

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43

From the Milwaukee County Comptroller requesting approval to allocate approximately \$1.2 million in unspent bond proceeds from the Debt Service Reserve; and to process the associated administrative appropriation transfers to pay eligible debt service expenses, and to provide additional funding to ongoing projects with shortfalls, by recommending adoption of the following:

A RESOLUTION

WHEREAS, in April 2022, the Office of the Comptroller submitted a report to the Milwaukee County Board of Supervisors and County Executive (File No. 23-502), that requested authorization to lapse surplus funds from the capital projects to the Debt Service Reserve (DSR); and

WHEREAS, the report indicated that there was approximately \$2.4 million of surplus funds being lapsed to the DSR; and

WHEREAS, additional analysis indicated that approximately \$1.2 million of the surplus funds are unspent bond and note proceeds; and

WHEREAS, File No. 23-502 indicated that the reallocation of bond proceeds would be done to apply to pay eligible debt service expenses, or to finance projects that would be able to spend the proceeds in a timely fashion; and

WHEREAS, in most cases, this would mean that only ongoing projects with shortfalls would be considered; and

WHEREAS, other factors such as capitalization and private activity also limit which projects are considered; and

WHEREAS, the Internal Revenue Service (IRS) regulations dictate the expenditure of tax-exempt bond proceeds within three years; and

WHEREAS, tax-exempt bonds that were issued prior to 2020 and have not been spent are currently out of compliance with IRS expenditure rules; and

WHEREAS, bonds issued in 2020 will not be in compliance by the end of the year; and

WHEREAS, the Committee on Finance, at its meeting of June 15, 2023, recommended adoption of File No. 23-594 (vote 6-0); now, therefore,

44 BE IT RESOLVED, the Office of the Comptroller (Comptroller) and the Office of
45 Strategy, Budget, and Performance (OSBP) are authorized and directed to perform
46 administrative transfers to reallocate approximately \$1.2 million of unspent bonds from
47 the Debt Service Reserve (DSR); and
48

49 BE IT FURTHER RESOLVED, the Comptroller and OSBP are authorized and
50 directed to transfer \$377,538 of unspent bonds from the DSR to Org. Unit 9960 Debt
51 Service to pay eligible 2023 (\$351,371) and 2024 (\$26,167) principal and interest
52 expenses; and
53

54 BE IT FURTHER RESOLVED, the Comptroller and OSBP are authorized and
55 directed to transfer \$805,000 of unspent bonds from the DSR to:

- 56 • Capital Project WO051710 – War Memorial Center /Milwaukee Art
57 Museum Restroom Renovation (\$310,000)
- 58 • Capital Project WP062802 – Brown Deer Park Roadway – Phase 2
59 (\$230,000)
- 60 • Capital Project WP069501 – Washington Park Bridge Replacements
61 (\$135,000)
- 62 • Capital Project WP069701 – Little Menomonee River Parkway Oak Leaf
63 Trail Reconstruction (\$105,000)
- 64 • Capital Project WP062501 – Dretzka Park Lighting, Stormwater, and
65 Parking Improvements (\$25,000)
66

67 in order to address project shortfalls; and
68

69 BE IT FURTHER RESOLVED, the Comptroller and OSBP are authorized and
70 directed to transfer \$351,371 of 2023 levy financed expenditure authority from Org. Unit
71 9960 Debt Service to:

- 72 • Capital Project WP076001 McKinley Beach Improvements (\$319,371)
- 73 • Capital Project WO088901 Marcus Center Pedestrian Pavement
74 (\$22,000)
- 75 • Capital Project WS012801 Wilson Senior Center Boiler and Exhaust
76 Replacement (\$10,000)
77

78 to address project shortfalls.
79
80

81 srb
82 06/15/2023
83 \\Fi01wpchc\comclerk\$\Committees\2023\June\FINANCE\Resolutions\23-594 Comptroller - \$1.2mil Unspent Bond
84 Proceeds.docx