

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/16/18

Original Fiscal Note ☒

Substitute Fiscal Note ☐

SUBJECT: Bond Counsel Services Professional Services Contract

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.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	\$0	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. Approval of this resolution will authorize and direct the Office of the Comptroller to enter into a professional services contract with Quarles and Brady LLC for a term beginning on January 1, 2019 and ending on December 31, 2021. Three additional one-year options are available. Crump Law Firm will serve as co-bond counsel and is a certified Targeted Business Enterprise ("TBE").
- B. The fees for bond counsel will be paid on an hourly basis. The hourly fee for the primary attorney from Q&B is \$425 per hour. The hourly rates for other legal staff from Q&B range from \$230 to \$550 per hour. The hourly rate for the primary attorney from Crump Law Firm is \$320.

The total expenses related to bond issuances done in 2019-2021 will depend upon the number and complexity of the bond issues. It is anticipated that, on average, four or five general obligation bond issuances will be done annually in 2019-2021. It is also anticipated that two airport revenue bond issuances will be done in 2020. It is anticipated that total annual bond counsel expenses will range from \$200,000 to \$450,000 during the period of the contract.

- C. The debt service operating budget will be adjusted via appropriation transfer to reflect the amount of bond counsel expenses that are associated with the bond issuances. Approval for the appropriation transfers will be requested as part of the parameters resolutions submitted to the County Board and County Executive that are required to be approved prior to the bond issuances.
- D. It is assumed that the bond counsel expenses associated with the bond issuances will be paid from the bond proceeds. Continuing disclosure issues and other legal matters will be paid from levy in the Debt Service budget. The hourly rates will not change during the term or the option years of the agreement.

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 Justin Rodriguez

Authorized Signature

A handwritten signature in black ink, appearing to be 'Justin Rodriguez', written over a horizontal line.

Did DAS-Fiscal Staff Review? ☐ Yes ☒ No

Did CBDP Review?² ☒ Yes ☐ No ☐ Not Required

