



**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

Office of the Comptroller

DATE: December 6, 2016
TO: Theo Lipscomb, Sr., Chairperson, County Board of Supervisors
FROM: Scott B. Manske, Comptroller
SUBJECT: **Parks Amenities Matching Fund (Informational Only)**

Policy Issue

My office received a request to provide a memo discussing the Parks Amenities Matching Fund (PAMF) including the current balance; the options available for the balance; and details and consequences of the fact that the \$500,000 appropriation for PAMF in the 2016 budget was placed into the Parks operating budget rather than a capital account.

Background

Milwaukee County established a PAMF in 1994. For many years, this was used to match funds raised by outside entities to repair or enhance the parks.

The 2013 Adopted Budget recreated the PAMF with \$250,000 in funds anticipated from land sales and beer garden revenue. File 14-420 allocated \$250,000 in proceeds from the sale of a parcel at Innovation Park to the PAMF (of which \$100,000 was transferred to a pool capital project). At the end of 2013 and subsequent years, remaining funds were placed in a reserve. The attached schedule lists that reserve's revenue, expenditures, and commitments. The balance of that reserve as of December 31, 2015, was \$47,110.

Status

The 2016 Adopted Budget appropriated \$500,000 to the PAMF. \$500,000 was placed in Low Org. 0517 - PAMF in June 2016.

In informational File 16-423, DPRC announced plans to award \$214,550 from PAMF to a list of community organizations. So far \$57,450 of that amount has been paid to The Park People, North Point Lighthouse Friends, and Greenfield Little League. The remaining \$157,100 in announced awards has yet to be paid. If

these payments are made, then the remaining \$285,450 will go into the reserve at the end of 2016. If the County Board authorizes awarding \$15,000 to install futsal courts at Lincoln Park (pending File 16-706), then the remaining \$270,450 would go into the reserve at the end of the year.

Options for the Balance of Funds

DPRC is accepting applications on an ongoing basis and will consider proposed projects based on criteria established by the County Board. Any grant awards made post-File 16-444 will require County Board approval. At the end of 2016, the Org. 0517 - PAMF balance will go into the reserve.

Since 2013, we have carried over any unused funds at the end of each year. We have made an exception for this program due to its matching nature. It requires a commitment by both County and nonprofit entities. As a result, Milwaukee County will continue to carry over any unused funds into this trust.

Consequences of Placing PAMF in the Operating Budget

Normally, remaining funds in operating budgets that are not spent, encumbered, or requested for carryover by the end of a year will fall to the bottom line. The Office of the Comptroller stated this general rule during 2017 Budget deliberations. However, in this specific case, a decision had been made in 2013 to create a reserve for remaining PAMF dollars at the end of each year.

The rules that the Office of the Comptroller uses to determine if a reserve should be established derive from Wisconsin State Statutes 59.60 – Budgetary Procedures in Certain Counties. The specific statutes are Wisconsin Statutes 59.60 (5) (g) and 59.60 (11), which do not allow for the carryover of non-capital operating funds. However, our office has found that certain grants, agreements, contracts, and stipulations for receipt of funds require the County to only use receipts or unused funds for specific purposes. Where we find agreements with outside parties to restrict the County to use the funds for no other purpose than originally stipulated, we will allow or demand the carryover of such funds.

Here are a few examples of reserve carryovers that we have allowed: Family Care Reserves from net revenue generated from the program based on the State contract, charitable trusts based on stipulation from contributor, Federal Housing funds whereby the grant only allows funds to be spent on Housing, WRAP program receipts based on State Statute, and funds of lapsed projects funded with debt proceeds are restricted by the IRS to only debt payments.

In the case of the PAMF, the County will definitely allow for the carryover of any funds where the County has made a commitment to an outside entity for shared project costs. Not as clear, but we have also allowed the carryover of uncommitted

PAMF dollars, because it can only be used for projects which will have a commitment from an outside party.

Committee Action

This is an informational memo intended for review by the Committee on Parks, Energy, and Environment.



Scott B. Manske
Comptroller

Attachment

- Cc: Supervisor Jason Haas, Chairperson, Parks, Energy, and Environment Committee
Chris Abele, County Executive
Parks, Energy, and Environment Committee
Kelly Bablitch, Chief of Staff, County Board
Raisa Koltun, Chief of Staff, Office of the County Executive
John Dargle, Jr., Director, Department of Parks, Recreation, and Culture
Teig Whaley-Smith, Director, Department of Administrative Services (DAS)
Steve Kreklow, Director, Office of Performance, Strategy, and Budget, DAS
Jeremy Lucas, Budget and Management Analyst, OPSB, DAS
Jessica Janz-McKnight, Research and Policy Analyst, Research Services Division, Office
of the Comptroller
Steve Cady, Research & Policy Director, Research Services Division, Office of the
Comptroller
Allyson Smith, Committee Coordinator, Office of the County Clerk