

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/11/15

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Milwaukee Yacht Club Lease Payments (2008 and 2013)

FISCAL EFFECT:

- | | |
|--------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(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.

	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.
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- A. The Office of the Comptroller is requesting approval of the attached resolution to authorize and direct the Department of Administrative Services, with the assistance from the Office of the Comptroller, to prepare and execute an administrative transfer to receive lease payment revenue from the Milwaukee Yacht Club (MYC) and deposit the funds into the debt service reserve to offset approximately \$18.7 million in debt issued for improvements to the McKinley Marina breakwater and dockage. In addition, the Office of the Comptroller is informing policymakers of the change in use for the \$150,000 payment that was budgeted in 2008 in the Miscellaneous Revenue budget and the payment plan for the \$175,000 payment for 2013.
 - B. The requested approval will authorize and direct the Department of Administrative Services, with the assistance of the Office of the Comptroller, to deposit the quarterly payments (2015-2016) of \$25,000 for a total of \$175,000 into the debt service reserve to offset debt costs from financing the construction of the breakwater and dockage at McKinley Marina. The County spent approximately \$18.7 million. There is approximately \$3.9 million in debt remaining.

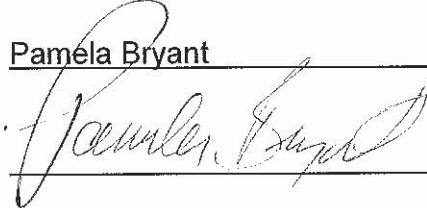
¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

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

C. The debt service reserve will be increased by \$175,000 total over the years 2015 and 2016 combined. The table below outlines the payment amounts and dates in accordance with the payment plan agreed to by the County (Parks Department) and the MYC.

<u>Due Date</u>	<u>Amount</u>
June 30, 2015	\$25,000
September 30, 2015	\$25,000
December 31, 2015	\$25,000
March 31, 2016	\$25,000
June 30, 2016	\$25,000
September 30, 2016	\$25,000
December 31, 2016	\$25,000
Total	\$175,000

D. N/A.

Department/Prepared By Pamela Bryant
Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

Did CDBP Review?? Yes No Not Required

