

6-16-2016 FINANCE, PERSONNEL AND AUDIT COMMITTEE APPROPRIATION TRANSFERS
 D CAPITAL - RECEIPT OF REVENUE

Action Required

Finance, Personnel and Audit Committee
 County Board (2/3 Vote)

WHEREAS, department requests for transfers within their own accounts have been received by the Department of Administrative Services, Fiscal Affairs, 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 2016 appropriations of the respective listed departments:

1)	<u>From</u>	<u>To</u>
<u>WT026 Bus Replacement Program #</u>		
4907 – Bond and Note Proceeds		\$148,196
0764 – Debt Service Reserve (Unspent QECS)	\$148,196	
<u>WO51712 War Memorial Subbasement Structures #</u>		
4907 – Bond and Note Proceeds		\$165,526
0764 – Debt Service Reserve (Unspent Bonds/War Memorial)	\$165,526	
<u>WP36809 Brown Deer Clubhouse Roof #</u>		
4907 – Bond and Note Proceeds		128,968
0764 – Debt Service Reserve (Unspent Bonds/Private Activity)	\$128,968	
<u>WC062 CJF Bldg Roof Replacement #</u>		
6146 – Prof. Serv. Major Maint./Cap		100,000
0764 – Debt Service Reserve (Unspent Bonds)	\$100,000	

Existing Project, + Included in 5-Year Plan, * New Project

An appropriation transfer of \$542,690 is being requested by the Director of the Department Administrative Services (DAS) in order to reallocate unspent bond proceeds from the Debt Service Reserve (DSR) to various capital projects. The transfer would reduce the total amount needed to be financed in the 2016 bond/note financings by \$442,690 and would increase expenditure authority by \$100,000 for Project WC062 Criminal Justice Facility (CJF) Roof Replacement.

Background

The County Board approved File 16-255 (Carryover/Lapsed Projects Report) in May 2016 that lapsed \$1,423,274 unspent bond proceeds to the DSR. The Carryover/Lapsed Projects Report also included an allocation of \$500,000 of unspent bond proceeds to Project WJ021 HOC (ACC North) HVAC System and Window Replacements. The Carryover/Lapsed Projects Report indicated that the DAS would work with the Office of the Comptroller to identify projects that could be financed with the balance of the unspent bonds along with any remaining unspent bonds in the DSR. Projects receiving the unspent bonds must be able to spend the proceeds in a timely fashion. The Internal Revenue Service regulations dictate the expenditure of bond proceeds within three years. Other factors such as types of bonds, capitalization and private activity also limit the projects that are able to be considered.

Project WO51712 War Memorial Subbasement Structures

Of the \$542,690, \$165,526 are surplus bonds related to War Memorial Improvement Projects (Project WO517). These surplus bonds must be used towards War Memorial projects. This appropriation transfer will allocate the bonds to the Project WO51712 War Memorial Subbasement Structures in order to reduce the \$703,000 financing that was budgeted in 2016 by \$165,526. This appropriation transfer does not impact the total expenditure authority budgeted for the project.

WT026 Bus Replacement Program

Of the \$542,690, \$148,196 are unspent Qualified Energy Conservation Bonds that were issued in 2015. These 2015 QECBs must be used towards the purchase of buses. This appropriation transfer will allocate the 2015 QECBs towards the 2016 bus purchases (Project WT026 Bus Replacement Program), which will reduce the amount of 2016 bond proceeds that are necessary to be issued for the 2016 bus replacements. This appropriation transfer does not impact the total expenditure authority budgeted for the project.

WP36809 Brown Deer Clubhouse Roof Replacement

Of the \$542,690, \$128,968 are unspent general obligation bonds that were issued for projects that had private activity components. The 2016 Adopted Capital Improvements Budget included an appropriation of \$271,000 to replace the replacement of the Brown Deer Clubhouse Roof. Financing was to be provided from 2016 bonds or notes. This transfer will apply \$128,968 of unspent bonds to Project WP36809 Brown Deer Clubhouse Roof so that the amount of 2016 bonds or notes can be reduced. This appropriation transfer does not impact the total expenditure authority budgeted for the project.

WC062 Criminal Justice Facility Roof Replacement

Of the \$542,690, \$100,000 of unspent bonds will be allocated to Project WC062 Criminal Justice Facility (CJF) Roof Replacement so that expenditure authority for the project can be increased. The 2016 Adopted Capital Improvements Budget included \$100,000 for planning and design expenses for Project WC062 CJF Roof Replacement. An additional \$100,000 is required for the project so that the design on the project can be completed. It is anticipated that a 2017 appropriation request will be submitted for the construction phase (s) of the project.

This fund transfer has no tax levy impact.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE MAY 25, 2016.

2)		<u>From</u>	<u>To</u>
	<u>WO88802 Marcus Center Uihlein Elevator #1 #</u>		
	8509 – Other Building Improvement (CAP)		\$300,000
	4907 – Bond and Note Proceeds	\$300,000	

Existing Project, + Included in 5-Year Plan, * New Project

An appropriation transfer of \$300,000 is being requested by the Director of the Department Administrative Services in order to increase expenditure authority for Project WO88802 Marcus Center Uihlein Elevator #1 (Uihlein Elevator #1). Financing is being provided from general obligation bonds or notes.

The 2015 Adopted Capital Improvements Budget included an appropriation of \$625,108 to finance Project WO88802 Uihlein Elevator #1 (Phase 5 of 6 for the Marcus Center Elevator Modernization Program). Financing is being provided from general obligation bonds or notes.

The project bids were higher than anticipated. The base bid is for the modernization of the elevator. Modernization includes upgrades to the HVAC, the electrical service, the fire alarm system, and other improvements. Alternate bids accompanied the base bid that were to be implemented if the cleaning of the existing hole could not be

accomplished without drilling. Alternate #2 (which includes drilling and casting the well) has been determined to be necessary and as a result additional funding is required. This appropriation transfer will increase expenditure authority by \$300,000, which will provide sufficient funding to complete the project in 2016.

Financing for the \$300,000 will be provided from general obligation bonds or notes that are being issued in 2016. If this fund transfer is approved, the Office of the Comptroller will submit the necessary resolutions to the County Board and take any other necessary actions to add the additional \$300,000 for the Uihlein Elevator #1 project to the 2016 bond issuances.

This fund transfer has no tax levy impact.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE MAY 25, 2016.