

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** May 20, 2013

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Authorization to purchase 10920 W. Lapham Street, West Allis, for the Relocation of Facilities West.

**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	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 purchase a warehouse facility at 10920 W. Lapham Street, West Allis, WI for the relocation of the Facilities West functions currently located in the Milwaukee Regional Medical Center's (MRMC) warehouse on the County Grounds.

B. There are no direct costs to Milwaukee County (County) for the purchase of the facility. Proceeds from the Fleet Agreement (cost-to-cure) between the County and the Wisconsin Department of Transportation (WISDOT) will cover the purchase price, moving costs, and costs associated with adapting the building to Facilities West's needs.

C. Pursuant to approved County Board Resolution File No. 13-279, the County approved authorization to enter into an Agreement of Purchase of Real Estate (Agreement) with WISDOT in the amount of \$17,000,000 for real estate acquisition costs and cost-to-cure items resulting from the Zoo Interchange construction project. Of this amount, \$8,910,000 was placed in a capital account for the replacement of the County's existing warehouse facility currently located in the MRMC's warehouse on the County Grounds. Additionally, County Board Resolution File No. 13-279 authorized and directed an administrative fund transfer that created budget authority (capital project WO229012) to account for the costs of replacing the existing warehouse facility.

The cost to purchase of the warehouse facility is \$2,000,000. Costs for Facilities West's moving and for adapting the new building to accommodate its needs are currently being estimated. In addition, MRMC cost-to-cure payments are anticipated to be paid out of the \$8,910,000 (these costs are currently being negotiated).

D. No assumptions were used.

---

<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.

Department/Prepared By: Julie A. Esch, DAS – Director of Operations

Approved By: *Julie A. Esch*

Did DAS-Fiscal Staff Review?  Yes  No

Did CBDP Review?<sup>2</sup>  Yes  No  Not Required

