

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 12/30/2025

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Initial Authorizing Resolution for 2026 Notes Issuances

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 checked="" 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 checked="" type="checkbox"/> Not Absorbed Within Agency's Budget	<input type="checkbox"/> Use of contingent funds
<input type="checkbox"/> Decrease Operating Expenditures	<input type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Increase Operating Revenues	<input type="checkbox"/> Decrease 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	See Explanation	See Explanation
	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.

- A. The Office of the Comptroller is requesting approval of the attached initial authorizing resolution of a not-to-exceed amount of \$153,750,000 of general obligation promissory notes ("Notes"). The resolution also authorizes the reimbursement of expenses related to projects that occur prior to the issuance of the Notes.
- B. The estimated debt service costs for the not-to-exceed amount of \$153,750,000 of General Obligation Promissory Notes is \$221,352,000 which includes \$67,602,000 of interest costs.
- C. The Notes issued in 2026 will not impact the 2026 operating expenses. It is anticipated that the first principal and interest payments will occur in 2027. The estimated debt service expenses for 2027 from the Notes issued in 2026 is approximately \$20,693,000.
- D. The total estimated debt service associated with the total not-to-exceed amount of \$153,750,000 is based on five individual debt schedules and includes an inflationary factor. The Office of the Comptroller anticipates issuing separate series of notes for capital improvement notes (long-term), promissory notes (short-term/equipment), promissory notes (transit), promissory notes (taxable), and a stand-alone bond issue for the Forensic Science Center. The actual bond amounts and terms will be determined closer to the sale date.

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.

The not-to-exceed debt service schedules also include costs of issuance. The estimated cost of issuance reflects the 2 percent maximum allowable amount. The 2027 debt service estimate is subject to change based on the progress of projects that have been approved. To manage debt service costs, the County issues debt based on the cash flow needs of the projects. Therefore, the financing will be deferred to a future year for adopted projects that do not proceed in 2026. The coupons for the issues are anticipated to be 6.5 percent. The actual interest rates will be based on market rates on the day of the sale and premiums that may be received.

Department/Prepared By Justin Rodriguez

Authorized Signature Justin Rodriguez

Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required