

**EXECUTIVE SUMMARY  
FOR THE WEST ALLIS-WEST MILWAUKEE SCHOOL DISTRICT  
BOARD AGENDA**

**Topic:** Resolution Establishing Parameters for the Sale of Not to Exceed \$70,000,000 General  
Obligation Promissory Notes

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**Prepared by:** Aaron Norris, Assistant Superintendent

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**Date:** December 16, 2024      **Agenda Reference #** 11.5

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**Recommended Action:**

<u>  x  </u>	<b>Discussion/Action</b>
<u>      </u>	<b>Presentation/Discussion</b>
<u>      </u>	<b>Information Only</b>
<u>      </u>	<b>Presentation/Action Next Meeting</b>

**Recommendation(s):**

The Administration recommends that the Board approve the **Resolution Establishing Parameters for the Sale of Not to Exceed \$70,000,000 General Obligation Promissory Notes**.

**Purpose:**

The Administration recommends that the Board approve the Resolution Establishing Parameters for the Sale of Not to Exceed \$70,000,000 General Obligation Promissory Notes. This resolution authorizes the issuance of promissory notes for district-wide projects as approved in the recent referendum. It sets financial parameters to guide the sale process, ensuring responsible borrowing aligned with the district's financial goals. Approval of this resolution is a critical step in securing funding for key facility improvements, infrastructure updates, and other referendum priorities while maintaining fiscal accountability.

**Background:**

Under **Wisconsin Statute 67.12(12)(e)2**, general obligation promissory notes may be issued when electors approve both the purpose and amount of the borrowing. With the WAWM Community's authorization on November 5, 2024, the WAWM School Board is empowered to advance critical district-wide facility improvements. These projects address essential needs, including safety, security, and accessibility enhancements; roofing, HVAC, and boiler upgrades; technical education facility improvements; building infrastructure and site repairs; and the acquisition of furnishings, fixtures, and equipment to support educational objectives.

To facilitate the timely sale of the notes, the School Board delegates authority to the District President or Director of Finance and Operations to accept proposals aligned with the resolution's terms by executing an Approving Certificate (Exhibit A). This delegation ensures the efficient progression of the project while maintaining adherence to statutory requirements.

**Overview of the Parameters established with the Resolution for \$70 Million General Obligation Promissory Notes**

- Sale of the Notes (Section 1):** Authorizes borrowing up to \$70 million to finance facility projects, outlining terms for issuance and conditions for approval.
- Terms of the Notes (Section 2):** Details repayment schedule spanning April 1, 2026, through April 1, 2040, with principal amounts distributed as follows:
  - 2026: \$100,000
  - 2027: \$2,130,000

- 2028: \$3,810,000
- 2029: \$4,020,000
- 2030: \$4,235,000
- 2031: \$4,470,000
- 2032: \$4,710,000
- 2033: \$4,970,000
- 2034: \$5,210,000
- 2035: \$5,440,000
- 2036: \$5,680,000
- 2037: \$5,930,000
- 2038: \$6,190,000
- 2039: \$6,460,000
- 2040: \$6,645,000

Interest is payable semi-annually, with a true interest cost not exceeding 4.75%.

3. **Redemption Provisions (Section 3):** Specifies conditions for optional and mandatory redemption of the notes.
4. **Form of the Notes (Section 4):** Establishes the format for issuance and registration of the notes.
5. **Tax Provisions (Section 5):** Implements a direct, irrevocable tax levy to repay principal and interest, with provisions for supplemental funding if necessary.
6. **Debt Service Fund (Section 6):** Creates a dedicated fund to manage payments, deposits, and surplus funds.
7. **Proceeds of the Notes (Section 7):** Establishes a segregated fund to manage note proceeds, with guidelines for their use.
8. **No Arbitrage (Section 8):** Ensures compliance with federal tax laws to maintain the tax-exempt status of the notes.
9. **Federal Tax Compliance (Section 9):** Outlines conditions to avoid classification as private activity or arbitrage bonds.
10. **Execution and Professional Services (Section 10):** Authorizes officials to execute documents and secure necessary legal, fiscal, and disclosure services.
11. **Fiscal Agent (Section 11):** Appoints a fiscal agent to manage payment of the notes.
12. **Transfer and Ownership (Section 12):** Establishes processes for transferring and registering ownership of notes.
13. **Record Date (Section 13):** Defines the official date for recording interest payments.
14. **Book-Entry System (Section 14):** Adopts procedures for issuing notes via The Depository Trust Company's book-entry-only system.
15. **Issuance Conditions (Section 15):** Notes are contingent on meeting specific conditions for approval and execution.
16. **Official Statement (Section 16):** Directs preparation and distribution of a preliminary and final official statement for the notes.
17. **Continuing Disclosure (Section 17):** Commits to ongoing financial and operational disclosures for the benefit of noteholders.
18. **Record Book (Section 18):** Requires maintaining a detailed record of all proceedings related to the notes.
19. **Bond Insurance (Section 19):** Authorizes the district to obtain bond insurance and include relevant provisions.
20. **Effective Date (Section 20):** Confirms the resolution's effective date and rescinds conflicting prior resolutions.

This resolution provides a detailed framework to ensure fiscal accountability while enabling critical infrastructure investments.

**Attachments:**

[Resolution Establishing Parameters for the Sale of Not to Exceed \\$70,000,000 General Obligation Promissory Notes](#)