

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 5/20/21

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Unspent Bond Reallocations from the Debt Service Reserve

FISCAL EFFECT:

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

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.
- A. The Department of Administrative Services – Office of Performance, Strategy and Budget (DAS-PSB) and the Office of the Comptroller (Comptroller) are requesting approval to reallocate approximately \$1.8 million of unspent bonds from the Debt Service Reserve.
- B. The resolution will provide unspent bonds of \$1,659,395 to pay debt service expenses. The resolution will also provide unspent bonds of \$140,215 to Project WC06201 CJF Roof Replacement. Project WC06201 is anticipated to be included in the 2021 bond issuances. Allocating the unspent bonds to Project WC06201 would reduce the size of the 2021 bond issuances.

Table 2: Proposed Reallocation of Unspent Bonds

<u>Project Description</u>	<u>Unspent Bond Amount</u>
<i>Use Unspent Bonds to Pay Eligible Debt Service Expenses</i>	
Org. Unit 9960 Debt Service (2021 Debt Service Expenses)	\$1,659,395
Subtotal	\$1,659,395
<i>Replace new 2021 Bonds in Previously Approved Projects</i>	
WC06201 CJF Building Roof Replacement	\$140,215
Subtotal	\$140,215
Total	\$1,799,610

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.

Most of the \$1,659,395 of tax levy currently budgeted to pay debt service expenses will be transferred to Org. 1945 Appropriation for Contingency to increase the unallocated contingency account. The remaining \$155,200 will be transferred to various projects. The list of uses is included in the table below.

Table 3 Allocations from Org. 9960 Debt Service

<u>Description</u>	<u>Amount</u>
<i>Transfer to Org. 1945 Appropriation For Contingency**</i>	
Unallocated Contingency	\$1,504,195
Subtotal	\$1,504,195
<i>Additional Funding to Cover Project Shortfall</i>	
WP72901 Boerner Garden House Boiler Repair	\$40,000
WH09201 S. 76th St. & W. Layton Ave. Adaptive Signal System	\$10,000
Subtotal	\$50,000
<i>Provide Funding for New Capital Project</i>	
Project WH25201- Highway Capital Closeout Costs	\$50,000
Project WH24901 1-Signal Improvements S 76th, S 92nd & W Oklahoma	\$38,200
Project WH24801 1-Signal Improvements Silver Spring 124th to 91st	\$17,000
Subtotal	\$105,200
Total	\$1,659,395

C. See B

D. No assumptions are being used.

Department/Prepared By Justin Rodriguez

Authorized Signature Scott B. Manske

Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required