

DRAFT

Fiscal Year 2020

6-25-20 FINANCE AND AUDIT COMMITTEE APPROPRIATION TRANSFERS
A DEPARTMENTAL RECEIPT OF REVENUE

Action Required

Finance and Audit Committee
2/3's County Board

WHEREAS, department requests for transfers within their own accounts have been received by the Department of Administrative Services, Performance, Strategy, and Budget (PSB), and the Director finds that the best interests of Milwaukee County will be served by allowance of such transfers;

THEREFORE, BE IT RESOLVED, that the Director, Department of Administrative Services, is hereby authorized to make the following transfers in the 2020 appropriations of the respective listed departments:

| 1) | <u>From</u> | <u>To</u> |
|---|-------------|-----------|
| <u>8000 - Department of Health & Human Services</u> | | |
| 2631 – HUD Program Revenue | \$793,790 | |
| 2632 – HUD Administrative Revenue | \$198,447 | |
| 8413 – Charges CO Housing Prog | | \$548,447 |
| 8776 – Block Grant Expenditures | | \$345,390 |
| 6017 – Housekeeping Service Fees | | \$98,400 |

A transfer of \$992,237 is being requested by the Director, Department of Health and Human Services (DHHS), to recognize additional Community Development Block Grant (CDBG) funds to be used to prevent, prepare for, and respond to the coronavirus (COVID-19).

This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to respond to the nationwide public health crisis. The CARES Act made available \$5 billion in CDBG Coronavirus funds and given the immediate needs of local communities, the Department of Housing & Urban Development (HUD) released this funding immediately based upon the fiscal year 2020 CDBG formula.

The Housing Division has been actively involved in the COVID response for the last several weeks. In partnership with the City of Milwaukee Health Department, the Housing Division opened an isolation facility at Clare Hall, a vacant convent in St. Francis that is owned by the Catholic Archdiocese of Milwaukee. This facility has been housing individuals who are COVID positive or symptomatic and medically fragile. Although there is not a charge for the use of the facility, there are significant costs for maintenance, cleaning, and security for this location. In addition to the \$198,890 estimated for these costs, the Housing Division is also recommending that the CDBG funding be used for the items identified below. This recommendation was included in File No. 20-353 for approval by the County Board as part of the May cycle.

| | |
|---|------------------|
| Housing Supportive Services: | \$125,000 |
| COVID Facility Expense: | \$193,890 |
| Direct Housing Assistance: | \$225,000 |
| Small Business Loan: | \$250,000 |
| Milwaukee Metropolitan Fair Housing Council | \$15,000 |
| Administration (20%): | \$183,347 |
| Total Allocation: | \$992,237 |

There is no tax levy impact from this fund transfer.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE MAY 20, 2020.

| 2) | <u>From</u> | <u>To</u> |
|---|-------------|-----------|
| <u>9000 – Department of Parks, Recreation & Culture</u> | | |
| 4930 – Gifts & Donations | \$10,000 | |
| 6620 – R/M Grounds | | \$9,000 |
| 7979 – Minor Other Equipment | | \$1,000 |

The Milwaukee County Parks Department has received a donation from Festival Foods Fund, a fund of the Greater Green Bay Community Foundation for the purpose of providing funding for improvements in Hales Corners Park. It has been determined that the funding will be used for softball field renovations. Recognition of the donation and authorization to execute a fund transfer are provided by County Board resolution 20-85.

There is no tax levy impact from this fund transfer.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE MAY 20, 2020.

| 3) | <u>From</u> | <u>To</u> |
|---|-------------|-----------|
| <u>9000 – Department of Parks, Recreation & Culture</u> | | |
| 4932 – Other Private Funding Rev | \$25,000 | |
| 2299 – Other St Grants & Reimbur | \$985,006 | |
| 5199 – Salaries-Wages | | \$247,722 |
| 5312 – Social Security Taxes | | \$18,950 |
| 5420 – Employee Health Care | | \$20,224 |
| 5421 – Employee Pension | | \$12,885 |
| 6041 – Other Licenses and Permits | | \$1,250 |
| 6051 – Contract Pers Serv-Long | | \$674,995 |
| 6329 – Tel and Tel Outside Ven | | \$250 |
| 6803 – Auto Allowance | | \$480 |
| 6812 – Meetings Other Auth Travl | | \$750 |
| 7910 – Office Supplies | | \$20,500 |
| 7970 – Tools & Minor Equip | | \$10,000 |
| 7977 – Minor DP Equip | | \$2,000 |

The Little Menomonee River Corridor Habitat Restoration Project is being funded through two funding sources during year one of the five-year project. \$25,000 is provided by the Greater Milwaukee Foundation and the remaining \$985,006 is provided through the Little Menomonee Restoration Grant from the Department of Natural Resources (DNR). The budget for 2020, is being included here to recognize both the revenue and expenditures for the initial year of the project.

There is no tax levy impact from this fund transfer.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE MAY 20, 2020.

| | | | | |
|----|---|---|--------------------|-----------|
| 4) | | | <u>From</u> | <u>To</u> |
| | <u>9000 – Department of Parks, Recreation & Culture</u> | | | |
| | 4999 | – | Other Misc Revenue | \$29,305 |
| | 7015 | – | Seeds and Plants | |
| | | | | \$29,305 |

The Parks Department received a multi-year grant in 2016 for the restoration of Barloga Woods from the Fund for Lake Michigan. This is the final year of the grant and the requested transfer reflects the remaining grant funding available as well as the requested expenditure authority.

There is no tax levy impact from this fund transfer.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE MAY 20, 2020.

6-25-20 FINANCE AND AUDIT COMMITTEE APPROPRIATION TRANSFERS
B CAPITAL IMPROVEMENT- RECEIPT OF REVENUE

Action Required
Finance and Audit Committee
2/3's County Board

WHEREAS, department requests for transfers within their own accounts have been received by the Department of Administrative Services, Fiscal Affairs, and the Director finds that the best interests of Milwaukee County will be served by allowance of such transfers;

THEREFORE, BE IT RESOLVED, that the Director, Department of Administrative Services, is hereby authorized to make the following transfers in the 2020 appropriations of the respective listed departments:

| | | | |
|----|---|-------------|-------------|
| 1) | | <u>From</u> | <u>To</u> |
| | <u>WA270 - GMIA TICKETING AREA REMODELING#</u> | | |
| | 4907 – Bond and Note Proceeds | | \$3,089,000 |
| | 4707 – Contribution from Reserves | \$29,000 | |
| | 4927 – PFC Bond Proceeds | \$3,060,000 | |
| | # Existing Project, + Included in 5-Year Plan, * New Project | | |

An appropriation transfer of \$3,089,000 is requested by the Director of Transportation and the Airport Director to update the funding source(s) in Advantage (General Ledger) to reflect the correct funding source included in the 2019 Adopted Capital Improvement Budget. As a result, this transfer changes the funding source for the design and construction phase of the project from General Airport Revenue Bonds (GARBs) backed by airline rates and charges to the Airport Development Fund (ADF) reserve and Passenger Facility Charge (PFC) revenue.

This fund transfer has no tax levy impact.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE MAY 20, 2020.

| | | | |
|----|---|-------------|-----------|
| 2) | | <u>From</u> | <u>To</u> |
| | <u>WA264- GMIA Taxiways E & F Pavement Rehab#</u> | | |
| | 8527 – Land Improvements | | \$300,000 |
| | 6146 – Consultant Prof. Serv. | | 25,000 |
| | 2699 – Other Federal Grants | \$243,750 | |
| | 4707 – Contribution from Reserves | \$40,625 | |
| | 2299 – Other State Grants | \$40,625 | |
| | # Existing Project, + Included in 5-Year Plan, * New Project | | |

An appropriation transfer of \$325,000 is requested by the Director of Transportation and the Airport Director to increase expenditure authority and revenue for capital improvement project WA264 - GMIA Taxiways E&F.

The 2019 Adopted Capital Improvement Budget included and appropriation of \$3,046,403 to remove and replace Taxiway E, north of Taxiway F1. Remove and replace Taxiway F between Taxiway Z and Runway 19R. This includes new shoulders, edge lighting modifications, guidance sign replacement and repair, in-pavement RGL installation, and storm sewer modifications to meet permit requirements.

Additional funding for this project is requested in response to airfield utilization information that was unavailable when the budget was initially developed for this capital improvement project. Additional taxiway pavement is required to be designed and constructed as part of this project in order to enable large aircraft to turn from northbound Taxiway E to westbound Taxiway F. Currently, this maneuver cannot be accomplished by turning directly from one taxiway onto the

other taxiway. Instead aircraft must exit the taxiway entirely and travel through an apron area to access the other taxiway, which is an undesirable pathway for aircraft movement.

This appropriation transfer adds an additional \$325,000 to the project to complete the updated design and construction of the additional pavement to enable the desired aircraft movement. The additional expenditure authority is eligible for Federal Aviation Administration (FAA) Airport Improvement Program (AIP) federal grant funding at 75%, state grant funding at 12.5%, and local airport funding at 12.5%. The funding breakdown is detailed below.

Funding for this additional expenditure authority will consist of \$243,750 in FAA AIP federal grant funding, \$40,625 in State grant funding and \$40,625 in Airport Development Fund (ADF) reserve.

The Airport is currently in the process of applying for its next Passenger Facility Charge (PFC) application. Once that application receives FAA approval, an additional fund transfer will be completed to replace the source of the local airport funding share with PFC funds and to reimburse the ADF reserve.

This fund transfer has no tax levy impact.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE MAY 20, 2020.

| 3) | <u>From</u> | <u>To</u> |
|---|-------------|-----------|
| <u>WA266- GMIA Electrical Switchgear Replacement#</u> | | |
| 4927 – PFC Backed GARBs | | \$707,580 |
| 4707 – Contribution from Reserves | \$707,580 | |
| # Existing Project, + Included in 5-Year Plan, * New | | |

An appropriation transfer of \$707,580 is requested by the Director of Transportation and the Airport Director to change the revenue source for capital improvement project WA266 – GMIA Terminal Switchgear.

The 2020 Adopted Capital Improvement Budget included and appropriation of \$707,580 for planning, design, and construction for removal of the medium voltage electrical substation in the mezzanine located in the Main Terminal at GMIA. Work also includes the installation of new electrical distribution equipment in the Main Terminal building.

Due to the COVID 19 pandemic disruptions, Airport staff anticipate that passenger demand for air travel could experience a prolonged period to rebuild to pre COVID 19 levels of demand. In addition, from the supply side, it may also be a prolonged period of time before airlines restore their route networks and frequency of service to all destinations as well.

Airport staff have indicated that the disruptions caused by the COVID 19 pandemic and the best estimate of forecasted reduction in revenues anticipated to be received for both the Airport's Airport Development Fund (ADF) reserve and foregone collection of Passenger Facility Charge (PFC) revenues will at a minimum force a reconsideration of capital project priorities, timelines, and viability of some projects.

The Terminal Switchgear project was originally anticipated to be funded by General Airport Revenue Bonds (GARBs) that were backed by airline rates and charges. The bond issuance for the Terminal Switchgear was going to be a combined bond financing that included the construction for the International Terminal Redevelopment Project (to replace the International Arrivals Building and the E Concourse) that was anticipated during 2021 utilizing PFC backed GARBs. With the advent of COVID 19 and its impact upon revenues, the Airport in consultation with the airlines, have delayed the construction phase of the International Terminal Redevelopment Project until at least 2022. The work on the Terminal Switchgear is already underway and although the Comptroller's Office completed a reimbursement resolution to allow spending to proceed and for the County to reimburse itself from the bond proceeds when the combined issuance was to take place, the delay in the construction of the International Terminal Redevelopment project has placed the Terminal Switchgear outside of the eligibility window for reimbursement from bond proceeds. Furthermore, the cost of bond issuance to undertake a standalone financing just for the amount of the Terminal Switchgear would be cost prohibitive.

Therefore, this appropriation transfer changes the funding source for the Terminal Switchgear which is already underway from PFC backed GARBs to the Airport's ADF reserve.

This fund transfer has no tax levy impact.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE MAY 20, 2020.

2020 BUDGETED CONTINGENCY APPROPRIATION SUMMARY

| UNALLOCATED CONTINGENCY ACCOUNT | |
|---|--------------------|
| 2020 Budgeted Unallocated Contingency Appropriation Budget | \$4,355,575 |
| Approved Transfers from Budget through May 20, 2020 | |
| (\$100,000) File 20-128 sPark Funds | (\$100,000) |
| (\$50,000) File 20-146 Election Commission voter registration | (\$50,000) |
| (\$1,000,000) File 20-288 COVID-19 Emergency Capital Projects | (\$1,000,000) |
| \$1,730,000 File 20-286 From Capital Project W0546 ERP (Phase 2) | \$1,730,000 |
| (\$1,120,000) File 20-286 To Org 1172 DAS IMSD- Mainframe | (\$1,120,000) |
| (\$610,000) File 20-286 To Org 1921 HR & Payroll Systems for full year of Ceridian and other services | (\$610,000) |
| (\$80,000) Increase Capital Project W0870011 Expenses (Special Assessment to Muni's) | (\$80,000) |
| \$1,000,000 File 20-335 COVID-19 Emergency Capital Projects (reverses File 20-228) | \$1,000,000 |
| (\$127,694) File 20-387 Sheriff Security for CEX | (\$127,694) |
| Unallocated Contingency Balance as of May 20, 2020 | \$3,997,881 |
| Transfers from the Unallocated Contingency PENDING May CB Approval, and Finance & Audit Committee through May 20, 2020 | |
| Total Transfers PENDING in Finance and Audit Committee | \$0 |
| Net Balance | \$3,997,881 |

| ALLOCATED CONTINGENCY ACCOUNT | |
|---|--------------------|
| 2020 Budgeted Allocated Contingency Appropriation Budget | \$2,150,000 |
| \$550,000 Lead abatement Loan Program (DHHS) | |
| \$1,500,000 Electronic Monitoring Initiative (HOC) | |
| \$100,000 Emergency Repairs @ Lakefront Pathways (Parks) | |
| Approved Transfers from Budget through May 20, 2020 | |
| (\$550,000) (File 20-121) Lead Abatement Program (DHHS) | (\$550,000) |
| Allocated Contingency Balance as of May 20, 2020 | \$1,600,000 |
| Transfers from the Allocated Contingency PENDING May CB Approval, and Finance & Audit Committee through May 20, 2020 | |
| Total Transfers PENDING in Finance, Personnel & Audit Committee | \$0 |
| Net Balance | \$1,600,000 |