

## MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 6/12/17

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Resolution requesting authorization to advance the \$5,426,000 planned 2018 appropriation for capital project WZ11901-Adventure Africa (Elephant Exhibit).

**FISCAL EFFECT:**

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| <input type="checkbox"/> No Direct County Fiscal Impact<br><input type="checkbox"/> Existing Staff Time Required<br><input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input type="checkbox"/> Absorbed Within Agency's Budget<br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><input type="checkbox"/> Decrease Operating Expenditures<br><input type="checkbox"/> Increase Operating Revenues<br><input type="checkbox"/> Decrease Operating Revenues | <input checked="" type="checkbox"/> Increase Capital Expenditures<br><input type="checkbox"/> Decrease Capital Expenditures<br><input checked="" type="checkbox"/> Increase Capital Revenues<br><input type="checkbox"/> Decrease Capital Revenues<br><input type="checkbox"/> Use of contingent funds |
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*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
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	Expenditure	5,426,000	-5,426,000
	Revenue	2,713,000	-2,713,000
	Net Cost	2,713,000	-2,713,000

## 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.

The resolution requests authorization to advance the \$5,426,000 planned 2018 appropriation related to capital project WZ11901-Adventure Africa (Elephant Exhibit) to 2017.

The 2017 - 2022 Adopted Milwaukee County (County) Capital Improvement Plan included planned appropriations of \$5,426,000 for the final construction phase. Per the agreement, 50% (or \$2,713,000) is to be financed by the County and 50% (or \$2,713,000) is to be financed by the Zoological Society of Milwaukee.

The total project amount cited in the agreement is \$16,600,000, and to be split 50/50 between the County and the Zoological Society of Milwaukee. The County's adopted capital improvement budgets (2015-2017) include appropriations (for the Elephant Exhibit), of \$800,000, \$1,774,000, and \$8,600,000 respectively.

The County maintains a self-imposed annual bond limit as defined by County Board file number 03-263, representing a 3% increase over the prior year's adopted bonding amount. Based on the 2017 adopted bonding amount of \$41,147,918, the estimated 3% bond increase results in a projected 2018 bonding limit of \$42,382,356. It is assumed that the 2018 recommended capital improvement budget will include a reduction of \$5,426,000 in the bonding cap.

Assuming approval of the advancement of the 2018 funding to 2017 for the Adventure Africa Project, the 2019 bonding cap calculation is anticipated to include the \$5,426,000 as part of the 2018 base.

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<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.

Department/Prepared By Vince Masterson

Authorized Signature 

Did DAS-Fiscal Staff Review?  Yes  No

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

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