



# City of Milwaukee Fiscal Impact Statement

**A** **Date** 10/20/2017 **File Number** 171054  **Original**  **Substitute**

**Subject** Resolution authorizing the sale and issuance of general obligation promissory notes in the aggregate amount of \$70,000,000 to pay a current municipal expense.

**B** **Submitted By (Name/Title/Dept./Ext.)** Richard Li, Public Debt Specialist, Comptroller, x2319

**C** **This File**

- Increases or decreases previously authorized expenditures.
- Suspends expenditure authority.
- Increases or decreases city services.
- Authorizes a department to administer a program affecting the city's fiscal liability.
- Increases or decreases revenue.
- Requests an amendment to the salary or positions ordinance.
- Authorizes borrowing and related debt service.
- Authorizes contingent borrowing (authority only).
- Authorizes the expenditure of funds not authorized in adopted City Budget.

**D** **Charge To**

- Department Account
- Capital Projects Fund
- Debt Service
- Other (Specify) \_\_\_\_\_
- Contingent Fund
- Special Purpose Accounts
- Grant & Aid Accounts

	Purpose	Specify Type/Use	Expenditure	Revenue
<b>E</b>	Salaries/Wages		\$0.00	\$0.00
			\$0.00	\$0.00
	Supplies/Materials		\$0.00	\$0.00
			\$0.00	\$0.00
	Equipment		\$0.00	\$0.00
			\$0.00	\$0.00
	Services		\$0.00	\$0.00
			\$0.00	\$0.00
	Other	Municipal Expense	\$70,000,000.00	\$0.00
		Contingent Borrowing	\$0.00	\$70,000,000.00
	<b>TOTALS</b>		<b>\$70,000,000.00</b>	<b>\$70,000,000.00</b>

**F**Assumptions used in arriving at fiscal estimate. 5 year borrowing at 3.00%**G**

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

- |   |   |  |
|---|---|--|
| <input checked="" type="checkbox"/> 1-3 Years | <input checked="" type="checkbox"/> 3-5 Years | <u>\$2,100,000/yr of interest (\$70,000,000 at 3.00% for 5 years.</u>  |
| <input checked="" type="checkbox"/> 1-3 Years | <input checked="" type="checkbox"/> 3-5 Years | <u>\$5,600,000 annual reduction in expenditure (\$70,000,000 at 8% for 1 year early payment)</u>   |
| <input type="checkbox"/> 1-3 Years            | <input checked="" type="checkbox"/> 3-5 Years | <u>\$70,000,000 principal expense in 5<sup>th</sup> year, offset by \$70,000,000 reduction in payment (due to early payment). Assumes program is not reauthorized.</u> |

**H**

List any costs not included in Sections D and E above. \_\_\_\_\_

**I**

Additional information. \_\_\_\_\_

**J**This Note  Was requested by committee chair.