

Chairperson: Supervisor Elizabeth Coggs  
Clerk: Delores "Dee" Hervey, 278-4230  
Research Analyst: Steve Cady, 278-4347

**SPECIAL COMMITTEE ON FINANCE AND AUDIT**  
**Thursday, March 19, 2009 – 12:00 NOON**  
**Milwaukee County Courthouse - Room 201-B**

**MINUTES**

**PRESENT:** Supervisors Thomas, Mayo, Schmitt, Johnson, West, Jursik and Coggs (Chair)

**SCHEDULED ITEMS:**

1. 08-322 A. A resolution confirming the sale, determining rates of interest and other  
(a)(d) details and levying taxes in connection with the issuance of \$265 million  
aggregate principal amount of Taxable General Obligation Pension  
Promissory Notes, Series 2009A.
  
- 08-322 B. A resolution confirming the sale, determining rates of interest and other  
(a)(e) details and in connection with the issuance of \$135 million aggregate  
principal amount of Taxable Pension Note Anticipation Notes, Series 2009B.

**APPEARANCES:**

Pamela Bryant, Capital Finance Manager, DAS  
Charles Jarik, Chapman and Cutler LLP  
Steve Cady, County Board Fiscal and Budget Analyst  
Steve Kreklow, Fiscal and Budget Administrator, DAS  
William Domina, Corporation Counsel

**C004** Madame Chair indicated that staff was in the process of finalizing the Bond material and that the Committee would recess until 1:45 p.m.

After the recess, all Finance and Audit Committee members were present.

**C006** Ms. Bryant introduced members present of the Pension Obligation Workgroup.

Discussion ensued. The overall interest rate was 6.36%. Discussion continued on the interest rate and how to retire some of the debt. Pension Obligation Bonds are taxable.

Discussion revealed that the POB's, would afford Milwaukee County to consolidate its debt and lower the interest rates.

Mr. Cady stated that other jurisdictions have used POB's to finance their current obligations or normal costs. This is not the intent here. No deferral of the current normal contribution past the normal amortization period will occur. The County

**SCHEDULED ITEMS (CONTINUED):**

will not pass the current obligation to future generations, which may have been done in other POB transactions. The up side is with a 25-year deal, the investment returns over that time period will be positive. The money, currently in the fund of \$1.2 billion, has an assumed rate of return at 8%, which is important to keep in mind.

**ACTION BY: (Johnson) Moved to approve 1A & 1B.**

Discussion ensued on the interest rates for the 2009A and 2009B series.

**On the motion to approve 1A & 1B. Vote 6-1**

**AYES:** Thomas, Schmitt, Johnson, West, Jursik and Coggs (Chair)-6

**NOES:** Mayo-1

Mr. Domina commended the Workgroup for their hard work.

The Committee also commended the Workgroup on their dedication and hard work on this endeavor.

2. 08-322 A resolution establishing a Milwaukee County Stabilization Fund, authorizing the  
(a)(f) execution and delivery or approval of a Declaration of Trust, an Investment Management Agreement, a Custody Agreement and related documents and related matters.

**C004** Madame Chair indicated that staff was in the process of finalizing the Bond material and that the Committee would recess until 1:45 p.m.

**APPEARANCES:**

Pamela Bryant, Capital Finance Manager, DAS

Charles Jarik, Chapman and Cutler LLP

Steve Cady, County Board Fiscal and Budget Analyst

Steve Kreklow, Fiscal and Budget Administrator, DAS

William Domina, Corporation Counsel

Ms. Bryant explained the Stabilization Fund and its purpose. To allow the County to manage some of the ups and downs that occurs with the funds. To pay debt service in addition to making pension contributions. It is funded on an annual basis. There is \$6.5 million already in the fund that will be deposited once approval is granted.

**ACTION BY: (Schmitt) Moved approval.**

Discussion continued.

**SCHEDULED ITEMS (CONTINUED):**

The money in the Stabilization Fund can only be used for debt services and unfunded pension contribution.

**On the motion to approve. Vote 7-0**

**AYES:** Thomas, Mayo, Schmitt, Johnson, West, Jursik and Coggs (Chair)-7

**NOES:** None

**NOTE: The following item was taken out of order.**

3. 09-142 A resolution by Supervisor Coggs authorizing and directing the creation of a Workgroup to develop guidelines for professional service invoices that improve accountability and provide more uniform billing standards.

**C003 ACTION BY: (Coggs) Moved approval and offered an amendment to line 28, that the Workgroup also examine activity reports. In addition, have staff look at whether all Departments are abiding by the Ordinance for \$120,000 contracts for RFPs.**

Supervisor Jursik offered a friendly amendment that the Workgroup review payment sign-off procedures for contracts. An established procedure should be in place when payment is being made.

In addition, she wanted to know which departments are abiding by the Ordinance rule for \$120,000 contracts and what departments are meeting those said requirements.

Supervisor Mayo offered a friendly amendment that the Workgroup review which departments are meeting the \$100,000 contract rules for accountability.

Supervisor Coggs accepted the friendly amendments.

Supervisors Mayo, West, Johnson, Jursik and Thomas requested to be added as co-sponsors.

**On the motion to approve. 7-0**

**AYES:** Coggs, Mayo, Schmitt, Johnson, West, Jursik and Thomas (Chair)-7

**NOES:** None

**STAFF PRESENT:**

Pamela Bryant, Capital Budget Manager, DAS  
Steve Cady, County Board Fiscal and Budget Analyst  
William Domina, Corporation Counsel

**SCHEDULED ITEMS (CONTINUED):**

This meeting was recorded on a tape. Committee files contain copies of communications, reports and resolutions, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes, along with the audio recording of this meeting, are available in the County Board Committee Services Division.

Length of meeting: 1:45 p.m. to 2:30 p.m.

Adjourned,

*Delores "Dee" Hervey*

Chief Committee Clerk

**DEADLINE**

*The deadline for items for the next regular meeting  
(April 20, 2009 @ 1:00 p.m.)  
is Tuesday, March 31, 2009.  
**All items for the agenda must be in the Committee Clerk's  
possession by the end of the business day on  
Tuesday, March 31, 2009.***

*ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.*