

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: March 20, 2018

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: A resolution authorizing and allocating \$1,074,992 from the Debt Service Reserve to finance the reconstruction phase of the Oak Creek Parkway-RR Tracks East to Chicago Avenue project (WO07701).

FISCAL EFFECT:

- | | |
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| <input 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 checked="" type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input checked="" type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input checked="" type="checkbox"/> Use of contingent funds
(Debt Service Reserve) |
|--|--|

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	\$0	\$0
	Net Cost	\$0	\$0
Capital Improvement Budget	Expenditure	\$1,074,992	\$0
	Revenue	\$1,074,992	\$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.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. Approval of this resolution will authorize the Office of the Comptroller and the Department of Administrative Services to transfer \$1,074,992 from the Debt Service Reserve to Capital Improvement Project WO07701 - Oak Creek Parkway-RR Tracks East to Chicago Avenue to reconstruct a 0.57 mile portion of roadway.
 - B. The estimated cost to reconstruct this portion of the Oak Creek Parkway is \$1,074,992 based on reviews by DAS – Architecture, Engineering and Environmental Services staff. Planning and design was completed after an \$80,000 appropriation was included in the 2016 Adopted Capital Improvement Budget. No subsequent year expenditures are anticipated.
 - C. The 2018 Adopted Capital Improvement Budget does not contain funding for this project. The source of funding for this project is the Debt Service Reserve which contains cash and unexpended bond proceeds. The projected balance of the Debt Service Reserve at the end of 2018 is approximately \$36.3 million. This amount reflects the remaining amount after approximately \$6.6 million in contributions from the Debt Service Reserve to cash finance the 2018 Capital Improvements Budget are made. Approval of this resolution would further reduce the balance of the Debt Service Reserve by \$1,074,992. If approved, the projected remaining balance would be \$35.3 million.

For subsequent years, the expenditure of funds in 2018 will eliminate the need to bond or cash finance the repair of this portion of roadway. This project was included in a list of high

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.

priority Capital Improvement Projects provided by the Capital Improvements Committee for consideration in the 2018 Budget.

D. No assumptions were made.

Department/Prepared By Steve Cady, Research and Policy Director, Office of the Comptroller

Authorized Signature *Stephen J. Cady*

Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required