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(ITEM ) From the Milwaukee County Comptroller, requesting authorization to allocate \$3 million from the Debt Service Reserve to pay 2014 debt service costs and to change the source of financing for Project WO614014 Build Out Ten Sites to Digital from General Obligation Bonds or Notes to Property Tax Levy, by recommending adoption of the following:

**A RESOLUTION**

WHEREAS, Milwaukee County operates an analog 800 megahertz trunked radio system that provides support to the Milwaukee County Sheriff’s Department, Milwaukee County Transit System, Department of Public Works, Milwaukee County Zoo, Department of Parks, Recreation, and Culture, and first responder agencies (police/fire/emergency medical services) of seventeen municipalities throughout the region; and

WHEREAS, due to the fact that many system components of the current trunked radio system are no longer manufactured nor supported, Milwaukee County is at a critical point requiring that the radio system, dispatch consoles, and radios be replaced; and

WHEREAS, approximately \$11.8 million has been budgeted for the multi-phase, Build Out Ten Sites to Digital project, including \$7.1 million in the 2014 Adopted Budget; and

WHEREAS, in May 2014, the County Board of Supervisors and County Executive approved an appropriation transfer that increased expenditure authority and the revenue budget by \$3 million; and

WHEREAS, the increased funding for 2014 will allow the County to take advantage of lower unit costs for the hand-held radios; and

WHEREAS, the source of financing identified in the appropriation transfer was general obligation bonds/notes; and

WHEREAS, the Office of the Comptroller had initially planned to submit authorizing, parameters, and reimbursement resolutions that would increase the size of the 2014 corporate purpose issuance by \$3 million in order to finance the project; and

WHEREAS, after completing the financing analysis, it was discovered that a vast majority of the items financed by the \$3 million fall below the County’s capitalization threshold (\$2,500); and

43 WHEREAS, the Office of the Comptroller is proposing to allocate \$3 million from  
44 the Debt Service Reserve to pay 2014 debt service expenses and utilize the levy “freed up”  
45 from the allocation to finance the Build Out Ten Sites to Digital project; and  
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47 WHEREAS, the Office of the Comptroller submitted a 2013 fiscal projection for the  
48 May 2014 Finance, Personnel, and Audit Committee that identified an estimated \$22.5  
49 million surplus for 2013; and  
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51 WHEREAS, the report also anticipated that a deposit of \$17.5 million would be  
52 made to the Debt Service Reserve; and  
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54 WHEREAS, assuming that a deposit of \$17.5 million is made to the Debt Service  
55 Reserve, the year-end 2013 balance of the Debt Service Reserve is anticipated to be \$36.0  
56 million; and  
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58 WHEREAS, the 2014 Adopted Budget included a contribution from the Debt Service  
59 Reserve of \$12,099,198; and  
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61 WHEREAS, the current estimated balance of the Debt Service Reserve as of June  
62 2014 is \$23.9 million; and  
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64 WHEREAS, the 2014 Adopted Budget states that “the County will seek to build and  
65 maintain a minimum balance of \$10 million in the Debt Service Reserve;” and  
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67 WHEREAS, if the resolution is approved, the current estimated balance of the Debt  
68 Service Reserve would be \$20.9 million, which is greater than the \$10 million minimum  
69 balance that was stated in the 2014 Adopted Budget; now, therefore,  
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71 BE IT RESOLVED, that the Milwaukee County Board of Supervisors hereby  
72 authorizes the Office of the Comptroller to allocate \$3 million from the Debt Service  
73 Reserve to the Debt Service Budget in order to finance 2014 debt service payments thus  
74 “freeing up” \$3 million of property that is available to finance the Build Out Ten Sites to  
75 Digital project; and  
76

77 BE IT FURTHER RESOLVED, that the Milwaukee County Board of Supervisors  
78 authorizes the Department of Administrative Services to process an administrative  
79 appropriation transfer to effectuate this resolution and to change the source of financing for  
80 the Build Out Ten Sites to Digital project from General Obligation Bonds or Notes to  
81 Property Tax Levy.  
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