

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 04/29/13

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Marcus Center Orchestra Shell Repair

FISCAL EFFECT:

- | | |
|---|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input checked="" 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 type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input 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		
	Revenue		
	Net Cost		
Capital Improvement Budget	Expenditure	\$484,092	\$0
	Revenue	(\$484,092)	\$0
	Net Cost	\$0	\$0

DESCRIPTION OF FISCAL EFFECT

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

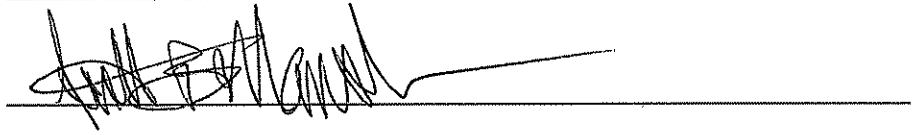
- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
 - B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.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. In April 2011, the 27,000 pound, Uihlein Hall acoustical curtain at the Marcus Center for the Performing Arts (the "Marcus Center") fell to the floor and incurred \$484,092 in damages to the shell and the floor. This was the second time the orchestra shell had fallen and incurred substantial damage. The Marcus Center is covered by the County's property insurance policy. The acoustical curtain fell in 2002, the County filed an insurance claim and the claim was approved. However, the claim relating to the 2011 fall and subsequent damage was denied. The County was not successful with its appeal. The Marcus Center paid for the improvements so that the performance commitments could be maintained. Both parties had to determine which entity was responsible for the payment for the repairs/improvements.
 - B. Corporation Counsel reviewed the existing lease between Milwaukee County and the Marcus Center and determines that there was no clear delineation of responsibility for the improvement. Therefore, it was determined that administration would have to determine if the repair was a structural improvement (County's responsibility) or maintenance (Marcus Center responsibility). The two parties agreed that the County would pay for the improvement and a Memorandum of Understanding (MOU) would be drafted between the County and Marcus Center. The MOU would indicate that the Marcus Center would be responsible for all improvements/repairs, structural or maintenance, from the date of the approval of the attached resolution forward. Approval of the attached resolution will authorize the payment of the bill for the repairs for an amount of \$484,092.
 - C. The Office of the Comptroller has accrued the expense of \$484,092 to 2012. The attached resolution grants the authority to pay the bill and provides for an MOU.
 - D. N/A

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 Pamela Bryant

Authorized Signature



A handwritten signature in black ink, appearing to read 'Pamela Bryant', is written over a horizontal line.

Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required

