

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 12/27/2023

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Unspent Bond Reallocations from the Debt Service Reserve

FISCAL EFFECT:

- | | |
|--|---|
| <input type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget
<input type="checkbox"/> Decrease Operating Expenditures
<input type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input checked="" type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input type="checkbox"/> 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	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 (Comptroller) is requesting approval to reallocate approximately \$2.6 million of unspent bonds from the Debt Service Reserve.

Bond Issue	Amount Unspent	Closing Date	Expenditure Deadline
2013A	\$13,639	8/14/2013	8/14/2016
2014A	\$7,982	11/6/2014	11/6/2017
2015A	\$5,196	11/12/2015	11/12/2018
2017A	\$37,713	11/8/2017	11/8/2020
2018D	\$398,782	11/15/2018	11/15/2021
2019A	\$25,160	10/2/2019	10/2/2022
2019C	\$181,728	10/2/2019	10/2/2022
2020A	\$957,926	10/28/2020	10/28/2023
2021B	\$67,146	11/23/2021	11/23/2024
2021D	\$821,049	11/23/2021	11/23/2024
2022C	\$71,004	11/3/2022	11/3/2025
Total	\$2,587,326		

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.

- B. The resolution will provide unspent bonds of \$944,333 to pay debt service expenses. The resolution will also provide unspent bonds of \$1,642,993 to finance Project WT015401 Bus Replacement – 30 Clean Diesel, which will reduce the amount of bonds needed to be issued in 2024.

<u>Project Description</u>	<u>Unspent Bond Amount</u>
<i>Use Unspent Bonds to Pay Eligible Debt Service Expenses</i>	
Org. Unit 9960 Debt Service (2024 Tax-Exempt Interest Expenses)	\$944,333
Subtotal	\$944,333
<i>Use Unspent Bonds to Reduce 2024 Bond Issue</i>	
WT015401 - Bus Replacement - 30 Clean Diesel	\$1,642,993
Subtotal	\$1,642,993
Total	\$2,587,326

The resolution will also reallocate \$944,333 of levy financed expenditure authority from Org. 9960 Debt Service to projects that have shortfalls and to the unallocated contingency account. The items are listed in the table below.

<u>Project Description</u>	<u>Amount</u>
<i>Provide Funding for Projects with Shortfalls</i>	
WP068801 - McKinley Parking Lots - Phase 2	\$485,000
WP032001 - Northpoint Parking Lot	\$70,000
WT008001 - MCTS Maintenance Building Lighting	\$85,000
WO088901 - Marcus Center Pedestrian Pavement	\$5,000
WS012701 - Kelly Senior Center & Nutrition Site Boiler Replacement	\$20,000
WS014306 - Senior Centers Backup Generators (Design)	\$45,000
WS014406 - Senior Centers Fire Protection Systems (Design)	\$50,000
WO011701 - Marcus Center Roof Replacement	\$100,000
WO065401 - Safety Building 6th Floor District Attorney Office Security	\$20,000
WP062802 - Brown Deer Park Roadway - Phase 2	\$40,000
Subtotal	\$920,000
Org Unit 1945 - Appropriation for Contingencies (Unallocated)	\$24,333
Subtotal	\$24,333
Total	\$944,333

C. Using \$1,642,993 unspent bonds to finance project WT015401 – Bus Replacements – 30 Clean Diesel will reduce the 2024 bond issuances. Future debt service expenses are estimated to be reduced by \$1,921,078.

D. The estimated debt service reduction is based on a 5-year term and 6.0% coupon.

Department/Prepared By Justin Rodriguez

Authorized Signature Scott B. Manske

Did DAS-Fiscal Staff Review? Yes No

Did CDBP Review?² Yes No Not Required