

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** April 16, 2020

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Authorize Milwaukee County Parks to enter into a vendor permit with Funtime LLC D/B/A Wheel Fun Rentals for bicycle concession services at Veterans Park.

**FISCAL EFFECT:**

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| <input checked="" type="checkbox"/> No Direct County Fiscal Impact<br><input checked="" type="checkbox"/> Existing Staff Time Required<br><input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input type="checkbox"/> Absorbed Within Agency's Budget<br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><br><input type="checkbox"/> Decrease Operating Expenditures<br><br><input type="checkbox"/> Increase Operating Revenues<br><br><input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><br><input type="checkbox"/> Decrease Capital Expenditures<br><br><input type="checkbox"/> Increase Capital Revenues<br><br><input type="checkbox"/> Decrease Capital Revenues<br><br><input type="checkbox"/> Use of contingent funds |
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*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
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<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 to enter a Vendor Permit Agreement for bicycle Rental Concession Services at the Lakefront with Funtime LLC D/B/A Wheel Fun Rentals. The current vendor permit expires in 2021 and Wheel Fun wishes to enter into a longer agreement in order to make an investment into the facility and surrounding area. The agreement is for five years with two one-year extensions.
- B. The current agreement expires in 2021. Revenues are already included in the current budget year. If the new agreement is executed, Wheel Fun will make at least \$80,000 of improvements to the facility and surrounding area within the next year. Additionally, Wheel Fund will pay \$7,750 in the months of June, July, August, and September, plus 23% of gross receipts greater than the total amount invoiced. Wheel Fun will also contribute \$100 in each of its operating months to offset the cost of utilities.
- C. Entering into this vendor permit agreement will ensure a steady revenue stream in years 2020-2025 as noted above. Revenues are already included in the current budget year. Revenue to Parks totals \$155,000 in the first five years of the contract and \$31,000 in each of the extensions, plus 23% of gross receipts greater than the total amount invoiced. Additionally, Wheel Fun will contribute \$100.00 per operating month toward utilities.
- D. None.

Department/Prepared By Erica Hayden, Contracts Manager, Milwaukee County Parks

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.