

DRAFT

Fiscal Year 2018

7-26-18 FINANCE AND AUDIT COMMITTEE APPROPRIATION TRANSFERS
A DEPARTMENTAL

Action Required

Finance and Audit Committee

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 2018 appropriations of the respective listed departments:

1)	<u>From</u>	<u>To</u>
<u>9910 University Extension</u>		
6509 - Building & Space Rental	\$60,012	
6336 - Internet		\$3,000
6329 - Telephone & Telephone Outside Ven		\$12,500
6326 - Electricity		\$10,000
9784 - Co Grounds Space Rental		\$34,512

The 2018 Adopted Budget included funds for UW Extension to vacate their operations from the County owned CATC building. At the time of budget passage the final location and costs were unknown. This transfer aligns expenditures into the appropriate accounts to allow UW- Extension to pay for ongoing operating costs to be incurred in the remainder of 2018.

There is no tax levy impact from this fund transfer.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE JUNE 22, 2018

2)		<u>From</u>	<u>To</u>
	<u>1160 – IMSD</u>		
	5199 – Salaries and Wages		\$222,854
	5312 – Social Security Taxes		\$17,048
	6147 – Professional Services		\$214,638
	8010 – Depreciation	\$454,540	

The Chief Information Officer, DAS - Information Management Services Division is requesting a transfer of expenditure authority from depreciation to personnel services and professional services. This fund transfer has no tax levy impact.

IMSD is projecting a one-time 2018 depreciation surplus of \$454,540. The transfer will allow IMSD to fund the projected deficit in personnel services caused primarily from six (6) positions that were filled and unfunded in the adopted budget. The deficit reflects only a portion of the full annual cost of the positions due to difficulty filling IT positions in the current competitive job market. The remainder of the depreciation surplus will fund excess Professional Services costs related to the vacant positions.

There is no tax levy impact from this fund transfer

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE JUNE 22, 2018

7-26-18 FINANCE AND AUDIT COMMITTEE APPROPRIATION TRANSFERS
B 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, Office of Performance, Strategy and Budget, 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 2018 appropriations of the respective listed departments:

1)	<u>From</u>	<u>To</u>
<u>4900 – Medical Examiner</u>		
2699 – Other Service Fee Charges	\$250,000	
3599 – Other Fed Grants & Reim	\$50,000	
5199 – Salaries and Wages		\$150,000
5201 – Overtime		\$25,000
5312 – Social Security		\$13,387
7729 – Other Genrl Med Surg Supl		\$50,000
7780 – Laboratory Supplies		\$50,000
7970 – Tools and Minor Equip		\$11,613

The purpose of this appropriation transfer is to recognize additional revenue that was not budgeted for in the 2018 budget. This receipt of revenue transfer accounts for a projected additional 200 autopsies for outside counties. Corresponding expenses are increased to reflect the additional workload.

In addition, the Medical Examiner’s office was awarded a National Institute of Justice (NIJ) grant titled, “Strengthening the Medical Examiner/Coroner System” which will be used to offset the costs of the Forensic Fellowship Program. The grant was applied for in March of 2017 and awarded in late 2017. The fellowship is to begin July 1, 2018. Funds will be used to pay the salary of 1 FTE forensic fellow.

This fund transfer has no tax levy impact.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE JUNE 22, 2018

2)	<u>From</u>	<u>To</u>
<u>9960 General County Debt Service</u>		
8022 – Interest - Levy Financed	\$533,467	
8022 – Interest – 2017A Net Bid Premium		\$323,584
8022 – Interest – 2017C Net Bid Premium		\$121,980
8022 – Interest – 2017D Net Bid Premium		\$82,917
8022 – Interest – 2017B Refunding Surplus Proceeds		\$4,531
8022 – Interest – 2009F Surplus Notes		\$455
8033 – Prin Payment Gen Refunding Bonds (Reduce 2018 Refunding Bond Issuance)		\$533,467
<u>0764 Debt Service Reserve</u>		
0764 – 2017A Net Bid Premium	\$323,584	
0764 – 2017C Net Bid Premium	\$121,980	
0764 – 2017D Net Bid Premium	\$82,917	
0764 – 2017B Refunding Surplus Proceeds	\$4,531	
0764 – 2009F Surplus Notes	\$455	

An appropriation transfer of \$1,066,934 is requested by the Office of the Comptroller to reallocate net bid premiums, surplus refunding bonds, and surplus notes from the Debt Service Reserve (DSR) to the 9960 – General County Debt Service Budget in order to pay interest costs. The transfer will also reallocate levy made available from the surplus bid premiums/refunding bonds/notes to provide expenditure authority that will be used to apply cash towards the 2018 General Obligation Refunding Bond issuance (2018 Refunding Issuance).

In January 2017, the County Board approved File 17-198, which authorized the reallocation of 2017 surplus bond and note proceeds (including net bid premiums) to the DSR. The 2017 bond and note financings closed in November 2017 and surplus proceeds were deposited to the DSR.

This appropriation transfer would reallocate the net bid premiums of \$528,481 from the DSR to the General County Debt Service Budget so that the net bid premiums can be used to pay eligible interest expenses. The net bid premium can only be used to pay eligible interest expenses. A small amount of surplus 2017 refunding proceeds (\$4,531) and surplus 2009 notes (\$455) are also being reallocated from the DSR to pay eligible interest expenses.

2018 Refunding Bond Issuance

In March 2018, the County Board and County Executive approved File 18-211 that authorized the issuance of Refunding Bonds in order to refund the balance of the 2009C Build America Bonds, the 2009E Build America Bonds, and the 2010A Build America Bonds.

This transfer would apply the available tax levy in the General County Debt Service Budget to provide \$533,467 of expenditure authority so that a cash contribution can be made towards the 2018 Refunding Bond issuance. The cash contribution would allow the Office of the Comptroller to address current private activity issues within projects that are financed by the Build America Bonds without having to include them as part of the 2018 Refunding Bond Issuance. Not including projects with current known private activity issues would reduce the risk that the future private activities issues would jeopardize the tax status of the outstanding debt. These private activity issues result from facilities or assets that are financed with tax-exempt debt being leased to or used by private entities in a manner that is not allowed by the Internal Revenue Service (IRS). The cash contribution would have an added benefit of reducing future debt service expenses.

There is no tax levy impact from this fund transfer.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE JUNE 22, 2018

3)		<u>From</u>	<u>To</u>
	<u>5803 – Department of Transportation – Directors Office</u>		
	2699 – Other Fed Grants & Reim	\$1,011,849	
	4999 – Miscellaneous Revenue	\$362,675	
	8204 – Contract Pers Serv- Short		\$1,374,524

The Director of the Milwaukee County Department of Transportation (MCDOT) requests an appropriation transfer to create expenditure authority and revenue for the Federal Transit Administration Section 5310 Program in the 2018 Operating Budget to reflect Federal Fiscal Year 2016 awarded projects for the Milwaukee Urbanized Area recipients and program oversight and administration which takes place through the Milwaukee County Department of Transportation's Director's Office.

The FTA Section 5310 funds can be used for approved operating or capital assistance, and are available to private non-profits or government agencies. According to FTA requirements, at least 55 percent of the Section 5310 funding apportionment must be used for capital expenses for public transportation projects that are planned, designed, and carried out to meet the special needs of seniors and individuals with disabilities (i.e. traditional Section 5310 capital projects).

The remaining 45 percent of the funds may be used for approved operating or capital expenses associated with:

- Public transportation projects that exceed the requirements of the ADA
- Public transportation projects that improve access to fixed route transit service and decrease reliance by individuals with disabilities on complementary paratransit
- Alternatives to public transportation that assist seniors and individuals with disabilities

As the designated recipient, Milwaukee County is responsible for administering grant agreements, monitoring sub recipients applying for federal funds, and satisfying documentation and reporting requirements to the FTA.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE JUNE 22, 2018

7-26-18 FINANCE AND AUDIT COMMITTEE APPROPRIATION TRANSFERS
C CAPITAL IMPROVEMENTS

Action Required

Finance and Audit Committee
Majority County Board

WHEREAS, your committee has received from the Department of Administrative Services, Fiscal Affairs, departmental requests for transfer to the 2018 capital improvement accounts 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 2018 capital improvement appropriations:

1)	<u>From</u>	<u>To</u>
<u>WO51712 WM/MAM SubBase Structures #</u>		
6146 – Prof. Serv Cap/ Major Mtce	\$3,000	
8509 – Other Bldg Imprvmt (Cap)	\$140,000	
9706 – Pro Serv Div Services	\$12,000	
<u>WO51708 War Memorial Truck Dock Rep. #</u>		
8509 – Other Bldg Imprvmt (Cap)		\$140,000
9706 – Pro Serv Div Services		\$15,000

Existing Project, + Included in 5-Year Plan, * New Project

The Architecture, Engineering & Environmental Services Section of the Department of Administrative Services (AE&ES) is requesting an appropriation transfer (transfer) to reallocate expenditure authority of \$155,000 to WO51708 War Memorial Truck Dock from WO51712 WM/MAM Subbasement Structures.

The 2015 Adopted Capital Improvements Budget provided an appropriation of \$470,000 in tax levy for Capital Improvement Project WO51708- War Memorial/Art Museum Truck Dock Repairs.

The 2016 Adopted Capital Improvement Budget provided an appropriation of \$703,000 in tax levy for Capital Improvement Project WO51712- War Memorial/Art Museum Subbasement structures.

Due to similarities in the type of repairs (concrete structure and waterproofing) and the need to tear up and restore adjacent areas in the parking lot, these two projects were bid together and awarded to a single contractor.

AE staff has indicated that completing these projects concurrently will lead to a more efficient process that should save time and money. AE staff has indicated that the site restoration work placed in the one contract will also simplify the process. Reallocation of the budget authority among these two projects will allow for reconciliation of accounts in order to keep the project budget and contract consistent.

This fund transfer has no tax levy impact.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE JUNE 22, 2018

DRAFT

Fiscal Year 2018

	<u>From</u>	<u>To</u>
2) <u>WO63201 Milwaukee County Internet and Intranet Redesign/Rebuild #</u>		
6146 – Prof. Serv- Cap/Major Maint		\$11,800
<u>1162 DAS-IMSD Project Management Office</u>		
6147 – Prof. Ser. Data Process	\$11,800	
# Existing Project, + Included in 5-Year Plan, * New Project		

An appropriation transfer of \$11,800 is requested by the Chief Information Officer of the Department of Administrative Services – Information Management Services Division (DAS-IMSD) to increase expenditure authority in Project WO63201 Milwaukee County Internet and Intranet Redesign/Rebuild and decrease expenditure authority in Org. 1162 DAS-IMSD.

The 2016 Capital Improvements Budget included an appropriation of \$450,000 to redesign and rebuild the Milwaukee County Internet and Intranet. Financing was provided from sales tax revenue.

In June 2018, the Finance and Audit Committee received a request (File 18-469) under passive review from the Chief Information Officer to increase the fees for the Northwood’s Software Development professional service agreement by \$21,640. The additional fees will provide funding for coordination and quick fixes that will be required as the County finishes implementation and cutover efforts. There are \$9,840 of funds remaining in the Project to cover the additional fees. The remaining \$11,800 are requested to be transferred from the operations budget of DAS-IMSD to the Project so that sufficient funds are available.

The project is nearing completion and the launch of the new site is anticipated to occur in July of 2018.

This fund transfer has no tax levy impact.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE JUNE 22, 2018

DRAFT

Fiscal Year 2018

3)		<u>From</u>	<u>To</u>
	<u>WP613 Cudahy Park Baseball Diamond</u>		
	8509 – Other Bldg Improvement Cap	\$155,599	
	9706 – Pro Serv Div Services	\$10,000	
	<u>9000 – Parks Department</u>		
	6146 – Professional Services- Capital		\$165,599

Existing Project, + Included in 5-Year Plan, * New Project

An appropriation transfer is requested by the Director of Parks, Recreation and Culture and the Director of the Department of Administrative Services AE&ES to transfer expenditure authority of \$165,599 to the Parks Department operating fund so that it may be used to improve baseball diamonds in Sheridan Park, Pulaski-Cudahy Park, and Greene Park as well as softball fence improvements in Sheridan Park. Expenditure authority is requested to be transferred from funding in WP61301, Cudahy Park Baseball Diamond Installation.

WP61301 was approved in the 2016 adopted capital budget and intended to fund the installation of a new baseball facility in Cudahy Park. Parks staff, in conjunction with the Supervisor of the 8th District have determined that the highest and best use of these funds would be to improve four existing baseball and softball facilities in the south shore area. The Cudahy Park location is currently programmed as a soccer field that is reserved for the public and the intended improvements to Sheridan, Pulaski-Cudahy, and Greene Park would enhance accessibility and use of these existing County facilities.

There is no tax levy impact from this fund transfer.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE JUNE 22, 2018

DRAFT

Fiscal Year 2018

4)		<u>From</u>	<u>To</u>
	<u>WP614 Grant Park Baseball Diamond Improvements</u>		
	8509 – Other Bldg Improvement Cap	\$138,800	
	9706 – Pro Serv Div Services	\$10,000	
	<u>9000 – Parks Department</u>		
	8588 – Capital Outlay – Operating		\$148,800

Existing Project, + Included in 5-Year Plan, * New Project

An appropriation transfer is requested by the Director of Parks, Recreation and Culture and the Director of the Department of Administrative Services AE&ES to transfer expenditure authority of \$148,800 to the Parks Department operating fund so that it may be used to address bridge needs in Grant Park, specifically the Seven Bridges Trail. Expenditure authority is requested to be transferred from funding in WP61401, Grant Park Baseball Diamond Improvements.

WP61401 was approved in the 2016 adopted capital budget and intended to make improvements to a former Little League area. Parks staff, in conjunction with the Supervisor of the 8th District have determined that the best use of these funds would be repairs in Grant Park at Seven Bridges due to safety concerns. Repairs will include new railings, decking, fresh paint and related restoration.

There is no tax levy impact from this fund transfer.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE JUNE 22, 2018

5)	<u>From</u>	<u>To</u>
<u>WT077 FDL Bus Storage Garage Roof #</u>		
8589 – Other Capital Outlay (Cap)		\$578,630
9706 – Pro Serv Div Services		\$37,680
2699 – Other Fed Grants & Reim	\$493,048	
<u>WT076 KK Garage Maint Bldg HVAC #</u>		
8551 Mach & Equip – Repl > \$2500	\$578,630	
9706 – Pro Serv Div Services	\$37,680	
2699 – Other Fed Grants & Reim		\$493,048

Existing Project, + Included in 5-Year Plan, * New Project

The Architecture, Engineering & Environmental Services Section of the Department of Administrative Services (AE&ES) is requesting an appropriation transfer (transfer) from project WT076 Kinnickinnic Maintenance Garage HVAC Replacement (WT076) to project WT077 FDL–Bus Storage Garage Roof Replacement (WT077). The transfer reallocates \$616,310 of remaining expenditure authority and \$493,048 of federal grant-reimbursement authority from WT076 to WT077. Note, both projects are eligible for 80% Federal Transit Administration funding.

WT077-FDL – Bus Storage Garage Roof Replacement

Project WT077 was included in the 2017 adopted capital improvement budget with an appropriation of \$2,700,000. The project is divided into five (5) buildings, four (4) of which have roofs deteriorated to the point of needing to be replaced and are part of this roof replacement project. Two (2) of the buildings roofs to be replaced make up the base bid of this project; Building 107 and Building 104. Alternate Bid-A is the cost of replacing the roof on Building 105 and Alternate Bid-B is the cost of roof replacement on Building 106. The pre-bid cost estimate was submitted by the design consultant in late 2017 and was significantly over the budgeted construction dollar amount. The 2018 adopted capital improvement budget included an additional \$502,468 to allow the project to be bid.

Competitive bids were received in April of 2018 and the Administrative Contract Award for the project was made in May of 2018, which included the Base Bid and Alternate Bid-B for a total contract amount of \$2,781,672. At this time, there are insufficient funds to award Alternate Bid-A, which will require another \$538,260 for construction and \$37,680 for construction management fees.

WT076-Kinnickinnic Maintenance Garage HVAC Replacement

Project WT076 was included in the 2017 adopted capital improvement budget with an appropriation of \$2,000,000. The Administrative Contract Award was made in late 2017. The project has been substantially completed and surplus expenditure authority of approximately \$1 million remains. Approximately \$1.7M was budgeted for construction assuming a replace-in-kind approach. After reviewing the design alternatives, the selected design incorporated more efficient direct fired gas make up air units rather than simply replacing the hot water make up air units. The pre-bid construction cost estimate prepared by the design consultant was approximately \$1.3M, however, the construction bids came in ranging from \$800,000 to \$900,000. Favorable bidding climate and time of year bid were reasons provided by the consultant for the lower bids.

DRAFT

Fiscal Year 2018

The project is financed with \$1.6 million of federal funding and \$400,000 of County bonds (based upon an 80/20 project split). The project is substantially complete and Transit staff anticipates an estimated adjusted federal funding of \$797,000 and approximately \$200,000 of County bond financing (based on estimated final project costs and the 80/20 project split).

If approved, this transfer will reallocate \$616,310 of remaining expenditure authority from WT076 to WT077 and reallocate \$493,048 of federal grant-reimbursement authority from WT076 to WT077 and will allow the entire roof of the Bus Storage Building at the Fond Du Lac Avenue Transit Facility to be replaced.

This appropriation transfer has no tax levy impact.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE JUNE 22, 2018

2018 BUDGETED CONTINGENCY APPROPRIATION SUMMARY

UNALLOCATED CONTINGENCY ACCOUNT	
2018 Budgeted Unallocated Contingency Appropriation Budget	\$5,994,110
Approved Transfers from Budget through June 22, 2018	
(\$1,662,000) File 18-203 Paid Parking Dollars	(\$1,662,000)
(\$250,000) File 18-67A Medical Examiner Firewall (Jan cycle 2018)	(\$250,000)
\$323,340 File 18-227 Child Support Dollars	\$323,340
(\$270,000) File 18-227 Medical Examiner Mass Spectrometer	(\$270,000)
(\$37,000) File 18-265 OAAA Youth Programming	(\$37,000)
(\$225,000) File 18-222 Litigation Reserve Transfer	(\$225,000)
(\$2,000) File 18-269 Humboldt Park Great Hall Naming	(\$2,000)
(\$152,000) Villa Terrace Boiler and Roof Repair	(\$152,000)
(\$15,000) File 18-333 Marijuana Referendum Question	(\$15,000)
Unallocated Contingency Balance as of June 22, 2018	\$3,704,450
Transfers from the Unallocated Contingency PENDING May CB Approval and Audit Committee through June 22, 2018	
Total Transfers PENDING in Finance and Audit Committee	\$0
Net Balance	\$3,704,450
ALLOCATED CONTINGENCY ACCOUNT	
2018 Budgeted Allocated Contingency Appropriation Budget	\$1,430,622
\$855,006 Senior Center Service Contract	
\$50,616 Milwaukee County Historical Society	
\$525,000 Local Share of Highway Projects	
Approved Transfers from Budget through June 22, 2018	
1,662,000 File 18-203 Paid Parking Dollars	\$1,662,000
(\$507,500) WH09401 W. Rawson Intersection	(\$507,500)
(\$655,006) File 18-202 (Full year contract Senior Centers)	(\$655,006)
\$15,000 File 18-333 Marijuana Referendum Question	\$15,000
Allocated Contingency Balance as of June 22, 2018	\$1,945,116
Transfers from the Allocated Contingency PENDING May CB Approval and Audit Committee through June 22, 2018	
Total Transfers PENDING in Finance, Personnel & Audit Committee	\$0
Net Balance	\$1,945,116