

LRB – FISCAL REVIEW SECTION ANALYSIS

DECEMBER 15, 2004 AGENDA

ITEM 25, FILE 041048

FINANCE & PERSONNEL COMMITTEE

JAMES CARROLL

File #041048 is a resolution authorizing and providing for the sale by the City of Milwaukee, Wisconsin of a series of Sewerage System revenue bonds, Series 2005.

Background and Discussion

1. The 2000 Budget transferred the funding for the Relief and Relay sewer capital program from the City's Capital Improvement Budget to the Sewer Maintenance Fund.
2. On August 2, 2001, the Common Council adopted Resolution #991863 that set forth and detailed the technical aspects of the issuance of Sewerage System Revenue Bonds. (Resolution #021776, adopted on April 15, 2003, amended Resolution #991863)
3. The resolution authorizes the Public Debt Commission to issue and sell City of Milwaukee Sewerage System revenue bonds in an amount not to exceed \$36,409,500.

Fiscal Impact

Depending on the sale date, a maximum of six months interest could be incurred in 2005. If the bonds are sold after July 1, 2005 there will be no fiscal impact in 2005. The Comptroller's Office estimates expenditures of approximately \$3,000,000 per year in years 2006-2025. (Funding for the Sewerage System revenue bond's debt service is provided by the Sewer Maintenance Fund, not the tax levy.)

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