

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

DATE: January 14, 2013

TO: Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors

FROM: Pamela Bryant, Capital Finance Manager, Office of the Comptroller

SUBJECT: **Airport Reimbursement Resolution**

Background

The County Board of Supervisors has approved financing of \$63,890,250 for various Airport capital projects in the 2010-2013 budgets. The Airport as a part of the 2013 Airport Revenue Bond financing has adjusted some of the project financing from cash to bonds. The Office of the Comptroller has submitted a separate resolution to the Finance, Personnel and Audit Committee for approval to issue general airport revenue bonds (GARBs) to finance the projects.

Since the Airport will need to proceed with these projects, the County will have to reimburse itself with bond proceeds for expenditures that are incurred prior to the issuance of the bonds. See Exhibit A for a list of the projects.

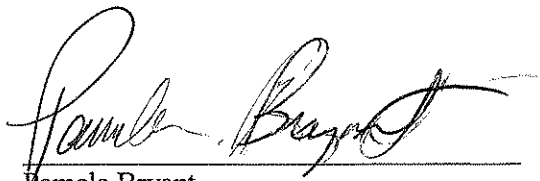
U.S. Treasury Regulation Compliance

U.S. Treasury Regulation Section 1.150-2 describes the conditions under which the County may expend County funds on a project currently and later reimburse itself with bond proceeds. The first step in providing for such reimbursement to occur is an expression of intent by the County to reimburse itself for expenditures incurred prior to issuing the bonds. Therefore, the attached resolution expresses that intent.

Expressing this intent will allow the County to reimburse itself for expenditures incurred as far back as 60 days prior to the approval of the attached reimbursement resolution. Any work on the project that is done earlier than 60 days prior to the approval date would not be eligible for reimbursement.

Recommendation

The Office of the Comptroller recommends that the Finance and Audit Committee approve the accompanying resolution that expresses the County's intent, in accordance with U.S. Treasury Regulation Section 1.150-2, to reimburse itself for expenditures that will occur prior to the issuance of the bonds. It is anticipated that there will be an issuance of airport debt in 2013.



Pamela Bryant
Interim Fiscal and Budget Administrator

Attachment

pc: Chris Abele, County Executive
Supervisor Thomas, Chairman, Finance and Audit Committee
Pat Farley, Director, Department of Administrative Services
Steve Cady, Fiscal & Budget Analyst, County Board
Carol Mueller, Committee Clerk, County Board
Justin Rodriguez, Interim Capital Finance Manager
Chuck Jarik, Chapman and Cutler
Emile Banks, Emile Banks and Associates

EXHIBIT A

Project	Airport	Cost
WA042	Bag Claim Remodeling, Renovation and Expansion	\$41,283,835
WA044	In-line Baggage Screening	\$4,339,067
WA139	Redundant Main Electric Service Feed	\$8,480,020
WA141	Training Facility	\$2,765,597
WA177	Parking Structure Repairs	\$1,098,223
	Total	\$57,966,742

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