

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** April 17, 2019

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Authorization to enter into a lease for concession services at Northpoint Snack Bar with Moosa Burger Inc.

**FISCAL EFFECT:**

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact                                     | <input type="checkbox"/> Increase Capital Expenditures |
| <input checked="" type="checkbox"/> Existing Staff Time Required                                       | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues     |
| <input 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.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	\$17,000	\$24,000
	Net Cost	\$17,000	\$24,000
<b>Capital Improvement Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

**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.

- A. Authorization to enter into a lease with Moosa Burger Inc. (Moosa), for the management and operation of food and beverage services at Northpoint Snack Bar. The lease is for five years with three options to extend for one additional consecutive year.
- B. The vendor has agreed to pay the County \$95,000 over the first five (5) years and an additional \$19,000 in each year of the extensions. In addition, there is a percentage profit-sharing of seven percent (7%) of gross receipts and a reimbursement of utilities from May 1 – October 31. Additionally, Moosa will establish a Park Improvement Fund of one percent (1%) of gross sales, for the purpose of maintaining and enhancing the Northpoint Snack Bar, parking lot, and/or other environs having a positive impact on Northpoint.
- C. Revenue of \$23,000 from Northpoint Snack Bar concessions is accounted for in the 2019 budget as well as the utility reimbursement. Assuming Moosa recognizes revenues of \$300,000 in Year One and \$400,000 in Year Two, Parks should recognize an increase in operating revenue of \$17,000 and \$24,000, respectively.
- D. The revenue to Moosa is assumed based on actual sales of the previous vendor and Moosa's RFP response.

Department/Prepared by: Milwaukee County Parks, Erica Hayden, Contracts Manager

Authorized Signature: \_\_\_\_\_



Did DAS-Fiscal Staff Review?  Yes  No  
Did CBDP Review?<sup>2</sup>  Yes  No  Not Required

<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.