

COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION

DATE: December 30, 2025

TO: Supervisor Marcelia Nicholson-Bovell, Chairwoman, County Board of Supervisors

FROM: Justin Rodriguez, Capital Project Manager, Office of the Comptroller

SUBJECT: Initial Authorizing Resolution for the 2026 General Obligation Promissory Notes for Capital Projects

REQUEST

The Office of the Comptroller is requesting the approval of the attached initial authorizing resolution for the issuance of a not-to-exceed amount of \$153,750,000 of general promissory notes (“Notes”) to finance capital projects. The resolution also authorizes the reimbursement of expenses related to projects that occur prior to the issuance of the Notes.

BACKGROUND

The 2026 Notes will finance projects contained in the 2026 Capital Improvements Budget¹ (“2026 Budget”) and other projects that have been approved, but not yet financed.

2026 Capital Improvements Budget²

The 2026 Budget included \$56,811,722 of budgeted bond/note proceeds to finance various capital improvement projects. The table below provides a summary of the not-to exceed amount. Table 2, on page three of the report, includes a list of the various components of the not-to-exceed amount of \$153,750,000.

Table 1: Not-to-Exceed Amount Summary

2026 Adopted Capital Project Financings	\$56,811,722
Previously Apporved - Forensic Science Center	\$49,739,069
Previously Approved - Balance of Projects	\$40,537,663
Inflationary Factor/Contingency	\$4,410,000
Cost of Issuance, Underwriter's Discount, Rounding	\$2,251,546
Total Not-to-Exceed Amount	\$153,750,000

¹ 2026 Capital Improvements Budget Summary is attached.

Initial Authorizing Resolutions Not to Exceed \$153,750,000

The Office of the Comptroller has prepared estimated debt service schedules for the issuance of a not-to-exceed amount of \$153,750,000 in Notes. The amount is the sum of the 2026 Capital Improvements Projects (\$56,811,722), previously approved projects that may be included in the 2026 financings (\$90,276,732), an inflationary factor (\$4,410,000), and Underwriter's Discount/Cost of Issuance (\$2,251,546). The estimated gross debt service from the not-to-exceed schedules is \$221,352,000 which includes \$67,602,000 of interest costs.

The Office of the Comptroller anticipates issuing separate series of notes for capital improvement notes (long-term), promissory notes (short-term/equipment), promissory notes (transit), promissory notes (taxable), and a stand-alone issue for the Forensic Science Center. The Office of the Comptroller will request approval of separate parameters resolutions prior to the issuance of the notes. These resolutions will provide the Office of the Comptroller with the authority to complete those transactions. Table 2, on page three of the report, includes a list of the various components of the not-to-exceed amount of \$153,750,000.

DEBT ISSUANCE CONDITIONS

Wisconsin State Statute Section 67.045 outlines the conditions under which a county may issue debt. To comply with the referenced State Statute, approval of the attached initial authorizing resolution will require a $\frac{3}{4}$ vote (14 votes) of the County Board of Supervisors.

The authorizing resolutions for the bonds and notes include an initial resolution and a resolution directing publication of notices to the electors. The authorizing resolutions also permit the County to reimburse itself for any expenditures made prior to the issuances. Each of the items in the resolution requires Finance Committee and County Board approval.

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 note 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 long as the expenditures comply with IRS rules summarized below:

- No expenditure made 60 days prior to the date of the adoption of the reimbursement resolution can be reimbursed with bond proceeds (other than architectural and engineering fees and similar costs).
- Notes must be issued within 18 months of the later of:
 - The first date that a reimbursed expenditure is made.
 - The placed-in-service date of the project for which the reimbursed expenditure was made (or the date of abandonment of the project for which the reimbursed expenditure was made), but not later than three years of the date of the reimbursed expenditure in any event.

Authorizing Resolutions for 2026 Debt Issuances for Capital Projects

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Table 2: Projects Included in the Not-to-Exceed Amount

Project Number	Description	2026 Bond/Note Amount
2026 Budget		\$56,811,722
Previously Approved Projects		
WC0209012	Forensic Science Center - Phase 2	\$49,739,069
WT0155012	FDL Bus Storage and Garage Ventilation and Exhaust Systems	\$8,033,110
WT0173014	BUS REPLACEMENT PROGRAM - 2025	\$5,200,000
WC0227012	CH - Elevator Modernization	\$5,000,000
WP0706032	South Shore Breakwater North Section - Phase 2	\$3,456,160
WP0714032	KK Parkway-Jackson Park Drive - Alternative C	\$3,312,980
WY0456063	New DHHS Admin Coggs Building	\$2,500,000
WC0062012	CJF - Building Roof Replacement	\$2,049,500
WZ0119012	Zoo Adventure Africa-Elephants Exhibit	\$1,933,195
WP0674012	UNDERWOOD CREEK PKWY RD RPLCMNT-ROUNDABOUT TO SWAN	\$2,500,000
WO0169012	Training Academy Roof Repairs	\$1,000,000
WH0263011	W. Beloit Rd. (CTH T)-S. 108th St. to W. Oklahoma Ave.	\$700,000
WJ0113014	Disaster Recovery Back Up Power	\$650,000
WT0157012	Boilers and Boiler Pumps at KK Garage	\$585,260
WT0156012	BUS LIFT REPLACEMENT (2) - FDL SITE - GARAGE	\$550,000
WP0782012	Oak Leaf Trail Hampshire Access	\$543,326
WH0263013	W. Beloit Rd. (CTH T)-S. 108th St. to W. Oklahoma Ave.	\$300,000
WH0286011	W Ryan Rd (CTH H)-S 96th St to STH 100 Reconstruction	\$250,000
WH0260013	S 76th St. (CTH U)-S. County Line Rd. to S. Creekview Ct.	\$200,000
WU0201101	MARCUS CENTER ROOF REPLACEMENT - FITCH GARDEN AREA	\$174,622
WH0267011	W. Silver Spring Dr (CTH EE)-N. 124th St. to W. Appleton Ave	\$160,000
WH0287011	S 13th St (CTH V)-Oakwood Rd to W Puetz Rd Reconstruction	\$150,000
WH0111013	W Forest Home Ave (CTHOO)-Hi-View Dr to S N Cape	\$150,000
WH0268011	S. 76th St. (CTH U)-W. Layton Ave. to W. Howard Ave. Reconst	\$140,000
WU0302021	WMC Condo Agrmnt-Passenger Elevator (Saarinen)	\$113,078
WH0265011	W. College Ave. (CTH ZZ)-S. 26th St. to W. Howell Ave.	\$100,000
WP0714031	KK Parkway-Jackson Park Drive - Alternative C	\$96,960
WP0706031	South Shore Breakwater North Section - Phase 2	\$96,480
WZ0119011	Zoo Adventure Africa-Elephants Exhibit	\$86,841
WT0173011	BUS REPLACEMENT PROGRAM - 2025	\$80,000
WH0266011	W. Forest Home Ave. (CTH OO)-W. Speedway Dr. to S. 108th St.	\$70,000
WH0267013	W. Silver Spring Dr (CTH EE)-N. 124th St. to W. Appleton Ave	\$50,000
WT0156011	BUS LIFT REPLACEMENT (2) - FDL SITE - GARAGE	\$50,000
WH0276011	W Layton Bridge B-40-0163 over W Forest Ave (STH 24)	\$40,000
WH0277011	Honey Creek Bridge P-40-0570 over Honey Creek	\$40,000
WC0285011	Courthouse Power Upgrade	\$38,575
WS0155011	Washington Senior Center HVAC Controls	\$32,634
WC0286011	CJF - SPU Replacement	\$30,421
WH0268013	S. 76th St. (CTH U)-W. Layton Ave. to W. Howard Ave. Reconst	\$30,000
WH0257013	Signal at College Ave & 20th St Intersection	\$20,000
WH0117013	Signals CTH PP (Good Hope Rd)-99th St & 60th St	\$10,000
WH0118013	Signals CTH PP (Good Hope Rd)-CTH W (Prt Wsh Rd)	\$10,000
WC0287011	CJF - Sanitary Drainage	\$4,520
Financing for Previously Approved Projects		\$90,276,732
Inflationary Factor		\$4,410,000
Cost of Issuance, Underwriter's Discount, Rounding		\$2,251,546
Total Not-to-Exceed		\$153,750,000

RECOMMENDATION

The Office of the Comptroller requests that the Finance Committee approve and recommend the attached resolution. The resolution authorizes the issuance of a not-to-exceed amount of \$153,750,000 of general obligation promissory notes. The resolution also authorizes the reimbursement of expenses related to projects that occur prior to the issuance of the Notes.

The Comptroller will submit subsequent resolutions prior to the sales that will provide parameters for the issuances, delegate approval of the sales of the Notes and authorize an administrative transfer to pay costs associated with the debt issuances. The subsequent resolutions will also delegate the bid opening and approval of the winning bidder for the sales of the issuances to the Comptroller. The Comptroller's approval will be limited to sale results that fall within the parameters outlined in the resolutions.



Justin Rodriguez
Capital Project Manager

cc: David Crowley, County Executive
Supervisor Willie Johnson, Jr., Chairman, Finance Committee
Mary Jo Meyers, Chief of Staff
Kelly Bablitch, Chief of Staff, County Board
Pamela Bryant, Director of Finance, Office of the Comptroller
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