



Legislation Details (With Text)

**File #:** 52459      **Version:** 1      **Name:** Initial Resolution Authorizing Not to Exceed \$10,000,000 Bonds by City of Madison for Street and Utility Reconstruction on Monroe Street

**Type:** Resolution      **Status:** Passed

**File created:** 7/16/2018      **In control:** FINANCE COMMITTEE

**On agenda:** 8/7/2018      **Final action:** 8/7/2018

**Enactment date:** 8/10/2018      **Enactment #:** RES-18-00616

**Title:** Initial Resolution Authorizing Bonds Not to Exceed \$10,000,000 by City of Madison for Street and Utility Reconstruction on Monroe Street

**Sponsors:** Paul R. Soglin

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
8/7/2018	1	COMMON COUNCIL	Adopt	Pass
7/30/2018	1	FINANCE COMMITTEE	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER	Pass
7/24/2018	1	COMMON COUNCIL	Refer	Pass
7/16/2018	1	Attorney's Office	Referred for Introduction	

This is an initial resolution to issue 20-year bonds for the Monroe Street major street project included in the 2018 adopted capital budget. Up to a total of \$10,000,000 will be issued for this project, including the estimated cost of issuance.

Due to the relatively large cost impact and useful life of this project, along with the overall amount of borrowing in 2018 due to major facilities construction and renovation projects, these bonds will be issued with a 20 year repayment period. Debt service on \$10,000,000 is anticipated to average approximately \$684,000 annually. This compares with estimated average annual debt service of \$1,165,000 annually for 10 year promissory notes. Interest costs on 20 year bonds are estimated to total \$3.7 million, compared with \$1.7 million for 10 year notes. The debt service and interest cost estimates are based on current interest rates on AAA-rated municipal debt and the City's practice of repaying debt on a level-principal basis.

Over 90% of the City's general obligation debt remains on a 10-year maturity. These bonds represent less than 10% of the anticipated 2018 general obligation debt issuance scheduled for October 2nd.

**Initial Resolution Authorizing Bonds Not to Exceed \$10,000,000 by City of Madison for Street and Utility Reconstruction on Monroe Street**

BE IT RESOLVED, by the Common Council of the City of Madison, Wisconsin, that there shall be issued the general obligation bonds of the City in a principal amount not to exceed \$10,000,000 for the following purposes: street and utility reconstruction. For the purpose of paying principal of and interest on the bonds, there is hereby levied on all the taxable property in the City a direct annual irrevocable tax sufficient for that purpose

BE IT FURTHER RESOLVED, that the City Clerk is authorized to publish a Notice to Electors pursuant to Section 67.05(7)(b), Wisconsin Statutes.