

## MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 12/30/16

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Report from the Chief Information Officer, Information Management Services Division (DAS-IMSD), on a professional service contract amendment with Northwoods Software to provide additional services for redesign of the County's web presence.

**FISCAL EFFECT:**

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| <input checked="" type="checkbox"/> No Direct County Fiscal Impact<br><input checked="" type="checkbox"/> Existing Staff Time Required<br><input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input type="checkbox"/> Absorbed Within Agency's Budget<br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><input type="checkbox"/> Decrease Operating Expenditures<br><input type="checkbox"/> Increase Operating Revenues<br><input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><input type="checkbox"/> Decrease Capital Expenditures<br><input type="checkbox"/> Increase Capital Revenues<br><input type="checkbox"/> Decrease Capital Revenues<br><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
<b>Operating Budget</b>	Expenditure		
	Revenue		
	Net Cost		
<b>Capital Improvement Budget</b>	Expenditure		
	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.<sup>1</sup> 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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<sup>1</sup> 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.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.

- A. The approval of the requested action will allow IMSD to compensate Northwoods Software for additional consulting services for the redesign/rebuild of the County's web presence. This action will result in charges to Capital Project WO632. The overall budget for this project was set at \$450,000.00, with \$134,245.00 allocated for contingency. The \$930.00 amendment to the Northwoods Software PSA will be covered by contingency funds.
- B. The Northwoods Software PSA is valued at a total of \$194,155.00. The additional \$930.00 amendment is based upon an estimated work effort to add one Focus Group to the design considerations. The total amended value of the contract will not exceed \$195,085.00. Contingency funds in Capital Project WO632 are available to cover this additional cost.
- C. Capital Project funds from W0632 were encumbered in 2016 to pay for professional services provided by Northwoods. All services provided to Milwaukee County by Northwoods Software under the Professional Service Agreement are related to Capital Project WO632: Internet / Intranet Redesign Project. The requested action will result in additional charges to Capital Project WO632. Work performed by Northwoods was contemplated by the 2016 capital project and its budget item. These charges will be paid from Capital Project WO632's contingency fund of \$134,245.00.
- D. IMSD used the vendor's proposed rates to estimate costs related to this project. The information provided on this form is based on the currently defined project scope and on the vendor's proposal. Additional modifications to scope could increase the value of the contract with Northwoods Software.

Department/Prepared By IMSD/Laurie Panella, CIO

Authorized Signature



Did DAS-Fiscal Staff Review?  Yes  No

Did CDBP Review?<sup>2</sup>  Yes  No  Not Required