

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 02/18/16

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Parameters Resolutions for 2016 Bonds and Notes Issuances

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	\$0	\$0
	Revenue		
	Net Cost		
Capital Improvement Budget	Expenditure	\$0	\$0
	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.

The Office of the Comptroller is requesting approval of the attached parameters resolutions for the 2016 Bond and Promissory Note Issuances. Since the estimated fiscal effect was provided in the Fiscal Note that was included with the authorizing resolutions (File 16-65) that were approved in February 2016; the fiscal effect for the 2016 bond issuances has already been accounted for.

The Fiscal Note included with File 16-65 has been listed below for informational purposes.

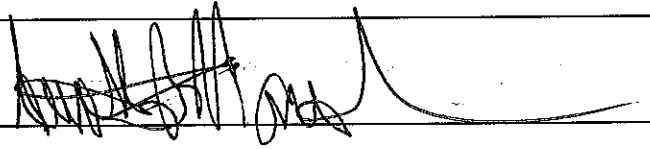
- A. The Office of the Comptroller is requesting approval of the attached initial authorizing resolution of a not-to-exceed amount of \$54,750,000. The resolution also authorizes the reimbursement of expenses related to Projects that occurs prior to the issuance of the bonds.
- B. The estimated debt service costs for the not to exceed amount of \$54,750,000 of Corporate Purpose Bonds is \$69,576,000, with \$14,826,000 in interest. The financing is spread over a 15-year term, starting in 2017.
- C. The estimated cost of issuance of reflects the 2 percent maximum allowable amount. The actual amount will be based on market rates on the day of the sale. The not-to-exceed amount also includes a contingency amount of \$1,530,219 in case policymakers approve changes to the amount prior to the issuance of the bonds.
- D. The estimated debt service assumes that the maximum amount will be issued and that the County will not issue any Qualified Energy Conservation Bonds (QECBs). It is likely that the overall amount will be less and that a portion of the busses will be financed by QECBs rather than long-term corporate purpose bonds. Both of these factors will reduce the overall estimated debt service costs.

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



Did DAS-Fiscal Staff Review? Yes No

Did CDBP Review?² Yes No Not Required

