

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** February 28, 2024

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** A resolution supporting the in-sourcing of correctional commissary services effective July 1, 2024 and transferring \$823,284 from Agency 1940-1945 - Appropriation for Contingencies to the Community Reintegration Center (\$712,069) and Office of the Sheriff (\$111,215) for the purposes of creating five new staff effective March 31, 2024 and providing project funds to effectuate the transition

**FISCAL EFFECT:**

- |  |   |
|--|---|
| <input type="checkbox"/> No Direct County Fiscal Impact<br><input type="checkbox"/> Existing Staff Time Required<br><input checked="" 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 checked="" 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 checked="" 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	\$823,284	\$307,011
	Revenue	\$0	\$0
	Net Cost	\$823,284	\$307,011
<b>Capital Improvement Budget</b>	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.<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.

- A. Approval of this resolution will support the in-sourcing of commissary and trust accounting services to the residents housed at the Community Reintegration Center (CRC) and the Criminal Justice Facility (CJF) beginning on July 1, 2024 or as soon as feasible. The resolution also creates five new positions of Stores Clerk 1 to effectuate the in-sourcing. Three of the positions are created in the CRC (Agency 430 - CRC) and two at the CJF (Agency 400 – Office of the Sheriff). The positions are created effective Pay Period 8, beginning March 31, 2024. They are created in pay grade NR12 (\$30,306 to \$45,427). The positions are budgeted at the top of the pay grade (\$21.84 per hour).

The resolution would also provide \$637,925 to the CRC for project management, technology resources, training, equipment, and contingencies, as identified in [File No. 23-434](#). The 2024 cost of the positions for salary and social security, \$185,359 (\$74,144 for MCSO & \$111,215 for CRC) and the \$637,925 in start-up costs would be covered by an \$823,284 allocation from Agency 194-1945 - Appropriation for Contingencies to the departments. It should be noted that the Correctional Commissary In-Sourcing report contained in File No. 23-434 anticipated nine new positions would be needed to in-source this function. This resolution creates five of those positions and does not create four Correctional Officer positions (two at each department) called for in the 2023 staff report.

- B. The cost of this initiative is expected to be \$823,284 in 2024 for salary and startup costs and \$307,011 for ongoing salary (\$250,361) and licensing (\$56,650) costs in 2025. Salary and licensing costs are expected to continue in subsequent years with adjustments for inflationary costs.

---

<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.

- C. The budgetary impact for 2024 is expected to be \$823,284. To the extent monies from the Appropriation for Contingencies are used, it either reduces the year-end countywide budget surplus or increases its deficit.
- D. It is assumed the cost estimates used in File No. 23-434, the Correctional Commissary In-Sourcing report, issued in March 2023, have not changed.

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