

Fiscal Estimate Narratives

DPI 4/18/2006

LRB Number	05-4895/1	Introduction Number	SB-685	Estimate Type	Original
Description Use of the proceeds from the sale of real property located in the city of Milwaukee and used for school purposes					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, whenever real property that is located in the city of Milwaukee and used for school purposes is sold, the proceeds of the sale are deposited in the school construction fund, to be applied to the purchase of real property for school purposes. Under this bill, the Board of the Milwaukee Public Schools (MPS) may, in its discretion, deposit the proceeds of the sale in the school operations fund, to be applied to the payment of principal on bonds issued by the city's redevelopment authority for the purpose of financing certain school facilities.

State Fiscal Effect:

None.

Local Fiscal Effect:

This bill could result in a reduction in the amount of MPS' outstanding long-term bond debt and/or interest payments. However, the amount of sale proceeds that may be deposited in the MPS operations fund to be applied toward payment of principal on bonds is indeterminate. Also indeterminate is any possible effect on the distribution of state general school aids to MPS, and other districts, under this bill.

Long-Range Fiscal Implications