MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 02/17/17

Original Fiscal Note ☒

Substitute Fiscal Note ☐

SUBJECT: **Parameters Resolutions for 2017 Bonds and Notes Issuances**

FISCAL EFFECT:

☒ No Direct County Fiscal Impact

  ☐ Existing Staff Time Required

☐ Increase Operating Expenditures
(If checked, check one of two boxes below)

  ☐ Absorbed Within Agency's Budget

  ☐ Not Absorbed Within Agency's Budget

☐ Decrease Operating Expenditures

☐ Increase Operating Revenues

☐ Decrease Operating Revenues

☐ Increase Capital Expenditures

☐ Decrease Capital Expenditures

☐ Increase Capital Revenues

☐ Decrease Capital Revenues

☐ 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 2017 Bond and Promissory Note Issuances. Since the estimated fiscal effect was provided in the Fiscal Note that was included with the authorizing resolutions (File 17-112) that were approved in January 2017; the fiscal effect for the 2017 bond issuances has already been accounted for.

The Fiscal Note included with File 17-112 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 $51,555,000. 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 $51,555,000 of Corporate Purpose Bonds is $65,210,000, including $13,655,000 in interest.

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 approximately $2,400,000 in case policymakers approve changes to the amount prior to the issuance of the bonds.

D. The estimated total debt service is based on one financing with a 15-year term and estimated project costs, including contingency, of approximately $39,400,000 and two financings with 4-year terms and combined estimated project costs, including contingency, of approximately $11,100,000. A 4 percent coupon is assumed for each of the bonds/notes.

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[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 CBDP Review?[2]	☐	Yes	☐	No	☒ Not Required