

**COUNTY OF MILWAUKEE  
INTER-OFFICE COMMUNICATION**

**DATE:** February 21, 2020

**TO:** Supervisor Theodore Lipscomb, Sr., Chairman, County Board of Supervisors

**FROM:** Scott B. Manske, Comptroller

**SUBJECT:** **Role of the Office of the Comptroller in Ordinance 32.97**

**BACKGROUND**

Wisconsin Statute 66.0304 (11) (a) provides that the Public Finance Authority (“PFA”) may not issue bonds to finance a capital improvement project in the State of Wisconsin unless all of the political subdivision within whose boundaries the project is to be located have approved the financing of the project, and the PFA has requested such approval from the County Board.

In 2017, the Milwaukee County Board and Milwaukee County Executive adopted Ordinance 32.97 – The process for consent of conduit revenue bonds (“Ordinance”).

**Role of the Office of the Comptroller**

MCGO 32.97 (8) states that the Office of the Comptroller is responsible for reviewing all actions related to the issuance of the debt. As part of the review, the Office of the Comptroller engages with the County’s Bond Counsel (Quarles & Brady) to ensure that the resolution is drafted to comply with Wisconsin Statute 66.0304 (11) (a) and to confirm that the bonds shall not constitute a debt or pecuniary liability, or a legal or moral obligation, of Milwaukee County for any reason whatsoever. The Office of the Comptroller also directs the County’s Bond Counsel to draft a formal opinion confirming the review of the resolution and the confirmation that the debt is not a liability or obligation of the County. This opinion is included with CB File 20-116.

MCGO 32.97 (9) states that the Director of Economic Development and the Office of the Comptroller will review requests based on the following criteria:

- Project Description
  - A description for the project including the borrower, municipality where the issuance will occur, project end use
  - A description of the type of bond being issued
- Economic Impact Analysis
  - Estimated total jobs created in the project and induces through construction
  - Anticipated tax base created
- Project viability
- Statement of No County Liability
  - Bond counsel must confirm as a condition of the County’s consent that the bonds, when

and if issued, do not constitute a debt or pecuniary liability, or a legal or moral obligation of the County for any reason whatsoever. A written statement or other similar contract from the requesting entity declaring the same shall be submitted with the request for consent to the County Board.

- Municipal Support
  - The County will begin its review after receiving written consent from the local municipality where the bonds will be issued. A certified resolution of this support shall be submitted with the initial request.

The Director of Economic Development and the Office of the Comptroller reviewed the request (Resolution) and other materials from St. John's Evangelical Lutheran and Everson & Gibbs LLC ("Legal Counsel") and determined that the information was sufficient to satisfy the information listed in MCGO 32.97 (9). This determination was noted in the report submitted by the Director of Economic Development, the Resolution<sup>1</sup>, and the opinion from the County's Bond Counsel.

MCGO 32.97 (11) states that the PFA shall provide the Office of the Comptroller additional information after the Bonds are issued. These items include:

- Bond closing transcripts
- A final report listing the assets that are financed or refinanced with the proceeds.
- Notification of any violations that are discovered relating to bond financed or refinanced assets.

The Legal Counsel provided a letter indicating that they intend to comply with MCGO 32.97 (11). This letter is included with CB File 20-116.

### **Committee Action**

This is an informational report only. The report should be referred to and reviewed by the Economic and Community Development Committee.



Scott B. Manske  
Comptroller

cc:

Chris Abele, County Executive

Raisa Koltun, Chief of Staff

Kelly Bablitch, Chief of Staff, County Board

Economic and Community Development Committee Members

Teig Whaley-Smith, Director, Department of Administrative Services

Aaron Hertzberg, Director, DAS Economic Development

Adam Stehly, Associate Project Manager, DAS Economic Development

Justin Rodriguez, Budget and Management Coordinator, Office of the Comptroller

Ken Smith, Research Analyst, Office of the Comptroller

Bridgette Keating, Quarles and Brady

