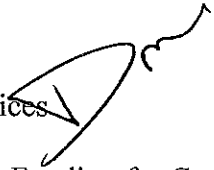


County of Milwaukee
Interoffice Communication

DATE: January 27, 2014

TO: Finance, Personnel and Audit Committee Members

FROM: Don Tyler, Director, Department of Administrative Services 

RE: Amendment of Fund Transfer Request Related to Bridge Funding for Costs Associated with the Courthouse Fire-For Information Only

As you know, we are seeking approval from the Finance Committee for a fund transfer totaling \$7.0 Million: \$4 million from the contingency fund for 2013 and \$3 million authority for 2014. Your approval ensures that we stay current with our local contractors working on the final phase of the electrical supply build-out as we wait for reimbursement from the Local Government Property Insurance Fund (Fund).

At the Transportation, Public Works and Transit (TPWT) Committee meeting this week, I was asked to speak to the likelihood of claims reimbursement from the Fund. I expressed to TPWT that, the Insurance Fund continues to reassure us that we will be reimbursed for the costs associated with the fire event, as they have from the very beginning. At a meeting with the State Insurance Commissioner, their General Counsel and their Insurance Program Manager, Paul Bargren, Amy Pechacek (our new Risk Management Director) and I received the same assurance. Additionally, I told the committee members that, while we may receive another payment from the Fund "as early as tomorrow, next week or next month", it was prudent to seek funding in the event we needed it.

I am pleased to report to you that we received a payment of \$3.5 Million from the Fund today, Monday, January 27th. This should afford us the opportunity to pay nearly the entire amount of outstanding invoices through the end of 2013. Working with the Comptroller's office, we are in the process of completing a check request to make these payments directly upon receipt of the funds from the Fund - as we have been doing in the past.

Going forward, we will be amending the Fund Transfer Request to reduce the amount transferred out of the 2013 Contingency Account from \$4 Million to \$500,000. We are still requesting revenue and expenditure authority of \$3 million for 2014. The fund transfer is critical to ensure cash flow issues do not slow down the project. Essentially, if the future flow of funds from the Fund is not as timely as we hope, your approval will allow work to continue in a timely matter until we are reimbursed.

We appreciate your support and confidence. Should you have any questions, please contact me directly at 414-278-4808.

cc: Board of Supervisors
Chris Abele, County Executive
Scott Manske, Comptroller
Paul Bargren, Corporation Counsel
Amber Moreen, Chief of Staff to the County Executive

Attachments: Copy of Local Government Property Insurance Fund Reimbursement Check

