

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: March 31, 2023

Original Fiscal Note ☒

Substitute Fiscal Note ☐

SUBJECT: A Request from the Director of Audits for Passive Review of Amendment 3 of a Professional Services Agreement that Exceeds \$100,000 but is less than \$300,000 for assistance with Milwaukee County's Annual Consolidated Financial Report for the Year Ended December 31, 2022

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 |
| <input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input checked="" type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> 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	\$24,180	\$24,180
	Revenue	0	
	Net Cost	\$24,180	\$24,180
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. *The Director of Audits is requesting authorization to enter into Amendment 3 of the ACFR Assistance professional services agreement with Baker Tilly for assistance with the ACFR for the year ended December 31, 2023. Issuance of the ACFR enables the County to borrow funds, obtain federal and state funding, and remain accountable to citizens, significantly contributing to the County's fiscal health and sustainability.*
- B. *Approval of Amendment 3 to the ACFR Assistance contract will result in total costs of \$70,000 for the 2023 fiscal year for the additional services being provided. If the same services are provided by the vendor in 2024, the cost will likely be the same or higher due to inflation.*
- C. *The budget for Agency 370 contains \$45,820 specifically for these services. Approval of Amendment 3 to the ACFR Assistance contract will increase expenditures by \$24,180 but the Comptroller will reduce overall spending in other areas to offset these costs.*
- D. *No assumptions or interpretations were made.*

Department/Prepared By Paul Grant

Authorized Signature



Did DAS-Fiscal Staff Review? ☐ Yes ☒ No

Did CBDP Review?² ☐ Yes ☐ No ☒ Not Required

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.