

**CHAPTER 15  
PUBLIC DEBT**

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**15-01. Commissioners of Public Debt.**

There shall be in the city of Milwaukee a board composed of 3 persons who shall be residents of said city, shall be styled commissioners of the public debt, shall be appointed by the mayor, with the approval of the common council, and shall respectively hold the office for the term of 3 years, and till their successors are appointed and qualified. The mayor shall, within one month after the expiration of the term of any commissioner, appoint his successor, and within one month after any vacancy shall occur by death, resignation, or otherwise, shall appoint some person to fill the vacant office for the unexpired term, all such appointments being subject to the approval of the common council. (S. 15, Ch. Ord. 326, File #62-2554-e, Nov. 29, 1966.)

**15-02. Meetings.** The commissioners of the public debt shall fix their own times of meeting, and the mode of calling their meetings. The action of a majority of them shall be deemed the action of the commissioners. They shall transact all their business at the city hall. The comptroller shall be ex officio the secretary of the commissioners and shall preserve a full record of all their proceedings. The city treasurer shall be ex officio treasurer of the commissioners and

shall have the sole responsibility for the physical custody of the securities of the public debt amortization fund, subject to such direction as the commissioners of the public debt may from time to time prescribe. Both the comptroller and the treasurer shall attend meetings of the public debt commission and shall be available for consultation. (Ch. Ord. 236, File #57-1460, Sept. 17, 1957.)

**15-03. Duties.** It shall be the duty of the commissioners of the public debt to superintend the execution, issue, and use of all bonds issued or to be issued by the city, and the levy, collection and disbursement of the taxes provided for by law for the interest upon such bonds and for the sinking fund for the payment of the principal thereof, and to perform such other services and duties in respect to the same as are or may be prescribed by law. (S. 3, Subch. 11, Ch. 184, L. 1874.)

**15-04. Bonds: Form.** All bonds hereafter issued by cities of the first class, whether organized under general or special charter, shall be numbered consecutively, shall be signed by the city clerk and the mayor and countersigned by the comptroller. The signatures of the mayor, comptroller and city clerk may be manual or imprinted facsimile signatures except that at least one of these signatures shall be a manual signature unless the city has contracted with a fiscal agent to authenticate the bonds. Each bond issued shall show on its face for what purpose and by what authority it was issued. The common council may by ordinance or resolution determine the type or form of bond blank which is used and the method by which it shall be procured.

(S. 15-04 am., Ch. Ord. 545, File #84 1519, Jan. 22, 1985; eff. April 9, 1985.)

S. 15-04 am., File #150131, Nov. 2, 2015; eff. Jan. 18, 2016.)

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**15-05. Bonds: Requirements.** An accurate account shall be kept by the comptroller, or by such other officer as may be appointed by law for that purpose, of the issue of all the bonds by the said city, of their numbers, dates and amounts, of the dates of payment of interest and principal thereon, and of the particular purpose for which each bond is issued. All bonds issued by the said city shall be negotiated and disposed of by the said commissioners of the public debt, and such bonds and the proceeds thereof shall be used solely and only for the purposes defined in the law authorizing their issue, and in amount shall not exceed the limits fixed by law for the respective purposes so defined. The commissioners of the public debt shall from time to time, or when requested by the common council, report to the common council of the said city the sale or other disposition of any city bonds issued by said city. (*S. 5, Subch. 11, Ch. 184, L. 1874.*)

**15-06. Debt Limit.** The principal of the aggregate funded debt of cities of the first class, shall never exceed a sum equal to 8% of the value of the taxable property therein as equalized for state purposes, which shall be ascertained and determined in the manner and method of determining such equalization for state purposes provided by state law, and all bonds hereafter issued by any such cities shall contain a covenant to that effect, and all bonds, notes or other evidences of debt, payable at a future day, which shall be issued by any such city contrary to this section, and in excess of the limitation herein prescribed, either with or without statutory authority, shall be void; provided, that the foregoing limitation shall not apply to or include orders drawn upon the city treasurer, payable out of the revenues of the current year; and provided, further, that the common council may borrow from time to time upon the notes of the city, signed by the mayor and city comptroller, such sums of money in anticipation of the incoming tax of the year as they shall deem necessary to pay accruing interest on the funded debt, and to meet the current expenses of the city, and all such notes shall be paid out of the taxes of the current year at such time as may be agreed on -- not later than the 1st day of

February next following their date; and provided, further, that nothing herein shall be held to abrogate or impair, modify or repeal the provisions of s. 1, ch. 252, laws of 1899, or of s. 1, ch. 256, laws of 1899, or of s. 941 Wis. Stats., 1898. If in any case, any such city or any officer of such city shall hereafter threaten or attempt to issue any such bonds, notes, or other evidences of debt, in contravention of the provisions of this section, they shall be restrained by injunction from so doing, upon the application of any holder of bonds of the city, or any citizen who shall have paid city taxes in said city for 2 years then next preceding. (*Ch. Ord. 219, File #55-3567-a, Mar. 7, 1956.*)

**15-07. Bond Interest and Sinking Fund.** A tax upon all of the taxable property, real and personal, in the said city, shall be annually levied and collected, at the same time, and in the same manner as other taxes are levied and collected in said city, sufficient in amount for the following purposes, to-wit: to pay the interest and provide for the sinking fund upon the bonds and scrip authorized by and issued under sections 1 and 3 of the act entitled "An act to enable the city of Milwaukee to readjust its corporate debts," approved March 19, 1861, as stipulated and provided in and by section 4 of the same act. Also to pay the annual interest, and to provide the sinking fund upon all bonds of the said city, issued or to be issued to provide means for the construction of water works for said city, or for other purposes, under and in accordance with the provisions of chapter 406 of the private and local laws of 1871, entitled "An act authorizing the city of Milwaukee to issue bonds," approved March 23, 1871, and the several acts amendatory thereof, as specially stipulated and provided in and by section 11 of said chapter 406. Also to pay the interest on all other bonds of said city issued, or that may be issued under legal authority, and outstanding according to the terms thereof, and to provide a sinking fund equal to not less than five per centum each year of the principal of such bonds actually issued for

the payment of such principal; provided, that this section shall not include or apply to any bonds heretofore issued by said city to any railroad company or companies. The common council shall, on or before the first day of October in each year, determine by resolution the amount of the net revenue or income of the said water works, over and above the expenses, thereof, which shall be appropriated and applied to the payment of interest on the said water bonds or to the sinking fund for the payment of the principal thereof, and the amount of such net revenue or income, so appropriated in and for any year to the fund for the payment of such interest, or to such sinking fund, may be deducted from the amount of tax to be levied in that year for the payment of the principal or interest of such water bonds. (S. 34, Ch. 324, L. 1882.)

**15-08. Tax Levy.** The commissioners of the public debt of the city of Milwaukee shall, at least 10 days before the levy of general city taxes in each year, certify to the common council the amounts necessary to be levied that year for the interest and sinking funds, on bonds, and scrip of the said city. It shall be the duty of the common council to levy the tax for interest and sinking funds by law provided for, to the amount so certified by the said commissioners, at the same time in each year that the common council levy the tax for general city purposes; and if they refuse or neglect so to levy in any case for 5 days after the levy of the tax for general city purposes, the commissioners of the public debt shall levy the same, and certify the amount thereof forthwith to the commissioner of assessments; and if the commissioners of the public debt should likewise fail to levy such tax for interest and sinking funds within 10 days after the levy of the general city taxes in any year, than the judge of any court of record in Milwaukee county, either in term time or vacation, either in open court or at chambers, may, upon summary application of any holder or holders of bonds of the said city, other than bonds heretofore issued to any railroad company, to the amount of \$10,000 or more, by order, levy such tax to such amount as he or she shall deem necessary, and certify the amount thereof to the commissioner of assessments,

who shall in all cases cause such tax, however levied, to be extended upon the tax roll in like manner as other taxes levied by the common council. And it shall be the duty of the city treasurer, or other collector of taxes, to proceed to collect and enforce such tax in the same manner as other general city taxes are collected and enforced by law. In fixing the amount of the treasurer's bond, at the beginning of his or her term of office, the fact that he or she has to collect this tax for interest and sinking funds, shall be taken into consideration.

*(HISTORY: Ch. Ord. 1, File #30015, July 6, 1925.*

*15-08 am. File #951345, Jan. 23, 1996; eff. Apr. 9, 1996.)*

**15-09. Purchase of Property for Delinquent Taxes.** If upon the sale of any property for delinquent taxes the city shall become the purchaser, it shall appropriate and add to the fund raised for interest and sinking funds, a sum equal to the amount of such delinquent tax which was levied for interest and sinking funds, out of the first moneys which shall be in or come into the treasury from any source whatever. (S. 10, Subch. 11, Ch. 184, L. 1874.)

**15-11. Surrender of Bonds.** Once in each year, immediately after the coming in of the report mentioned in the last section [s.15.10], the commissioners of the public debt shall cause notice to be given by the comptroller or otherwise by publication in one daily newspaper printed in the city of New York, and one daily newspaper printed in the city of Milwaukee, each of general circulation, for twenty days at least, of the time and place of receiving bids or proposals from bondholders or scripholders to surrender their bonds or scrip for cancellation on payment out of the sinking fund applicable thereto, the manner of directing such proposals, and such other things as the commissioners shall direct to be inserted in such notice. The proposals received shall be opened by the commissioners of the public debt, in the presence of the mayor and such other persons as shall choose to attend; and the lowest rates offered, provided the same be at or below par, shall be accepted to the extent of the fund on hand to pay the same at those rates; and the bonds or scrip so

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offered at the lowest rates shall be paid at those rates on being surrendered for cancellation. When the funds shall not be sufficient to pay all the bonds and scrip which are offered at equal rates and lower than all others, the commissioners shall select at once, and publicly as aforesaid, among such bonds and scrip, by lot, so many as they shall have the means to pay. In case any parties whose proposals shall be accepted shall not, within such reasonable time as the commissioners, with the approval of the mayor, shall fix, surrender their bonds or scrip, the commissioners may with the approval in writing of the mayor, accept the next best proposals, provided they are below par, or they may advertise and proceed throughout anew, in the manner provided in this section, and so in like manner again and again, as often as the last named contingency shall arise. All bids or proposals by bondholders or scripholders under this section shall particularly specify the numbers of the bonds or scrip so proposed to be retired, and shall be accompanied by a certificate in each case of the president or cashier of some reputable bank, or of some person, in either case to be approved by the commissioners of the public debt, to the effect that the bonds or scrip specified in such bid are all deposited in such bank or with such person, and will be delivered up for cancellation if such bid shall be accepted by the commissioners. (S. 12, Subch. 11, Ch. 184, L. 1874.)

**15-12. Partial Retirement of Bonds.** In any case when no proposals, or not sufficient in amount to consume the moneys on hand belonging to the sinking funds, shall be received to retire bonds or scrip at or below par, the commissioners may advertise and proceed throughout again as provided in the last section above [s. 15.11], or, with the approval of the mayor, shall in their discretion determine by lot publicly as aforesaid, which bond or bonds, or

scrip shall be paid out of the moneys then in the sinking fund provided therefor, at par, including interest, and shall notify the holders of their readiness to pay the same, by advertisement for twenty days in one daily newspaper printed in the city of New York, and one daily newspaper printed in the city of Milwaukee, each of general circulation, and from the time of the completion of such notice in both papers, such bonds or scrip so determined by lot, shall cease to bear interest, unless the city shall neglect to pay the same for ten days after payment thereof shall afterwards be demanded; and the money shall be kept constantly on hand by the treasurer to pay the same on presentment, unless the commissioners of the public debt, with the approval of the mayor, shall otherwise order. (S. 13, Subch. 11, Ch. 184, L. 1874.)

**15-13. Money Held in Trust.** The moneys levied and collected for or belonging to, the interest and sinking funds, shall be held in trust for those purposes only, or for the benefit of the holders of the bonds of the different issues or classes for which such funds are specially provided, and shall in no way be diverted from the specific purposes for which they are provided; nor shall the same or any part thereof be subject to attachment or execution, or be liable by any process or proceeding, to be subject to the payment of any other debt than that to meet which they were specially raised or appropriated under this act. (S. 14, Subch. 11, Ch. 184, L. 1874.)

**15-14. Coupons Cancelled on Payment.** All bonds and interest coupons, paid or otherwise retired, shall be forthwith marked cancelled by the commissioners of the public debt, and by them returned to the common council of the said city, who shall forthwith publicly cancel the same. (S. 15, Subch. 11, Ch. 184, L. 1874.)

**15-15. Financial Agreements and Ancillary Arrangements.** At the time of, or in anticipation of, the issuance of a municipal obligation under this chapter, under ch. 66 Wis. Stats., under ch. 67 Wis. Stats., or in connection with an obligation of the Milwaukee board of school directors or at any time thereafter so long as the obligation is outstanding, the city may enter into financial agreements and ancillary arrangements relating to such obligation, including without limitation any revolving credit agreement, agreement establishing a line of credit or letter of credit, liquidity facility, reimbursement agreement, remarketing or dealer agreement, interest rate swap or exchange agreement, currency exchange agreement, indexing agreement, interest rate floor or ceiling agreement, option, put or call to hedge payment, currency, rate, spread or similar exposure, float agreement, forward agreement, insurance contract, guaranty agreement, surety bond, commitment to purchase or sell bonds, purchase or sale agreement, or other, similar contracts, commitments or agreements. Obligations under such agreements and arrangements shall be payable from such sources as the common council shall determine or, with respect to obligations of the Milwaukee board of school directors, as the Milwaukee board of school directors shall determine, including, with respect to obligations issued under ch. 67, Wis. Stats., direct, annual irrevocable taxes levied pursuant to s. 67.05(10), Wis. Stats. Any such agreements or arrangements shall not constitute an indebtedness for the purpose of determining the city's constitutional or other debt limitation.

*(HISTORY: Sub. 15-15 cr. File #030773, Oct. 14, 2003; eff. Dec. 16, 2003.)*

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