File No. 20-401

(Journal,)

(ITEM ) From Director of Performance, Strategy and Budget and the Comptroller, requesting approval to allocate approximately $3.1 million in unspent bond proceeds from the Debt Service Reserve; and to process the associated administrative appropriation transfers to pay eligible debt service expenses, apply funds towards bond 2020 bond issuances, allocate funds towards previously approved projects, allocate funds to the unallocated contingency account, provide funding to create Project WH24601 Resurface CTH BB – North Cape Rd. and to create revenue and expenditure budgets for Project WH24601 Resurface CTH BB – North Cape Rd. to recognize Local Road Improvement Program Funds by recommending adoption of the following:

# A RESOLUTION

## WHEREAS, in April 2020, the Office of the Comptroller and the DAS-PSB submitted a report to the County Board and County Executive (File 20-309) that requested authorization to lapse certain capital expenditures and revenues from 2019 to 2020; and,

## WHEREAS, the report indicated that there was approximately $3.1 million of unspent bond proceeds that was being lapsed to the Debt Service Reserve (DSR); and,

## WHEREAS, the reallocation of bonds 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 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 2017 and have not been spent are currently out of compliance with IRS expenditure rules; and,

WHEREAS, bonds issued in 2017 will not be in compliance by the end of the year; and,

WHEREAS, the approximately $3.1 million in unspent bonds includes $185,370 of bonds or notes that were issued prior to 2017; and,

BE IT RESOLVED, the Office of the Comptroller and the DAS-PSB are authorized and directed to perform administrative transfers to reallocate approximately $3.1 million of unspent bonds from the Debt Service Reserve; and,

BE IT FURTHER RESOLVED, the Office of the Comptroller and the DAS-PSB are authorized and directed to transfer $1,306,111 of unspent bonds from the Debt Service Reserve to Org. Unit 9960 Debt Service to pay eligible principal and interest expenses; and,

BE IT FURTHER RESOLVED, the Office of the Comptroller and the DAS-PSB are authorized and directed to transfer $1,306,111 of levy financed expenditure authority within Org. Unit 9960 Debt Service to Org Unit 1945 Appropriation for Contingency – Unallocated Contingency Account; and,

BE IT FURTHER RESOLVED, the Office of the Comptroller and the DAS-PSB are authorized and directed to transfer $346,024 of unspent bonds from the Debt Service Reserve to replace existing cash financing in the following capital projects: Project WP53601 Mitchell Airport Park Playground Replacement ($291,984), Project WP69701 Little Menomonee River OLT Relocation ($30,000), and Project WP69801 Greenfield Park OLT Reconstruction ($24,040); and,

BE IT FURTHER RESOLVED, the Office of the Comptroller and the DAS-PSB are authorized and directed to transfer $346,024 of expenditure authority (cash financed) from the following capital projects: Project WP53601 Mitchell Airport Park Playground Replacement ($291,984), Project WP69701 Little Menomonee River OLT Relocation ($30,000), and Project WP69801 Greenfield Park OLT Reconstruction ($24,040) to Org Unit 1945 Appropriation for Contingency – Unallocated Contingency Account; and,

BE IT FURTHER RESOLVED, the Office of the Comptroller and the DAS-PSB are authorized directed to transfer $558,403 of unspent bonds from the Debt Service Reserve to Project WT12101 Bus Replacement Program – 2019 in order to reduce the amount needed to be included in the 2020 financings; and,

BE IT FURTHER RESOLVED, the Office of the Comptroller and the DAS-PSB are authorized and directed to transfer $437,000 of unspent bonds from the Debt Service Reserve to add expenditure authority to the following capital projects: Project WH24201 North Shop Improvements ($272,000), Project WP70401 Honey Creek Bridge Repair – St. Anne Ct. to Bluemound Rd. ($90,000), and Project WP51201 McKinley Marina Parking Lot Improvements ($75,000); and,

BE IT FURTHER RESOLVED, the Office of the Comptroller and the DAS-PSB are authorized and directed to transfer $419,310 of unspent bonds from the Debt Service Reserve to create expenditure authority for the local share of newly created Project WH24601 CTH BB – S. North Cape Rd. to USH 45; and,

BE IT FURTHER RESOLVED, the Office of the Comptroller and the DAS-PSB are authorized and directed to process an administrative transfer to create the expenditure and revenue budgets (~$270,690) to reflect the State share of newly created Project WH24601 CTH BB – S. North Cape Rd. to USH 45 after the State/Municipal Agreement is executed; and,

BE IT FURTHER RESOLVED, if activity changes the dollar amounts prior to a transfer being processed after final board adoption, an amount as close as possible to the current unspent amounts as possible will be transferred.