

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.

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