and 67 of the Wisconsin Statutes and resolutions duly adopted by the Common Council of the City [for the purpose of paying various capital improvement projects of the City] [for the purpose of funding certain fiscal requirements of the City]. This Master Note evidences a series of Notes designated as the “City of Milwaukee, Extendable Municipal Commercial Paper Note, 2012 Program Series __” (hereinafter called the “Series Notes”). This Note is issued pursuant to a Trust Indenture, dated as of April 1, 2012 (the “Indenture”), between the City and the Trustee, providing for the

issuance of the Series C___ Notes, the Series R___ Notes and the Series T___ Notes in the aggregate principal amount Outstanding at any time not to exceed \$200,000,000. The authorized issue of this Series Note is limited to the principal amount of Two Hundred Million Dollars (\$200,000,000) reduced by the aggregate principal amount of Notes of the other series then outstanding under the Indenture.

Reference is hereby made to the Indenture for a description of the terms on which the Notes are issued and to be issued, and the rights of the registered owners of the Notes; and all the terms of the Indenture are hereby incorporated herein and made a contract between the City and the registered owner from time to time of this Master Note, and to all the provisions thereof the registered owner of this Note, by its acceptance hereof, consents and agrees. Additional series of Notes may be issued on a parity with the Notes of this authorized series.

The Notes are limited obligations of the City, shall be payable as to both principal and interest solely from proceeds of the sale of Commercial Paper Notes or GO Refunding Notes (as defined in the hereinafter defined Indenture) which the City has covenanted to issue to refinance the maturing Notes and any funds held under the Indenture, including earnings on such amounts, subject only to the provisions of the Indenture and the Issuing and Paying Agent Agreement permitting the application thereof for the purposes, and on the terms and conditions, set forth therein.

At the request of the registered owner, the City shall promptly issue and deliver one or more separate note certificates evidencing each obligation evidenced by this Master Note. As of the date any such note certificate or certificates are issued, the obligations which are evidenced thereby shall no longer be evidenced by this Master Note. This Master Note is transferrable by the registered owner hereof, in person or by attorney duly authorized in writing, at the principal office of the Issuing and Paying Agent in Chicago, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Note. Upon such transfer a new fully registered Note or Notes of the same Series designation, without coupons, of authorized denomination or denominations, for the same aggregate principal amount will be issued to the transferee in exchange herefor.

The City, the Trustee and the Issuing and Paying Agent may deem and treat the registered owner hereof as the absolute owner hereof for all purposes, and the City, the Trustee and the Issuing and Paying Agent shall not be affected by any notice to the contrary.

The rights and obligations of the City and of the registered owners of the Notes may be modified or amended at any time in the manner, to the extent, and upon the terms provided in the Indenture and, under certain circumstances as described in the Indenture, without the consent of the holders of the Notes.

It is hereby certified and recited that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by this Master Note, and in the issuing of this Master Note, do exist, have happened and have been performed in due time, form and manner, and that this Master Note is not in excess of the amount of Notes permitted to be issued under the CP Note Resolution.

This Master Note shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been signed by the Issuing and Paying Agent. This Master Note is a valid and binding obligation of City.


[Signatures Appear on Following Page]

IN WITNESS WHEREOF, the City of Milwaukee, has caused this Master Note to be signed by the facsimile signature of the Mayor, countersigned by the manual signature of the Comptroller and attested by the facsimile signatures of the Commissioners of the Public Debt, and sealed with the printed facsimile of the City's seal, attested by the facsimile signature of the City Clerk, all as of the _____ day of _____, 2012.


CITY OF MILWAUKEE

[Signatures and Seal]

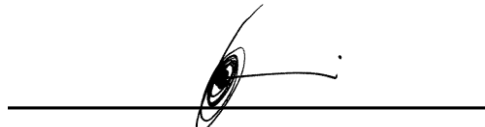




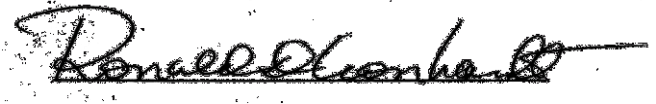
Commissioner of the Public Debt




Mayor



Commissioner of the Public Debt



City Clerk



Commissioner of the Public Debt

Comptroller

CERTIFICATE OF AUTHENTICATION

This Master Note is the Master Note described in the within Master Note and the within-mentioned Indenture.

Date of Authentication: _____

[NAME OF TRUSTEE], as Issuing and
Paying Agent

Authorized Signature

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____

(Please Print or Typewrite Name and Address)

(Please Insert Social Security or other Taxpayer Identification Number of Assignee:
_____) the within Master Note and all rights and title
therein, and hereby irrevocably constitutes and appoints _____

_____,
attorney, to transfer the within Master Note on the books kept for registration thereof, with full
power of substitution in the premises.

(Registered Owner)

Dated: _____

NOTICE: The signature(s) to this assignment must correspond with the name as it appears upon
the face of the within Master Note in every particular, without alteration or
enlargement or any change whatever.

Signature Guaranteed:

NOTICE: Unless this certificate is presented by an authorized representative of The Depository
Trust Company, a New York corporation ("DTC"), to the City or its agent for
registration of transfer, exchange or payment, and any certificate issued is registered
in the name of Cede & Co. or in such other name as is requested by an authorized
representative of DTC (and any payment is made to Cede & Co. or to such other
entity as is requested by an authorized representative of DTC), ANY TRANSFER,
PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO
ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede &
Co., has an interest herein.

EXHIBIT B

PROCEEDS FUND REQUISITION

Requisition No. _____

To:

Re: Requisition of Funds from City of Milwaukee
Extendable Municipal Commercial Paper Notes, 2012 Program
Series ___ Proceeds Fund

The amount requisitioned: \$ _____

Payment Instructions:

The undersigned, an Authorized City Representative within the meaning of the Trust Indenture, dated as of April 1, 2012 (the "Indenture"), between the City of Milwaukee (the "City") and [Name of Trustee], as trustee (the "Trustee"), hereby requisitions the amount set forth above and directs that such amount be paid to the party set forth above from funds held in the Series ___ Proceeds Fund held under the Indenture, and directs that payment be made in the manner described above.

For Series C___ and Series R___ Projects only: The amount to be paid represents a cost of the Series ___ Project as described in a Tax Certificate of the City, and the amounts requisitioned hereby will be expended only in accordance with and subject to the limitations set forth in the Tax Certificate, dated _____, 2012, and relating to the Series ___ Notes issued under the Indenture.

For Series T___ Project only: The amount to be paid represents a cost of a Series T___ Project.



City of Milwaukee Fiscal Impact Statement

A **Date** 3/9/2011 **File Number** _____ **Original** **Substitute**

Subject Resolution authorizing a Commercial Paper Program, the issuance of Note Anticipation Commercial Paper Notes, and related agreements.

B **Submitted By (Name/Title/Dept./Ext.)** Richard Li, Public Debt Specialist, Comptroller, x2319

C **This File**

- Increases or decreases previously authorized expenditures.
- Suspends expenditure authority.
- Increases or decreases city services.
- Authorizes a department to administer a program affecting the city's fiscal liability.
- Increases or decreases revenue.
- Requests an amendment to the salary or positions ordinance.
- Authorizes borrowing and related debt service.
- Authorizes contingent borrowing (authority only).
- Authorizes the expenditure of funds not authorized in adopted City Budget.

D **Charge To**

- Department Account
- Capital Projects Fund
- Debt Service
- Other (Specify) _____
- Contingent Fund
- Special Purpose Accounts
- Grant & Aid Accounts

	Purpose	Specify Type/Use	Expenditure	Revenue
E	Salaries/Wages		\$0.00	\$0.00
			\$0.00	\$0.00
	Supplies/Materials		\$0.00	\$0.00
			\$0.00	\$0.00
	Equipment		\$0.00	\$0.00
			\$0.00	\$0.00
	Services		\$0.00	\$0.00
			\$0.00	\$0.00
	Other	Debt Service	\$1,000,000.00	\$0.00
			\$0.00	\$0.00
	TOTALS		\$1,000,000.00	\$ 0.00

F

Assumptions used in arriving at fiscal estimate.

Assumes temporary RAN borrowing during 2012, and \$50,000,000, 10 year level principal debt in December. Actual amounts and amortization may be more or less, depending upon capital expenditures. Actual interest rates depend upon market conditions.

G

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

- 1-3 Years 3-5 Years \$1,000,000/yr for interest until debt is repaid
- 1-3 Years 3-5 Years \$8 million/yr between 2013-2022 (if not refinanced by fixed rate debt)
- 1-3 Years 3-5 Years

H

List any costs not included in Sections D and E above.

I

Additional information.

Debt issued for Capital Purposes are likely to be refinanced by long-term debt in the subsequent year.

J

This Note Was requested by committee chair.



Legislation Details (With Text)

File #: 111568 **Version:** 1

Type: Resolution **Status:** In Committee

File created: 3/20/2012 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Substitute resolution authorizing the issuance of General Obligation Refunding Notes and Bonds to refund Note Anticipation Commercial Paper Notes, Note Anticipation Multi-Modal Notes, and General Obligation Multi-Modal Notes and Bonds.

Sponsors: THE CHAIR

Indexes: GENERAL OBLIGATION BONDS

Attachments: Cover Letter, Fiscal Impact Statement, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
3/20/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111568

Version
Substitute 1

Reference

Sponsor
THE CHAIR

Title
Substitute resolution authorizing the issuance of General Obligation Refunding Notes and Bonds to refund Note Anticipation Commercial Paper Notes, Note Anticipation Multi-Modal Notes, and General Obligation Multi-Modal Notes and Bonds.

Analysis
Resolution authorizes and requests the Commissioners of the Public Debt to issue and sell at a private or public sale General Obligation Refunding Notes and Bonds to provide fixed rate financing for variable rate debt of the City.

Although the variable rate debt of the City is intended to remain variable rate, or in the instance of Commercial Paper, to be long-term financed with the next regular financing of the City, this resolution provides authorization to perform a fixed rate refunding at any time should market conditions warrant.

Body

Whereas, the City of Milwaukee (the "City") has authorized the issuance of Note Anticipation Commercial Paper Notes with file number 111565, Note Anticipation Multi-Modal Notes with file number 111566 (the note anticipation notes being collectively the "NAN Debt"), and General Obligation Multi-Modal Notes and Bonds with file number 111567 (collectively with the NAN Debt, the "Outstanding Bonds"); and

Whereas the NAN Debt is issued pursuant to 67.12(1)(b) in anticipation of issuance of general obligation notes, and this file authorizes the issuance of the general obligation notes;

Whereas, the Common Council desires to provide fixed rate financing for the Outstanding Bonds; and

Whereas, other general obligation debt of the City is sold from time to time, and it is advantageous to combine the issuance of various general obligation debt into one offering;

Now, therefore, be it Resolved, By the Common Council of the City of Milwaukee that it hereby and herewith authorizes the Commission to issue and sell at a private or public sale General Obligation Refunding Bonds and/or Promissory Notes (the "Bonds") under the provisions of § 67.04(3), § 67.05(15), § 67.08(2), and § 67.12 (12), Stats., for the purpose of refunding all or parts of the Outstanding Bonds, subject, however, to the terms and conditions hereinafter enumerated; and be it

Further Resolved, that the Bonds shall;

- (1) be in one or more series of notes and/or bonds in an aggregate amount not to exceed \$220,000,000;
- (2) bear interest at a maximum coupon rate not to exceed 12.00% per annum;
- (3) have a maximum True Interest Cost Rate (TIC) not to exceed 12.00%;
- (4) be sold at a price of not less than 99% of the principal amount thereof plus accrued interest thereon from their date to the date of delivery and payment therefor; and
- (5) be issued on or before December 31, 2017; and, be it

Further Resolved, that the portion of Outstanding Bonds that are refunded, would be called for redemption on the first available redemption date at a redemption price of par plus accrued interest to the date fixed for redemption, provided however, that the Commercial Paper Notes shall be provided for, in full, prior to providing for other Outstanding Bonds; and be it

Further Resolved, that the Commissioners of the Public Debt shall determine the series and maturities of the Outstanding Bonds to be refunded (the "Refunded Bonds"); and be it

Further Resolved, that the Bonds, if sold at a private sale, shall be sold to the Public Debt Amortization Fund, and/or such underwriter(s) as is (are) selected by the Commissioners of the Public Debt in accordance with a Bond Purchase Agreement approved by the Commissioners of the Public Debt. Such agreement, as required if a private sale is utilized, is hereby approved in the form as executed and delivered by the proper City officers who are hereby authorized and directed to execute the same; and, be it

Further Resolved, that the Bonds shall be designated, be dated, bear interest, payable semi-annually, at coupon rates as determined by the Commissioners of the Public Debt; that the Commissioners of the Public Debt shall specify the due dates for, and the amounts of, the payment of principal of said bonds, not to exceed 20 years, and interest thereon, the redemption provisions thereof, if any, the Bonds to be callable at par with the initial call date to be no later than ten years from the date of the Bonds and that such payment schedule shall be entered upon the permanent record of the Commissioners of the Public Debt and formally communicated to the City Clerk provided, however, that the payment of the Bonds does not extend beyond the period provided in §

67.07, Stats.; and, be it

Further Resolved, that a direct annual irrevocable tax shall be levied in each year that such Bonds are outstanding, in an amount sufficient to pay, and for the express purpose of paying the interest on the Bonds, as it falls due, and also to pay and discharge the principal thereof at maturity, and shall be extended upon the tax roll of the City of Milwaukee 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, the proceeds of said taxes shall be used solely for paying the principal and interest on the Bonds so long as any Bonds of said issue remain outstanding; and, be it

Further Resolved, that interest on or principal of the Bonds falling due at any time when there shall be on hand insufficient funds from proceeds of the tax levy for the payment of such interest or principal shall be paid promptly when due from other funds of the City, which funds shall be reimbursed thereof out of the proceeds of the taxes above levied when such taxes shall have been collected; and, be it

Further Resolved, for the purpose of assuring the payment of the principal of and interest on the Outstanding Bonds to be refunded, the proper City officials may, and are authorized to, execute an Escrow Agreement with respect to the proceeds of the Bonds. The City Comptroller is hereby authorized and to select an Escrow Agent and a Verification Accountant with respect to the proceeds of the Bonds and the deposit of securities purchased by the City of Milwaukee. The deposit of the proceeds of the Bonds into the Escrow Account to be established with the Escrow Agent is hereby authorized to be accomplished immediately upon receipt of payment for the Bonds at the closing thereof, and the subsequent use, investment and disbursement thereof by the Escrow Agent in the manner provided in an Escrow Agreement is hereby authorized and approved; and, be it

Further Resolved, that the City authorizes the giving of a notice of redemption for each Refunded Bond pursuant to the terms of each debt issue. Such election to redeem, and direction to the Escrow Agent to give such notice, shall be irrevocable upon issuance of the Refunding Bonds; and, be it

Further Resolved, that the Refunding Bonds shall be in a form approved by the City Attorney and the Commissioners of the Public Debt 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 a global certificate shall be issued for each stated maturity of the Bonds and registered only in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York, for delivery and immobilization by The Depository Trust Company following the closing. The Depository Trust Company will act as securities depository for the Bonds. The City will make payment of principal, redemption premium, if any, and interest on the Bonds on the dates set forth herein to The Depository Trust Company, or its nominee, as registered owner of the Bonds, in same-day funds. Notices, if any, given by the City to the registered owner of the Bonds will be given to The Depository Trust Company. In the event that the securities depository relationship with The Depository Trust Company for the Bonds is terminated and the City does not appoint a successor securities depository, the City will prepare, authenticate and deliver at its expense fully-registered certificated Bonds, in the denominations of \$5,000 or any integral multiple thereof, in the aggregate principal amount by maturity then outstanding, as directed by the registered owner of the Bonds; provided however, that should any Bond be sold to the Public Debt Amortization fund, the bond may be registered in the name of the Public Debt Amortization Fund; and, be it

Further Resolved, that the City covenants, for Bonds that are issued on a tax-exempt basis, to take all actions necessary to preserve the exclusion of interest on the Refunding Bonds from gross income for federal income tax purposes. For such purpose, the City shall comply with the requirements of Sections 103 and 141 through

150 of the Internal Revenue Code of 1986 as amended and the regulations of the Internal Revenue Service adopted thereunder or otherwise applicable thereto. No use of the proceeds of the sale of the Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Bonds would have caused such Bonds to be "arbitrage bonds" as defined in Subsection (d)(2) of Section 103 and Section 148 of the U.S. Internal Revenue Code of 1986. The provisions of this section shall be a covenant with the owners of the Bonds issued on a tax-exempt basis; and, be it

Further Resolved, that the City Comptroller is authorized and directed to (i) transfer the balance in the Debt Service Fund for the Refunded Bonds to the Escrow Account to pay the debt service on the Refunded Bonds and (ii) to apply any such balance not needed to pay debt service on the Refunded Bonds to the Escrow Account to pay a portion of the costs of issuance of the Bonds; and, be it

Further Resolved, that the cost of issuing the Bonds, including the costs of the escrow and verification, and marketing same shall be deducted and paid from the proceeds of the Bond sale; and, be it

Further Resolved, that the Continuing Disclosure Certificate, in substantially the form of the Supplemental Certificate authorized by File Number 100846 adopted on November 23, 2010, is authorized to be executed and delivered by the Comptroller for the Bonds; and, be it

Further Resolved, that the City of Milwaukee authorizes and directs the appropriate officers and employees of the City to take all action necessary or appropriate to comply with and carry out all of the provisions of the Continuing Disclosure Certificate as amended from time to time. Notwithstanding any other provision of the resolution, failure of the City to perform in accordance with the Continuing Disclosure Certificate shall not constitute a default under the resolution and the Continuing Disclosure Certificate may be enforced only as provided therein; and, be it

Further Resolved, that the City hereby authorizes and directs the appropriate officers and employees of the City to take all action necessary or appropriate to the issuance, sale and delivery of the Bonds and to comply with and carry out all of the provisions of the Continuing Disclosure Certificate, as amended from time to time. Notwithstanding any other provision of this resolution, failure of the City to perform in accordance with the Continuing Disclosure Certificate shall not constitute a default under this resolution and the Continuing Disclosure Certificate may be enforced only as provided therein; and be it

Further Resolved, that the Bonds may be sold as bonds or promissory notes, and be sold, with or without a separate series designation, in combination with any other general obligation debt sold from time to time.

Requestor
Comptroller
Drafter
RSL
PD-7862bW.doc



Office of the Comptroller

March 9, 2012

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

Michael J. Daun
Deputy Comptroller

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

Craig D. Kammholz
Special Deputy Comptroller

To the Honorable
the Common Council
City of Milwaukee
City Hall - Room 205
Milwaukee, WI 53202

Dear Council Members:

I would like to request the in-title introduction of the accompanying resolutions that relate to variable rate borrowing for the City.

These resolutions are typically referred to the Finance and Personnel Committee. If we may be of any additional assistance, please contact Richard Li (x-2319) of my staff.

Sincerely,


MICHAEL J. DAUN
Deputy Comptroller

MJD:RL
REF: PD-7912W.DOC



City of Milwaukee Fiscal Impact Statement

A	Date <u>3/9/2011</u> File Number _____ <input checked="" type="checkbox"/> Original <input type="checkbox"/> Substitute
	Subject Resolution authorizing the issuance of General Obligation Refunding Notes and Bonds to refund Note Anticipation Commercial Paper Notes, Note Anticipation Multi-Modal Notes, and General Obligation Multi-Modal Notes and Bonds.

B	Submitted By (Name/Title/Dept./Ext.) <u>Richard Li, Public Debt Specialist, Comptroller, x2319</u>
----------	---

C	This File	<input type="checkbox"/> Increases or decreases previously authorized expenditures.
		<input type="checkbox"/> Suspends expenditure authority.
		<input type="checkbox"/> Increases or decreases city services.
		<input type="checkbox"/> Authorizes a department to administer a program affecting the city's fiscal liability.
		<input type="checkbox"/> Increases or decreases revenue.
		<input type="checkbox"/> Requests an amendment to the salary or positions ordinance.
		<input checked="" type="checkbox"/> Authorizes borrowing and related debt service.
		<input type="checkbox"/> Authorizes contingent borrowing (authority only).
		<input type="checkbox"/> Authorizes the expenditure of funds not authorized in adopted City Budget.

D	Charge To	<input type="checkbox"/> Department Account	<input type="checkbox"/> Contingent Fund
		<input type="checkbox"/> Capital Projects Fund	<input type="checkbox"/> Special Purpose Accounts
		<input checked="" type="checkbox"/> Debt Service	<input type="checkbox"/> Grant & Aid Accounts
		<input type="checkbox"/> Other (Specify) _____	

E	Purpose	Specify Type/Use	Expenditure	Revenue
	Salaries/Wages		\$0.00	\$0.00
			\$0.00	\$0.00
	Supplies/Materials		\$0.00	\$0.00
			\$0.00	\$0.00
	Equipment		\$0.00	\$0.00
			\$0.00	\$0.00
	Services		\$0.00	\$0.00
			\$0.00	\$0.00
	Other	Debt Service	\$8,000,000.00	\$0.00
			\$0.00	\$0.00
	TOTALS		\$8,000,000.00	\$ 0.00

F

Assumptions used in arriving at fiscal estimate.

Assumes \$50,000,000, 10 year level principal debt. Actual amounts and amortization may be more or less, depending upon capital expenditures. Actual interest rates depend upon market conditions.

G

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

<input checked="" type="checkbox"/> 1-3 Years	<input checked="" type="checkbox"/> 3-5 Years	\$8 million/yr	_____
<input type="checkbox"/> 1-3 Years	<input type="checkbox"/> 3-5 Years		_____
<input type="checkbox"/> 1-3 Years	<input type="checkbox"/> 3-5 Years		_____

H

List any costs not included in Sections D and E above. _____

I

Additional information. _____

J

This Note Was requested by committee chair.



Legislation Details (With Text)

File #: 111569 **Version:** 0

Type: Resolution **Status:** In Committee

File created: 3/20/2012 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Resolution approving the form of the Preliminary Official Statement used in connection with the sale of Note Anticipation Commercial Paper Notes.

Sponsors: THE CHAIR

Indexes: COMPTROLLER, PROMISSORY NOTES

Attachments: Cover Letter, Offering Memorandum, Fiscal Impact Statement, Hearing Notice List

Date	Ver.	Action By	Action	Result	Tally
3/20/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111569

Version
Original

Sponsor
THE CHAIR

Title
Resolution approving the form of the Preliminary Official Statement used in connection with the sale of Note Anticipation Commercial Paper Notes.

Analysis
In connection with the sale of City debt, a Preliminary Official Statement is prepared and distributed to provide potential investors with information on the City. The rules of the Securities and Exchange Commission require that the governing body of the municipality review and approve the Official Statement for accuracy and completeness.

Body
Whereas, The City Comptroller has prepared a Preliminary Official Statement (the form of which is attached hereto), and will prepare an Official Statement, for the purpose of providing comprehensive financial and economic information respecting the City of Milwaukee in connection with the sale of the City of Milwaukee, Wisconsin, Note Anticipation Commercial Paper Notes (the "Offered Obligations"); 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 Offered Obligations, the City will deliver its certificates signed by its Comptroller stating that the descriptions and statements, including financial statements, as pertaining to the City contained in the Official Statements as of their dates and the date of sale and delivery of each Offered Obligation, 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 certificates 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 Common Council to approve the aforementioned Preliminary Official Statement on the basis of the representations of the Comptroller to be included in the certificates signed by the Comptroller and delivered concurrently with the delivery of each Offered Obligation; 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 Offered Obligations; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee that the form of the Preliminary Official Statement as attached hereto, and to be used in connection with the sale of the City of Milwaukee, Wisconsin, Note Anticipation Commercial Paper Notes (the "Offered Obligations") be and hereby are approved; and, be it

Further Resolved, By the Common Council of the City of Milwaukee that the Preliminary Official Statement was and is 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, be it

Further Resolved, By the Common Council of the City of Milwaukee that the Comptroller is hereby authorized to prepare an Official Statement, in substantially the same form of the Preliminary Official Statement, after the same have 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 Common Council hereby authorizes the Official Statement and the information contained therein to be used by the underwriters of the debt in connection with the sale of the Offered Obligations; and be it

Further Resolved, By the Common Council of the City of Milwaukee that the Comptroller is hereby authorized to execute Supplemental Certificate(s) of the Master Continuing Disclosure Certificate for the Offered Obligations.

Drafter
Comptroller

RL

REF: PD-7912eW.rtf



Office of the Comptroller

March 9, 2012

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

Michael J. Daun
Deputy Comptroller

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

Craig D. Kammholz
Special Deputy Comptroller

To the Honorable
the Common Council
City of Milwaukee
City Hall - Room 205
Milwaukee, WI 53202

Dear Council Members:

I would like to request the in-title introduction of the accompanying resolutions that relate to variable rate borrowing for the City.

These resolutions are typically referred to the Finance and Personnel Committee. If we may be of any additional assistance, please contact Richard Li (x-2319) of my staff.

Sincerely,


MICHAEL J. DAUN
Deputy Comptroller

MJD:RL
REF: PD-7912W.DOC

OFFERING MEMORANDUM

This Offering Memorandum provides information about the Notes. Some of the information appears on this cover page for ready reference. To make an informed investment decision, a prospective investor should read the entire Offering Memorandum.

CITY OF MILWAUKEE \$200,000,000 EXTENDABLE MUNICIPAL COMMERCIAL PAPER PROMISSORY NOTES

- Ratings** As of the date of this Offering Memorandum, the following ratings have been assigned to the Notes. See page [].
- Fitch Ratings
 - Moody's Investors Service, Inc.
 - Standard & Poor's Ratings Services
- Tax Exemption** **[[SUBJECT TO BC REVIEW]]** Interest on the Series C_ Notes and Series R_ Notes is excluded from gross income for federal income tax purposes and not a specific item of tax preference for purposes of the federal alternative minimum tax imposed on all taxpayers. Interest on all Notes is subject to current State of Wisconsin income and franchise taxes.] See pages [].
- Authorized Amount** The Notes shall be issued from time to time in one or more of the three series designations in an aggregate principal amount outstanding at any one time not to exceed \$200,000,000. See pages [].
- Original Maturity Date** From 1 to 90 days from the original issue date of each Note.
- Extended Maturity Date** On the Original Maturity Date of a Note, the City has the option to extend the maturity date to the date that is 180 days after the original issue date (or if such day is not a Business Day, then the last Business Day occurring before such day). The option to extend the maturity date exists solely in case there is a disruption in market liquidity for the Notes. See pages [].
- Interest Payment Dates** Interest on each Note is payable on the Original Maturity Date; however, if the Original Maturity Date is extended, then interest is not payable on the Original Maturity Date but on the first Business Day of either the first or second month after the Original Maturity Date (depending on what day of the month it is) and then on a monthly basis and on any redemption date or the Extended Maturity Date. See pages [].
- Redemption** *Original Maturity Date*—A Note is not subject to redemption prior to its Original Maturity Date.
If Original Maturity Date is Extended—A Note is subject to redemption in whole but not in part, at the option of the City, prior to the Extended Maturity Date; provided that the City must redeem all Notes that have Extended Maturity Dates. See pages [].
- Security** The Notes are limited obligations of the City of Milwaukee payable from proceeds of the sale of Notes or General Obligation Refunding Notes issued to refinance the Notes. See pages [].
- Purpose** Proceeds of the Notes are used for various governmental purposes. See page [].
- Denominations** \$100,000 and \$1,000 increments above \$100,000
- Dealers** Merrill Lynch, Pierce, Fenner & Smith Incorporated
Morgan Stanley & Co., LLC
Loop Capital Markets, LLC
- Bond Counsel** Katten Muchin Rosenman LLP
Hurtado, S.C.
- Issuing and Paying Agent** []
- Issuer Contact** City of Milwaukee, Public Debt Commission
(414) 286-3321; www.milwaukee.gov
- Book-Entry Form** The Depository Trust Company. See page [].

The information in this Offering Memorandum has been obtained from the City, the Trustee, the Issuing and Paying Agent, DTC and other sources believed to be reliable. The references herein to the Indenture, the Issuing and Paying Agent Agreement or the Notes do not purport to be complete or definitive, do not constitute summaries thereof and are qualified in their entirety by reference to the provisions thereof. No dealer, broker, salesperson or other person has been authorized to give any information or to make any representation other than those as contained in this Offering Memorandum in connection with the sale of these Notes and, if given or made, such other information or representations must not be relied upon. The information and expressions of opinion in this Offering Memorandum are subject to change without notice and neither the delivery of this Offering Memorandum nor any sale hereunder shall under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

This Offering Memorandum is not to be construed as a contract between the City and the purchasers of the Notes. This Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities by a person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. Prospective purchasers of the Notes are expected to conduct their own review and analysis before making an investment decision.

The Notes have not been registered pursuant to the Securities Act of 1933, as amended, in reliance upon exemptions contained therein. The Indenture has not been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon an exemption contained therein. The Notes have not been recommended by any federal or state securities commission or regulatory commission. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Offering Memorandum. Any representation to the contrary is a criminal offense.

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
INTRODUCTION TO THE OFFICIAL STATEMENT	1	TAX INCREMENT DISTRICT FINANCING	24
THE NOTES.....	2	FINANCIAL INFORMATION	24
Authorization and Purpose.....	2	Budgeting	25
Security.....	2	Adopted Budget - Combined Revenues - 2012	25
Description of the Notes	2	Adopted Budget - Combined Appropriations - 2012.....	26
Extension of Maturity Date.....	3	Budgetary Comparison Schedule - General Fund	
Redemption of Notes	4	For The Years Ending December 31, 2006	
Events of Default Remedies	4	Through 2010.....	28
Remedies	5	General Fund Projected Cash Flow Summary	29
BOOK-ENTRY-ONLY SYSTEM	5	Projected Schedule of Cash Receipts and	
INVESTMENT POLICIES	7	Disbursements.....	30
THE CITY	8	Schedule of Cash Receipts and Disbursements.....	31
Location, Organization and Government	8	Schedule of Cash and Investment	
General	8	Balances - All Funds 2011	32
Elected Officials	9	Projected Schedule of Cash and Investment	33
City Officials	9	Balances - All Funds 2012.....	33
Common Council	9	Assessed and Equalized Valuations	34
Public Services and Facilities	9	Assessed Tax Rates	35
Employee Relations	10	Property Tax Levies and Collections.....	35
GENERAL, DEMOGRAPHIC AND ECONOMIC		Collection Procedures	36
INFORMATION	10	Insurance	36
General	10	PENSION SYSTEM SUMMARY	37
Building Permits	11	Employees' Retirement System	37
Leading Business and Industrial Firms Located Within		Fireman's Annuity and Benefit Fund.....	38
Milwaukee County.....	12	Policeman's Annuity and Benefit Fund	38
EMPLOYMENT AND INDUSTRY	14	Other Post-employment Benefits	39
Annual Unemployment Rates	14	LEGAL MATTERS	40
Recent Monthly Unemployment Rates	14	Litigation Statement	40
Ten Largest Taxpayers With 2011 Estimated Equalized		Legal Opinions	41
Valuations.....	15	RATINGS	41
DEBT STRUCTURE.....	16	TAX MATTERS	42
Legal Debt Limitations	16	CONTINUING DISCLOSURE	42
Debt Margin.....	16	FINANCIAL ADVISOR.....	42
Debt Refunded.....	17	DEALERS.....	42
Analysis of General Obligation Debt Outstanding		REPRESENTATIONS OF THE CITY	43
As of May 1, 2012	17	ADDITIONAL INFORMATION AND DOCUMENTS	
General Obligation Debt Service Requirements	18	INCORPORATED BY REFERENCE.....	43
Trends of General Obligation Debt.....	19	APPENDICES	
Trends of Self-Sustaining General Obligation Debt	19	Appendix A - Audited financial information of the City of	
Ratio of General Obligation Debt.....	20	Milwaukee, Wisconsin for the Year Ended December 31,	
Computation of Net Direct and Overlapping		2010-Selected Sections of the Comprehensive Annual	
Debt	21	Financial Report.....	A-1
Future Financing.....	21	Appendix B - Form of Legal Opinions	B-1
City Capital Improvements Plan.....	31	Appendix C - Master Continuing Disclosure Certificate	C-1
Commercial Paper Program.....	22	Appendix D - [Summary of] [or Form of] Indenture.....	D-1
Auction Rate and Other Variable Rate			
Exposure.....	22		
REVENUE BONDING	22		

OFFERING MEMORANDUM
\$200,000,000
CITY OF MILWAUKEE

EXTENDABLE MUNICIPAL COMMERCIAL PAPER
PROMISSORY NOTES

INTRODUCTION

This Offering Memorandum, which includes the cover page and appendices, furnishes general information in connection with the issuance and sale, from time to time, by the City of Milwaukee (the "City") of its Extendable Municipal Commercial Paper Promissory Notes designated as Extendable Municipal Commercial Paper Promissory Notes 2012 Program Series C_ (Capital Projects) (the "Series C_ Notes"), Extendable Municipal Commercial Paper Promissory Notes 2012 Program Series R_ (Cash Flow) (the "Series R_ Notes") and Extendable Municipal Commercial Paper Promissory Notes 2012 Program Series T_ (Taxable) (the "Series T_ Notes," and collectively with the Series C_ Notes and the Series R_ Notes, the "Notes"). The Notes will be issued, in one or more of these three series designations, from time to time, by the City pursuant to the Trust Indenture, dated as of April 1, 2012 (the "Indenture"), by and between the City and [____], as trustee (the "Trustee"). Capitalized terms used but not defined herein shall have the meanings set forth in the Indenture (as hereinafter defined).

The Indenture provides for the issuance of Notes from time to time in one or more of the three series designations in an aggregate principal amount outstanding at one time not to exceed \$200,000,000 ("Authorized Amount"). Notes may be issued from time to time, either in an initial issuance or to provide payment of maturing Notes. Notes issued to refinance other maturing Notes are referred to as "roll-over" Notes.

Additionally, in connection with the issuance of the Notes from time to time, the City will enter into the Issuing and Paying Agent Agreement, to be dated as of April 1, 2012 (the "Issuing and Paying Agent Agreement"), with [____], as issuing and paying agent (the "Issuing and Paying Agent"). Inquiries to the Issuing and Paying Agent may be directed to:

Contact:
Address:
Phone:
Telefax:
E-mail:

[This Offering Memorandum contains information furnished by the City or obtained from the sources indicated. With respect to Notes issued after the date of this Offering Memorandum (including roll-over Notes) and until such time as the City publishes a more current offering memorandum, the reader should also review the City's complete Comprehensive Annual Financial Report (the "CAFR") [published pursuant to the City's continuing disclosure undertaking] that is, at the time, the one most recently published. This Offering Memorandum incorporates by reference selected sections of the Audited Annual Financial Report of the City of Milwaukee, Wisconsin for the Year Ended December 31, 2010 and any subsequent notice provided pursuant to the City's continuing disclosure undertaking. At such time as the City publishes a new CAFR, this Offering Memorandum then incorporates by reference the corresponding parts of that CAFR and any subsequent notice provided pursuant to the City's continuing disclosure undertaking. **See Appendix A.**]

THE NOTES

Authorization and Purpose

Pursuant to Section 67.12(1)(b)(1) of the Wisconsin Statutes, the City is authorized to issue municipal obligations in anticipation of receiving proceeds from bonds or notes the City has authorized to issue under Chapter 67 of the Wisconsin Statutes. The Common Council of the City adopted a resolution on [], 2012 (the "Refunding Resolution") which authorized the issuance of general obligation refunding promissory notes ("General Obligation Refunding Notes" or "GO Refunding Notes") in an aggregate principal amount not to exceed \$[]. In anticipation of receiving proceeds from the General Obligation Refunding Notes, the Common Council of the City adopted a resolution on [], 2012 (the "EMCP Note Resolution") which authorized the issuance of note anticipation promissory notes in the form of extendable commercial paper notes in an aggregate principal amount outstanding at any time of not to exceed \$[]. The Commissioners of the Public Debt of the City adopted a resolution on [], 2012 (the "PDC EMCP Resolution") approving the sale of the Notes in accordance with the EMCP Note Resolution.

[The Series C_ Notes shall be issued from time to time for any capital items; the Series R___ Notes shall be issued from time to time for any cash flow borrowing; and the Series T___ Notes shall be issued from time to time for any undertaking, facility, cost, expense or item; all as provided and described in the Indenture.]

[Neither the full faith and credit nor the taxing power of the City is pledged for the payment of the Notes or interest thereon.]

Security

The Notes are limited obligations of the City issued in anticipation of receiving proceeds from General Obligation Refunding Notes. The Notes are payable from the following sources:

- (i) any funds held under the Indenture;
- (ii) the proceeds from the sale of Notes to refinance maturing Notes; and
- (iii) the proceeds of General Obligation Refunding Notes issued by the City pursuant to the Refunding Resolution.

[Although the City has the option to extend the maturity of a Note, the City intends, but is not obligated, to pay each Note on its Original Maturity Date from the sources listed herein. *The option to extend the maturity exists solely in case there is a disruption in liquidity for the Notes and not for the purpose of gaining an interest rate advantage. See "THE NOTES; Extension of Maturity Date" for a description of the City's option to extend the maturity date.*]

Description of the Notes

The Notes will be dated the date of their respective authentication and issuance and are to be issued in book-entry form, in denominations of \$100,000 and in integral multiples of \$1,000 in excess of \$100,000. The Notes are each to bear interest at an annual rate not to exceed the Maximum Rate allowed for the Notes under the Indenture. The Maximum Rate means, with respect to any Series of Notes, the least of (i) 9% per annum or as otherwise provided pursuant to the Indenture, and (ii) the maximum rate of interest permitted by applicable law. From time to time, the City may change the Maximum Rate and if so, the change shall be effective only for Notes issued after the effective date of such change. The Notes shall be sold by the Dealer pursuant to a Dealer Agreement at a price of not less than 100% of the principal amount thereof.

The Notes will be issued as fully registered notes and registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. Beneficial ownership interests in the Notes will be available in book-entry form only, and purchasers of the Notes will not receive certificates representing their interests in the Notes purchased. While held in book-entry-only form, all payments of principal of and interest on the Notes will be made by wire transfer to DTC or its nominee as the sole registered owner of the Notes. Payments to the beneficial owners are the responsibility of DTC and its participants.

Each Note will mature on its Original Maturity Date, which may range from 1 to 90 days from its original issue date, unless the City exercises its option to extend the maturity date. In that case the Note will mature on the Extended Maturity Date, which will be the date that is [270] days after its original issue date (or if such day is not a Business Day, then the last Business Day occurring before such day).

Each Series C_ Note and the Series R_ Note will bear interest from its Issue Date until its Original Maturity Date at an annual rate (calculated on the basis of a year consisting of 365/366 days and actual number of days elapsed), which shall not in any event exceed the Maximum Rate, payable on its Original Maturity Date, unless the maturity date is extended, in which case interest will be paid on the dates described below.

Each Series T_ Note will bear interest from its Issue Date until its Original Maturity Date at an annual rate (calculated on the basis of a year consisting of 360 days and actual number of days elapsed), which shall not in any event exceed the Maximum Rate, payable on its Original Maturity Date, unless the maturity date is extended, in which case interest will be paid on the dates described below.

If the City exercises its option to extend the maturity date of a Note, the Note will bear interest after the Original Maturity Date at the applicable Reset Rate and payable on the dates described below.

Extension of Maturity Date

The City is required to notify the Issuing and Paying Agent by 11:30 a.m. (New York [City] time) on the Original Maturity Date if the maturity date of a Note is to be extended. The Issuing and Paying Agent shall correspondingly notify (i) DTC by 12:00 a.m. (New York time) on the Original Maturity Date and (ii) each Rating Agency then maintaining a rating on the Notes and EMMA by the close of business [(New York time)], that the maturity date of the Note is being extended. [It is the responsibility of DTC, and not the City, to provide notice to brokers and other organizations participating in the DTC book-entry system.] In no event shall an extension of a maturity for a Note constitute a default or breach of any covenant under the Indenture. Even if the requisite notices are not given, if payment of the principal of and interest on a Note does not occur on the Original Maturity Date, the maturity of the Note shall be extended automatically. With the consent of the Issuing and Paying Agent and the Dealers, the City may modify the notification provisions contained in the Indenture if deemed appropriate to conform to DTC's rules and procedures.

If the maturity date of a Note is extended, any accrued but unpaid interest to the Original Maturity Date will not be paid on the Original Maturity Date but will be payable on the following dates (or any earlier redemption date) (and no additional interest shall accrue on the accrued but unpaid interest):

- (i) if the Original Maturity Date is before the 15th day of the month, interest will next be payable on the first Business Day of the next month, or
- (ii) if the Original Maturity Date is on or after the 15th day of the month, interest will next be payable on the first Business Day of the second succeeding month after the Original Maturity Date.

A Business Day means any day other than (i) a Saturday, Sunday or other day on which commercial banks in New York, New York, Milwaukee, Wisconsin or the city in which is located the office of the Issuing and Paying Agent, are authorized or required by law to close, or (ii) a day on which the New York Stock Exchange is closed.

Each Note will bear interest from the Original Maturity Date at the applicable Reset Rate. Interest will be payable first on the date described above and thereafter on the first Business Day of each month and on any redemption date or the Extended Maturity Date.

The Reset Rate shall be the rate of interest per annum determined by the following formula; provided that such Reset Rate shall not exceed the Maximum Rate:

The greater of (SIFMA Index + *E*) or *F*

As used in the formula, SIFMA means the Securities Industry and Financial Markets Association (formerly the Bond Market Association) or any successor thereto and the SIFMA Index means (i) the seven-day high grade market index of tax-exempt variable rate demand obligations, as produced by Municipal Market Data and published or made available by SIFMA or any Person acting in cooperation with or under the sponsorship of SIFMA or (ii) if such index is not published, such other publicly available rate as the Dealer (or if the Dealer fails to do so, the City) shall deem most nearly equivalent thereto. Such index may be expressed as a percentage (more or less than 100%) and/or a fixed spread to another Index.

The Reset Rate applicable to a Note will be determined by the Issuing and Paying Agent based on the Prevailing Ratings and other information available as of 11:00 a.m., New York [City] time, on the Original Maturity Date of the Note and each Thursday thereafter and will apply from that date through the following Wednesday. As used in the formula, the *E* and *F* variables shall be the fixed percentage rates, expressed in basis points and yields, respectively, determined based on the Prevailing Ratings of the Rating Agencies then rating the Notes, as follows:

Prevailing Rating			<i>E</i> Variable	<i>F</i> Variable
Fitch	Moody's	S&P		
F-1+	P-1	A-1+	250 basis points	6.00%
F-1	–	A-1	350	7.00%
F-2	P-2	A-2	550	8.00%
Lower than F-2 (or rating withdrawn for credit reasons)	Lower than P-2 (or rating withdrawn for credit reasons)	Lower than A-2 (or rating withdrawn for credit reasons)	Maximum Rate	Maximum Rate

If the individual Prevailing Ratings indicate different *E* or *F* variables as a result of split ratings assigned to the City, the *E* or *F* variable shall be the arithmetic average of those indicated by the Prevailing Ratings. If another agency becomes a Rating Agency, the Issuing and Paying Agent shall, following consultation with the City and the Dealer, determine how the agency's rating categories shall be treated for the purpose of indicating an *E* or *F* variable. Prevailing Rating means, at the time of determination and with respect to a Rating Agency, the rating assigned to the Notes by the Rating Agency or any comparable future designation by the Rating Agency.

Notwithstanding the foregoing, the Reset Rate with respect to any Series T_n Notes shall be determined by substituting "One Month LIBOR Index" for the SIFMA Index in the formula above. One Month LIBOR Index means [].

Redemption of Notes

A Note is not subject to redemption before its Original Maturity Date.

In the event the City exercises its option to extend the maturity of a Note, that Note may be redeemed on any date after its Original Maturity Date, at the option of the City at a redemption price equal to par (100%), plus accrued and unpaid interest to the redemption date; provided the City must redeem all Notes that have Extended Maturity Dates.

To exercise its redemption option, the City shall provide not less than 5 nor more than 25 calendar days' notice to the Issuing and Paying Agent. The Issuing and Paying Agent will notify DTC of the Notes to be redeemed within one Business Day of receipt of such notice.

Events of Default Remedies

Each of the following events shall constitute and is referred to in the Indenture as an "Event of Default":

(a) a failure by the City to pay the principal of any Note for five Business Days after the date the same shall have become due and payable on an Extended Maturity Date;

(b) a failure by the City to pay any installment of interest on any Note for five Business Days after the date such interest shall have become due and payable on an Extended Maturity Date or in accordance with Section 2.01(d) hereof;

(c) a failure by the City to offer the GO Refunding Notes; a failure by the City if the GO Refunding Notes are sold, to issue the GO Refunding Notes, or to apply the proceeds therefrom [in accordance with Section 3.02 of the Indenture];

(d) a failure by the City to observe and perform any covenant, condition, agreement or provision (other than as specified in paragraphs (a) and (b) of this section) contained in the Notes or in this Indenture on the part of the City to be observed or performed, which failure shall continue for a period of 60 days after written notice, specifying such failure and requesting that it be remedied, shall have been given to the City by the Trustee, which notice may be given at the discretion of the Trustee and shall be given at the written request of holders of 25% or more in aggregate principal amount of the Notes then Outstanding, unless the Trustee, or the Trustee and holders of Notes in an amount not less than the Outstanding principal amount of Notes the holders of which requested such notice, shall agree in writing to an extension of such period prior to its expiration; provided, however, that the Trustee, or the Trustee and the holders of such principal amount of Notes, shall be deemed to have agreed to an extension of such period if such failure can be remedied, and corrective action is initiated by the City within such period and is being diligently pursued;

(e) bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, including, without limitation, proceedings under the United States Bankruptcy Code (as the same may from time to time be hereafter amended), or other proceedings for relief under any Federal or state bankruptcy law or similar law for the relief of debtors are instituted by or against the City, and, if instituted against the City, said proceedings are consented to or are not dismissed within 60 days after such institution; or

(f) the occurrence of any other Event of Default as is provided in a Supplemental Indenture.

If any Event of Default has occurred, but is subsequently cured or waived, then such Event of Default shall no longer constitute an Event of Default under the Indenture.

Remedies

Upon the occurrence and continuance of any Event of Default, the Trustee in its discretion may, and upon the written direction of the holders of 25% or more in aggregate principal amount of the Notes then Outstanding and receipt of indemnity to its satisfaction, shall, in its own name and as the Trustee of an express trust: (i) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Noteholders, and require the City to carry out any agreements with or for the benefit of the Noteholders and to perform its or their duties under any law to which it is subject and this Indenture, provided that any such remedy may be taken only to the extent permitted under the applicable provisions of the Indenture; (ii) bring suit upon the Notes; (iii) commence an action or suit in equity to require the City to account as if it were the trustee of an express trust for the Noteholders; or (iv) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Noteholders.

The Trustee shall be under no obligation to take any action with respect to any Event of Default unless the Trustee has actual knowledge of the occurrence of such Event of Default.

BOOK-ENTRY-ONLY SYSTEM

The information in this section concerning The Depository Trust Company (“DTC”) and DTC’s book-entry-only system has been obtained from DTC, and the City takes no responsibility for the accuracy thereof.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Notes. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Note certificate will be issued for each maturity of the Notes, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U. S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co., or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Notes purchased or tendered, through its Participant, to Agent, and shall effect delivery of such Notes by causing the Direct Participant to transfer the Participant's interest in the Notes, on DTC's records, to Agent. The requirement for physical delivery of Notes in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Notes are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Notes to Agent's DTC account.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Note or Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

NEITHER THE CITY, THE ISSUING AND PAYING AGENT NOR THE DEALERS WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT; (2) THE PAYMENT BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE NOTES; (3) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO HOLDERS OF THE NOTES; (4) ANY CONSENT GIVEN BY DTC OR OTHER ACTION TAKEN BY DTC AS THE HOLDER OF THE NOTES; OR (5) THE SELECTION BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY BENEFICIAL OWNER TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF NOTES.

INVESTMENT POLICIES

The City may invest any of its funds not immediately needed in accordance with Section 66.0603 of the Wisconsin Statutes. The City, through Common Council Resolution 930358, adopted July 6, 1993, has instructed the City Treasurer to invest City funds, including Milwaukee Public Schools (MPS) funds, in: (a) Certificates of Time Deposit at approved public depositories limited to the equity capital or net worth of the financial institution

with collateralization required when total deposits at any institution exceed \$500,000; (b) Repurchase Agreements with public depository institutions; (c) the State of Wisconsin Local Government Investment Pool; (d) U.S. Treasury and Agency instruments; and (e) commercial paper which has a rating in the highest or second highest rating category assigned by Standard & Poor's Ratings Group, Moody's Investors Service, Inc., or some other similar nationally recognized rating agency.

To the extent possible, the City Treasurer attempts to match investments with anticipated cash flow requirements. No limits have been placed on how much of the portfolio can be invested in any of the above investment categories.

The State of Wisconsin Investment Board ("SWIB") provides the Local Government Investment Pool ("LGIP") as a subset of the State Investment Fund (the "Fund"). The LGIP includes deposits from elective participants consisting of over 1,000 municipalities and other public entities. The Fund also consists of cash balances of participants required to keep their cash balances in the Fund. These required participants include the State of Wisconsin (the "State") General Fund, State agencies and departments and Wisconsin Retirement System reserves. The LGIP portion of the Fund is additionally secured as to credit risk.

The LGIP is a local option City depository. The City utilizes the LGIP in a manner similar to a "money market" account. When other investment options provide more favorable results, such options are utilized. As of December 31, 2011, the City had approximately 44.59% (\$315,985,037) of its and MPS investments deposited in the LGIP.

SWIB invests the assets of the Fund, which includes assets of the LGIP. Overall policy direction for SWIB is established by an independent, eight-member Board of Trustees (the "Trustees"). The Trustees establish long-term investment policies, set guidelines for each investment portfolio and monitor investment performance.

The objectives of the Fund are to provide (in order of priority) safety of principal, liquidity, and a reasonable rate of return. The Fund includes retirement trust funds cash balances pending longer-term investment by other investment divisions. The Fund also acts as the State's cash management fund and provides the State's General Fund with liquidity for operating expenses. The Fund is strategically managed as a mutual fund with a longer average life than a money market fund. This strategic advantage is made possible by the mandatory investment of State funds for which the cash flow requirements can be determined significantly in advance. Because of the role played by the Fund, the cash balances available for investment vary daily as cash is accumulated or withdrawn from various funds.

A copy of SWIB's annual report may be obtained by submitting a written request to the State of Wisconsin Investment Board, P.O. Box 7842, Madison, WI 53707-7842.

THE CITY

LOCATION, ORGANIZATION AND GOVERNMENT

GENERAL

The City is located on the western shore of Lake Michigan in southeastern Wisconsin. The City is the hub of the metropolitan area and a thriving place to live and work. The City is Wisconsin's largest city with a population of approximately 595,525 and is the principal trade, service and financial center of southeastern Wisconsin. The surrounding Metropolitan Statistical Area ("MSA") include the principal cities of Milwaukee, Waukesha and West Allis, in the counties of Milwaukee, Ozaukee, Waukesha and Washington, Counties, has a population of nearly 1.6 million.

The Port of Milwaukee provides access to the sea lanes of the world. General Mitchell International Airport is served by domestic and international airlines. Five rail lines serve the City and provide transportation links throughout the United States. The City is also connected with the interstate highway system.

The City was incorporated as a city on January 31, 1846, pursuant to the laws of the territory of Wisconsin. Wisconsin gained statehood in 1848. The City, operating under a Home Rule Charter since 1874, has a council-mayor form of government.

ELECTED OFFICIALS

The Mayor, City Attorney, Comptroller, Treasurer and Common Council members are elected officials of the City. Local elections are non-partisan. The Mayor, City Attorney, Comptroller and Treasurer are elected at-large for identical four-year terms.

The Common Council represents fifteen Aldermanic districts. Each Alderperson represents, and is elected from, an aldermanic district with a population of approximately 40,000.

CITY OFFICIALS

As of April 15, 2010
(initial year in office follows name)

To be updated accordingly following
the April elections

Mayor	Tom Barrett	(2004)
City Attorney	Grant F. Langley	(1984)
City Comptroller	W. Martin Morics	(1992)
City Treasurer	Wayne F. Whittow	(1976)

COMMON COUNCIL

Ashanti Hamilton	(2004)	Robert W. Puente	(2004)
Joe Davis, Sr.	(2003)	Michael J. Murphy	(1989)
Nik Kovac	(2008)	Joseph A. Dudzik	(2002)
Robert J. Bauman	(2004)	James N. Witkowiak	(2004)
James A. Bohl, Jr.	(2000)	Terry L. Witkowski	(2003)
Milele A. Coggs	(2008)	T. Anthony Zielinski	(2004)
Willie C. Wade	(2003)	Willie L. Hines, Jr.	(1996)
Robert G. Donovan	(2000)		

The terms of all the above elected positions expire in April, 2012.

PUBLIC SERVICES AND FACILITIES

The City, employing approximately 6,400 people on a full time basis, plus others in a seasonal capacity, is charged with primary responsibility for public safety (via its police, fire and health departments); public works (including refuse removal and a City-owned water utility); various cultural and recreational services including a library system; and general municipal administration. City government also participates in housing and neighborhood programs through separate housing and redevelopment authorities. These two latter authorities have the ability to borrow directly and issue revenue backed financings.

Other major local governmental units and their related government services are the Milwaukee Public Schools (education); Milwaukee County (parks, airport/mass transit/highways, social services and court system); Milwaukee Metropolitan Sewerage District (wastewater treatment); and the Milwaukee Area Technical College (higher education). Wisconsin Statutes require the City to issue debt for Milwaukee Public Schools. The other governmental units listed each have the statutory authority to issue general obligation debt.

Two special purpose governmental units exist with the ability to borrow and tax on a limited revenue basis. The first is the Southeastern Wisconsin Professional Baseball Park District (the "SWPBP District"), a public entity created by State legislation, encompassing southeastern Wisconsin counties, including Milwaukee County, to finance construction/operations of a new baseball facility ("Miller Park") for the National League Milwaukee Brewers baseball club. Miller Park opened in March, 2001. The SWPBP District has issued \$199 million of revenue

bonds supported by a five-county, one-tenth of one percent sales tax and other ancillary revenue streams. In addition, \$45 million of lease certificates of participation have been issued by the SWPBP District to finance acquisition and installation of facility equipment, scoreboards, etc.

The second special purpose governmental unit is the Wisconsin Center District (“WC District”), a public entity created by State legislation, which oversees construction/operation of the Frontier Airline Center (formerly, Midwest Airline Center), the City’s major convention complex. This complex also includes the US Cellular Arena and the Milwaukee Auditorium facilities, formerly known as “MECCA”. The Frontier Airline Center, [Midwest Airlines Center] was financed by \$185 million of revenue bonds issued by the WC District and secured by a pledge of dedicated sales tax revenues from lodging, restaurant, and vehicle rentals collected in the WC District. Phase One of the Frontier Airline Center was completed during 1998. Phase Two was completed in 1999. In 2001, the WC District issued \$30 million of bonds to renovate the Milwaukee Auditorium which was renamed, the Milwaukee Theatre.

In addition to the facilities noted above, the City is home to a 17,000+ seat indoor sports and concert venue, the Bradley Center, located in the heart of downtown. This facility serves the National Basketball Association Milwaukee Bucks, the Marquette University Golden Eagles basketball team and the Milwaukee Admirals International Hockey League club. The City also boasts the lakefront Milwaukee Art Museum as well as a major symphony, ballet and opera companies, and other theatre and performing arts.

On the lakefront is the Milwaukee Art Museum, which combines art, dramatic architecture and landscape design. The Quadracci Pavilion, the first Santiago Calatrava-designed building in the United States, features a 90-foot high glass-walled reception hall enclosed by the Burke Brise Soleil, a sunscreen that can be raised or lowered creating a unique moving sculpture.

Finally, the Milwaukee area is the site of a number of higher education institutions including Marquette University, the University of Wisconsin – Milwaukee, Alverno College, Mount Mary College and the Milwaukee School of Engineering.

EMPLOYEE RELATIONS

The City has approximately 6,400 full-time employees, 2,900 of which, in 5 bargaining units, are covered by labor agreements. One labor agreement covering 112 members expires on May 31, 2012, and another labor agreement covering 38 members expires on July 31, 2012. Those two agreements cover non-public safety officers, and pursuant to 2011 Act 10, the unions may only negotiate wages. Three other agreements, covering 2,700 public safety members, expires on December 31, 2012. 2011 Act 10 did not affect the ability of public safety unions to negotiate most issues.

GENERAL, DEMOGRAPHIC AND ECONOMIC INFORMATION

GENERAL

Based on 2010 census results, the City’s population is 594,833. Population in the four county area surrounding the City is estimated at 1,619,429 and represents 28% of the population of the State of Wisconsin.

**CITY OF MILWAUKEE
SELECTED ECONOMIC DATA**

<u>Year</u>	<u>Population</u>		<u>Adjusted Gross Income Per Return</u>
	<u>Department of Administration</u>	<u>U.S. Census</u>	
2011	595,525		Not Available
2010	580,500	594,833	\$32,753
2009	584,000		32,492
2008	590,870		33,144
2007	590,190		33,225
2000	605,572	596,974	32,370

Sources: U.S. Census and the Wisconsin Department of Administration, Demographic Service Center and the Wisconsin Department of Revenue, Division of Research and Analysis. The Division's population estimates are used in the distribution of State Shared Revenues.

BUILDING PERMITS

Another indicator of economic growth is the activity in the building industry. The following table indicates building permit activity during the period 2006 through December 2011.

General Total

<u>Year</u>	<u>Value</u>	<u>Permits Issued</u>
2007	\$336,748,300	2,405
2008	249,992,533	2,067
2009	290,326,431	1,723
2010	283,026,280	2,065
2011	269,386,167	2,340

Residential Building

<u>Year</u>	<u>Single Family</u>		<u>Multi-Family</u>		<u>Total</u>		<u>Permits Issued</u>
	<u>Value</u>	<u># Of Units</u>	<u>Value</u>	<u># Of Units</u>	<u>Value</u>	<u># Of Units</u>	
2007	\$24,940,117	160	\$123,505,408	677	\$148,445,525	837	187
2008	15,632,811	90	63,975,007	509	79,607,818	599	104
2009	7,269,207	59	37,354,152	409	44,623,359	468	72
2010	8,400,090	84	91,179,501	726	99,579,591	810	118
2011	17,892,282	139	42,327,598	364	60,219,880	503	222

Commercial Building

<u>Year</u>	<u>Value</u>	<u>Permits Issued</u>
2007	\$82,501,318	105
2008	59,502,236	74
2009	127,122,466	37
2010	53,319,884	67
2011	58,518,315	47

Public Building

<u>Year</u>	<u>Value</u>	<u>Permits Issued</u>
2007	\$19,791,921	140
2008	9,107,611	85
2009	10,808,648	107
2010	22,238,704	129
2011	49,456,901	256

Alterations and Additions

<u>Year</u>	<u>Value</u>	<u>Permits Issued</u>
2007	\$86,009,536	1,973
2008	101,774,868	1,804
2009	107,771,958	1,506
2010	107,888,101	1,751
2011	101,191,071	1,815

Sources: Development Center, Department of City Development. Data accumulated from monthly reports submitted to U.S. Department of Commerce, Bureau of the Census, Construction Statistics Division, Washington D.C.

**LEADING BUSINESS AND INDUSTRIAL FIRMS
LOCATED WITHIN MILWAUKEE COUNTY**

The listing of large employers in the Milwaukee County area that follows reveals the diversity of Milwaukee County's economic base. The largest of these are shown in the following list, which includes only employers with the majority or all of their employment in Milwaukee County.

Employer	2011 Employment Estimates	Type of Business or Service
Aurora Health Care	22,000 ⁽¹⁾	Health Care
U.S. Government (Includes Zablocki V.A. Medical Center)	10,800 ⁽²⁾	Government
Milwaukee Public Schools	9,142	Education
Wheaton Franciscan Healthcare	8,356	Health Care
Froedtert Memorial Lutheran Hospital and Community Health	8,000	Health Care
Kohl's Corporation	7,700	Specialty department stores
Wal-Mart Stores	7,360	Discount retail stores and warehouse clubs
Roundy's Supermarket	6,800	Retail grocer
Quad Graphics	6,700	Commercial printing
City of Milwaukee	6,400	Government
Milwaukee County	5,457	Government
Northwestern Mutual Life	5,000	Insurance
GE Healthcare Technologies	5,000	Medical imaging, healthcare services
Medical College of Wisconsin	4,877	Medical school/academic/health care
Children's Hospital of Wisconsin	4,604	Health care
Pro Healthcare, Inc.	4,302	Health care provider
Columbia-St. Mary's	4,190	Health care provider
WE Energies	4,060	Electric/natural gas utility
BMO Financial Group ⁽³⁾	3,924	Holding company banking/finance and data services
University of Wisconsin-Milwaukee	3,881	Education
Walgreens Co.	3,521	Retail drugstore chain
U. S. Bank	3,467	Finance, banking
Briggs and Stratton	3,000	Manufacturer, small engines, automotive locks and keys
Target Corporation	3,000	Discount department store chain
Harley-Davidson Motor Company	2,900	Manufacturer, motorcycles

⁽¹⁾ Aurora's employee number includes four hospitals, rehabilitation, homecare and hospice facilities and their corporate office within a six-county area in and around the City of Milwaukee.

⁽²⁾ Preliminary.

⁽³⁾ Formerly M&I Marshall & Ilsley Bank, acquired by Toronto-based BMO Financial Group. The acquisition was completed in July, 2011.

Source: The 2012 Business Journal Book of Lists, Employer contacts March 2012 and the U.S. Bureau of Labor Statistics February 2012.

EMPLOYMENT AND INDUSTRY

During 2011, the City's unemployment rate averaged approximately 10.6%. Presented below are unemployment rates for the City, as compared to the State of Wisconsin and the United States for the period 2007 through December 2011. The information below reflects revisions, corrections, and new inputs from the 2010 census, including the application of the changes to the prior years shown. For further information on the changes, please contact the U.S. Bureau of Labor Statistics, or visit their website at <http://www.bls.gov>.

ANNUAL UNEMPLOYMENT RATES

(Not Seasonally Adjusted)

<u>Year</u>	City of <u>Milwaukee</u>	Milwaukee - Waukesha-West Allis <u>Metropolitan Statistical Area</u>	State of <u>Wisconsin</u>	<u>United States</u>
2011	10.6%	7.9%	7.5%	8.9%
2010	11.5	8.7	8.3	9.6
2009	11.4	8.9	8.7	9.3
2008	6.6	4.8	4.7	5.8
2007	7.2	5.1	4.9	4.6

Source: U.S. Department of Labor, Bureau of Labor Statistics.

RECENT MONTHLY UNEMPLOYMENT RATES

(Not Seasonally Adjusted)

<u>Month</u>	City of <u>Milwaukee</u>	Milwaukee - Waukesha-West Allis <u>Metropolitan Statistical Area</u>	State of <u>Wisconsin</u>	<u>United States</u>
January, 2012	10.3% ⁽¹⁾	7.7% ⁽¹⁾	7.6% ⁽¹⁾	8.8%

⁽¹⁾ Preliminary.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

The City's economic structure reveals a diversified economy with strong service and manufacturing sectors. The service sector (service, finance, insurance, real estate and retail trade) employs over 69% of the workforce. Manufacturing firms employ 17% of the workforce. The area is not dominated by any large employers. Less than two percent of the manufacturers have employment levels greater than 500. Less than one percent of the employers in finance, insurance and services have more than 500 employees.

TEN LARGEST TAXPAYERS WITH 2011 ESTIMATED EQUALIZED VALUATIONS

US Bank Corporation	\$ 249,092,565
Northwestern Mutual Life Ins.	\$ 193,493,375
Mandel Group	\$ 106,732,616
Marcus Corp/Milw City Center/Pfister	\$ 97,387,873
Metropolitan Associates	\$ 94,846,441
NNN 411 East Wisconsin LLC	\$ 89,724,353
100 E. Wisconsin-CW Wisconsin Ave. LLC	\$ 79,822,218
Towne Realty	\$ 75,787,573
Flanders Westborough	\$ 56,704,469
875 East Wisconsin-875 East Sponsor LLC	\$ 54,442,335

Source: City of Milwaukee, Assessor's Office February 2012.

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DEBT STRUCTURE

The City of Milwaukee has never defaulted in the payment of the principal or interest on its debt obligations, nor has the City issued any refunding securities for the purpose of preventing default in principal or interest on its debt obligations.

LEGAL DEBT LIMITATIONS

Section 67.03 of the Wisconsin Statutes, as supplemented and amended, limits direct general obligation borrowing by the City to an amount equivalent to five percent of the equalized valuation of taxable property within the City. Section 119.49 of the Wisconsin Statutes, as supplemented and amended, further authorizes referendum approved bonding in an additional amount equivalent to two percent of the equalized taxable property within the City for school capital purposes.

DEBT MARGIN

(Includes the [Offered Obligations] to be issued by the City)

[ARE Notes INCLUDED? Will "Offered Obligations" already be issued? Otherwise define Offered Obligations]

2011 Equalized Value of Taxable Property in the City \$27,954,669,900

Legal Debt Limitation for City Borrowing

5% of Equalized Value \$1,397,733,495

General Obligation Debt Outstanding subject to 5% Limit as of 05/01/12	\$835,525,000	
Plus: 2012 R1, N2, B3, T4, T5	240,345,000*	
Less: Provision for current year maturities	(56,525,000)	
Less: Refunded Long-term Debt	(81,605,000)*	
Plus: 2012 Extendable Variable Rate	30,000,000*	
Less: Refunded Commercial Paper	(24,000,000)	
Net General Obligation Debt Outstanding subject to the 5% Limit as of 05/01/12		\$943,740,000

Total Debt Margin for City Borrowing (in Dollars) \$453,993,495

(As a percentage) 32.5%

(As a percentage excluding Cash Flow Notes) 39.6%

Legal Debt Limitation for School Purpose Borrowing

2% of Equalized Value \$559,093,398

General Obligation Debt Outstanding subject to 2% Limit as of 05/01/12	\$14,774,150	
Less: Provision for current year maturities	-	
Net General Obligation Debt Outstanding subject to the 2% Limit as of 05/01/12		\$14,774,150

Total Debt Margin for School Purpose Borrowing (in Dollars) \$544,319,248

(As a percentage) 97.4%

* Preliminary, subject to change

DEBT REFUNDED

The City has issued the following series of general obligation refunding bonds that have outstanding escrow amounts:

\$45,240,000 General Obligation Refunding Bonds, Series 2005 A5, dated June 7, 2005, for the purpose of refunding portions of seven general obligation issues, with a final escrow payment in 2012, with Associated Trust Company, National Association as escrow trustee.

None of the refunded debt is reflected in the "DEBT MARGIN" presentation above.

ANALYSIS OF GENERAL OBLIGATION DEBT OUTSTANDING AS OF MAY 1, 2012

Tax Increment Districts	\$183,267,992
Public Buildings	149,129,478
Schools (5% City Borrowing)	111,469,469
Schools (2% School Purpose Borrowing)	14,774,150
Streets	108,399,833
Sewers	80,567,916
Finance Real & Personal Property Tax Receivables	41,451,000
Police	29,530,933
Bridges	26,618,345
Blight Elimination/Urban Renewal	25,475,758
Water	18,090,561
Fire	17,171,090
Library	12,249,720
Parking	10,842,602
Local Improvement Projects/Special Assessments	10,424,199
Playground/Recreational Facilities	7,554,494
Harbor	2,659,244
Grant & Aid Improvements City Share	611,908
Economic Development	4,572
Industrial Land Bank	3,207
Milwaukee Exposition and Convention Center	1,238
Resource Recovery	1,043
Lakefront Development	398
TOTAL	<u><u>\$850,299,150</u></u>

[GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS] [UPDATE AFTER ISSUANCE]

The following indicates the annual requirements of principal and interest on the general obligation debt of the City.

Year	Total G.O. Debt Service as of 5/1/12 (1) *		Series 2012 N2/B3/T4/T5				Extendable Variable Rate ⁽⁷⁾	Total Requirements After Issuance
	Principal ⁽²⁾	Interest ⁽³⁾	New Money ⁽⁴⁾		Refunding ⁽⁶⁾			
			Principal	Interest ⁽⁵⁾	Principal	Interest ⁽⁵⁾		
2012	\$56,525,000	\$104,611,426		\$1,312,783	\$0	\$1,724,775	\$1,687,500	\$165,861,485
2013	92,555,000	168,733,220	\$19,480,000	2,542,500	4,115,000	3,877,375	2,700,000	294,003,095
2014	77,555,000	145,894,022	9,690,000	1,813,250	7,010,000	3,599,250	2,700,000	248,261,522
2015	70,030,000	132,539,826	4,000,000	1,471,000	8,275,000	3,217,125	2,700,000	222,232,951
2016	66,125,000	123,388,080	3,530,000	1,282,750	9,750,000	2,766,500	2,700,000	209,542,330
2017	58,245,000	109,289,303	3,435,000	1,108,625	9,850,000	2,276,500	2,700,000	186,904,428
2018	90,690,000	154,711,463	3,285,000	940,625	12,855,000	1,708,875	2,700,000	266,890,963
2019	43,250,000	73,255,729	2,160,000	804,500	11,825,000	1,091,875	2,700,000	135,087,104
2020	41,200,000	62,947,848	2,170,000	696,250	7,735,000	602,875	2,700,000	118,051,973
2021	34,145,000	53,460,507	2,185,000	587,375	5,650,000	268,250	2,700,000	98,996,132
2022	23,330,000	36,659,137	2,200,000	477,750	2,540,000	63,500	2,700,000	67,970,387
2023	22,870,000	31,419,960	1,670,000	381,000	—	—	2,700,000	59,040,960
2024	18,755,000	25,326,221	1,680,000	297,250	—	—	2,700,000	48,758,471
2025	14,870,000	31,842,262	1,690,000	213,000	—	—	2,700,000	51,315,262
2026	7,815,000	9,213,075	1,700,000	128,250	—	—	2,700,000	21,556,325
2027	8,975,000	44,287,019	1,715,000	42,875	—	—	2,700,000	57,719,894
2028	2,985,000	3,126,788	—	—	—	—	2,700,000	8,811,788
2029	—	—	—	—	—	—	2,700,000	2,700,000
2030	—	—	—	—	—	—	2,700,000	2,700,000
2031	—	—	—	—	—	—	2,700,000	2,700,000
2032	—	—	—	—	—	—	32,700,000	32,700,000
	<u>\$729,920,000</u>	<u>\$1,310,705,886</u>	<u>\$60,590,000</u>	<u>\$14,099,783</u>	<u>\$79,605,000</u>	<u>\$21,196,900</u>	<u>\$85,687,500</u>	<u>\$2,301,805,069</u>

⁽¹⁾ Excludes debt to be refunded.

⁽²⁾ Assumes Sinking Fund Deposits in year due.

⁽³⁾ Assumes: the maximum interest rate of 12.0% on \$65,000,000 of variable rate debt (the tax levy requirement).

⁽⁴⁾ Includes new money, and refunding of commercial paper.

⁽⁵⁾ Assumes 5.00% on the 2011 N2/B3/T4/T5.

⁽⁶⁾ Refunding of outstanding long-term debt.

⁽⁷⁾ Assumes the maximum interest rate of 9.0%. Preliminary, subject to change.

* Preliminary, subject to change.

TRENDS OF GENERAL OBLIGATION DEBT

(THOUSANDS OF DOLLARS)

Year 12/31	Total GO Debt	Self-Sustaining GO Debt*	Levy Supported GO Debt
2007	\$747,298	\$294,952	\$452,346
2008	788,579	291,317	497,262
2009	804,474	293,039	511,435
2010	916,034	342,400	573,634
2011	934,004	373,059	560,945

TRENDS OF SELF-SUSTAINING GENERAL OBLIGATION DEBT

(THOUSANDS OF DOLLARS)

Year 12/31	TID Program	Parking Program	Special Assessments	Delinquent Taxes ⁽¹⁾	Water	Sewer ⁽²⁾	Total Self-Sustaining
2007	\$143,886	\$11,733	\$16,458	\$28,320	\$19,895	\$74,661	\$294,952
2008	165,217	10,743	14,631	34,136	17,049	49,541	291,317
2009	164,106	11,616	12,994	40,508	17,049	46,766	293,039
2010	167,944	11,753	11,623	47,575	13,453	90,052	342,400
2011	192,838	12,170	10,462	52,728	22,053	82,807	373,059

*General Obligation debt whose debt service requirements are paid by non-Citywide property tax revenues.

⁽¹⁾ Debt issued for Delinquent Tax Purposes is paid from collections of the delinquent taxes.

⁽²⁾ Amount reflects the portion of GO Sewer Debt paid by the Sewer Utility.
Beginning in 2007, the Sewer Utility paid the full amount of the GO Sewer Debt.
Also includes temporary borrowing pending refunding with revenue bonds.

**RATIO OF GENERAL OBLIGATION DEBT
To Equalized And Assessed Values And To Per Capita**

Year 12/31	Population ⁽¹⁾	Net Equalized Valuation	AV	Total GO Debt	GO Debt /Net EV	GO Debt /AV	GO Debt /capita
2007	\$590,190	\$31,887,192,100	\$29,374,372,962	\$747,298,112	2.34%	2.54%	1,266
2008	590,870	32,257,525,000	30,431,675,204	788,579,150	2.44	2.59%	1,335
2009	584,000	31,266,329,200	28,994,573,372	804,474,150	2.57	2.77%	1,378
2010	580,500	29,520,783,200	28,048,464,348	916,034,150	3.10	3.27%	1,578
2011	595,525	27,954,669,900	27,917,642,983	934,004,150	3.34	3.35%	1,568

⁽¹⁾ Population estimate from the Wisconsin Department of Revenue for use in the distribution of State Shared Revenues. It is anticipated that the 2011 population estimate will reflect the results of the 2010 US Census, which was 594,833.

The Public Debt Amortization Fund may be used to purchase and prepay City GO Debt. Assuming the unsegregated fund balance is used to prepay City GO Debt at year-end, the following results would have occurred:

Year 12/31	PDAF Unsegregated Balance	GO Debt /Net EV	GO Debt /capita
2007	\$50,824,739	2.18%	1,180
2008	50,916,679	2.29	1,248
2009	50,444,955	2.41	1,291
2010	55,453,164	2.92	1,482
2011 ⁽¹⁾	55,453,164	3.14	1,475

⁽¹⁾ 12/31/11 balance is unknown at this time. Assumes balance is unchanged for the year.

**COMPUTATION OF NET DIRECT AND OVERLAPPING DEBT
MAY 1, 2012**

<u>Governmental Unit</u>	<u>Debt Outstanding As of May 1, 2012</u>	<u>Percentage Applicable</u>	<u>Milwaukee's Share of Debt As of May 1, 2012</u>
City of Milwaukee ⁽¹⁾	\$962,774,150	100.00%	\$962,774,150
Area Board of Vocational, Technical and Adult Education, District No. 9	80,060,000	37.34	29,894,404
County of Milwaukee	614,819,152	45.75	281,279,762
Milwaukee Metropolitan Sewerage District ⁽²⁾	928,417,875	46.78	434,313,882
TOTAL NET DIRECT AND OVERLAPPING DEBT	<u><u>\$2,586,071,177</u></u>		<u><u>\$1,708,262,198</u></u>

⁽¹⁾ Includes \$126 million general obligation debt outstanding, which financed Milwaukee Public Schools improvements.

Figure includes the new issue, and excludes debt to be refunded and provisions for current year maturities.

⁽²⁾ Includes approximately \$928,417,875 of low interest loans from the State of Wisconsin Clean Water Fund, supported by the full faith and credit of the MMSD.

FUTURE FINANCING

[Prior to the issuance of the Offered Obligations] **Will “Offered Obligations” already be issued? If so, delete proviso and modify dollar amount**, the City has [\$470] million authorized unissued general obligation debt, for various corporate and capital improvement purposes, which can be issued at any time. In addition, the City has \$400 million of authorized unissued revenue anticipation borrowing for City and School cash flow purposes.

The City is in the process of issuing \$30 million of long-term extendable variable rate debt for street purposes, and permanently financing approximately \$10 million of outstanding commercial paper issued for street purposes.

The authorized unissued general obligation debt includes \$67 million for sewer purposes. In addition, there is currently outstanding \$42 million of General Obligation Commercial Paper that was issued on a temporary basis for Sewer purposes. Most of the sewer purpose debt will be financed on a revenue bond basis, including second lien revenue bonds sold to the State of Wisconsin Clean Water Fund program. The remaining portion will be financed on a long-term basis with general obligation debt.

See “FINANCIAL INFORMATION — CITY CAPITAL IMPROVEMENTS PLAN” herein for information on potential future capital needs.

CITY CAPITAL IMPROVEMENTS PLAN

The City’s 2012-2017 Draft Capital Improvement Plan (“CIP”) outlines planned capital improvement projects and programs. Some school purpose improvements are financed by the City for Milwaukee Public School purposes, but are not included in the CIP.

The six-year CIP plan totals \$988 million. About \$652 million, or 66% of the planned spending, is intended to preserve the City’s existing infrastructure facilities (streets, sewers, alleys, bridges, etc.). Approximately 66% (\$654 million) is anticipated to be borrowed with General Obligation debt, with the balance (\$334 million) being borrowed with revenue debt.

<u>Purpose</u>	<u>Amount (\$Millions)</u>
Transportation	\$323
Environment	334
Economic Development	179
Public Safety	64
Miscellaneous	<u>88</u>
Total	<u><u>\$988</u></u>

COMMERCIAL PAPER PROGRAM

The City has authorized the issuance of Commercial Paper (“CP”) with the General Obligation Commercial Paper Promissory Notes, 2008 Program Series C2, Series R3, and Series T4 (Taxable) (the “Series C2 Notes”, “Series R3 Notes”, and “Series T4 Notes” respectively, and together, the “CP Notes”). Any combination of Series C2 Notes, Series R3 Notes, and Series T4 Notes, up to an aggregate total of \$125,000,000, is authorized to be outstanding at any time. The CP Notes are general obligation debt of the City and are additionally secured by a direct pay letter of credit from State Street Bank that expires on December 1, 2012. The CP Notes are authorized to be outstanding until January 31, 2018.

The CP Notes may be issued at any time for any purpose, including the purposes described in Future Financing above. The primary purpose of the CP Note program is to provide interim financing for expenditures pending the City’s next long-term financing. As of December 31, 2011, the City had \$66,000,000 of Series C2 Notes outstanding.

[The Extendable Municipal Commercial Paper 2012 Program Series which is the subject of this Offering Memorandum will replace most of the 2008 Program Series.]

AUCTION RATE AND OTHER VARIABLE RATE EXPOSURE

The City has no outstanding Auction Rate securities. The City has no insured debt that has a put option. The City’s CP Notes are additionally secured by liquidity facilities provided by State Street Bank. The \$12,000,000 outstanding Series 2005 V8 is a 7-day variable rate demand bond secured by a Stand-By Bond Purchase agreement that expires on December 1, 2012. The CP Notes are secured by a direct pay letter of credit that expires on December 1, 2012.

The \$12,000,000 of outstanding Series 2005 V8 will be refunded with the issuance of the N2 Notes. \$10 million will be refunded with fixed rate debt, and \$2,000,000 will be paid down from tax levy. The City is in the process of creating non-credit enhanced long-term extendable variable rate debt. It is anticipated that, over time, up to 15-25% of the tax levy supported long-term general obligation debt will be in the form of variable rate debt.

In 2003, the Redevelopment Authority of the City of Milwaukee, on behalf of the MPS, issued \$130,850,000 of Taxable Pension Funding Bonds, 2003 Series D in Auction Rate Mode and insured by MBIA. In 2005, the 2003 Series D bonds were converted to Index Bonds (“IB”) whose interest rate is reset monthly to 1-month LIBOR + 25 basis points. The IB bond owners do not have an option to put the bonds. The 2003 Series D bonds also have an interest rate swap that pays MPS 1-month LIBOR + 20 basis points in exchange for a fixed rate of 5.56% paid by MPS, effectively converting the IB to a fixed rate with no basis risk.

REVENUE BONDING

The City has issued revenue bonds for its Water and Sewerage Systems and has issued industrial revenue bonds on behalf of borrowers for eligible projects. Additionally, the Housing Authority of the City (the “Housing Authority”), the Redevelopment Authority of the City (the “Redevelopment Authority”), the Milwaukee Economic Development Corporation and related entities also have outstanding obligations. Collectively, the programs of the Housing and Redevelopment Authorities and Milwaukee Economic Development Corporation complement the City financed economic development projects and foster the same development objectives.

Water System Revenue Bonds, Series 1998 — In 1998, the City and the State of Wisconsin entered into a loan agreement under the State of Wisconsin Safe Drinking Water Loan Program. Subsidized loans are available for certain projects, are secured by revenues of the Milwaukee Water Works, and are repayable over a period of 20 years. As of December 1, 2011, the outstanding balance was \$7.5 million.

Sewerage System Revenue Bonds — In 2001, the City created the Sewerage System with the issuance of \$29,095,000 of Sewerage System Revenue Bonds, and in 2003, the City issued an additional \$33,885,000 of Sewerage System Revenue Bonds. In 2011, the City issued \$52,565,000 of refunding and new money Sewerage System Revenue Bonds. As of December 31, 2011, total outstanding Sewerage System Revenue Bonds was \$62 million with a final maturity in 2031.

In 2006, the City created the Sewerage System Second Lien Revenue Bonds for the purpose of borrowing from the State of Wisconsin Clean Water Fund Program. As of December 31, 2011, the City had \$80.5 million outstanding under the

Program. The City hopes to satisfy as much as possible of its Sewerage System capital needs with borrowings under the Program. (See “FUTURE FINANCING”).

Industrial Revenue Bonding Program — The City has established guidelines relating to its Industrial Revenue Bonding Program. These guidelines establish criteria for IRB financing. The guidelines delineate that the primary goals of this program are to create additional tax base, additional jobs, or both.

Industrial land, buildings, and machinery and equipment used in the manufacturing process and pollution abatement equipment of new or expanding industries are eligible projects. Since the first IRB issue in 1973, the City has closed 125 issues amounting to approximately \$265 million. The City has no responsibility to either secure or redeem IRB debt, and thus neither guarantees nor lends its own credit to these obligations.

Housing Authority of the City of Milwaukee — Most of the Housing Authority bonds and notes are secured by a lien on all revenues of the Housing Authority Low Income Housing Program. The Housing Authority has also issued debt for “stand-alone” projects. The Housing Authority bonds and notes are limited obligations of the Housing Authority and are neither a general obligation of the City nor are they guaranteed by the City. As such, they are not backed by the general credit or taxing powers of the City.

Between the period 1983 and December 1, 2011 the Housing Authority issued revenue bonds of approximately \$149 million of which approximately \$8.990 million are still outstanding.

Redevelopment Authority of the City of Milwaukee — The Redevelopment Authority is a public body corporate and politic formed in 1958 by action of the Common Council of the City pursuant to the Section 66.1333 (formerly Section 66.431) of the Wisconsin Statutes, as supplemented and amended (“Redevelopment Authority Act”).

The Redevelopment Authority has as its purpose the carrying out of blight elimination, slum clearance and urban renewal programs and projects as set forth in the Redevelopment Authority Act, and is authorized under the Redevelopment Authority Act to issue revenue bonds for the financing of such programs and projects and to enter into revenue agreements to provide revenues for the payment of such revenue bonds.

Since its creation, the Redevelopment Authority has provided for the acquisition and improvement of a variety of industrial, commercial, housing and other revenue-producing projects, and, in some instances, has entered into revenue agreements for the financing thereof, pursuant to authorization contained in the Redevelopment Authority Act. In connection with the financing of a number of such projects, the Redevelopment Authority has issued revenue bonds under a number of authorizing resolutions and indentures, each of which contained separate terms and conditions relating to the respective issues of revenue bonds. In each instance, the bonds issued constitute limited obligations of the Redevelopment Authority, and do not constitute an indebtedness of the City or a charge against the City’s general credit or taxing power.

The majority of these issues are supported solely by the revenues of the various projects. While in each instance, the bonds issued constitute limited obligations of the Redevelopment Authority, and do not constitute an indebtedness of the City or a charge against the City’s general credit or taxing power, there are certain issues which involve contingent liabilities of the Redevelopment Authority and/or the City.

“As of December 31, 2011, the Redevelopment Authority had outstanding: two bond issue with \$36,490,000 outstanding that have a Moral Obligation Pledge of the City; and \$253,939,122 in six bond issues for MPS, one secured by a lease, and five secured by loan agreement, with the Milwaukee Board of School Directors (“MBSD”). These bonds do not constitute general obligations of the City, or of MBSD, and shall not constitute or give rise to a charge against the City’s, or MBSD’s, taxing powers. These pledges create only financial obligations of the City, or MBSD, which are subject to annual appropriation. The loan agreement with MBSD includes a pledge of certain state aid payable to MBSD.”

The Redevelopment Authority has also issued debt payable from tax increment revenues. See (“TAX INCREMENT DISTRICT FINANCING” herein.)

Milwaukee Economic Development Corporation — As of December 31, 2010, the Milwaukee Economic Development Corporation, or through a related entity, funded loans for 1,069 small businesses and redevelopment projects utilizing \$244.5 million to leverage a total of \$1.228 billion in investment. 944 loans have been enrolled in the Capital Access Program with covered loan amounts totaling \$52.5 million.

The Milwaukee Economic Development Corporation had notes and debentures payable under the Small Business Administration’s Section 503 and 504 loan programs in the amount of \$10.7 million as of December 31, 2010.

TAX INCREMENT DISTRICT FINANCING

Five issues of the Redevelopment Authority and Housing Authority involving over \$60 million in bonds have financed projects located within tax increment districts (“TID”) of the City. The City has also financed public improvements and provided grants to the Redevelopment Authority for redevelopment purposes within such districts through the issuance of its general obligation bonds. As of December 31, 2011, \$193 million general obligation bonds for TID purposes was outstanding. Under current law, tax increments received by the City have been calculated based upon the assessed valuation and the applicable tax levy in the TID. The applicable tax levy includes the public school tax levy rate for Milwaukee Public Schools.

The Redevelopment Authority of the City has approximately \$42 million of debt secured by tax increment revenues. One of those issues, in the approximate amount of \$20 million, has the Moral Obligation Pledge of the City. The remaining debt is owed to developers of projects within the TID, with no recourse to the City in the event that tax increment revenues are insufficient to repay the obligations. In 1996, the Wisconsin Legislature passed a property tax relief measure which increased the portion of statewide school revenues funded by State equalization aid to two-thirds from approximately one-half of all funds’ budgets. The 2011 Assessed Tax Rate for Milwaukee Public Schools is \$11.11 per thousand dollars of assessed value, down from \$15.70 in 1995 (amounts are net of the school state tax credit). As a result, tax increment revenues for certain TIDs received by the City have been, and are expected to continue to be, reduced and therefore have the impact of either increasing the time needed to recover incurred project costs, including future debt service requirements; reducing the funding of active and proposed TIDs; or may require the City to fund TID cash flow deficiencies with other City revenues. In connection with the change in the School Aid formula, the State Legislature extended the allowable life of all TIDs established before October 1, 1995 from a maximum 23 years to a maximum 27 years to accommodate the lower school property tax rate. Pursuant to 2003 Wisconsin Acts 126, 127, 194 and 231 (enacted in February through April 2004), the allowable life of TIDs created between September 30, 1995 and October 1, 2004 for blight elimination and rehabilitation purposes is 27 years. The maximum lives for TIDs created after September 30, 2004 is 27 years for blighted and rehabilitation TIDs, and 20 years for mixed-use TIDs and industrial TIDs, which, for industrial TIDs represents a reduction from 23 years, though the new law also makes them eligible for a three-year extension. Extensions are available under certain circumstances. In any year in which total TID debt service requirements for the ensuing year are greater than total tax increments received, the shortfall is funded by the City’s general property tax levy.

FINANCIAL INFORMATION

BUDGETING

Each department and agency prepares its own detailed estimate of needs for the ensuing fiscal year which is filed with the Mayor not later than the second Tuesday in May of each year, at which time the Comptroller submits his statement of anticipated non-property tax revenues in accordance with City Charter provisions. Under the City Charter, changes to these non-property tax revenue estimates can be made only by the Comptroller. The Mayor holds hearings on departmental spending requests during July and August at the times and places the Mayor or Common Council by ordinance directs. The Mayor submits a proposed budget to the Common Council on or before September 28th of each year. This budget includes the Comptroller’s anticipated non-property tax revenues. Subsequent to receipt of the budget by the Common Council, its Committee on Finance and Personnel reviews the Mayor’s proposed expenditure budget. The Mayor and Common Council hold a public hearing on the entire budget no later than the 30th day of October. The Common Council subsequently adopts a property tax levy, but cannot change the Comptroller’s anticipated revenues budget. The final budget must be adopted by the 14th of November. The City is under no State or local levy limits with respect to its General, Capital or Debt Service Funds.

ADOPTED BUDGET - COMBINED REVENUES - 2012

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Total
Taxes						
Property Tax - General	\$115,230,737	—	\$68,736,570	\$1,025,000	—	\$184,992,307
Provision for Empl Retirement ⁽¹⁾	58,016,150	—	—	—	—	58,016,150
Common Council Cont	5,000,000	—	—	—	—	5,000,000
Total Taxes	178,246,887	—	68,736,570	1,025,000	—	248,008,457
Revenues						
Taxes	16,147,300	—	—	—	—	16,147,300
Licenses and Permits	12,647,600	—	—	—	—	12,647,600
Intergovernmental Revenues	259,851,500	63,846,247	—	—	—	323,697,747
Charges for Service	133,120,514	—	—	—	—	133,120,514
Fines and Forfeitures	5,304,000	—	—	—	—	5,304,000
Miscellaneous Revenues	3,710,825	12,300,000	—	—	—	16,010,825
Fringe benefits ⁽²⁾	25,000,000	—	—	—	—	25,000,000
Parking	22,410,157	—	2,170,000	5,000,000	15,866,843	45,447,000
Water Works	—	—	5,870,907	630,000	78,356,093	84,857,000
Sewer Maintenance Fund	12,734,075	—	11,408,929	6,440,000	25,219,115	55,802,119
Retained Earnings	—	—	—	—	9,734,527	9,734,527
Sinking Fund	—	—	64,058,277	—	—	64,058,277
Cash Flow borrowings	—	—	125,000,000	—	—	125,000,000
Special Assessments	—	7,703,639	—	1,065,600	—	8,769,239
Capital Revenue	—	—	—	15,058,000	—	15,058,000
Total Revenues	490,925,971	83,849,886	208,508,113	28,193,600	129,176,578	940,654,148
Tax Stabilization						
Transfer from Reserves	13,767,000	—	—	—	—	13,767,000
Sale of Bonds and Notes						
General City	—	—	—	96,308,100	—	96,308,100
Enterprise Funds	—	—	—	46,990,000	—	46,990,000
Grand Total	\$682,939,858	\$83,849,886	\$277,244,683	\$172,516,700	\$129,176,578	\$1,345,727,705

⁽¹⁾ Includes employer and employee pension contributions and City employers' share of FICA.

⁽²⁾ For budgeting purposes, Fringe Benefits are used as an offset against expenditures since these costs are budgeted twice, both as a lump sum and as individual departmental expenditures.

ADOPTED BUDGET – COMBINED APPROPRIATIONS – 2012

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Total
Administration, Dept of	\$ 9,480,298	—	—	\$600,000	—	\$10,080,298
Assessor's Office	4,627,225	—	—	—	—	4,627,225
City Attorney	7,629,058	—	—	—	—	7,629,058
City Treasurer	3,063,379	—	—	—	—	3,063,379
Common Council - Clerk	8,555,215	—	—	40,000	—	8,595,215
Municipal Court	3,505,745	—	—	—	—	3,505,745
Comptroller	5,652,900	—	—	—	—	5,652,900
Dept of City Development	4,682,014	—	—	29,176,000	—	33,858,014
Election Commission	2,912,189	—	—	—	—	2,912,189
Employee Relations, Dept of	4,541,064	—	—	—	—	4,541,064
Fire and Police Commission	1,300,016	—	—	—	—	1,300,016
Fire Department	105,025,041	—	—	3,424,000	—	108,449,041
Health Department	13,161,487	—	—	450,000	—	13,611,487
Library Board	22,699,974	—	—	2,577,000	—	25,276,974
Mayor's Office	1,215,279	—	—	—	—	1,215,279
Neighborhood Services	17,236,668	—	—	—	—	17,236,668
Police Department	236,229,306	—	—	1,502,000	—	237,731,306
Port of Milwaukee	5,018,503	—	—	225,000	—	5,243,503
DPW-Administration	4,533,496	—	—	1,220,000	—	5,753,496
DPW-Infrastructure	39,508,604	—	—	52,981,700	—	92,490,304
DPW-Operations	79,476,499	—	—	10,239,000	—	89,715,499
Water Works	—	—	5,870,907	9,320,000	82,125,061	97,315,968
Sewer Maintenance Fund	—	—	11,408,929	43,950,000	26,592,120	81,951,049
Special Purpose Accounts	163,659,514	—	—	—	—	163,659,514
Pension Funds	87,566,061	—	—	—	—	87,566,061
Debt Service - City	—	—	132,794,847	—	—	132,794,847
Debt Service - Schools	—	—	—	—	—	—
Debt Service - Cash Flow	—	—	125,000,000	—	—	125,000,000
Contingency	5,000,000	—	—	—	—	5,000,000
Delinquent Tax Fund	—	12,300,000	—	—	—	12,300,000
Parking	—	—	2,170,000	5,790,000	20,459,397	28,419,397
Grant & Aid Fund	—	63,846,247	—	—	—	63,846,247
Special Capital Projects	—	—	—	11,022,000	—	11,022,000
Economic Development	—	7,703,639	—	—	—	7,703,639
Fringe Benefit Offset ⁽¹⁾	(153,339,677)	—	—	—	—	(153,339,677)
Grand Total	\$682,939,858	\$83,849,886	\$277,244,683	\$172,516,700	\$129,176,578	\$1,345,727,705

⁽¹⁾For budgeting purposes, Fringe Benefits are used as an offset against expenditures since these costs are budgeted twice, both as a lump sum and as individual departmental expenditures.

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2010
(Thousands of Dollars)

<u>Revenues:</u>	<u>2006</u>	<u>2007</u> ⁽¹⁾	<u>2008</u>	<u>2009</u>	<u>2010</u>
Property Taxes	141,102	137,253	141,573	156,410	168,031
Other Taxes	5,202	5,311	4,839	3,504	5,097
Licenses and Permits	13,729	13,704	12,918	12,186	12,948
Intergovernmental	272,417	272,539	271,100	272,337	270,939
Charges for Services	73,528	76,496	86,410	91,057	97,146
Fines and Forfeitures	5,541	5,800	5,277	4,802	5,422
Other	<u>17,353</u>	<u>18,883</u>	<u>12,864</u>	<u>19,967</u>	<u>20,323</u>
TOTAL GENERAL FUND REVENUES	<u>528,872</u>	<u>529,986</u>	<u>534,981</u>	<u>560,263</u>	<u>579,906</u>
Tax Stabilization Fund Withdrawals	16,328	23,175	29,457	22,379	13,070
Other Financing Sources and Equity					
Transfers (Net)	<u>37,761</u>	<u>43,224</u>	<u>40,234</u>	<u>46,896</u>	<u>49,640</u>
TOTAL GENERAL FUND REVENUES TAX STABILIZATION FUND WITHDRAWALS AND OTHER FINANCING SOURCES	<u>582,961</u>	<u>596,385</u>	<u>604,672</u>	<u>629,538</u>	<u>642,616</u>
 <u>Expenditures:</u>					
General Government	178,004	201,021	199,004	202,066	253,328
Public Safety	250,672	257,137	266,370	276,060	264,067
Public Works	86,482	93,956	103,149	97,093	94,482
Health	10,428	10,359	10,118	10,446	9,996
Culture and Recreation	17,882	17,548	16,782	17,329	15,656
Conservation and Development	<u>3,217</u>	<u>3,279</u>	<u>3,456</u>	<u>4,230</u>	<u>3,747</u>
TOTAL EXPENDITURES	<u>546,685</u>	<u>583,300</u>	<u>598,879</u>	<u>607,224</u>	<u>641,276</u>
 SOURCES OVER (UNDER) EXPENDITURES	36,276	13,085	5,793	22,314	1,340
Fund Balance - January 1 (excludes reserved for use during the year)	68,899	82,000	65,628	49,042	58,286
Fund Balance - December 31	<u>105,175</u>	<u>95,085</u>	<u>71,421</u>	<u>71,356</u>	<u>59,626</u>
 Fund Balance Components:					
Reserved for Encumbrances & Carryovers	15,616	21,376	22,865	21,919	8,144
Reserved for Inventory	6,886	6,252	7,248	6,827	7,220
Reserved for Mortgage Trust	280	218	173	141	135
Reserved for Environmental Remediation	303	303	303	303	303
Reserved for Next Year's Budget	23,175	29,457	22,379	13,070	14,600
Reserved for Subsequent Years' Budget	<u>58,915</u>	<u>37,479</u>	<u>18,453</u>	<u>29,096</u>	<u>29,224</u>
TOTAL FUND BALANCE	<u>105,175</u>	<u>95,085</u>	<u>71,421</u>	<u>71,356</u>	<u>59,626</u>

(1) In 2007, balances presented on a Budget Basis do not match balances presented on a Generally Accepted Accounting Principles ("GAAP") basis due to borrowing for certain expenditures authorized in the current fiscal year but not completed until the subsequent fiscal year. Budget Basis recognizes the revenues and expenditures in the same fiscal year, whereas GAAP does not recognize the revenues until the year the borrowing actually occurs. On a GAAP basis, the balances for "Reserve for Subsequent Years' Budget" and "Total Fund Balance" in 2007 were \$33,247 and \$90,853, respectively.

CITY OF MILWAUKEE
GENERAL FUND - PROJECTED CASHFLOW SUMMARY
(MILLIONS OF DOLLARS)
JANUARY 1, 2012 TO DECEMBER 31, 2012

	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
BALANCE	81.374	118.797	21.050	(16.657)	5.872	82.196	16.041	39.470	9.133	10.852	(0.470)	136.679	
RECEIPTS													
Property Taxes	2.764	8.067	5.098	6.733	7.629	8.184	52.481	10.440	14.434	13.513	1.237	83.302	213.882
State Aids													
Shared Revenue	-	-	-	-	-	-	41.090	-	-	-	185.717	-	226.807
Highway Aids	6.176	-	-	6.170	-	-	6.960	-	-	6.170	-	-	25.476
Payment Muni. Services	-	1.912	-	-	-	-	-	-	-	-	-	-	1.912
Computer Exemption Aid	-	-	-	-	-	-	3.900	-	-	-	-	-	3.900
Other	9.550	5.674	14.152	7.474	10.236	13.117	13.005	15.185	9.282	14.076	9.477	9.580	130.808
Delinquent Taxes Transfer	31.404	-	-	-	-	-	-	-	-	-	-	-	31.404
Pension Fees	2.234	-	0.487	-	2.392	3.154	1.018	2.632	1.695	0.879	2.691	1.163	18.345
City Services Fees	3.075	2.340	2.432	1.846	2.376	1.805	2.147	2.556	2.128	3.093	4.927	3.180	31.905
City PILOTS (Major)	-	-	-	-	-	-	-	-	-	-	-	12.668	12.668
Parking Transfers	-	-	-	-	-	10.205	-	-	-	-	-	10.205	20.410
Summerfest Lease	-	-	-	-	-	-	-	-	-	-	-	1.351	1.351
Street Sweeping	-	-	-	-	-	6.070	-	-	-	-	-	6.070	12.140
Vehicle Registration Fee	0.378	0.630	0.378	0.378	0.630	0.630	0.630	0.567	0.567	0.567	0.567	0.378	6.300
Potawatomi PILOT	-	-	-	-	-	-	-	5.500	-	-	-	-	5.500
Year End Transfers	34.218	-	-	-	-	-	-	-	-	-	-	-	34.218
Note Proceeds	-	-	-	50.000	100.000	-	-	-	20.000	-	-	-	170.000
TOTAL RECEIPTS	89.799	18.623	22.547	72.601	123.263	43.165	121.231	36.880	48.106	38.298	204.616	127.897	947.026

Applicable footnote?

Maximum deficit occurs in July and November.

CITY OF MILWAUKEE
GENERAL FUND - PROJECTED CASHFLOW SUMMARY (MILLIONS OF DOLLARS)
(MILLIONS OF DOLLARS) (CONTINUED)
JANUARY 1, 2012 TO DECEMBER 31, 2012

	January	February	March	April	May	June	July	August	September	October	November	December
DISBURSEMENTS												
Salaries & Benefits	39.205	42.281	51.381	38.019	37.720	38.222	38.530	51.528	38.728	39.121	38.718	39.896
Services & Supplies	13.171	12.650	8.873	12.053	9.219	11.470	9.272	15.689	7.659	10.499	8.749	6.980
Employer Pension Contribution	-	25.000	-	-	-	-	-	-	-	-	-	-
Purchase Tax Delinquents	-	36.439	-	-	-	-	-	-	-	-	-	-
Contractual Tax Payment	-	-	-	-	-	59.628	-	-	-	-	-	-
Year End Transfers	-	-	-	-	-	-	-	-	-	-	-	29.300
Note Principal Repayment	-	-	-	-	-	-	50.000	-	-	-	20.000	100.000
TOTAL DISBURSEMENTS	52.376	116.370	60.254	50.072	46.939	109.320	97.802	67.217	46.387	49.620	67.467	176.176
BALANCE	118.797	21.050	(16.657)	5.872	82.196	16.041	39.470	9.133	10.852	(0.470)	136.679	88.400

CITY OF MILWAUKEE
GENERAL FUND
PROJECTED SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012
(MILLIONS OF DOLLARS)

	Beginning Cash Balance (Deficit)	Receipts	Disbursements	Ending Cash Balance (Deficit)		Ending Cash Balance Excluding RAN and CP
January	\$81.374	\$89.799	\$52.376	\$118.797		\$118.797
February	118.797	18.623	116.370	21.050		\$21.050
March	21.050	22.547	60.254	(16.657)		(\$16.657)
April	(16.657)	72.601	50.072	5.872	(1)	(\$44.128)
May	5.872	123.263	46.939	82.196	(1)	(\$67.804)
June	82.196	43.165	109.320	16.041		(\$133.959)
July	16.041	121.231	97.802	39.470	(2)	(\$60.530)
August	39.470	36.880	67.217	9.133		(\$90.867)
September	9.133	48.106	46.387	10.852	(1)	(\$109.148)
October	10.852	38.298	49.620	(0.470)		(\$120.470)
November	(0.470)	204.616	67.467	136.679	(2)	\$36.679
December	136.679	<u>127.897</u>	<u>176.176</u>	88.400	(2)	\$88.400
		<u>\$947.026</u>	<u>\$940.000</u>			

⁽¹⁾ Balance includes RAN and CP principal receipts.

⁽²⁾ Balance includes RAN and CP principal repayments.

CITY OF MILWAUKEE
GENERAL FUND
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(MILLIONS OF DOLLARS)

	Beginning Cash Balance			Ending Cash Balance
	(Deficit)	Receipts	Disbursements	(Deficit)
January	\$56.982	\$102.292	\$54.588	\$104.686
February	104.686	17.354	94.906	27.134
March	27.134	40.496	64.999	2.631
April	2.631	25.228	51.376	(23.517)
May	(23.517)	68.323 ⁽¹⁾	48.413	(3.607)
June	(3.607)	142.293 ⁽¹⁾	157.288 ⁽²⁾	(18.602)
July	(18.602)	123.021	49.036	55.383
August	55.383	36.321	58.615	33.089
September	33.089	28.648	58.766	2.971
October	2.971	38.956	67.931	(26.004)
November	(26.004)	212.644	50.829	135.811
December ⁽³⁾	135.811	<u>130.275</u>	<u>184.712</u> ⁽²⁾	81.374
		<u>\$965.851</u>	<u>\$941.459</u>	

Notes:

⁽¹⁾ \$46 million of CP were issued in May, and \$100 million of RANs were issued in June

⁽²⁾ \$46 million of CP were repaid in June, and \$100 million of RANs were repaid in December

⁽³⁾ Estimated.

CITY OF MILWAUKEE
SCHEDULE OF CASH AND INVESTMENT
BALANCES - ALL FUNDS
2011
(MILLIONS OF DOLLARS)

	General Fund ⁽¹⁾	Other Governmental Funds	Enterprise Funds	Trust and Agency Funds ⁽²⁾	Total
January	\$104.686	\$261.005	\$40.899	\$145.688	\$552.278
February	27.134	192.825	41.305	106.365	367.629
March	2.631	173.592	41.746	203.221	421.190
April	(23.517)	170.602	42.270	95.520	284.875
May	(3.607)	162.758	42.606	10.568	212.325
June	(18.602)	227.212	43.105	95.736	347.451
July	55.383	224.261	43.493	58.282	381.419
August	33.089	218.555	43.910	40.074	335.628
September	2.971	209.228	44.372	46.374	302.945
October	(26.004)	257.359	44.866	47.378	323.599
November	135.811	235.933	45.315	137.465	554.524
December (estimate)	81.374	215.476	46.201	425.808	768.859

⁽¹⁾ Balances include proceeds from the sale of the RANs and subsequent principal payment.

⁽²⁾ Agency Funds includes Milwaukee Public Schools.

This schedule excludes Cash & Investment balances for Housing Authority, Redevelopment Authority, Milwaukee Economic Development Corp., and the Neighborhood Improvement Development Corp.

CITY OF MILWAUKEE
 PROJECTED SCHEDULE OF CASH AND INVESTMENT
 BALANCES - ALL FUNDS
 2012
 (MILLIONS OF DOLLARS)

	General Fund ⁽¹⁾	Other Governmental Funds	Enterprise Funds	Trust and Agency Funds ⁽²⁾	Total
January	\$118.797	\$220.975	\$43.080	\$148.072	\$530.924
February	21.050	207.381	53.858	99.887	382.176
March	(16.657)	200.944	54.183	189.090	427.560
April	5.872	211.513	55.729	87.572	360.686
May	82.196	194.319	55.415	8.381	340.311
June	16.041	196.103	66.941	89.786	368.871
July	39.470	197.283	73.891	55.994	366.638
August	9.133	181.864	73.549	37.707	302.253
September	10.852	150.006	71.826	43.631	276.315
October	(0.470)	176.555	65.039	44.578	285.702
November	136.679	169.426	55.195	129.630	490.930
December	88.400	182.420	50.034	414.060	734.914

⁽¹⁾ Balances include proceeds from the sale of the RANs and subsequent principal payment.

⁽²⁾ Agency Funds includes Milwaukee Public Schools.

This schedule excludes Cash & Investment balances for Housing Authority, Redevelopment Authority, Milwaukee Economic Development Corp., and the Neighborhood Improvement Development Corp.

CITY OF MILWAUKEE
ASSESSED AND EQUALIZED VALUATIONS

	Year 2007 For 2008 Purposes	Year 2008 For 2009 Purposes	Year 2009 For 2010 Purposes	Year 2010 For 2011 Purposes	Year 2011 For 2012 Purposes
Real Property					
Residential	\$18,753,914,925	\$19,173,232,823	\$17,743,825,065	\$17,156,626,561	\$17,069,535,250
Industrial (Manufacturing)	726,692,200	772,959,900	732,007,800	732,279,700	746,955,100
Mercantile (Commercial)	8,950,205,395	9,483,547,328	9,485,580,238	9,202,213,459	9,191,348,932
Total Real Property	\$28,430,812,520	\$29,429,740,051	\$27,961,413,103	\$27,091,119,720	\$27,007,839,282
Personal Property	943,560,442	1,001,936,153	983,160,269	957,344,628	909,803,701
Total Assessed Valuations	\$29,374,372,962	\$30,431,676,204	\$28,944,573,372	\$28,048,464,348	\$27,917,642,983
Equalized Valuation as determined by the State Department of Taxation is the basis used in computing the 7% statutory debt limitation of the City of Milwaukee	\$31,887,192,100	\$32,257,525,000	\$31,266,329,200	\$29,520,783,200	\$27,954,669,900
Ratio of Assessed to Equalized Valuation	92.12%	94.34%	92.57%	95.01%	99.87%

CITY OF MILWAUKEE
ASSESSED TAX RATES
(Per \$1,000 of Assessed Valuation)

	2008	2009	2010	2011	2012
Unit of Government					
City Government	\$8.01	\$8.09	\$9.12	\$9.25	\$9.25
Milwaukee Public Schools	8.84	9.82	10.85	11.11	11.11
Milwaukee County	4.41	4.38	4.87	4.89	4.89
Milwaukee Area Technical College	1.92	1.94	2.02	1.95	1.95
Milwaukee Metropolitan Sewerage District	1.39	1.37	1.52	1.51	1.51
Gross Tax Rate Per \$1,000	\$24.57	\$25.60	\$28.38	\$28.71	\$28.71
Less: State Tax Credit	(\$1.43)	(\$1.57)	(\$1.81)	(\$1.81)	(\$1.81)
Net Tax Rate	\$23.14	\$24.03	\$26.57	\$26.90	\$26.90

CITY OF MILWAUKEE
PROPERTY TAX LEVIES AND COLLECTIONS
(\$ Amounts in Thousands)

Budget Year	Taxes Levied for the Fiscal Year			Cumulative Collected in Subsequent Years	
	Levy	Collections	% of Levy	Amount	% Collected
2006	\$261,685	\$255,823	97.76%	\$5,566	99.89%
2007	265,319	257,350	97.00	7,433	99.80
2008	286,180	277,119	96.83	7,830	99.57
2009	276,186	265,691	96.20	5,300	98.12
2010	291,943	281,099	96.29	0	96.29

COLLECTION PROCEDURES

If no payment of property taxes is received in January, the taxes become delinquent as of February 1st. If the taxes are not paid when due under the 10-month installment plan, they become delinquent for legal purposes on November 15th.

A letter is mailed to the taxpayer shortly after February 1st, telling of the delinquency and suggesting partial payments if full payment cannot be made. As directed by Chapter 74 of the Wisconsin Statutes interest at the rate of 1 percent per month is charged from the preceding January 1st. Periodic follow-up letters continue to be mailed.

Taxpayers are given every opportunity to pay their delinquent taxes and satisfactory agreements are arranged to bring this about. If a property owner continues to remain delinquent and the Treasurer's Office is unable to reach an arrangement by which the owner will pay the taxes, the Treasurer's Office starts foreclosure proceedings. The City enforces its own delinquent tax collections.

Taxes are foreclosed under Section 75.521 of the Wisconsin Statutes, which permits a legal action to be commenced one year from the date of delinquency. An exception to this provision is that legal action on owner occupied dwellings may be deferred up to two years if authorized by Common Council action.

The rate of current tax collections continues at an historically high level. Current collections for 2010 were approximately 96.3% percent of the total tax levied.

INSURANCE

The City has property insurance with the State of Wisconsin Local Government Property Insurance Fund. This insurance is subject to a \$25,000 deductible. The City is uninsured for liability. Under Wisconsin law, the City's exposure in tort liability is limited to \$50,000 in non-automobile cases and \$250,000 in automobile cases. The City does carry a wharfinger's liability policy on its port with coverage up to \$10 million and a deductible of \$500,000. The City follows a policy of requiring contract service providers to provide the City with indemnification and insurance as may be deemed appropriate by the City.

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PENSION SYSTEM SUMMARY

EMPLOYEES' RETIREMENT SYSTEM

The Employees' Retirement System ("ERS") of the City is established pursuant to Section 36 of the Milwaukee City Charter. Membership in the ERS includes some classes of part-time employees, all full-time employees, and elected officials.

ERS Membership
As of December 31, 2010

<u>Class</u>	<u>Vested</u>	<u>Non-Vested</u>	<u>Inactive</u>	<u>Retired</u>
General & Elected	6,807	1,572		8,160
Police	1,711	275		2,182
Firefighters	793	89		1,200
Certain pre-1996				26
Total	9,311	1,936	4,158	11,568

Source: Table 5 of the Actuarial Valuation Report as of January 1, 2011.

The primary benefit of the ERS is a defined benefit plan with eligible employees earning a Retirement Allowance for each year of service. Funding for the ERS is derived from Member and actuarially required employer contributions. Current Retirement Allowance accrual rates and Member contributions to the system (expressed as a percentage of compensation) are as follows:

Basic Benefit Accrual Rates and Member Contributions

<u>Class</u>	<u>Retirement Allowance</u>	<u>Maximum Allowance</u>	<u>Member * Contribution</u>
General, and Mayor	2.0%	70%	5.5%
Elected Officials, excluding the Mayor	2.5%	None	7.0%
Police	2.5%	90%	7.0%
Firefighters	2.5%	90%	7.0%

* For employees hired prior to January 1, 2010, in addition to paying the actuarially required employer contribution, the City makes the Member contribution on behalf of the employee. 2011 Wisconsin Act 10 provides that all state and local public employees make an employee contribution, except as otherwise provided under collective bargaining agreements. The City Attorney and independent outside counsel have advised the City that the City's Home Rule status, a 2000 Global Pension Settlement, and prior state statutes, created contractual pension rights for City employees which super cede the employee contribution requirement of 2011 Wisconsin Act 10. As a result, the City has continued to make the Member contribution on behalf of City employees hired prior to 2010.

Schedule of Funding Progress
(\$ amounts in thousands)

<u>Valuation</u> As of <u>Dec 31</u>	<u>Actuarial</u> Value of <u>Assets</u>	<u>Actuarial</u> Accrued Liability <u>(AAL)</u>	<u>Unfunded</u> AAL <u>(UAAL)</u>	<u>Funded</u> <u>Ratio</u>	<u>Covered</u> <u>Payroll</u>	<u>UAAL as a</u> Percentage of Covered <u>Payroll</u>
2010	\$4,641,425	\$4,447,548	\$ -	104.4%	\$538,218	0.0%
2009	4,814,402	4,269,324	-	112.8	553,846	0.0
2008	4,076,297	4,113,089	36,792	99.1	536,558	6.9
2007	5,192,000	3,958,061	-	131.2	532,412	0.0
2006	4,899,721	3,846,481	-	127.4	528,854	0.0

Schedule of Employer Contributions
(\$ amounts in thousands)

Year Ended <u>Dec 31</u>	Annual Actuarially <u>Required Contribution</u>	Percentage <u>Contributed</u>
2010	\$1,450	0%
2009	60,098	100%
2008	-	n/a
2007	-	n/a
2006	-	n/a

Source: Tables 11a and 11b of the Actuarial Valuation Report as of January 1, 2011.

Actuarial Assumptions and Methods include:

Actuarial Cost Method: Projected Unit Credit

Amortization Method: Closed; Level Percent of Pay; Pay assumed to grow 3% per year

Remaining Amortization Period: 23 years

Asset Valuation Method: 5-year smoothed market, 20% corridor

Investment Rate of Return: 8.5% average

Projected Salary Increases: General: 3.5-8.5%; Police and Fire: 4.0-15.4%

Inflation Assumption: 3.0%

Cost of Living Adjustments: Varies by Employee Class

For more information about the ERS, details on plan benefits, and for copies of their financial and actuarial reports, you can visit their website at: <http://www.cmers.com>

FIREMEN’S ANNUITY AND BENEFIT FUND

The Firemen’s Annuity and Benefit Fund was established in 1923 pursuant to Chapter 423 of the 1923 Laws of Wisconsin. In 1947, the Firemen’s Annuity and Benefit Fund was closed to new entrants. The final pre-1947 member retired in 1989. There are approximately 60 members or their spouses currently receiving benefits under the Fund program.

The Principal Mutual Life Insurance Company made a proposal to provide annuities guaranteeing benefit payments to members and spouses, exclusive of duty disability benefits, beginning in February 1990 in consideration of a single premium payment on January 31, 1990, in the amount of \$20,419,207. The Retirement Board of the Firemen’s Annuity and Benefit Fund and the Common Council authorized acceptance of the proposal and payment of the required premium on December 19, 1989. The Retirement Board ceased its activities and the Firemen’s Annuity and Benefits Fund was dissolved. The City will be liable to pay retirement benefits if the insurance company defaults on its obligations under the annuity policy. The estimated value of those benefits is under \$3,000,000.

POLICEMEN’S ANNUITY AND BENEFIT FUND

Membership in the Policemen’s Annuity and Benefit Fund consists of all Police Department employees whose service commenced prior to July 29, 1947. As of December 31, 2010 there were 25 members and 56 spouses.

Current funding is derived from employer contributions. Chapter 35 of the City Charter provides that annual contributions consist of: 1) an amount sufficient to amortize the unfunded actuarial liability over a ten-year period with a series of level dollar payments; and 2) budgeted administrative expenses for the year.

Schedule of Funding and Contributions

<u>Dec 31</u>	Actuarial Value of <u>Assets</u>	Actuarial Accrued <u>Liability</u>	Unfunded AAL (<u>UAAL</u>)	Funded <u>Ratio</u>	Annual Required <u>Contribution</u>	Percent <u>Contributed</u>
2010	\$1,584,173	\$2,945,917	\$1,361,744	53.8%	\$268,667	100%
2009	1,935,745	3,686,621	1,750,876	52.5	329,672	100
2008	2,147,172	4,295,606	2,148,434	50.0	41,423	100
2007	4,779,417	5,049,363	269,946	94.7	56,972	100
2006	5,585,697	5,956,676	371,279	93.8	307,582	100

Source: Table 2 of the Actuarial Valuation Report as of January 1, 2011, and as of January 1, 2010.

OTHER POST-EMPLOYMENT BENEFITS

The City provides other post-employment benefits (OPEB) to its retirees for health and life insurance. A single-employer defined benefit healthcare plan and life insurance plan are sponsored by the City and administered by the Employees' Retirement System (ERS). The City provides medical insurance benefits for substantially all retirees. Retiree coverage begins at age 55 with at least 15 years of service for General City employees, at any age with at least 25 years of service for Police employees, and at age 49 with at least 22 years of service for Fire employees. In addition, the City allows employees to continue life insurance coverage under the Group Life Insurance Plan offered to active employees.

Until age 65, for retirees with at least 15 years of creditable service, the majority of the cost of the health benefit plan is paid by the City. After attaining the age of 65, and having completed a minimum of 15 years of creditable service, the City pays 25% of the applicable HMO premium, or 25% of the base rate (0% of the major medical rate) of the City's Basic Plan.

Eligible retirees are able to continue coverage under the City's group life insurance plan, and pay the same rate as active employees. The rates established are group rates applied consistently to all employees, without regard to age or health. Upon reaching age 65, their coverage will be reduced in accordance with a reduction schedule, with the City assuming all future premiums.

The required contribution for medical and life insurance for retirees is based upon pay-as-you-go financing. Medical benefits provided through the basic health care plan are self-insured. For 2010, the City paid approximately \$32.9 million and \$1.2 million, respectively, towards medical and life insurance for retirees.

Because the actuarial cost of health benefits and life insurance for retirees exceeds the average amount paid by retirees, the additional cost is paid by the City and is the basis for the OPEB obligation account for under GASB 45.

Funding Status and Funding Progress

Annual Required Contribution (ARC)	\$80,498,000
Interest on Net OPEB	5,373,000
Adjustment to ARC	<u>(4,560,000)</u>
Annual OPEB Cost	81,311,000
Contributions Made	<u>34,025,000</u>
Increase in net OPEB Obligation	47,286,000
Net OPEB Obligation – beginning of year	<u>127,074,000</u>
Net OPEB Obligation – end of year	<u>\$174,360,000</u>

Source: City's 2010 CAFR

Annual Cost and Net OPEB Liability

Year Ended <u>Dec 31</u>	Annual <u>OPEB Cost</u>	Percentage of Annual OPEB <u>Cost Contributed</u>	Net OPEB <u>Obligation</u>
2010	\$81,311,000	45.0%	\$174,360,000
2009	77,389,000	37.1	127,074,000
2008	73,100,000	45.0	78,400,000
2007	67,600,000	43.5	38,200,000

Source: City's 2010 and 2009 CAFRs

Schedule of Funding Progress

(\$ amounts in thousands)

Valuation As of <u>Dec 31</u>	Actuarial Value of <u>Assets</u>	Actuarial Accrued Liability <u>(AAL)</u>	Unfunded AAL <u>(UAAL)</u>	Funded <u>Ratio</u>	Covered <u>Payroll</u>	UAAL as a Percentage of Covered <u>Payroll</u>
2009	\$ 0	\$1,007,573	\$1,007,573	0.0%	\$413,648	244%
2008	0	959,562	959,562	0.0	419,811	229
July 2008	0	880,700	880,700	0.0	425,400	207
2006	0	806,300	806,300	0.0	412,700	195

Source: City's 2010, 2009, 2008, and 2007 CAFRs

Actuarial Assumptions and Methods include:

The retiree healthcare valuation was based on the projected unit credit (PUC) cost method. The PUC method produces an explicit normal cost and actuarial accrued liability. The normal cost and actuarial accrued liability are directly proportional to the employee's service. That is, the normal cost equals the present value of future benefits divided by projected service at retirement, and the actuarial accrued liability equals the present value of benefits multiplied by the ratio of service at valuation date to projected service at retirement. Depending on the demographic characteristics of the current group and new entrants in the future, this method could produce stable annual costs, in the aggregate, when expressed as a percentage of pay.

The OPEB valuation uses a discount rate assumption of 4.5% based on the City's projected short-term investment rate of return. The healthcare cost trends rate is 9% initially, and reduced by decrements to the ultimate rate of 4.5% after 10 years. The actuarial assumption for wage inflation is 3.5%. The amortization of the unfunded actuarial accrued liability is based on a level percentage of pay over a 30-year open amortization period.

LEGAL MATTERS

LITIGATION STATEMENT

The City, its boards, officers and employees, have been defendants in numerous lawsuits over the years. Experience has shown that a relatively small number of suits commenced are reduced to judgment. The City does not carry a blanket policy of insurance against tort liability. In addition, Section 893.80 of the Wisconsin Statutes limits the amount recoverable against a political corporation, its officers, officials or employees for acts done in their official capacity to \$50,000 in tort liability for non-automobile cases and \$250,000 in automobile cases.

The City Attorney's office has reviewed the status of pending or threatened litigation, claims and assessments to which the office has devoted substantive attention in the form of legal consultation or representation and which individually represent maximum potential loss exposure in excess of \$1 million, existing on March 26, 2012.

Amoco Oil, et al. v. City of Milwaukee. Amoco, BP, Marathon, and US Oil are contesting the property tax assessments of their contiguous oil terminals. They allege that the City's inclusion of the value of certain through-put contracts is contrary to law and that a tax refund is warranted. The City asserts that the inclusion of the value of these contracts in the assessments is consistent with the law because they run with the property. Following the June 2011 lifting of

the stay imposed during the pendency of *Metropolitan Associates v. City of Milwaukee*, (plaintiff successfully challenged the validity of 2008 amendments to § 74.37 of the Wisconsin Statutes that would have been favorable to the City in future tax cases), four separate cases have been consolidated in Judge Moroney's court for trial on December 12, 2012. In addition, following the lifting of the stay, each of the terminals was permitted to add tax years 2009 and 2010 to the original claim for tax year 2008. Approximately \$3.9 million of property taxes are being disputed.

Section 74.37 Litigation. Several plaintiffs have brought a series of a dozen or so similar lawsuits against the City for the refund of allegedly excessive property taxes on various commercial properties such as apartment buildings and pharmacies. The first of these lawsuits was brought in 2009 for the 2008 tax year. All of these cases were stayed by the Chief Judge for Milwaukee County Circuit Court pending the Wisconsin Supreme Court's resolution of the case of *Metropolitan Associates v. City of Milwaukee*. With the resolution of that case, the stay was lifted in June of 2011. The 2009 and 2010 tax years have now been added to most of these cases. Circuit Court branches have begun to issue scheduling orders that will result in these cases progressing to adjudication beginning about the middle of 2012. In addition, a dozen new lawsuits were filed in the second half of 2011 for tax year 2010. These cases are also moving toward adjudication in 2012 and 2013. Appeals by the losing party are likely in many of these cases. The city estimates that up to \$7.3 million of property taxes are being disputed.

William Avery, et al. v. City of Milwaukee, et al. In this 2011 civil rights action, the plaintiffs claim that William Avery was wrongly convicted in 2005 of the 1998 murder of a woman. Avery spent six years in prison until DNA testing in 2010 linked the murder victim to another individual who has been convicted of murdering a number of other women. Avery claims that Milwaukee police officers unconstitutionally withheld exculpatory evidence and coerced false statements from witnesses. Avery also claims that supervisors in the police department permitted such alleged misconduct to occur as a matter of practice. The parties are in the early stages of discovery in the matter. The defendants plan to file a dispositive motion asking the court to dismiss the action.

Chaunte Ott v. City of Milwaukee, et al. In this 2009 civil rights action, Ott claims that he was wrongly convicted in 1996 of the 1995 murder of a girl. Ott spent 13 years in prison until recent DNA testing linked the murder victim to another individual. Ott claims that Milwaukee police officers unconstitutionally withheld exculpatory evidence and coerced false statements from witnesses. Ott also claims that supervisory individuals in the department permitted such alleged misconduct to occur as a matter of practice. The matter is still in the discovery stage. Defendants plan to file a dispositive motion asking the court to dismiss the case.

LEGAL OPINIONS

The legal opinions of Katten Muchin Rosenman LLP, Chicago, Illinois, and Hurtado, S.C., Wauwatosa, Wisconsin, Bond Counsel to the City, will be delivered to the purchasers of the Notes. The form of the legal opinions for the Notes is included herein as Appendix B.

RATINGS

As of the date of this Offering Memorandum, the following ratings have been assigned to the Notes:

Rating Agency

- [] Fitch Ratings
- [] Moody's Investors Service, Inc.
- [] Standard & Poor's Ratings Services

Generally, a rating addresses the likelihood of full and timely payment of principal and interest and does not address the remoteness of an extension of the maturity date. The ratings, when issued, reflect only the views of the respective rating service. Any explanation of the significance of a rating on the Notes may only be obtained from the rating service giving the rating. No one can offer any assurance that a rating will be maintained for any period of time; a rating service may lower or withdraw the rating if in its judgment circumstances so warrant. Any downgrade or withdrawal of a rating may adversely affect the market price of the Notes.

TAX MATTERS

[to be inserted]

CONTINUING DISCLOSURE

In order to assist the Dealers in complying with SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission (the “Commission”), pursuant to the Securities Exchange Act of 1934 (the “Rule”), the City shall covenant pursuant to a resolution adopted by the [Governing Body] [what Governing Body? Not a defined term; REPLACE with Common Council?] of the City to enter into an undertaking (the “Undertaking”) for the benefit of holders including beneficial holders of the Notes to provide certain financial information and operating data relating to the City annually to the Municipal Securities Rulemaking Board (the “MSRB”), and to provide notices of the occurrence of certain events enumerated in the Rule electronically or in the manner otherwise prescribed by the MSRB to the MSRB. The MSRB has designated its Electronic Municipal Market Access (“EMMA”) system as the system to be used for continuing disclosures to investors. The details and terms of the Undertaking, as well as the information to be contained in the annual report or the notices of material events, are set forth in the Continuing Disclosure Certificate to be executed and delivered by the City at the time the initial Series of Notes are delivered. Such Certificate will be in substantially the form attached hereto as Appendix C. The City intends to fully comply with the Undertaking relating to the Notes.

Continuing disclosure undertakings entered into prior to August of 2003 required that the City provide Annual Financial Information (AFI) within six months of the end of each fiscal year. Each of the City’s continuing disclosure undertakings since August of 2003 have required filing AFI within nine months of the end of the fiscal year. While the City has consistently filed AFI within nine months, it has not proven feasible to do so within six months. In each of the last five years, AFI was not available within the six-month requirement and the City filed notices to that effect as required under the pre-August 2003 continuing disclosure undertakings. In the future, the City anticipates continuing to file AFI subsequent to the six month deadline and expects to file required notices of failure to file AFI before June 30 of each year. The City has complied in all material respects with all continuing disclosure undertakings entered into since August of 2003.

A failure by the City to comply with the Undertaking will not constitute an event of default on the Notes (although holders will have the right to obtain specific performance of the obligations under the Undertaking). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Notes in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

FINANCIAL ADVISOR

Robert W. Baird & Co. has been retained as Financial Advisor to the City in connection with the issuance of the Notes.

DEALERS

The City has appointed Merrill Lynch, Pierce, Fenner & Smith Incorporated (an indirect wholly-owned subsidiary of the Bank of America Corporation), Morgan Stanley & Co. LLC and Loop Capital Markets, LLC (the “Dealers”) to serve as dealers for the Notes. Under Dealer Agreements, dated as of [], 2012, by and between the City and each Dealer, the Dealers have no commitment to purchase any of the Notes, but are obligated only to use best efforts as agents of the City to solicit and arrange sales of the Notes on behalf of the City. Inquiries to the Dealers may be directed to the following:

<i>Contact:</i>	Merrill Lynch, Pierce, Fenner & Smith Incorporated c/o Bank of America Merrill Lynch Attn: Municipal Money Markets	Morgan Stanley & Co. LLC Attn: William Mack	Loop Capital Markets, LLC Attn: Clarence Bourne
<i>Address:</i>	One Bryant Place, FLR 9 New York, NY 10036	440 S. LaSalle Street, 37 th Floor Chicago, IL 60606	200 W. Jackson Street Chicago, IL 60606
<i>Phone:</i>	(212) 449-5544	(312) 291-5753	(312) 356-5009
<i>E-Mail:</i>	dg.temm@baml.com	William.mack@morganstanley.com	clarenceb@loopcap.com

REPRESENTATIONS OF THE CITY

To the best of its knowledge, the information in this Offering Memorandum does not include any untrue statement of a material fact, nor does the information omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

ADDITIONAL INFORMATION AND DOCUMENTS INCORPORATED BY REFERENCE

Additional information may be obtained from the undersigned **Deputy** City Comptroller upon request.

Michael J. Daun, Deputy City Comptroller
City of Milwaukee, Public Debt Commission
City Hall, Room 404
200 East Wells Street
Milwaukee, Wisconsin 53202
(414) 286-3321

/s/

Michael J. Daun
Deputy City Comptroller and Secretary
City of Milwaukee, Wisconsin

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{PLACEHOLDER}

APPENDIX A

**Audited Annual Financial Report of
the City of Milwaukee, Wisconsin
for the Year Ended December 31, 2010**

Selected Sections

The complete Comprehensive Annual Financial Report
can be downloaded at the City Comptroller's web page at:

www.milwaukee.gov

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APPENDIX B

Form of Legal Opinions

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APPENDIX C

Master Continuing Disclosure Certificate

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APPENDIX D

[Summary of] [or Form of] Indenture



City of Milwaukee Fiscal Impact Statement

A **Date** 3/9/2011 **File Number** _____ **Original** **Substitute**

Subject Resolution approving the form of the Preliminary Official Statement used in connection with the sale of Note Anticipation Commercial Paper Notes. (Comptroller).

B **Submitted By (Name/Title/Dept./Ext.)** Richard Li, Public Debt Specialist, Comptroller, x2319

C **This File**

- Increases or decreases previously authorized expenditures.
- Suspends expenditure authority.
- Increases or decreases city services.
- Authorizes a department to administer a program affecting the city's fiscal liability.
- Increases or decreases revenue.
- Requests an amendment to the salary or positions ordinance.
- Authorizes borrowing and related debt service.
- Authorizes contingent borrowing (authority only).
- Authorizes the expenditure of funds not authorized in adopted City Budget.

D **Charge To**

- Department Account
- Capital Projects Fund
- Debt Service
- Other (Specify) _____
- Contingent Fund
- Special Purpose Accounts
- Grant & Aid Accounts

	Purpose	Specify Type/Use	Expenditure	Revenue
E	Salaries/Wages		\$0.00	\$0.00
			\$0.00	\$0.00
	Supplies/Materials		\$0.00	\$0.00
			\$0.00	\$0.00
	Equipment		\$0.00	\$0.00
			\$0.00	\$0.00
	Services		\$0.00	\$0.00
			\$0.00	\$0.00
	Other		\$0.00	\$0.00
			\$0.00	\$0.00
	TOTALS		\$ 0.00	\$ 0.00

F

Assumptions used in arriving at fiscal estimate. _____

G

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

- | | | |
|------------------------------------|------------------------------------|-------|
| <input type="checkbox"/> 1-3 Years | <input type="checkbox"/> 3-5 Years | _____ |
| <input type="checkbox"/> 1-3 Years | <input type="checkbox"/> 3-5 Years | _____ |
| <input type="checkbox"/> 1-3 Years | <input type="checkbox"/> 3-5 Years | _____ |

H

List any costs not included in Sections D and E above. _____

I

Additional information. This resolution has no fiscal impact.

J

This Note Was requested by committee chair.



Legislation Details (With Text)

File #: 110454 **Version:** 1

Type: Resolution **Status:** In Committee

File created: 7/26/2011 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: Substitute resolution authorizing attendance at conventions, seminars and other travel.

Sponsors: THE CHAIR

Indexes: CONVENTIONS, SEMINARS

Attachments:

Date	Ver.	Action By	Action	Result	Tally
7/26/2011	0	COMMON COUNCIL	ASSIGNED TO		
11/18/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
11/18/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
11/23/2011	0	FINANCE & PERSONNEL COMMITTEE	HELD TO CALL OF THE CHAIR	Pass	5:0
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
110454
Version
Substitute 1
Reference

Sponsor
THE CHAIR
Title
Substitute resolution authorizing attendance at conventions, seminars and other travel.

Body
Resolved, By the Common Council of the City of Milwaukee, that attendance of the following person (s) at the following convention(s) and/or seminar(s) is approved, to be paid from departmental budgeted funds, such travel and reimbursement to be in accordance with policy guidelines set forth in 350-181 of the Milwaukee Code of Ordinances:

1. One member of the Common Council; "REcon 2012 Global Retail Real Estate Convention"; May 20-23, 2012; Las Vegas, NV; \$3000.00.

; and, be it

Further Resolved, That the dollar amount shown for each authorized convention, seminar and other travel listed above is simply an ESTIMATE of the convention, seminar and other travel attendance expenses anticipated to be paid or reimbursed by the city, and is primarily included to facilitate the making of the necessary dollar advances for such purposes; and, be it

Further Resolved, That ACTUAL city payment (or reimbursement) for convention, seminar and other travel expenses incurred and reported by the attendee, reporting requirements, control procedures, etc., shall be in accordance with the Authorized Travel Regulations and Procedures Ordinance of the Milwaukee Code of Ordinances.

Further Resolved, That the Common Council President is authorized to attend any of the above conventions that he deems necessary and advisable, to be paid from funds budgeted under section 304-13, Milwaukee Code.

Drafter
City Clerk's Office
tb
4/2/12



Legislation Details (With Text)

File #: 111592 **Version:** 0
Type: Ordinance **Status:** In Committee
File created: 3/20/2012 **In control:** FINANCE & PERSONNEL COMMITTEE
On agenda: **Final action:**

Effective date:
Title: An ordinance to further amend the 2012 rates of pay of offices and positions in the City Service.

Sponsors: THE CHAIR
Indexes: SALARY ORDINANCE

Attachments:

Date	Ver.	Action By	Action	Result	Tally
3/20/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number

111592

Version

ORIGINAL

Reference

110440

Sponsor

THE CHAIR

Title

An ordinance to further amend the 2012 rates of pay of offices and positions in the City Service.

Drafter

City Clerk

TB:dkf

3/15/12

..Number

111592

..Version

Substitute 1

..Reference

110440

..Sponsor

THE CHAIR

..Title

A substitute ordinance to further amend the 2012 rates of pay of offices and positions in the City Service.

..Analysis

This substitute ordinance changes the rates of pay in the following departments:

All Departments

..Body

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Part 1, Section 1 of ordinance File Number 110440 relative to rates of pay of offices and positions in the City Service is hereby amended as follows:

Under Pay Range 1EX, add the title “Public Health Laboratory Operations Manager (2)” and create footnote “(2)” to read as follows: “Recruitment may be up to the midpoint of the range with the approval of Employee Relations.”

Under Pay Range 1IX, delete the title “Public Works Personnel Administrator”; delete the title “Chief Microbiologist”; and delete the title “Chief Molecular Scientist”.

Under Pay Range 1JX, add the title “Public Health Deputy Laboratory Director”.

Under Pay Range 1KX, add the title “Public Works Personnel and Compliance Manager”.

Part 2. Part 1, Section 2 of ordinance File Number 110440 relative to rates of pay of offices and positions in the City Service is hereby amended as follows:

Under Pay Range 2AN, amend footnote “(4)” to read as follows: “Employees represented by the Association of Law Enforcement Allied Services Personnel to be paid in the following range effective Pay Period 1, 2006: \$1,337.55 to \$1,480.14. In addition, above employees eligible for the Clerical Merit Increment shall be paid the following biweekly rates effective Pay Period 1, 2006: \$1,517.39, \$1,559.60 and \$1,604.86.”

Under Pay Range 2BN, amend footnote “(6)” to read as follows: “Employees represented by the Association of Law Enforcement Allied Services Personnel to be paid in the following range effective Pay Period 1, 2006: \$1,545.82 to \$1,757.50.”

Under Pay Range 2EN, add the title “Media Producer” with the footnote designation “10”.

Under Pay Range 2IN, add the title “Bicycle and Pedestrian Coordinator (2)”.

Part 3. Part 1, Section 3 of ordinance File Number 110440 relative to rates of pay of offices and positions in the City Service is hereby amended as follows:

Under Pay Range 3BN, amend footnote “(4)” to read as follows: “Employees represented by the Association of Law Enforcement Allied Services Personnel to be paid in the following range effective Pay Period 1, 2006: \$1,281.75 to \$1,412.22. In addition, above employees eligible for the Clerical Merit Increment shall be paid the following biweekly rates effective Pay Period 1, 2006: \$1,445.31 and \$1,480.14” and amend footnote “(5)” to read as follows: “Employees represented by the Association of Law Enforcement Allied Services Personnel to be paid in the following range effective Pay Period 1, 2006: of \$1,255.67 to \$1,380.42 biweekly.”

Under Pay Range 3CN, amend footnote “(2)” to read as follows: “Employees represented by the Association of Law Enforcement Allied Services Personnel to be paid in the following range effective Pay Period 1, 2006: \$1,337.55 to \$1,480.14. In addition, above employees eligible for the Clerical Merit Increment shall be paid the following biweekly rates effective Pay Period 1, 2006: \$1,517.39, \$1,559.60 and \$1,604.86.”

Under Pay Ranges 3HN, 3LN and 3NN, amend footnotes that currently provide pay steps for emergency or temporary appointments in the Department of Public Works by adding the following language: “The appointment shall be at a pay rate that is at least \$10 more biweekly than the employee was receiving. An employee who reaches 2080 hours of work in at a pay rate shall advance to the next higher rate.”

Under Pay Range 3NN, delete the title “Bicycle and Pedestrian Coordinator”.

Part 4. Part 1, Section 5 of ordinance File Number 110440 relative to rates of pay of offices and positions in the City Service is hereby amended as follows:

Under Pay Range 5EN, amend footnote “(1)” to read as follows: “Employees represented by the Association of Law Enforcement Allied Services Personnel to be paid in the following range effective Pay Period 1, 2006: \$1,431.59 to \$1,604.42” and amend footnote “(5)” to read as follows: “Employees represented by the Association of Law Enforcement Allied Services Personnel to be paid in the following range effective Pay Period 1, 2006: \$1,461.60 to \$1,717.60.”

Part 4. Part 1, Section 6 of ordinance File Number 110440 relative to rates of pay of offices and positions in the City Service is hereby amended as follows:

Under Pay Range 6CN, amend footnote “(1)” to read as follows: “Employees represented by the Association of Law Enforcement Allied Services Personnel to be paid in the following range effective Pay Period 1, 2006: \$929.78 to \$1,163.56.”

Under Pay Range 6DN, amend footnote “(1)” to read as follows: “Employees represented by the Association of Law Enforcement Allied Services Personnel to be paid in the following range effective Pay Period 1, 2006: \$1,036.19 to \$1,217.86.”

Under Pay Range 6EN, amend footnote “(3)” to read as follows: “Positions assigned to Police District Stations and represented by the Association of Law Enforcement Allied Services Personnel to be paid in the following range effective Pay Period 1, 2006: \$1,079.36 to \$1,256.79. In addition above employees eligible for the clerical merit program shall be paid the following biweekly rate effective Pay Period 1, 2006: \$1,296.61.

Positions assigned to Police District Stations and represented by the Association of Law Enforcement Allied Services Personnel are eligible to receive two additional increment effective Pay Period 1, 2006 consisting of \$1,283.25 and \$1,326.44 biweekly.”

Under Pay Range 6EN, amend footnote “(4)” to read as follows: “Employees assigned to the Milwaukee Police Department's "Transcription Unit" and represented by the Association of Law Enforcement Allied Services Personnel to be paid in the following range effective Pay Period 1, 2006: \$1,079.36 to \$1,256.79.

Employees assigned to the Milwaukee Police Department's "Transcription Unit" and represented by the Association of Law Enforcement Allied Services Personnel are eligible to receive two additional pay steps effective Pay Period 1, 2006 consisting of \$1,283.25 and \$1,326.44 biweekly.”

Under Pay Range 6EN, amend footnote “(5)” to read as follows: “Office Assistant II positions represented by the Association of Law Enforcement Allied Services Personnel to be paid in the following range effective Pay Period 1, 2006: \$1,079.36 to \$1,270.12. In addition above employees eligible for the clerical merit program shall be paid the following biweekly rate effective Pay Period 1, 2006: \$1,296.61.

Office Assistant II positions filled by Margaret Hall or Susan Leavy, represented by the Association of Law Enforcement Allied Services Personnel and assigned to perform the same duties, as determined by the Chief, as those they performed when they were assigned to the Stolen Vehicle Desk, shall be paid at the following rates effective Pay Period 1, 2006: \$1,079.36, \$1,103.87, \$1,150.26, \$1,176.04, \$1,201.77, \$1,227.49, \$1,256.79 so long as they continue to perform such duties. No other Office Assistant II shall be eligible for such rates.

Office Assistant II positions filled by Margaret Hall or Susan Leavy, represented by the Association of Law Enforcement Allied Services Personnel and assigned to perform the same duties, as determined by the Chief, as those they performed when they were assigned to the Stolen Vehicle Desk, are eligible to receive two additional pay steps effective Pay Period 1, 2006 consisting of \$1,283.25 and \$1,326.44 biweekly, so long as they continue to perform such duties. No other Office Assistant II shall be eligible for the additional steps.”

Under Pay Range 6FN, add the title “Office Clerk III”.

Under Pay Range 6HN, add the title “Office Clerk IV.”

Under Pay Ranges 6IN and 6KN, amend footnotes that currently provide pay steps for emergency or temporary appointments in the Department of Public Works by adding the following language: “The appointment shall be at a pay rate that is at least \$10 more

biweekly than the employee was receiving. An employee who reaches 2080 hours of work in at a pay rate shall advance to the next higher rate.”

Under Pay Range 6NN, amend footnote “(3)” to read as follows: “Employees represented by the Association of Law Enforcement Allied Services Personnel to be paid in the following range effective Pay Period 1, 2006: \$1,365.03 to \$1,821.54.”

Part 5. Part 1, Section 7 of ordinance File Number 110440 relative to rates of pay of offices and positions in the City Service is hereby amended as follows:

Under Pay Ranges 7CN, 7EN, 7FN, 7GN, 7HN and 7IN, amend footnotes that currently provide pay steps for emergency or temporary appointments in the Department of Public Works by adding the following language: “The appointment shall be at a pay rate that is at least \$10 more biweekly than the employee was receiving. An employee who reaches 2080 hours of work in at a pay rate shall advance to the next higher rate.”

Under Pay Range 7FN, amend footnote “(6)” to read as follows: “Employees represented by the Association of Law Enforcement Allied Services Personnel to be paid in the following range effective Pay Period 1, 2006: \$1,515.69 to \$1,705.24.”

Part 6. Part 1, Section 8 of ordinance File Number 110440 relative to rates of pay of offices and positions in the City Service is hereby amended as follows:

Under Pay Ranges 8EN, 8FN, 8GN, 8HN, 8IN, 8JN and 8KN, amend footnotes that currently provide pay steps for emergency or temporary appointments in the Department of Public Works by adding the following language: “The appointment shall be at a pay rate that is at least \$10 more biweekly than the employee was receiving. An employee who reaches 2080 hours of work in at a pay rate shall advance to the next higher rate.”

Part 7. Part II of ordinance File Number 110440 relative to rates of pay of offices and positions in the City Service is hereby amended as follows:

See attachment "Part II of Salary Ordinance REVISED".

Part 8. All ordinances or parts of ordinances contravening the provisions of this ordinance are hereby repealed.

The provisions of all parts of this ordinance are deemed to be in force and effect from and after its passage and publication.

Part 9. This ordinance will take effect and be in force from and after its passage and publication.

..Drafter
City Clerk's Office
tb
4-4-12



Legislation Details (With Text)

File #: 111593 **Version:** 1

Type: Ordinance **Status:** In Committee

File created: 3/20/2012 **In control:** FINANCE & PERSONNEL COMMITTEE

On agenda: **Final action:**

Effective date:

Title: A substitute ordinance to further amend the 2012 offices and positions in the City Service.

Sponsors: THE CHAIR

Indexes: POSITIONS ORDINANCE

Attachments: Administrative Changes Requested by DER, Administrative Change Requested by Assessor's Office, Administrative Changes Requested by Budget and Management Div

Date	Ver.	Action By	Action	Result	Tally
3/20/2012	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111593

Version
Substitute 1
Reference

110441
Sponsor
THE CHAIR

Title
A substitute ordinance to further amend the 2012 offices and positions in the City Service.

Analysis
This substitute ordinance changes the rates of pay in the following departments:

Assessor's Office, Employees' Retirement System, Fire Department, Health Department, Department of Neighborhood Services, Police Department, Department of Public Works

Body
The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Part 1, Section of ordinance File Number 110441 relative to rates of pay of offices and positions in the City Service is hereby amended as follows:

Under "Assessor's Office, Real Property", delete three positions of "Supervising Assessor Assistant" and add three positions of "Assessment Division Manager".

Under “Employes’ Retirement System, Membership Services”, delete eight positions of “Board Member (Y)” and add eight positions of “Member, ERS Annuity and Pension Board (Y)”.

Under “Fire Department, Support Services Bureau Decision Unit, Administration Division”, eliminate one position of “Office Assistant III”. Under “Support Services Bureau Decision Unit, Technical Services Division”, add one position of “Database Specialist” and under “Support Services Bureau Decision Unit, UASI Grant (B)”, add one position of “Battalion Chief, Fire (B)” and delete one position of “Homeland Security Preparedness Chief (B)”. Under “Firefighting Division Decision Unit”, add one position of “Fire Lieutenant”. Under “Paramedic Service, delete one position of “Paramedic Field Lieutenant (C)(I)/Fire Paramedic Field Lieutenant (C)(I)”.

Under “Health Department, Disease Control and Environmental Health Services Division, Microbiological Division”, delete one position of “Chief Microbiologist (Y)” and add one position of “Public Health Laboratory Operations Manager (Y)”. Under “Disease Control and Environmental Health Services Division, Virological Division, delete one position of “Chief Molecular Scientist (Y)” and add one position of “Public Health Deputy Laboratory Director (Y)”.

Under “Department of Neighborhood Services, Plumbing Inspection Section”, delete three positions of “Sprinkler Inspector II (X)” and add three positions of “Sprinkler Construction Inspector II (X)”

Under “Police Department, Administrative Services Decision Unit, Training Division, Audio Visual Section”, delete one position of “Audiovisual Specialist II” and add one position of “Media Producer”. Under “Administrative Services Decision Unit, Records Management Section”, delete one position of “Microfilm Technician I” and add one position of “Microfilm Technician”. Under “Administrative Services Decision Unit, Identification Division”, delete thirty-seven positions of “Identification Technician” and add thirty-seven positions of “Forensic Investigator”. Under “Printing and Stores Section”, delete one position of “Printing and Stores Supervisor” and add one position of “Printing, Stores, and Building Services Supervisor”.

Under “Department of Public Works, Administrative Services Division, Office of the Commissioner” delete one position of “Public Works Personnel Administrator” and add one position of “Public Works Personnel and Compliance Manager”. Under “Operations Division, Fleet Operations/Dispatch Section, Auxiliary Positions”, add one position of “Equipment Operations Supervisor II”. Under “Sanitation Section”, delete one position of “Recycling Program Assistant (D)” and add one position of “Recycling Assistant (D)”.

Part 2. Part 1, Section of ordinance File Number 110440 relative to rates of pay of offices and positions in the City Service is hereby amended as follows (Effective Pay Period 9, 2012 - April 15, 2012):

Under “Police Department, Administration Services Decision Unit, Professional Standards Bureau, Office of Assistant Chief”, delete one position of “Assistant Chief of Police”. Under “Administration Bureau”, add one position of “Inspector of Police”.

Part 3. All ordinances or parts of ordinances contravening the provisions of this ordinance are hereby repealed.

Part 4. The provisions of Part 2 of this ordinance are deemed to be in force and effect from and after Pay Period 9, 2012 (April 15, 2012).

The provisions of all other parts of this ordinance are deemed to be in force and effect from and after its passage and publication.

Part 5. This ordinance will take effect and be in force from and after its passage and publication.

Drafter
City Clerk's Office
Tb
4-3-12



Department of Employee Relations

MEMORANDUM

Tom Barrett
Mayor

Maria Monteagudo
Director

Michael Brady
Employee Benefits Director

Troy M. Hamblin
Labor Negotiator

TO: Tobie Black, Staff Assistant
Finance and Personnel Committee
Office of the City Clerk

FROM: Andrea Knickerbocker, Human Resources Manager
Department of Employee Relations

DATE: March 27, 2012

RE: Administrative Positions Ordinance change

In the Salary Ordinance, under Pay Range 856 (4E), a footnote pertaining to the titles "Paramedic Field Lieutenant" and "Fire Paramedic Field Lieutenant" read as follows: "4/ Positions to be reclassified to Fire Lieutenant upon becoming vacant." This footnote was created in a job evaluation report approved by the Fire and Police commission on April 24, 2003; passed by the Finance Committee on May 7, 2003 (File #021610) and by the Common Council on May 13, 2003 (File #021593 & #021594). Five vacant positions were initially reclassified to Fire Lieutenant with the understanding that as future vacancies occur, the necessary Positions Ordinance changes will be handled administratively. Administrative changes were subsequently approved by the Common Council on June 24, 2003 and September 10, 2003.

The attached letters from the Fire and Police Commission and the Fire Department request that one additional vacant position of Fire Paramedic Field Lieutenant be reclassified to Fire Lieutenant. Since the procedure for reclassifying vacant positions of Paramedic Field Lieutenant/Fire Paramedic Field Lieutenant to Fire Lieutenant was recommended by the Department of Employee Relations, approved by the Fire and Police Commission and authorized in the Salary Ordinance by Common Council action, we classification change for this recent vacancy be made administratively as follows:

Under "Fire Department, Firefighting Division Decision Unit", add one position of "Fire Lieutenant" and under "Paramedic Service" delete one position of "Paramedic Field Lieutenant (C)(I)/Fire Paramedic Field Lieutenant (C)(I)."

Attachment: Letter date 03/07/12

C: Michael G. Tobin
Fire Chief Mark Rohlifing
Juliet Lee Battle



Fire Department

Mark Rohlfing
Chief

Gerard Washington
Assistant Chief
Michael Payne
Assistant Chief
Paul Conway
Assistant Chief

March 7, 2012

To the Honorable
The Board of Fire and Police Commissioners
200 East Wells Street, Room 706
Milwaukee, Wisconsin 53202

Dear Commissioners:

Pursuant to City of Milwaukee Ordinance Numbers 021593 and 021594 pertaining to the eventual reclassification of all positions of Paramedic Field Lieutenant/Fire Paramedic Field Lieutenant to Fire Lieutenant, I wish to notify you that one position recently became vacant.

Fire Paramedic Field Lieutenant Russell R. Jacobsen has retired effective February 27, 2012. I therefore request that one position of Fire Paramedic Field Lieutenant is reclassified to Fire Lieutenant.

Respectfully,



MARK ROHLFING
Chief

MR/jlb
FPC/Reclass/Lieutenant/Request Powell 0811



ASSESSOR'S OFFICE

March 14, 2012

Mary P. Reavey
Assessment Commissioner

Peter C. Weissenfluh
Chief Assessor

Finance and Personnel Committee
Tobie Black, Staff Assistant
City Hall, Room 205

Re: Change in Positions Ordinance

Dear Ms. Black,

We respectfully request that the Positions Ordinance for the Assessor's Office be adjusted as follows:

Under "Real Property"
Change: Supervising Assessor Assistant (3 positions)
To: Assessment Division Manager (3 positions)

The change (title only) was approved by the Department of Employee Relations and put into effect on 08/08/2010 (PP 17, 2010).

Sincerely,

Amy Stenglein
Administrative Services Supervisor



Department of Administration
Budget and Management

Tom Barrett
Mayor

Sharon Robinson
Administration Director

Mark Nicolini
Budget and Management Director

March 23, 2012

Ref: 12019

MEMORANDUM

TO: Tobie Black, Staff Assistant
Finance and Personnel
Office of the City Clerk

FROM: Crystal Ivy
DOA-Budget & Mgmt. Division

SUBJECT: Technical Corrections to the 2012 Positions Ordinance

While in the process of changing pay ranges in the budget documents in order to match the new salary ordinance, we discovered discrepancies between the salary ordinance and positions ordinance. There are several instances where position titles in the positions ordinance do not match the salary ordinance. Therefore, we are requesting that the following technical corrections be made to the 2012 Positions Ordinance. These are title changes only and do not affect pay ranges.

<u>Department/Position Title</u>	<u>Add</u>	<u>Delete</u>
<u>EMPLOYEES' RETIREMENT SYSTEM</u>		
<u>Membership Services</u>		
Board Member (Y)		8
Member, ERS Annuity and Pension Board (Y)	8	
<u>FIRE DEPARTMENT</u>		
<u>Support Services Bureau Decision Unit</u>		
<u>UASI Grant (B)</u>		
Homeland Security Preparedness Chief (B)		1
Battalion Chief, Fire (B)	1	
<u>DEPT. OF NEIGHBORHOOD SERVICES</u>		
<u>Plumbing Inspection Section</u>		
Sprinkler Inspector II (X)		3
Sprinkler Construction Inspector II (X)	3	

<u>Department/Position Title</u>	<u>Add</u>	<u>Delete</u>
<u>POLICE DEPARTMENT</u>		
<u>Administration Services Decision Unit</u>		
<u>Records Management Section</u>		
Microfilm Technician I		1
Microfilm Technician	1	
<u>Identification Division</u>		
Identification Technician		37
Forensic Investigator	37	
<u>Printing & Stores Section</u>		
Printing and Stores Supervisor		1
Printing, Stores, and Building Services Supervisor	1	
<u>DPW-OPERATIONS DIVISION</u>		
<u>Fleet Operations/Dispatch Section</u>		
<u>Auxiliary Positions</u>		
Equipment Operations Supervisor II		1
<u>SANITATION SECTION</u>		
Recycling Program Assistant (D)		1
Recycling Assistant (D)	1	

cei

position ord\12poa1.doc



Legislation Details (With Text)

File #: 111210 **Version:** 0
Type: Resolution **Status:** In Committee
File created: 12/20/2011 **In control:** FINANCE & PERSONNEL COMMITTEE
On agenda: **Final action:**
Effective date:
Title: Resolution relating to direct deposit of employee paychecks.
Sponsors: ALD. MURPHY
Indexes: BANKS AND LENDING INSTITUTIONS, DOCUMENTS AND RECORDS
Attachments:

Date	Ver.	Action By	Action	Result	Tally
12/20/2011	0	COMMON COUNCIL	ASSIGNED TO		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
4/2/2012	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		

Number
111210

Version
ORIGINAL

Reference

Sponsor
ALD. MURPHY

Title
Resolution relating to direct deposit of employee paychecks.

Drafter
LRB #136150
Aaron Cadle
December 19, 2011