

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 2/17/17

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Authorizing/Parameters Resolution for the 2017 Corporate Purpose Refunding Bonds

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
(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 checked="" type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input 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.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	See Explanation	See Explanation
	Revenue		
	Net Cost		
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

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.¹ 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.
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- A. The Office of the Comptroller is requesting the approval of the attached authorizing resolution and parameters resolutions for the issuance of a not-to-exceed amount of \$16,535,000 of Corporate Purpose Refunding Bonds to refund the balance of the outstanding debt for the \$30,860,000 Series 2008A General Obligation Corporate Purpose Bonds (Series 2008A Bonds). The attached resolution authorizes the issuance of the bonds and provides parameters for the issuance and delegates approval of the sale of the bonds to the Comptroller. The Comptroller's approval is limited to results of the sale that fall within parameters outlined in the resolution. An informational report will be submitted to the Finance, Personnel, and Audit Committee to communicate the final results of the bond sale.
 - B. The estimated net present value savings is \$454,952 (2.81% of the refunded bonds) over the years 2018-2023. Total estimated debt service for the refunding is \$18,036,861. The not-to-exceed amount includes expenditures for the costs of issuance.
 - C. An administrative transfer will be submitted to the Department of Administrative Services to adjust the Org. Unit 9960 General Debt Service budget in order to pay costs of issuance. The revenue is included in the bond issue amount.
 - D. The not-to-exceed amount will be \$16,535,000. The costs of issuance will not exceed the federally allowable 2% of the par value of the bonds. As a condition of issuing the refunding bonds the debt service on the refunding bonds will be less than the debt service on the 2008 bonds in every year.

¹ 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.

² Community Business Development Partners' review is required on all professional service and public work construction contracts.

Department/Prepared By Justin Rodriguez

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required

