

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** April 17, 2019

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Authorization to enter into a Lease Agreement with Summit Educational Association, Inc., for certain space in Kosciuszko Community Center.

**FISCAL EFFECT:**

- |  |  |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact  | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required  | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues     |
| <input type="checkbox"/> Absorbed within Agency's Budget   | <input type="checkbox"/> Decrease Capital Revenues     |
| <input type="checkbox"/> Not Absorbed within Agency's Budget   |  |
| <input type="checkbox"/> Decrease Operating Expenditures   | <input type="checkbox"/> Use of contingent funds       |
| <input checked="" type="checkbox"/> Increase Operating Revenues  |  |
| <input type="checkbox"/> Decrease Operating Revenues   |  |

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	\$582.68	\$998.88
	Net Cost	\$582.68	\$998.88
<b>Capital Improvement Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

**DESCRIPTION OF FISCAL EFFECT**

**In the space below, you must provide the following information. Attach additional pages if necessary.**

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.
  - A. Authorization for Milwaukee County Parks to enter into a Lease Agreement with Summit Educational Association, Inc. (Summit), for use of certain space in Kosciusko Community Center for a term of three (3) years and approximately three months, with two (2) additional one (1) year renewals. Summit would continue its services at the community center and Parks would receive \$24,000 annually in rent and Summit would pay ten percent of utilities. Additionally, \$2,000 annually would be put in a maintenance fund for the space Summit utilizes.
  - B. If this resolution is approved Parks will receive rent of \$14,000 in the current budget year and \$24,000 rent in the following budget year. Additionally, Summit will continue to pay ten percent of the utilities at the community center and will provide \$2,000 annually to a maintenance fund.
  - C. Rent was budgeted in the current budget year at \$1,916.76 per month. Approval of this resolution will increase revenues by \$82.43 per month for seven months. The maintenance fund amount increases from \$1,900 annually to \$2,000 annually. The current budget anticipated that Summit would continue to contribute ten percent to utilities, so this payment has no budgetary impact.
  - D. It is assumed this lease will have an execution date of June 1, 2019.

Department/Prepared by: Milwaukee County Parks, Erica Hayden, Contracts Manager

Authorized Signature: \_\_\_\_\_

Did DAS-Fiscal Staff Review?  Yes  No

Did CBDP Review?<sup>2</sup>  Yes  No  Not Required

<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.