

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** June 21, 2022

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** A report from the Director, Office of the Comptroller – Audit Services Division, requesting approval to execute Amendment 1 to the multi-year countywide audit services contract with Baker Tilly US, LLP. Amendment 1 increases the contract \$30,000 from \$361,078 to \$391,078 to compensate Baker Tilly US, LLP for the Single Audit review of up to six additional programs associated with federal Covid-19 funding received by Milwaukee County and incorporates updated language required by professional auditing standards.

**FISCAL EFFECT:**

- X No Direct County Fiscal Impact  Increase Capital Expenditures
- Existing Staff Time Required  Decrease Capital Expenditures
- Increase Operating Expenditures (If checked, check one of two boxes below)  Increase Capital Revenues
- X **Absorbed Within Affected Agency’s Budgets**  Decrease Capital Revenues
- Not Absorbed Within Agency’s Budget
- Decrease Operating Expenditures  Use of contingent funds
- Increase Operating Revenues
- 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.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<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. Amendment 1 increases the multi-year countywide audit services contract \$30,000 from \$361,078 to \$391,078 for contract year 2022 to compensate Baker Tilly US, LLP for the Single Audit review of up to six additional programs associated with federal Covid-19 funding received by Milwaukee County and incorporates updated language required by professional auditing standards.*

*B. A maximum of an additional \$30,000 would be expended to compensate Milwaukee County's external auditors. Funding would be provided from federal Covid-19 related funds received by affected departments for 2022. This amount was determined through negotiations with Baker Tilly US, LLP.*

*C. No budgetary impact.*

*D. No assumptions or interpretations were made.*

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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.

Department/Prepared By Office of the Comptroller - Audit Services Division/Paul Grant

*Jennifer A. Falliard*

Authorized Signature \_\_\_\_\_

Did DAS-Fiscal Staff Review?  Yes  No

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