

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: August 29, 2019

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: A resolution authorizing and directing an amendment to the 2017 Contribution Agreement with the Milwaukee County War Memorial to increase Milwaukee County's contribution to the War Memorial from \$486,000 annually to \$700,000 for the years 2020 to 2030

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed Within Agency's Budget
<input checked="" 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	\$214,000
	Revenue	\$0	\$0
	Net Cost	\$0	\$214,000
Capital Improvement Budget	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. 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.
- A. If adopted, this resolution would authorize and direct an amendment to the 2017 Contribution Agreement between Milwaukee County and the Milwaukee County War Memorial to increase Milwaukee County's contribution to the War Memorial from \$486,000 annually to \$700,000 for the years 2020 to 2030.
 - B. The below chart illustrates the proposed operating funding compared to the operating funding provided in the existing 2017 Contribution Agreement between Milwaukee County and the Milwaukee County War Memorial. For years 2020 through 2030, the proposed operating funding is between \$214,000 and \$522,000 more than the original operating funding. After 2030, the proposed annual operating support is reduced to \$0 for a savings to the County of between \$134,000 and \$46,000. The increase in operating funding required for 2020, \$214,000, will need to be allocated in the 2020 Adopted Budget. A transfer from the Appropriation for Contingencies or other available source of funds may be required. For subsequent years after 2020, operating funding would need to be added to the Adopted Budgets to cover the higher support payments to the War Memorial. The 2013 Lease Agreement outlined requirements for capital funding in the amount of \$10 million. Although the 2017 Contribution Agreement replaced the 2013 Lease Agreement, no capital requirements were included. At this time, Milwaukee County has met and exceeded the \$10 million capital funding requirement laid out in the 2013 Lease Agreement.

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.

YEAR	ORIGINAL FUNDING	PROPOSED FUNDING	DIFFERENCE
2020	\$486,000	\$700,000	\$214,000
2021	\$486,000	\$700,000	\$214,000
2022	\$486,000	\$700,000	\$214,000
2023	\$486,000	\$700,000	\$214,000
2024	\$442,000	\$700,000	\$258,000
2025	\$398,000	\$700,000	\$302,000
2026	\$354,000	\$700,000	\$346,000
2027	\$310,000	\$700,000	\$390,000
2028	\$266,000	\$700,000	\$434,000
2029	\$222,000	\$700,000	\$478,000
2030	\$178,000	\$700,000	\$522,000
2031	\$134,000	\$0	(\$134,000)
2032	\$90,000	\$0	(\$90,000)
2033	\$46,000	\$0	(\$46,000)
TOTAL	\$4,384,000	\$7,700,000	\$3,316,000

- C. Because the resolution only addressed funding for the War Memorial from 2020-2030, there are no budgetary impacts for the current year. For subsequent years, policy makers will need to determine how they wish to account for the increased funding. It should be noted that the proposed funding amendment would discontinue payments to the War Memorial beginning in 2031. This would result in a total savings of \$260,000 for the years 2031 to 2033.

The total cost to the County for the years 2020 through 2033 in the original Contribution Agreement total \$4,384,000. The proposed funding increases this amount by \$3,316,000 for a total of \$7,700,000.

- D. No assumptions or interpretations were used.

Department/Prepared By Emily Petersen, Research & Policy Analyst, Office of the Comptroller

Authorized Signature Emily Petersen

Did DAS-Fiscal Staff Review? Yes No

Did CDBP Review?² Yes No Not Required