



Legislation Text

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Original

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THE CHAIR

Resolution authorizing the issuance of \$25,000,000 general obligation notes to pay a general and current municipal expense associated with the Community Development Block Grant and other grant programs.

The federal government provides grant funding to the City for various community purposes. The City, in turn, provides grant funding to various community organizations. The City has good estimates on the amount of grants to be awarded, but the actual grants are usually not received until later in the year. However, the various community organizations are relying upon a steady funding source from the City.

In order to facilitate the even payment of grants to the organizations, the City advances funding in anticipation of receiving grants from the federal government. Until such grants are received, an alternative funding source is required, and usually Contingent Borrowing is used.

This resolution authorizes the issuance of general obligation notes under s. 67.12(12), Wis. Stats., for the financing of the City's Community Development Block Grant and other grant programs prior to the receipt of Community Development Block Grant and other grant funding.

Whereas, The budget for the fiscal year 2009 (the "Fiscal Year") of the City of Milwaukee authorizes contingent borrowing in the form of general obligation bonds or notes, for any purposes not contemplated at the time the budget was adopted in the amount of at least \$50,000,000; and

Whereas, Section 67.12(12), Wis. Stats., authorizes the issuance of general obligation notes for the purpose of paying a general and current municipal expense, such as expenses associated with the Community Development Block Grant and other grant programs; and

Whereas, For the Fiscal Year, under the City of Milwaukee Community Block Grant Agreement it is anticipated that grant award funds will be approved but such funds have not been released to the City; that under other grant programs, it is anticipated that funds will be approved but such funds have not been released to the City; and the City needs \$25,000,000 to fund the programs pending approval and receipt of the grant funds; and

Whereas, The Common Council is desirous of issuing and selling up to \$25,000,000 of promissory notes for Fiscal Year operation costs in the event such grants are not received as anticipated; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Commissioners of the Public Debt are authorized to sell and issue general obligation short-term promissory notes under s. 67.12(12), Wis. Stats., in an

amount not to exceed \$25,000,000 for the purpose of funding the difference between the amount budgeted and the grants received for the Fiscal Year for the Community Development Block Grant Award Program, and other grant programs; and, be it

Further Resolved, That said promissory notes shall be issued pursuant to amounts provided for in the Fiscal Year's budget for Contingent Borrowing; and, be it

Further Resolved, That notes pursuant to this resolution are designated an approved use for Contingent Borrowing as authorized to be issued by Resolution File Number 080960.

Comptroller

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