

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 7/6/15

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Unspent General Airport Revenue Bond Reallocation and Defeasance

FISCAL EFFECT:

- | | |
|---|---|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input checked="" type="checkbox"/> Increase Capital Expenditures |
| <input 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 checked="" type="checkbox"/> Increase Capital Revenues |
| <input checked="" 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	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 Office of the Comptroller is requesting the approval of the attached resolution to reallocate unspent general airport revenue bond proceeds to Project WA096 Parking Structure Lighting (\$3,948,428), to Project WA108 HVAC System (\$334,971) and to an escrow agent for the purpose of defeasing a portion of the general airport revenue bonds, Series 2009A (\$1,179,327) now and redeeming them on the call date of December 1, 2019.
- B. The Resolution will reallocate unspent bonds of \$3,948,428 to Project WA096 Parking Structure Lighting. An administrative appropriation transfer will be processed that will increase the expenditure and revenue budget for the project so that the final phase of the multi-year project can be completed. The Resolution will also reallocate \$334,971 to Project WA108 HVAC System so that the project can be closed.

The Resolution will also transfer \$1,179,327 of unspent airport revenue bond proceeds, Series 2009A to an escrow agent so that a portion of the 2009A series can be defeased now and redeemed on the call date. The Office of the Comptroller will take all necessary steps to facilitate the transaction. Transaction costs (i.e. bond counsel, financial advisor, escrow agent, etc.) will be absorbed within the Airport's operating budget.

C. See B

- D. The unspent bond amounts were determined by the Airport Division of the Department of Transportation along with assistance from the Office of the Comptroller. Eligible uses of the funds were determined by the County's Bond Counsel and the Office of the Comptroller.

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", written over a horizontal line.

Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required