

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 6/4/2014

Original Fiscal Note

Substitute Fiscal Note **X**

SUBJECT: Request to Update Milwaukee County General Ordinances Chapters 32,44,46,56 and 110

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| X Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| X Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

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	\$21,000	\$21,000
	Revenue		
	Net Cost	\$21,000	\$21,000
Capital Improvement Budget	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.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 updates to Milwaukee County General Ordinances Chapters 32, 44, 46, 56 and 110 to clarify and unify the appeal procedures for all county contracts and bids and to provide further direction to Department Heads in the preparation and execution of RFPs.

The recommended changes include a provision to create a pool or panel of reviewers which will hear reviews. The individuals are appointed by the County Executive with confirmation by the County Board. The reviewers must have experience with procurement or legal issues related to procurement. They serve three year terms and may be re-appointed. The reviews are assigned by alphabetical rotation among the reviewers. The reviewers are entitled to payment of an hourly rate set by the budget or, if not set in the budget, set by the Procurement Director. The County authority and the party that requested the review are each responsible for one-half of the cost of review. A requester must pay a \$1,000 deposit towards those costs.

Assuming that three reviews will be heard annually by the panel for an average of 10 days at \$175/hour, the resulting total cost is \$42,000 which would be split by the County and the aggrieved party. The County's share would then be approximately \$21,000. The actual incurred costs will be dependent upon the number and length of the reviews that occur within any given year.

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.

There is no appropriation for the anticipated costs in 2014. Therefore, these costs would either have to be absorbed within a department's budget or paid for through contingency funds. Future funding would be determined in subsequent annual budgets.

Department/Prepared By Molly Pahl

Authorized Signature



Did DAS-Fiscal Staff Review? Yes No

Did CDBP Review?² Yes No Not Required