

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: August 27, 2013

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Lapsed Unspent Cash and Lapsed Unspent Bond Proceeds from the 2012 Carryover Process

FISCAL EFFECT:

- | | |
|---|--|
| <input checked="" 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 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		
	Revenue		
	Net Cost	See Explanation (B.)	See Explanation (B.)
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost	See Explanation (B.)	See Explanation (B.)

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 Department of Administrative Services (DAS) is requesting approval to apply unspent cash and bond proceeds that were lapsed at year-end 2012 toward: 1.) 2013 debt service payments; 2.) a secure entrance and vestibule area for the Victim/Witness area in Rm 421 of the Safety Building; 3.) a new digital security system for the Child Support area; 4.) existing Rawson Avenue Pump Station capital project (WV02501).

The Build America Bonds (BABs) must be used to finance capital projects and therefore cannot be used to pay debt service.

B. This is a reallocation of previously approved budget appropriations, and therefore, does not have a fiscal impact for 2013.

C. The lapsed unspent cash and bond proceeds are reallocated as follows:

1. Lapsed Unspent Cash Proceeds
 - a. \$34,500 to create a new capital project for a secure entrance and vestibule area in Room 421 of the Safety Building;
 - b. \$6,500 for a digital security system for use in the Child Support area
2. Lapsed Unspent BABs
 - a. \$1,645,000 to the existing Rawson Avenue Pump Station capital project (WV02501)
3. Lapsed Unspent Prior Year Bonds
 - a. \$3,000 to the existing Rawson Avenue Pump Station capital project (WV02501)
 - b. \$319,000 to the Debt Service Reserve

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.

D. The unspent lapsed bonds and cash proceeds are reflective of the April 2013 Carryover Report and action item. This included approximately \$1,967,000 in lapsed unspent bond proceeds and approximately \$41,000 in lapsed unspent cash proceeds as a part of the year-end carryover process.

Department/Prepared By Vince Masterson, DAS-Fiscal Affairs

Authorized Signature



Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required