

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: January 24, 2023

To: Marcelia Nicholson, Chairwoman, Milwaukee County Board of Supervisors

From: Guy D. Smith, Executive Director, Milwaukee County Parks

Subject: A resolution requesting the Audit Services Division of the Office of the Comptroller conduct an audit of the Friends of Hales Corners Park and Pool

File Type: Resolution

REQUEST

Informational update as requested by the Audit Committee regarding the resolution in File No. 22-1163, the Parks Amenities Matching Funds received by Friends of Hales Corners Park & Pool, and the status of implementing audit report recommendations in File No. 19-238

BACKGROUND

In 2014, Milwaukee County Parks (Parks) entered into a Development Agreement with the Friends of Hales Corners Park & Pool (FOHCPP) for the development of the Alyson Dudek International Ice Center (the Project) (File No.'s 14-434, 14-676, and 14-720). The term of the Development Agreement was ten years, and it expires in September of 2024. In 2016, an audit of FOHCPP was requested by the County Board of Supervisors (File No. 16-620). In 2019, the FOHCPP audit was completed (File No. 19-238). Recommendation number one of the 2019 audit stated that Parks should work with FOHCPP to establish a prudent timeline for fundraising and/or discuss scaling back the Project. Recommendation two of the audit stated that a formal agreement should be entered into regarding the PAMF funding that ensured the Friends Group would provide the timely return of the funding if the development did not proceed.

Separate from the Development Agreement, but related to the Project, FOHCPP applied for and was awarded in January 2015 \$75,000 in Parks Amenities Matching Funds (PAMF). In response to point two of the 2019 audit, Parks and FOHCPP entered into a letter agreement in June of 2019 that clarified that the \$75,000 in PAMF funds could remain with FOHCPP at that time and that FOHCPP understood that if the project did not proceed the funds would need to be returned to the county. In August of 2020, Parks agreed to grant a one-year extension of the \$75,000 of PAMF funding if the Plan Commission of the Village of Hales Corners granted an extension of its approval of the Project. The extension was granted. In September of 2021, the Plan Commission reviewed the request again and chose not to grant another extension to the Project.

Parks and FOHCPP again discussed reducing the scope of the project, but FOHCPP ultimately determined that a reduced scope was not practical. Parks continued to monitor fundraising by FOHCPP in 2021 and 2022. Currently, the Project does not have a finalized budget, but due to increases in the cost of construction, FOHCPP's estimates the cost to construct is approximately \$340,000. FOHCPP reports that they have approximately \$185,000 raised for the project (including a line of credit).

Eight years has passed since the PAMF awards were granted to FOHCPP. All other PAMF funds awarded in 2015 (and since that time) have been expended for the benefit of Milwaukee County Parks. At this time Parks has determined that the PAMF funding would be better used if it was reallocated to other needs in Milwaukee County parks and Parks has requested FOHCPP return the funding.

Related File No's:	14-434 Info Report on project 14-676 Action Report for development 14-720 Due Diligence 16-620 Audit of FOHCPP 19-238 Audit Report 19-575 FOHCPP Chapter 13 Friends Agreement 19-784 and 20-344 Audit Report Updates
Associated File No's (Including Transfer Packets):	
Previous Action Date(s):	

VIRTUAL MEETING INVITES

Erica Goblet, Contracts Manager, Milwaukee County Parks
 Jeremy Lucas, Director of Administration & Planning, Milwaukee County Parks
 Don Schwartz, President of Friends of Hales Corners Park & Pool,
 donaldgschwartz@gmail.com

PREPARED BY:

Erica Goblet, Contracts Manager, Milwaukee County Parks

APPROVED BY:

Guy Smith, Executive Director Milwaukee County Parks

ATTACHMENTS:

Development Agreement

CC:

- David Crowley, County Executive
- Mary Jo Meyers, Chief of Staff, County Executive's Office
- Sheldon Wasserman, Supervisor District 3, PEEC Chair
- Steven Shea, Supervisor District 8, PEEC Vice Chair
- Felicia Martin, Supervisor District 7, PEEC Member

Juan Miguel Martinez, Supervisor District 12, PEEC Member
Steve Taylor, Supervisor District 17, PEEC Member
Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors
Janelle M. Jensen, Legislative Services Division Mgr, Office of the County Clerk
Aaron Hertzberg, Director, Department of Administrative Services
Joseph Lamers, Fiscal & Budget Director, DAS
Vince Masterson, Fiscal & Strategic Asset Coordinator, DAS
Pamela Bryant, Capital Finance Manager, Comptroller's Office
Justin Rodriguez, Capital Finance Analyst, Comptroller's Office
Kelsey Evans, Committee Coordinator, Office of the County Clerk
Ciara Miller, Research & Policy Analyst, Office of the Comptroller
Anthony Rux, Budget & Management Analyst, DAS-PSB