

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: November 13, 2017

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Authorization to enter into a Management Agreement between the Milwaukee County Parks and Journey House, Inc. for Baran Park.

FISCAL EFFECT:

- No Direct County Fiscal Impact
  - Existing Staff Time Required
- Increase Operating Expenditures (If checked, check one of two boxes below)
  - Absorbed Within Agency's Budget
  - Not Absorbed Within Agency's Budget
- Decrease Operating Expenditures
- Increase Operating Revenues
- Decrease Operating Revenues
- Increase Capital Expenditures
- Decrease Capital Expenditures
- Increase Capital Revenues
- Decrease Capital Revenues
- 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.

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	(\$44,000)	(\$44,000)
	Revenue	(\$12,000)	(\$12,000)
	Net Cost	(\$32,000)	(\$32,000)
<b>Capital Improvement Budget</b>	Expenditure	0	(\$144,000)
	Revenue	0	0
	Net Cost	0	(\$144,000)

## 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. An agreement with Journey House, Inc. for the management and operation of Baran Park which would shift the financial burden of operations and capital replacement to from the County to Journey House throughout the duration of the agreement.
- B. The Parks Department spends approximately \$44,000 each year in operating Baran Park which includes supplies, electrical work, painting, maintenance of baseball diamonds, forestry services, grounds and other maintenance. Parks also receives approximately \$12,000 each year in ballfield rental revenue. These costs for future years would be fully shifted to Journey House and the ballfield rental revenue would be eliminated under this agreement. It is also anticipated that the Park will need around \$144,000 in capital replacement in the near future for the replacement of the existing parking lot and concession pavilion. This estimate does not include the cost to replace the playground (of approximately \$275,000) which was recently installed. These costs would also be avoided by the County under this Agreement.
- C. No new budget impact but for the avoidance of certain costs listed above.
- D. Financial savings estimated based on prior years actual expenses.

Department/Prepared By John Dargle, Director, Milwaukee County Parks

Authorized Signature



Did DAS-Fiscal Staff Review?  Yes  No

Did CDBP 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.

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