

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

Date: July 6, 2017

To: Members of the Milwaukee County Capital Improvements Committee

From: Vince Masterson, Capital Budget Coordinator; Office of Performance, Strategy and Budget, Department of Administrative Services

Subject: Preliminary Financing Goals for the 2018-2022 Capital Improvement Plan

Attached you will find a table outlining the preliminary financing guide (guide) for the 2018-2022 Capital Improvement Plan. The guide provides an estimated total amount of capital project costs the County can incur (per budget year) based on the following assumptions:

1. Adherence to the annual bonding cap of no more than 3% over the previous year's General Obligation bond issue. Pursuant to 2017 Adopted Capital Budget language, the 2017 Bonding Cap of \$42,382,356 assumes a 2017 Bonding Base of \$41,147,918.
2. 20% Cash financing goal (or \$10,595,589) for the County's share of each capital improvement project.
3. Capital projects that are continuing from a previous year, programmatic, and/or projects that the County is contractually or legally obligated to fulfill are included.

Please keep in mind that this is a preliminary guide and is subject to modification. Any revisions to the guide made as a result of such changes, will be given to members at the next Capital Improvement Committee meeting.



Vince Masterson
Capital Budget Coordinator, Office of Performance, Strategy and Budget, Department of
Administrative Services

Attachment

Table 1 - Estimated Available County Financing for Capital Projects (Excludes All Airport (WA) Projects and Airport Fleet Equipment (WO) Projects)

| | <u>2017 (Adopted BASE)</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
|--|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Bond Cap | \$41,147,918 | \$42,382,356 | \$43,653,827 | \$44,963,442 | \$46,312,346 | \$47,701,717 |
| 20% Cash Financing Goal | \$10,286,980 | \$10,595,589 | \$10,913,457 | \$11,240,860 | \$11,578,086 | \$11,925,429 |
| Available Financing for Capital Projects: | \$51,434,898 | \$52,977,945 | \$54,567,284 | \$56,204,302 | \$57,890,432 | \$59,627,146 |

Table 2 - Preliminary Departmental Capital Project Requests (estimated County Share of Project Costs)

| | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
|---------------------------------|--------------|---------------|--------------|---------------|---------------|
| TOTAL Capital Project Requests: | \$94,806,470 | \$121,788,833 | \$86,263,700 | \$113,096,334 | \$343,497,329 |

| | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|
| Estimated County Financing Available/(Shortfall): | (\$41,828,525) | (\$67,221,549) | (\$30,059,398) | (\$55,205,902) | (\$283,870,183) |
|--|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|

Assumptions:

Table 1-

1.) Airport projects are not included as they funded separately. Cash financing includes sales tax, private donations, PFC, and Tax Levy.

2.) 2018 - 2022 figures are projections based on the following assumptions:

i.) CAP PRJ (CNTY) is a product of dividing the EST Annual Bond Caps by 80%. This, in turn, results in the 20% Cash Financing through the Years 2018-2022.

ii.) The Annual Increase for CAP PRJ COST (CNTY) is 3%.

Table 2-

1.) Years 2018-2022 reflect the Departmental requested capital projects.

NOTE: The listing of Departmental Requested Capital Projects is preliminary. DAS-PSB and Comptroller staff is in the process of verifying project requests with departments. As a result, some project requests may be adjusted in future reports to reflect updated information.