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From the Milwaukee County Comptroller, requesting authorization to execute an administrative transfer to increase expenditure and revenue budgets for various capital projects to offset approximately \$500,000 of 2016 capitalized interest expenses and approximately \$170,000 of 2016 interest earnings associated with General Obligation Bonds and Promissory Notes, by recommending adoption of the following:

A RESOLUTION

WHEREAS, Milwaukee County (the County) finances a majority of its capital projects through the issuance of General Obligation Bonds and Promissory Notes; and

WHEREAS, when capital projects are ongoing, the County allocates interest expenses from Org. Unit 9960-Debt Service and interest earnings from Org. Unit 1992-Earnings on Investments to the projects; and

WHEREAS, the 2016 Adopted Capital Improvements Budget did not include specific budget amounts for capitalized interest expenses or interest earnings within each of the individual capital projects; and

WHEREAS, the estimated 2016 interest expenses for all capital projects is approximately \$500,000; and

WHEREAS, the estimated 2016 interest earnings for all capital projects is approximately \$170,000; and

WHEREAS, approval of this resolution is being requested so that individual capital projects are not adversely impacted by capitalized interest expenses that were not included in the capital project budgets; and

WHEREAS, the 2017 Adopted Capital Improvements Budget also did not include specific budget amounts for capitalized interest expenses or interest earnings within each of the individual capital projects; and

WHEREAS, the Office of the Comptroller intends to submit a request to the Milwaukee County Board of Supervisors and County Executive at the close of 2017 to make similar adjustments; and

WHEREAS, the Committee on Finance and Audit, at its meeting of January 26, 2017, recommended adoption of File No. 17-115 (vote 6-0); now, therefore,

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BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby authorizes and directs the Department of Administrative Services, with assistance from the Office of the Comptroller, to prepare and execute an administrative transfer to increase expenditure authority and revenue budgets in various capital projects to offset the actual interest allocation expenses and interest earnings that are being allocated to the projects; and

BE IT FURTHER RESOLVED, the administrative transfer will also increase the abatement for interest allocation in Org. Unit 9960-Debt Service and decrease the revenue budget for interest earnings in Org. Unit 1992-Earnings on Investments.

jmj
01/26/17
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